

Port of Olympia Commission

Delegation of Authority to the Executive Director (Draft)

Preamble

The Port of Olympia (the “Port”) is a municipal corporation of the State of Washington created to foster trade, economic development, environmental stewardship protection and restoration, and community benefit within Thurston County and the South Sound region. The Port operates with both governmental and commercial powers and is committed to transparency, accountability, equity, and responsible stewardship of public resources.

The Port operated within the sensitive ecosystems of the South Puget Sound and recognizes its responsibility not only to minimize environmental harm but also to protect and restore natural resources affected by past and present development. Protection and restoration of water quality, marine and shoreline habitat, air quality, and climate stability are core public responsibilities that guide Port governance and operational decision-making

All authority of the Port is vested in the Port Commission acting as a public body. By this Delegation of Authority (“Delegation”), the Commission delegates specific responsibilities and authorities to the Executive Director, establishes clear governance and management roles, and provides a framework for effective, timely, and accountable operations.

Section I. Objectives of the Delegation

A. Clarity and Alignment

1. The Commission governs the Port, directs all intergovernmental policy functions and oversees the Executive Director.
2. The Commission and Executive Director develop the Port’s overall vision, strategies, objectives, policy directives, long range plans, major programs, and budgets.
3. The Executive Director manages day-to-day operations, executes Commission-adopted policies and plans, and advises the Commission.

B. Transparency and Accountability

This Delegation specifically allows for the development and adoption of Commission policies to guide the Port’s efforts in pursuit of its strategic objectives. The Commission policies:

1. Provide high-level guidance about how the Port does its work based on public values and applicable laws, rules and regulations;

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2. Inform operational policies regarding specific functions at the Port and set appropriate limits; and
3. Establishes clear decision thresholds and reporting expectations to ensure public accountability, legal compliance, and effective internal controls.

C. Strategic Execution

The Delegation supports implementation of the Port of Olympia's strategic plans and Commission priorities through measurable objectives, performance reporting, and regular communication.

D. Empowered Management

Clear responsibilities and authorities will enable the Commission and the Executive Director to work in concert and be effective.

E. Environmental Protection and Restoration

The Commission affirms that environmental protection and restoration are fundamental responsibilities of the Port as a public agency managing shoreline, marine and upland resources. In exercising delegated authority, the Executive Director shall ensure that Port operations, projects, leases and agreements comply with applicable environmental laws and advance the Port's environmental protection, habitat restoration, and climate objectives.

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Section II. Roles and Responsibilities

A. Commission Responsibilities

Governing the Port of Olympia as its elected body, the Commission shall:

1. Represent the Port to the public and other governmental entities.
2. Establish the Port's positions regarding public policy, legislation, and strategic direction.
3. Appoint and regularly evaluate the performance of the Executive Director.
4. Adopt the annual operating and capital budgets and the annual property tax levy.
5. Approve major programs, projects, real property transactions, interlocal agreements, and collective bargaining agreements.
6. Oversee audit functions, legal matters reserved to the Commission, and Port indebtedness.
7. Reserve to itself all authority not expressly delegated herein.

B. Commission Work with Executive Director

Guiding the Port of Olympia and together with the Executive Director, the Commission shall:

1. Develop, adopt, and refine the long-term goals of the Port and review mid-term strategic objectives and their KPIs.
2. Develop, adopt, and amend Policy Directives.
- 2-3. Develop, adopt and periodically review policies and strategic objectives addressing environmental protection, restoration, climate impacts associated with Port operations, facilities and properties.
- 3-4. Direct the Port's advocacy regarding public policies, legislation, and regulation.
- 4-5. Consider and authorize new enterprises and initiatives.
- 5-6. Consider, authorize, and modify major programs and projects.
- 6-7. Consider and approve the settlement of any legal claim except as delegated to the Executive Director and General Counsel.
- 7-8. Consider and adopt annual operating and capital budgets.
- 8-9. Consider and adopt annual salary and benefit resolutions.
- 9-10. Consider and approve collective bargaining agreements.
- 10-11. Consider and authorize Interlocal Agreements.
- 11-12. Consider and authorize the acquisition and sale of real property and other capital assets except as delegated to the Executive Director.
- 12-13. Consider and establish industrial development districts and utilities.
- 13-14. Consider and approve assignment of defense counsel for any officer, employee or agent of the Port as authorized by law, except as delegated in Section 7.2.1.

C. Executive Director Responsibilities

Serving the Commission and managing the Port, the Executive Director shall:

1. Implement Commission policies, strategic plans, and adopted budgets.
2. Direct and supervise all Port operations, enterprises, and staff.
3. Prepare and recommend budgets, programs, projects, and policy proposals.
4. Execute contracts, agreements, and other documents within delegated authority.

5. Negotiate collective bargaining agreements and administer Commission-approved final agreements.
6. Represent the Port to tenants, customers, partners, and stakeholders.
7. Establish internal administrative, financial, and operational policies consistent with Commission directives and applicable law.
8. Report regularly to the Commission on strategic objectives, performance indicators, risks, and emerging issues.
9. Determine the organizational structure of the organization.
10. Establish operational, administrative, monetary and contractual policies, delegations, rules, tariffs, regulations and procedures in accordance with this Delegation, approved Policy Directives and applicable laws and regulations.
11. Apply for and accept grants and other funds from federal, state or local governments within delegated limits.
12. Prepare and submit applications for permits, regulatory approvals, entitlements and other authorizations associated with facilities and projects, and ensure compliance with subsequent permit obligations.
13. Negotiate and obtain appropriate policies of insurance to cover Port property, liability, employee wages, and other areas appropriately included within a comprehensive insurance program.

14. Ensure that Port operations, development projects, and tenant activities comply with applicable environmental laws and permits and support the protection and restoration of water quality, shoreline and marine habitat, air quality, and climate stability, and integrate environmental considerations into project planning, leasing, procurement, and operational practices while identifying feasible opportunities to restore habitat, improve ecological function, or reduce legacy environmental impacts.

~~14-15.~~ Carry out additional responsibilities as may be further delegated.

Section III. Real Property Agreements

1.1 Scope

This Section applies to all agreements or transactions involving the use of Port of Olympia real property, including leases, licenses, easements, permits, rights of entry, concession agreements, operating agreements, and agreements for the Port's use of property owned by others.

1.2 General Policies

All Port real property shall be used pursuant to a written agreement approved and executed in accordance with this Delegation, Port policies, and applicable law. The Executive Director is authorized to negotiate agreements, obtain appraisals when required, ensure appropriate security and insurance, and obtain legal review prior to execution.

Agreements involving the use of Port property shall require compliance with applicable environmental laws and permits, and may include provisions addressing pollution prevention, stormwater management, hazardous materials handling, shoreline protection, and other measures that support environmental protection and restoration where appropriate.

1.3 Executive Director Authority

The Executive Director may approve and execute real property agreements **except for the following**, which the Commission approves:

- a) Leases with a duration of over a year.
- b) Flex spaces with a lease of over one year.
- c) Assignment of long-term leases.
- d) Agreements that impose financial obligations on the Port for improvements.

Section IV. Real Property Acquisition, Sale, and Street Vacations

2.1 Appraisals

The Executive Director may obtain appraisals necessary to evaluate acquisitions, sales, leases, or easements.

2.2 Acquisitions

Following Commission approval, the Executive Director may complete acquisitions of real property, including execution of closing documents, provided the purchase price does not materially exceed the appraised value without further Commission approval.

2.3 Sales

Following Commission approval, the Executive Director may complete the sale or conveyance of Port real property and execute all necessary documents.

2.4 Street Vacations

The Executive Director may apply for street or right-of-way vacations ancillary to Port development within limits established by Commission policy.

Section V. Projects

3.1 Project Authority

Projects may include capital or expense work undertaken to provide a product or service or to develop, improve, maintain, or restore Port facilities or environmental resources. Routine operations are excluded.

3.2 Preliminary Work

The Executive Director may authorize planning, design, analysis, and other preliminary work within dollar limits established by Commission-approved budgets.

3.3 Project Approval

Projects exceeding budgeted thresholds require Commission approval of additional scope and budget. The Executive Director may execute contracts and administer projects once approved.

3.4 Project Changes

Material scope or budget increases beyond approved limits require additional Commission authorization.

3.5 Emergency ~~and Critical Work~~

The Executive Director may authorize emergency work or work that must be undertaken immediately to prevent significant environmental damage, significant damage to Port assets, or interruption of essential Port operations, or critical work to protect public health, safety, or Port assets, consistent with RCW requirements, with prompt notice and subsequent ratification by the Commission.

Section VI. Contract and Procurement Administration

The Executive Director is authorized to procure and administer contracts for public works, goods, services, professional services, and personal services in accordance with RCW, Port procurement policies, and delegated dollar limits. Bid protests, competition waivers, and contract amendments shall be handled pursuant to Port policy and law.

The Executive Director is authorized to enter into contracts ***other than the following***, which the Commission approves:

- A. Small works, purchased service and public works contracts over \$300,000.
- B. Change orders when not-to-exceed amounts exceed \$300,000 or exceeds a Commission-approved contract by more than 10%.
- C. Operational Personal Service Contracts over **\$5075,000**.

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D. Non-operational personal service contracts over \$5025,000.

E. Acceptance of grants for programs not in the budget or Capital Investment Plan.

F. Acceptance of grants that require a port contribution of new funds.

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Section VII. Goods, Services, and Other Agreements

The Executive Director may execute agreements not otherwise addressed in this Delegation that promote Port operations or efficiency, including non-disclosure agreements and interagency agreements, within monetary limits and subject to legal review.

Section VIII. Utilization of Port Crews

The Executive Director may utilize Port employees and crews for operations, maintenance, and authorized projects consistent with labor agreements and Commission policy. New construction or major facility modifications exceeding delegated limits require Commission approval.

Section IX. Legal Services, Claims, and Representation

The Executive Director manages legal services, litigation, claims, settlements, and engagement of counsel or experts, consistent with RCW and within delegated monetary limits. Matters exceeding those limits or involving significant policy implications require Commission approval. The Commission shall be kept informed of material legal matters.

Section X. Financial Administration and Property Management

8.1 Accounts Receivable

The Executive Director may adjust or write off accounts receivable for valid operational reasons within limits established by Commission policy.

8.2 Sale of Personal Property

The Executive Director may sell surplus personal property in accordance with RCW and annual Commission authorization.

Section XI. General Interpretation

1. **Statutory References:** References to law mean the cited statute as amended or succeeded.
2. **Dollar Limits:** All monetary thresholds are inclusive of taxes and may be amended by Commission action.
3. **Reporting:** Actions taken under this Delegation shall be reported to the Commission as required.
4. **Severability:** If any provision is held invalid, the remainder shall remain in effect.

This Delegation of Authority is intended to provide a clear governance framework for the Port of Olympia and shall be reviewed periodically by the Commission.