



Port Maritime Center

Best Practices for Interlocal Agreements: How the Port of Tacoma and Tacoma School District are Building a Maritime Business and Education Campus

By

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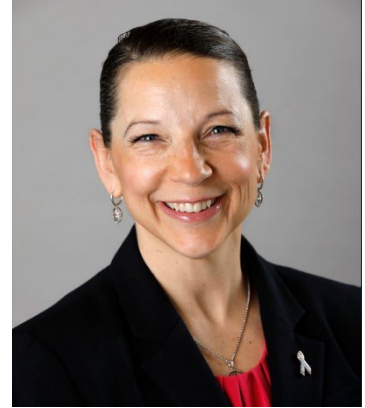
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About the Author

Alisa Praskovich is the Chief of Strategic Projects and Commission Relations for the Port of Tacoma, WA where she oversees the Port's strategy development and implementation, and the Port's Communications, Government Affairs and Real Estate departments. In this role Alisa also leads the Port's major strategic initiatives centered on economic development, workforce development, business continuity, incident management, and digital transformation.



Prior to her role at the Port of Tacoma, Alisa served as Crowley Maritime's Vice President of Corporate Safety and Security, overseeing safety, security, sustainability, real estate and regulatory affairs for the privately held maritime company with \$2.5B in annual revenue, 6,000 employees, a fleet of over 200 vessels, and 120 facilities. Her time here included establishing Crowley's first ever emissions inventory and net zero target strategy.

Alisa retired as a Commander from the U.S. Coast Guard in 2016, with a career predominately in the Marine Safety or Prevention program area. Her first years were spent based out of Seattle, WA with Deck Watch Officer tours aboard the Cutters MIDGETT and MARIPOSA. Other marine safety tours included Duluth, MN and Jacksonville, FL, and a unique assignment as an Ocean Policy Advisor for President Obama's administration.

Alisa has a Bachelor of Science in Biology from Eckerd College, and a Master of Arts in Marine Affairs from the University of Washington. She is a Pittsburgh, PA native and remains an avid Steelers and Penguins fan.

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Abstract

This paper will highlight how local government agencies, including municipal port authorities, can effectively utilize interlocal agreements (ILA) to achieve a common goal. This case study will specifically highlight how the Port of Tacoma (Port) and Tacoma School District (TSD) entered into an ILA to plan, design and gain approval to deliver the Port Maritime Center – a 20-acre campus that will include the Port’s new administrative offices and Maritime 253, Pierce County’s first Maritime Skills Center. Information provided herein will demonstrate how each agency leveraged its unique relationships, expertise, resources and certifications to begin delivery of a transformational initiative whose impact will be felt for generations to come. Also provided is important background information and rationale for embarking on such an ambitious project, while drawing comparisons and insights from other port capital projects and workforce development initiatives.

The objective of this paper is for port professionals to understand the value and “how to” of ILAs as an effective tool for project or service delivery. Templates and other helpful resources will be shared.

A secondary objective of this paper is to understand the basics of progressive design-build (PDB) delivery methods for capital projects, as this is becoming an increasingly popular method for public agencies seeking enhanced cost certainty, on time delivery and project risk mitigation – especially in cases where two or more government agencies are funding the project under an ILA.

Lastly, this paper tells a story of how two teams are working tirelessly to deliver a first of its kind maritime skills center for Pierce County, the second largest county in Washington.

Background and History

Washington State has codified into law the Interlocal Cooperation Act (Revised Code of Washington Chapter 39.34) to authorize how public agencies can contract with other public agencies via interlocal agreements (ILA) that enable cooperation in the delivery of public services (Interlocal Cooperation Act, 1967).

The Port of Tacoma (Port) has a long history of entering into ILAs with a variety of agencies such as cities and counties and with its sister organization, The Northwest Seaport Alliance. Historically, ILAs have worked toward solving resource-constrained challenges, such as addressing homelessness, stormwater management, public utilities and easement projects. Recently, there have been advancements in the use of ILAs to support maritime workforce development initiatives such as the Port of Seattle's ILA with Highline Public Schools in 2021, which provided \$200,000 for development of curricula focused on port-related industries (Port of Seattle, 2021).

As of 2022, there was not a single school district focused on a port or maritime-related curriculum in Pierce County, the second largest county in Washington. There are a substantial number of trade schools focused on skilled labor in the construction, electrical, welding and plumbing industries however, despite a rich maritime history in Pierce County, there are no maritime-specific programs. Recognizing this as a critical gap, the Tacoma School District (TSD) stepped into a leadership position and began the planning process to build a maritime skills center serving high school students in the greater Pierce County area. However, it was missing one key component in this endeavor – land to build the school on!

Port Maritime Center: It's Origins and Purpose

TSD's Superintendent approached the Port's Executive Director in Fall 2022 to discuss the potential of a partnership with the Port to build a new maritime skills center, specifically around their real estate need. In November 2022, the Port and TSD signed a partnership agreement to develop a maritime and logistics skills center, noting the urgent need to "... prepare a future maritime workforce and sustain our state's competitive edge requires an

integrated approach of high school and college-level curriculum that results in the attainment of relevant industry-recognized credentials, certifications and training.” (Port of Tacoma, 2022).

The partnership agreement laid out anticipated roles for each entity. The Port, as an in-kind contribution, would identify real estate within its current or future portfolio and negotiate a long-term lease with TSD. TSD would dedicate a minimum of \$10M to the construction of the skills center and provide in-kind construction management services for the entire project (Port of Tacoma, 2022). In formally advancing this partnership, both parties fully anticipated entering into an ILA to establish a legal basis and authority for the partnership and agency funding. The two agencies immediately began work on identifying a viable property on which to site the skills center and, coincidentally, the Port’s new administrative building. A Port-owned 20-acre parcel near downtown Tacoma, in the heart of Tacoma’s historical working waterfront, was identified as the ideal setting for this maritime campus. Figures 1 and 2 below show the historical and cultural attributes of the property.

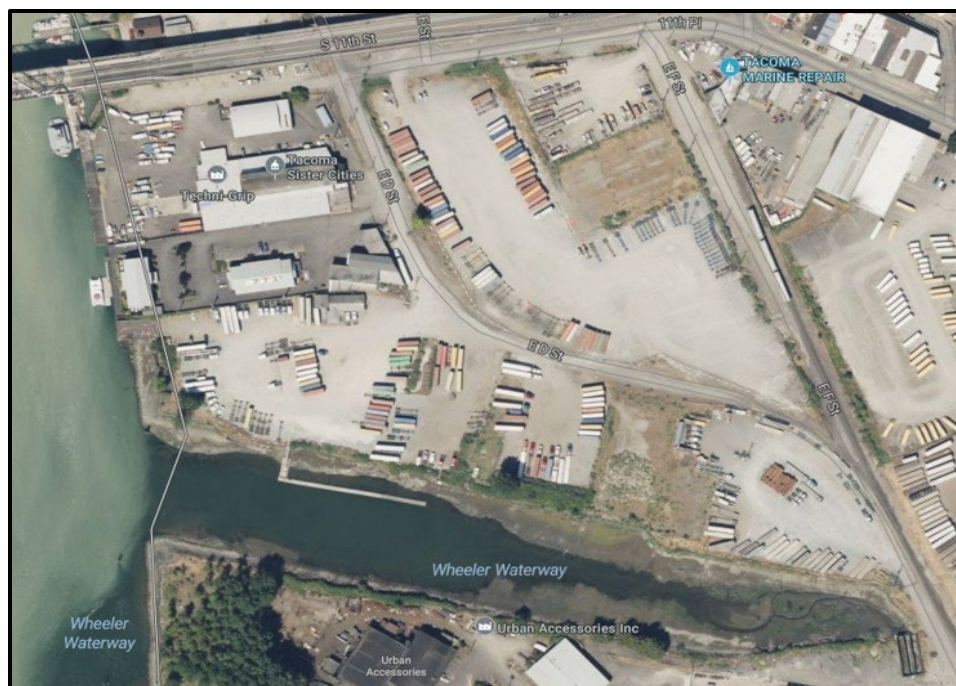


Figure 1. The future home of the Port’s 20-acre Maritime Center on Tacoma’s Wheeler Osgood Waterway. The property is bisected by a BNSF industrial rail line and was originally the fishing lands of Puyallup Tribe of Indians who own the adjacent land in the SE corner of the property known as “The Boot”.

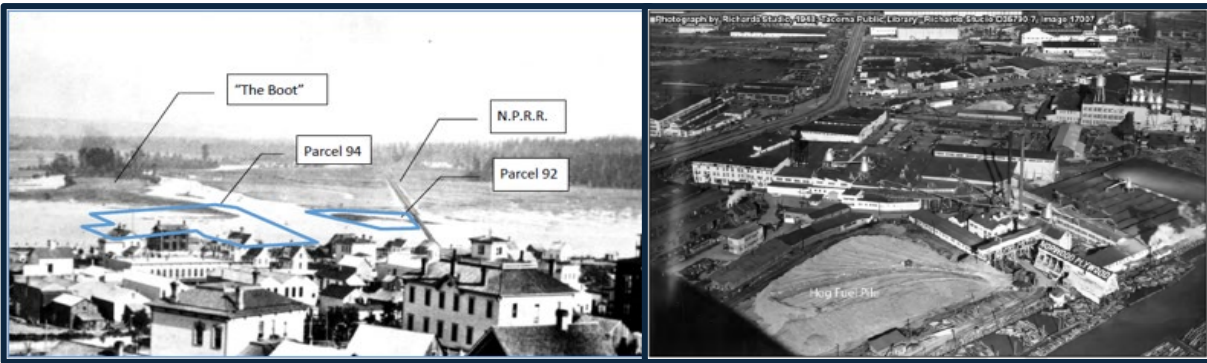


Figure 2. The photo on the left shows the historical Puyallup Tribe of Indians' tribal fishing village on the eastern portion of Parcel 94 – the Port's currently owned property and future home of the Port Maritime Center. On the right is a view of Parcel 94 when it was owned and operated by the Wheeler-Osgood Company mill from the late 1800s to 1959 when the property was destroyed by a massive fire. The mill produced doors and other millwork and left behind heavily contaminated soils and groundwater.

Having identified the property, in March 2023, the Port of Tacoma and TSD entered into an ILA to develop the Port Maritime Center campus that would include the maritime skills center and the Port's new administrative offices/business center (Port of Tacoma, 2023).

For more than ten years, the Port had been planning for the siting and building of a new administrative headquarters. The Port's current administrative building is more than 50 years old and takes up critical backlands that could be used for future terminal expansion. The building is within a heavy industrial zone and became further isolated when the 11th Street overpass connecting the Port to downtown Tacoma was demolished for safety reasons. Figure 3 below illustrates the current and future location of the building.

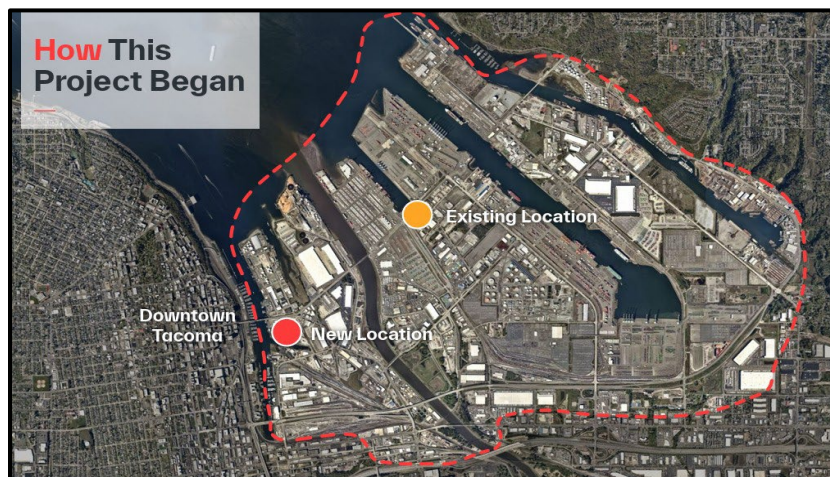


Figure 3. The Port of Tacoma's existing admin building location (yellow) and the new Port Maritime Center (red) showing proximity to downtown Tacoma.

The goal of constructing a new administrative building is included in the Port's 2021-2026 Strategic Plan, specifically strategy OS-4: "Plan, design and construct a new port staff workspace that also provides spaces for community engagement and mixed-use opportunities" (Port of Tacoma, 2021). In April 2022, the Port adopted a Workforce Development Strategic Plan outlining ten initiatives focused on advancing the maritime workforce in Pierce County, including providing financial support to the Tacoma School District (Port of Tacoma, 2024). These two strategic plans, as approved by Port Commission, would prove essential to approving the ILA, and gaining the authorization and transparency needed to build the Port Maritime Center.

One of the primary objectives of the initial ILA was to provide a legal framework for the Port and TSD to initiate planning and development, including site evaluation and final selection, as well as formalize the Port's environmental remediation responsibility, making the site "pad ready" for the new buildings. This was a complicated remediation project, with more than 125 borings for soil and groundwater completed in addition to several 6-meter borings done as part of a cultural resource survey done by the Port in partnership with the Puyallup Tribe of Indians (Figure 4).



Figure 4: Site survey area of the Port Maritime Center. Given the adjacent Puyallup Tribe of Indians property and historical industrial use of the property, extensive surveys of the site were done to identify soil and groundwater contamination as well as a cultural resources survey. The blue dots denote cultural resource borings, while the purple, yellow and orange dots represent environmental sampling. Ultimately the Port would remediate the entire 20-acre parcel, at a cost of over \$10M.

Behind the scenes, TSD began fundraising, hiring staff, program development, and establishing a stakeholder advisory group. The skills center was named “Maritime 253” in reflection of the Pierce County area code it will serve. As part of TSD’s Career and Technical and Education Department, Maritime 253 will provide hands-on, career-driven training at no cost to junior- and senior-level high school students from across all of Pierce County (Tacoma School District, 2025). Maritime 253 will educate, train and certify 600 high school students per year in six focus areas – each of which support future employment in the maritime industry (Figure 5).



Figure 5. Maritime 253's six curriculum Focus Areas. Each day 600 high school students from grades 11 and 12 will cycle through the program.

The Port Maritime Center site not only includes two new buildings but will also provide public access along the waterfront with a new esplanade, as well as a 200 ft floating dock. Water access was a high priority of the project, not only for the public, but for students as well. The site will support dock space for oceanographic research vessels, the Youth Marine Foundation's vessel, and sustainability research, in addition to providing a launch area for the Port's public boat tours and supporting police, fire department or other such government boats, as needed (see Figure 6).



Figure 6. Rendering of the Port Maritime Center's 200 ft floating dock, adjacent to the Port's Business Center on the Thea Foss waterway near downtown Tacoma.

As the project gained traction, the initial ILA needed updating to authorize next steps, including final site selection, solicitation and selection of a design-build team, gaining Washington State approval for alternative project delivery (progressive design-build), establishing funding and payment procedures, and contracting arrangements. The Port and TSD entered into another ILA in August 2023, to carry the project onto its next phase (Port of Tacoma, 2023).

After an extensive selection process, the Port and TSD selected TCF Architecture and BNBuilders to design and deliver the Port Maritime Center project using the progressive design-build process. Design and cost estimating work began in earnest and by early 2024 a campus design was beginning to take shape (Figure 7).



Figure 7. Early schematic of the Port Maritime Center from late 2023. At this time the Port had not yet purchased the six-acre parcel in the NW corner of the site. The Puyallup Tribe of Indians “Boot” area is depicted in the SE corner.

Throughout the rest of 2023 and into 2024, several additional ILAs were implemented as key project milestones were met, from environmental remediation, final design and cost estimating to real estate agreements with TSD. These ILAs will be explored in more detail in Section III.

The Port Commission and TSD Board unanimously approved the \$153 million Port Maritime Center project in November 2024. In early January 2025, a public groundbreaking ceremony was held, officially kicking off the project’s construction. ILAs and the collaborative partnerships fostered between the Port, TSD and the design- build team were the backbone of this unique project. From conception to final design to the construction phase (of June 2025), the ILAs allowed both the Port and TSD to deliver on a complex project well beyond their individual capabilities. The greater Pierce County community has been extremely receptive to and excited about this project, which will not only support the future living wage jobs but serve as a catalyst for the revitalization of the east side of Tacoma’s downtown waterfront (Figures 8, 9 and 10).

Now that the history and story of the Port Maritime Center has been told, this next section will unpack ILAs – the why, what, and how – with the goal showing how any port could follow a similar roadmap.



Figure 8: Rendering of the Maritime 253 building – front view.



Figure 9: Rendering of the Maritime 253 building – rear view, including beach access.



Figure 10. Rendering of the Port administrative building/business center – front view.

What are Interlocal Agreements?

In its simplest form, interlocal agreements are legal agreements between two or more governments and involve collaboration on a specific project or services. They enable governments to contract with one another for a wide variety of purposes to draw upon limited resources and funding to the ultimate benefit of residents across the region.

The Interlocal Cooperation Act [hereinafter “The Act”], Chapter 39.34 RCW, is the WA State statutory framework for two or more public agencies to enter into interlocal agreements (Interlocal Cooperation Act, 1967). While a bit lengthy, it is worth sharing how the Act defines its purpose, as it really speaks to the benefits and intended purpose of the ILA to build the Port Maritime Center:

The purpose of the Act is to permit local government units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and developments of local communities (Interlocal Cooperation Act, 1967).

To establish clarity on what qualifies as eligible parties to enter into ILAs, public agencies as defined in RCW 39.34.020 are:

- A municipal corporation;
- A quasi-municipal corporation;
- A special purpose district;
- A local service district;
- A state agency;
- A federal agency;
- Any federally recognized Indian tribe; and
- Any government agency from another state.

Since TSD is a special purpose district and the Port is an independent municipal corporation classified as a special purpose district, the two parties may enter into an ILA based on the 39.RCW.34.020. Any powers and authority conferred by the Interlocal Cooperation Act are in addition to and supplemental to TSD’s and the Port’s other powers

and legal authority (Municipal Research and Services Center, 2025). At a minimum, the Act (39.RCW.34.030) requires that ILAs provide duration, form of the organization and management, purpose to be accomplished, manner of funding, how the agreement will be terminated and what happens to real or personal property owned by the interlocal organization. It is important to note that each agency's governing body must approve an ILA by resolution or ordinance (Interlocal Cooperation Act, 1967).

In this instance, the five, at-large, elected members of the TSD Board and five, at-large, elected Port Commissioners, had to approve each ILA and any subsequent amendments by a majority vote. Upon execution, the ILAs must be posted on an agency's website and made electronically retrievable. The Port Maritime Center ILAs passed unanimously with 5 to 0 votes by each board. The initial ILA is included in the Appendix for reference.

Nearly all states have similar statutory authority that serves as the basis for interlocal agreements. Texas and Florida were found to have the most similar statutory structure. Leveraging Microsoft's Copilot AI tool to assist in the research – searching “What other states in the United States have an Interlocal Cooperation Act” – the results were consistently twenty-nine (Copilot, 2025). Asking the same question using the ChatGPT AI tool, the results differed indicating that “All 50 U.S. states have some form of interlocal cooperation act” (ChatGPT, 2025). Thus, it is fair to assume that every U.S. state has similar legislation that any municipal port authority could leverage for projects or services. Due to increasingly scarce resources, and that ILAs offer a more flexible way to implement policy, ILAs are used extensively by local governments across the country (Rosenbaum, 2024). On the face of it, ILAs offer the public a perception of a win-win proposition in the face of scarce resources and mounting fiscal pressures.

Have Other Ports used ILAs for Maritime Education?

Research conducted for this paper did not reveal a specific ILA related to the advancement of maritime education, with the exception of the Port of Seattle. However, there were a substantial number of partnerships, shared workplans, lease agreements, etc. from port authorities across the U.S. – with the Houston Port Authority demonstrating a long track

record of maritime workforce development efforts. Both the ports of Seattle and Houston are highlighted below to draw comparisons to the Port's and TSD's efforts around developing the Port Maritime Center.

Key project leaders from the Port and TSD leveraged the work done by both Seattle and Houston to inform actual efforts on crafting the ILAs, community engagement plans, marketing and communication materials, and lease agreement language. The ports of Seattle's and Houston's efforts are highlighted briefly below.

Port of Seattle

Since 2021, the Port of Seattle has committed over \$625,000 in support of the Highline Public School District's Maritime High School through execution of two ILAs (Port of Seattle, 2021) (Port of Seattle, 2024). The primary objective of both ILAs is to provide the Highline School District with steady funding for instructional design development, community engagement, instructional staff development and annual reporting. The Maritime High School in Des Moines, WA, currently provides a curriculum focused on port-related industries from 9th to 12th grade. Focus areas include vessel operations, marine construction and marine science (Port of Seattle, 2024). The school does not have its own dedicated building and remains in its temporary location in Des Moines, WA. The Port of Seattle continues to search for a permanent home for the school. For the 2023 – 2024 school year, the high school enrolled 121 students (Highline School District, 2025).

The Port of Seattle has several other maritime workforce development initiatives, most especially around innovation and green jobs, and boasts an impressive list of active partnerships at the high school, college and foundation levels to support the growth of maritime industry professionals. For more information on all of the Port of Seattle's maritime workforce development initiatives, please visit: [Workforce Development | Port of Seattle](#).

Houston Port Authority

While Port Houston does not have an ILA with a school district to construct a maritime education facility, it does lease port property to San Jacinto College. The Port of Tacoma project team engaged with Port Houston's real estate team to better



understand the terms and conditions of the lease agreement, and what other resources beyond land are shared. San Jacinto College training center opened in 2016 in La Porte, TX, and boasts an impressive 45,000 sq ft building. The center is a U.S. Department of Transportation Maritime Administration designated Center of Excellence for Domestic Maritime Workforce Training and Education (San Jacinto College, 2024). The center has three full mission ship bridge simulators, engineering simulators, radar training, and liquid cargo handling training. As early as 2010, local maritime companies were driving the need for a Houston-based training facility given the fact that so many of their crew were being sent out of state for U.S. Coast Guard certifications (San Jacinto College, 2024). San Jacinto introduced the state's first associate degree program for maritime transportation. For more information please visit: [Maritime Certification in Houston - San Jacinto College](#).

Beyond leveraging its real estate portfolio to support maritime education, Port Houston dedicates substantial monies and staff time supporting maritime workforce development initiatives. Over the past few years, the port has invested more than \$5M in maritime education programs with fourteen local academic partners at the high school, college and university levels (Port of Houston, 2025). Of that list, Port Houston partners with eight high schools in seven different school districts. The Port and TSD teams were very impressed with Port Houston's robust workforce development initiatives and ability to tell their story online. Without question, Port Houston is an excellent resource for any U.S. port looking to

initiate educational partnerships. The Port of Tacoma team are planning a future site visit to the San Jacinto Maritime College Campus to learn best practices given the similarities and needs of our initiatives, e.g., a floating dock with water access, campus safety and security committee, etc.

Leveraging Interlocal Agreements to Deliver Projects

Now that the history and story behind the Port Maritime Center project has been established, as well as outlining the basic tenants of ILAs, the next section will explore why an ILA was integral to project initiation and ultimate completion of the Port Maritime Center.

Both the Port and TSD had a long history of using ILAs to pool resources in support of project or service delivery. TSD pursued a similar path in executing an ILA with the Metropolitan Park District of Tacoma in 2016, to lease land and restore a 69,929 sq ft facility to house its environmental education programming and activities for pre-school through twelfth grade (Metropolitan Park District of Tacoma, 2016). The Port's real estate team utilized this ILA, as well as the terms and conditions of the lease agreement with the Park District, as a model for the Port Maritime Center legal agreements.

Why Use an ILA to Deliver the Port Maritime Center Project?

ILAs represented a foundational method for the Port and TSD to work together to leverage shared resources and expertise to deliver the Port Maritime Center project. The core purpose of any ILA is to serve as a mutual benefit and enhance efficiency in serving communities (GovFacts, 2025). To put it simply, neither the Port nor TSD had the full financial or technical capacity to deliver this complex project on their own. Whether in the areas of real estate, state certification, project management, progressive design-build, or environmental permitting, each entity brought distinct strengths that were essential to the project's success. To specifically identify those unique attributes, each entity's contributions will be highlighted below to better understand the need for the ILA, drawing out the most significant and impactful items rather than providing an exhaustive list.

The Port's Contributions

- **Real Estate.** The Port owns approximately 2,300 acres of land. At the time discussions began with TSD about a potential partnership to support building a maritime skills center, all available Port land was within the Tacoma Tideflats – a heavy industrial zoned-area. Since 2020, the Port had been contemplating the potential of its 20-acre parcel on the Thea Foss Waterway, across from downtown Tacoma, as the location for its new administration building. However, the Puyallup Tribe of Indians (PTOI) had expressed concerns about this location, citing the potential disturbance of historically significant tribal fishing grounds. After the Port began discussions with TSD in late 2022, Port leadership recognized that the 20-acre parcel would be an ideal location for the Port Maritime Center and reopened dialogue with the PTOI to address their concerns and explore a path forward. As the project gained momentum, the PTOI ultimately expressed conditional support, provided that a comprehensive and extensive cultural resources survey and investigation be conducted on the site, with the Tribe working in close collaboration with the Port throughout the process.
- **Environmental Remediation Expertise.** The Port has an award winning, nationally recognized, environmental remediation team. Over the past forty years, the Port has remediated more than 1,200 acres of land, investing more than \$220 million in environmental remediation and cleanup efforts. In addition, the Port's permitting team has extensive in-water permitting expertise, with specializations in understanding how to permit shoreline and in-water remediation and construction projects. Knowing that the Port Maritime Center project would require extensive in-water remediation, dock removal and dock installation, the project would rely heavily on the Port's permitting expertise.
- **Planning and Zoning Expertise.** The Port Maritime Center project took flight just as the City of Tacoma was finalizing its Tideflats Subarea Plan, which includes the project site within its geographic boundaries. Locating the campus within a maritime-industrial zone presented many challenges, particularly the need to

demonstrate that the Port Maritime Center met the definitions of a water-dependent use. Given the official zoning designation of the parcels on the property, buildings had to be constructed in the S8 zone (see Figure 11), at least 200 ft from the waterline, and soil remediated to residential standards.

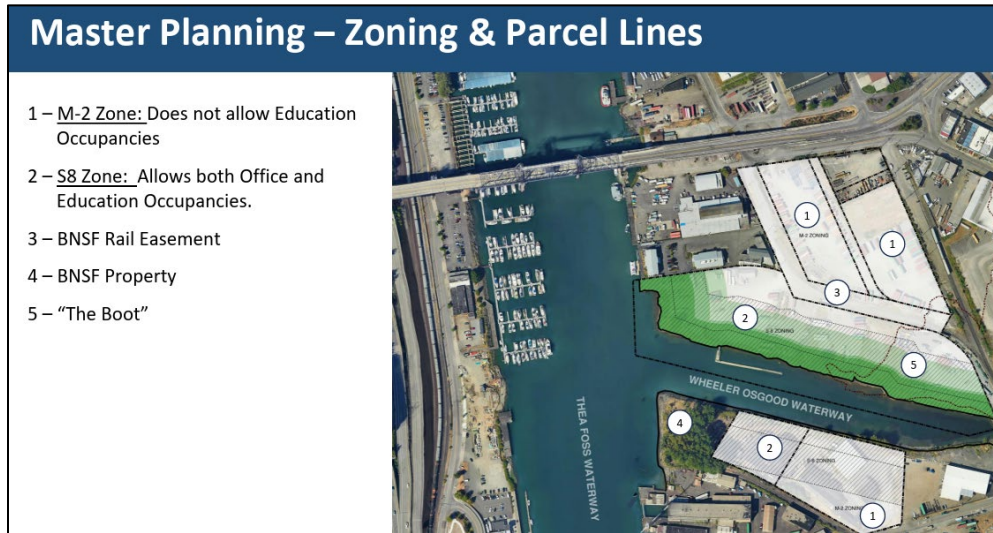


Figure 11. The City of Tacoma’s Tideflats Subarea Plan delineates zoning within the entire Tacoma Tideflats area, including the Port Maritime Center. The Port’s administration building and Maritime 253 would have to be constructed on zone 2 on the map, S/SW of the BNSF industrial rail track. This would later present challenges in having to relocate 1,000 ft of track, and secure a private crossing agreement with BNSF, as the parking lot area and buildings were bifurcated by the active rail line.

- **Real Estate Legal Expertise.** The Port’s legal counsel is an experienced real estate lawyer with extensive expertise and experience in ILAs, property law, environmental law, and tribal law. In addition, the Port’s counsel has a strong background in all phases of real estate, including acquisition, development, and permitting. What was most helpful in the Port Maritime Center project was the timely review and execution of complex legal agreements between the Port and TSD, as well as in securing critical permits and land acquisition to expand the 20-acre footprint when in 2024, the Port purchased an adjacent six-acre parcel in the NE corner of the project site. This additional area became essential for housing construction site trailers and construction staging.

Tacoma School District's Contributions

- **Career and Technical Education (CTE) Program Development.** TSD has a mature, well-established CTE program with a number of recognized credentialing programs. TSD had already initiated a mariner summer program for credentialing around Transportation Worker Identification, Merchant Mariner Credentialing, and Warehousing and Logistics. There was full confidence in TSD in their ability to obtain official skills center credentialing approval from the Washington State's Office of Superintendent of Public Instruction (OSPI) – which was granted on Sept. 26, 2023.
- **Public Body Design-Build Certification.** TSD is state-certified to deliver public works projects using PDB as an alternative contracting method. Over the past several years, TSD has successfully leveraged this certification to complete more than seventeen new school projects on time and on budget. This tremendous track record was especially compelling to the Port, which has historically struggled to deliver projects on budget and on deadline using the traditional design-bid-build model – a common issue across many ports.
- **Construction Project Management.** There are few project management consultants with significant experience in progressive design-build (PDB) delivery for public projects. TSD has relied heavily on its contract and partnership with Tacoma-based consultancy Parametrix in the delivery of its latest PDB projects. TSD proposed, as part of their in-kind contribution to the Port Maritime Center project, use of Parametrix to 1) lead the Port Maritime Center project's application to the Washington State Capital Projects Advisory Review Board, and 2) lead contract negotiations and management with the selected design-build team. With no prior PDB experience, the Port found this support to be advantageous. PDB basics will be explored later in this paper for more context.

Key Components of the Maritime Center ILAs

Disclaimer. After the execution of the original ILA in March 2023, the Port and TSD entered into seven additional or amended ILAs, finalized a ground lease, and entered into a Joint Use Agreement (JUA) to outline how the two agencies would operate on the campus

together. With more than 125 total pages of documents, for brevity, only the original ILA is appended. The Port can provide copies of the ILAs, ground lease and JUA available upon request.

Whether utilized for composition of the Port Maritime Center ILAs, or for this paper, there was one resource found to be particularly helpful. This was the “Manual of Practice for Drafting Interlocal Agreements” available online through the Indiana Rural Community Assistance Program (see references). The sections on conducting an ILA feasibility study, checklist for drafting ILAs and model ILA template were very useful. For ease of use, modified versions of the feasibility study and checklist were created and are included in the Appendix. Drafting comprehensive ILAs that can anticipate and address all potential contingencies such as liability allocation, terminal clauses, dispute resolution, and cost-sharing formulas are complex and legally intensive (GovFacts, 2025).

Getting Started – How the ILAs Were Formed

Developing an ILA is a time-intensive, deliberate process that involves careful planning, open communication, transparency, and good faith negotiation. The Port had never entered into an ILA of this complexity and scope with an academic institution before, nor had it built an administrative office building in more than 50 years.

The project team took initial steps (Figure 12) to generate each ILA. These steps were adopted from the GovFacts.org ILA resource page (GovFacts, 2025).

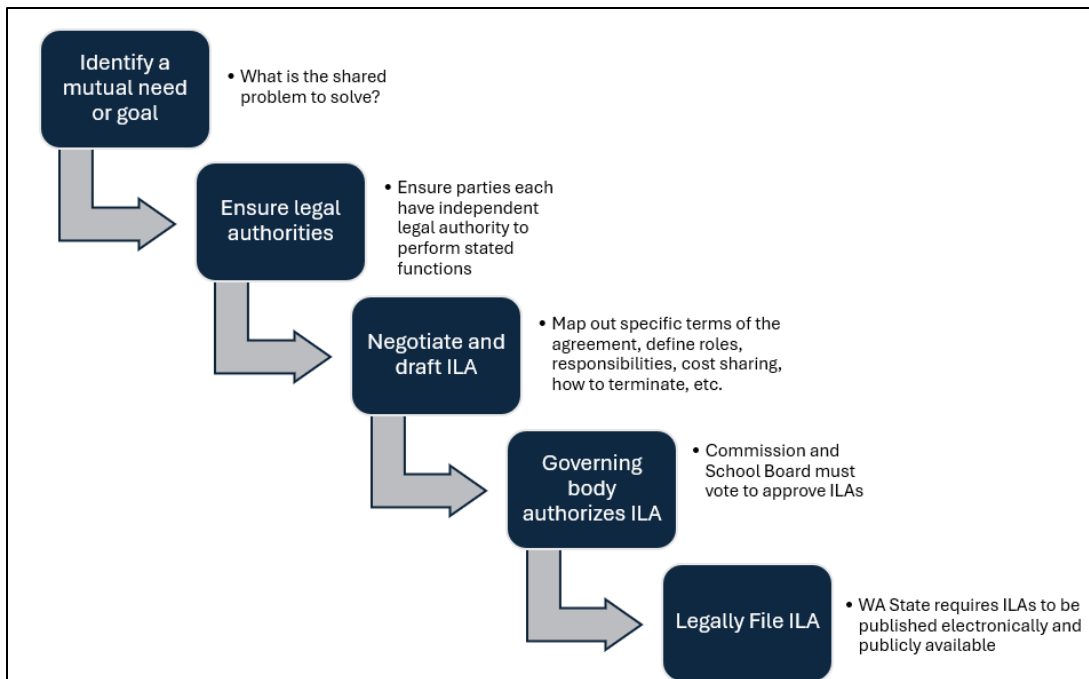


Figure 12. Illustrating the typical five key steps in ILA formulation. The Port of Tacoma and TSD spent the majority of time on step 3 of the cycle, or the negotiation and drafting phase. This cycle infographic was adopted from the GovFact ILA resource page (GovFacts, 2025).

Washington State’s implementing regulations of the Interlocal Cooperation Act outline specific minimal content requirements (RCW 39.34.030) that are nearly identical to those of the state of Indiana, as delineated in the guide for drafting ILAs (Indiana Rural Community Assistance Program, 2025). The list below represents the core elements that must be included in an ILA.

- Duration;
- Organization;
- Purpose;
- Manner of financing and cost control;
- Methods employed to terminate the agreement; and
- Manner of acquiring, holding or disposing of property used in the agreement.

Doing the Work – Drafting and Finalizing the ILAs

It was important for the teams to agree to the minimal components of the ILA. In early 2023, TSD and the Port began sharing previously executed ILAs in order to build the structure of the first ILA for this project.

The initial ILA's primary purpose was to provide a legal framework for the parties to engage in master planning to support development of a shared campus on Port-owned property (see Appendix for the actual ILA).

The initial and all subsequent ILAs clearly outlined the specific obligations of each party, established project timelines, and provided a roadmap for future phases and ILAs that would be needed to advance the project.

As the project progressed and key milestones were achieved, such as final site selection, design-build team selection, state certification for progressive design-build, completion of environmental remediation, final design approval, and total project authorization (in November 2024), either the original ILA was amended or new ILAs were drafted to refresh the parties' obligations.

From March 2023 to June 2025, eight ILAs were drafted or amended. In addition, a Ground Lease and a Joint Use Agreement were finalized, approved by each governing board and filed in accordance with state requirements.

The process to finalize each of the ILAs followed a strict review protocol and leveraged the use of an adopted ILA checklist for accuracy (see Appendix). Final approval required extensive staff preparation, including the development of public meeting materials and background information for the TSD Board and Port Commissioners. A total of sixteen public meetings were held (eight for the TSD Board and eight for the Port Commission) to review and authorize the ILAs. There was not a single "no" vote in each instance – a testament to the clarity and easy to understand terms and conditions of the ILAs.

Recommendations for Other Ports: Workforce-based ILAs

- 1) Reach out to the Port of Tacoma and Port of Seattle to request copies of ILAs supporting their maritime workforce initiatives. (Note: existing ILA templates were not unique enough for the Port Maritime Center project.)
- 2) Follow the feasibility study and drafting checklists for help before agreeing to enter into an ILA (see Appendix).

- 3) Ensure your legal counsel has prior experience drafting ILAs. If not, consider bringing in external expertise.
- 4) Keep your elected board members up to date and informed. The Port held one-on-one or two-on-two briefings with commissioners before each and every ILA to review the complexities and expected commitments, which facilitated favorable votes during public meetings.
- 5) Ensure workforce development initiatives are part of your port's strategic plan or, at a minimum, adopt a workforce development strategy. Strategic alignment is vital for commission and public support and for embedding workforce development goals into the port's long-term vision.
- 6) Ensure the ILA includes clear, realistic termination clauses and off-ramps. Given budget constraints and evolving priorities, both parties should have the flexibility to disengage if necessary.
- 7) Focus on the duration and purpose of the ILA's scope and don't over promise on deliverables. This is especially important for ILAs focused on delivering capital-intensive, multi-year construction projects. The Port and TSD adopted an iterative ILA process, ensuring key project milestones were met before amending or issuing a new ILA. Figure 13 outlines this iterative journey for added emphasis to identify project milestones that initiated a new or amended ILA.

Summary of Key Factors Driving ILA Amendments			
Approval by WA State for the project delivery to follow alternative project delivery methods	Project design development & design-build team selection criteria	Design-build team selection	Final site selection and future building siting
Phase I and II environmental assessment completed	Cost estimating and invoicing procedures finalized & site env. remediation completed	Project management (PM) consultant confirmed, contract awarded	Establishment of payment reimbursement processes and not to exceed limits for PM consultant
Finalization of ground lease terms and conditions	Authorization for up to 60% design & revised cost splitting allocations	Continuation of site development and early procurement	Temporary crossing agreement with BNSF
Finalization of the term and exhibits for the ground lease to include authorized uses	Authorization and approval of final design & guaranteed maximum price (GMP)	Construction authorization and separate GMP contract implementation	Finalization of a Joint Use Agreement of the premises by TSD

Figure 13: Key factors and project milestones from March 2023 to June 2025 that drove amendments to ILAs and the final ground lease and joint use agreement between the Port and TSD.

- 8) Make sure exhibits associated with the ILA clearly depict the stated terms and conditions in easy to understand and identifiable terms, especially for ILAs with real estate or real property considerations. As part of the Port Maritime Center's final ILA and Ground Lease, a JUA was executed to spell out joint use of the property, including outlining responsibilities for labor, repair and maintenance of shared facilities and insurance requirements. The concept site plan exhibit from the actual JUA is provided below in Figure 14 as an example.

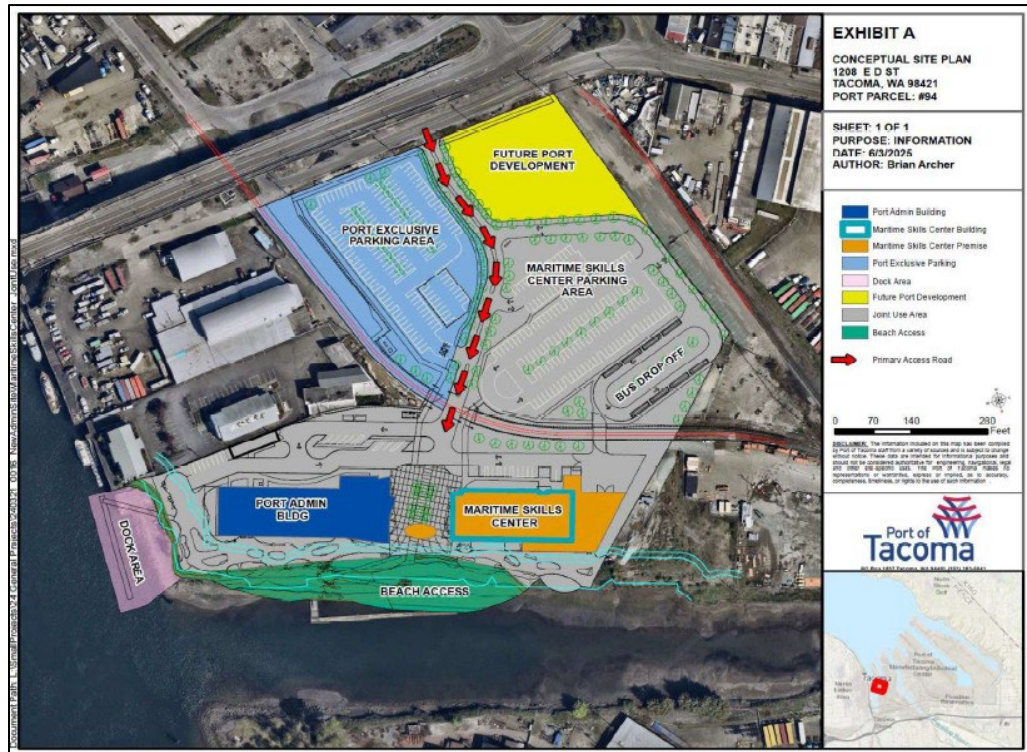


Figure 14. Site plan of the Port Maritime Center outlining the key facilities and site areas of the shared 20-acre campus. This was an exhibit of the Port's Joint Use Agreement with TSD to clearly delineate the terms and conditions of the agreement.

In addition to ILAs serving as the backbone of the Port Maritime Center's success, the ability to leverage PDB for project delivery was equally impactful. The Port utilized TSD's existing authorization from Washington State to implement PDB delivery.

Given the frequency of its mention in this case study, it is worth spending some time providing the basic tenants of PBD in hopes that other ports may pursue similar authorization for their capital projects.

Progressive Design Build (PDB)

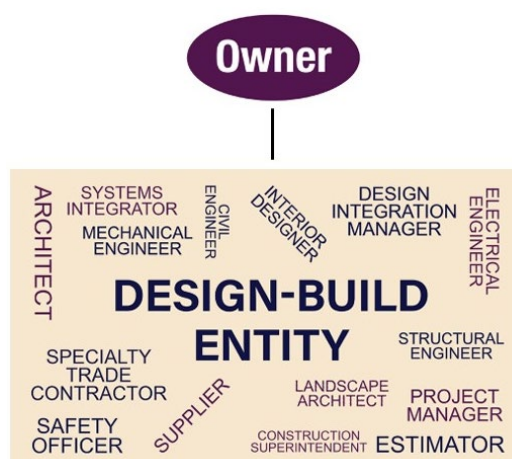
Legal Background Primer. As of June 2025, all but two states (North Dakota and Iowa) authorize the design-build delivery method. Washington State authorized design-build project delivery in 1998 and further strengthened the law to fully support the use of progressive design-build (PDB) (Design Build Institute of America, 2025).

All ports across the U.S., as municipal or special purpose government entities, could formally pursue and gain approval for design-build alternative contracting project delivery.

PDB Basics

PDB has become a widely adopted project delivery method. Nearly half of all design and construction projects in the U.S. are delivered using some form of design-build process – this includes both the private and public sectors (Design Build Institute of America, 2025).

The primary distinction of PDB is a single contract for both design and construction. The selected design-builder enters into a single contract with the owner(s) to provide both design and construction services. (See infographic as adopted from Design Build Institute of America (DBIA) guide on project delivery).



With TSD's strong track record in delivering successful PDB projects, the Port felt comfortable pursuing this delivery method for the Port Maritime Center. Single source contracting is the primary difference between PDB and all other delivery methods. It is intended to be highly collaborative, with the owner(s) and design-build team operating more like an alliance.

As a departure from the Port's traditional design-bid-build process for project delivery, the project team needed to quickly come up to speed on the key principles and structure of running a PDB project. To support this transition, TSD hired DBIA to provide a full day of

PDB training to the Port's project team, including staff from engineering, contracting, finance and real estate. This training played a prominent role in securing the Port Commission's approval to adopt the PDB delivery method for the first time.

TSD, and its project management consultant Parametrix, led the effort to secure state approval to use the PDB contracting method. This involved preparing an extensive written application and delivering a thirty-minute presentation to the Washington State Capital Projects Advisory Review Board for final approval.

Why the Port Selected PDB

With no prior experience in PDB delivery, the Port placed significant trust in both TSD and Parametrix. As one of the Port's most capital-intensive projects, cost certainty and on-time delivery were the two most dominant factors in deciding to adopt PDB. One of the added benefits of PDB is that owners defer finalizing price, schedule and performance criteria until after the design-build team is selected and under contract. Aligning expectations at the outset, well before executing design and construction, works to build more accuracy on scope, cost and schedule between the owner(s) and design-build team (Design Build Institute of America, 2025).

In this model, the design-builder is engaged early in the process, well before final design has been developed. Since project costs are capped with a guaranteed maximum price (GMP), or the maximum the design-build team can be compensated, a not-to-exceed approach was especially appealing to the Port Commission. Given the steady rise of labor costs, ongoing tariff risks, and increasing costs of construction materials, locking in a GMP early into the process proved to be a game changer. To summarize the PDB model, Figure 15 provides a simple overview.

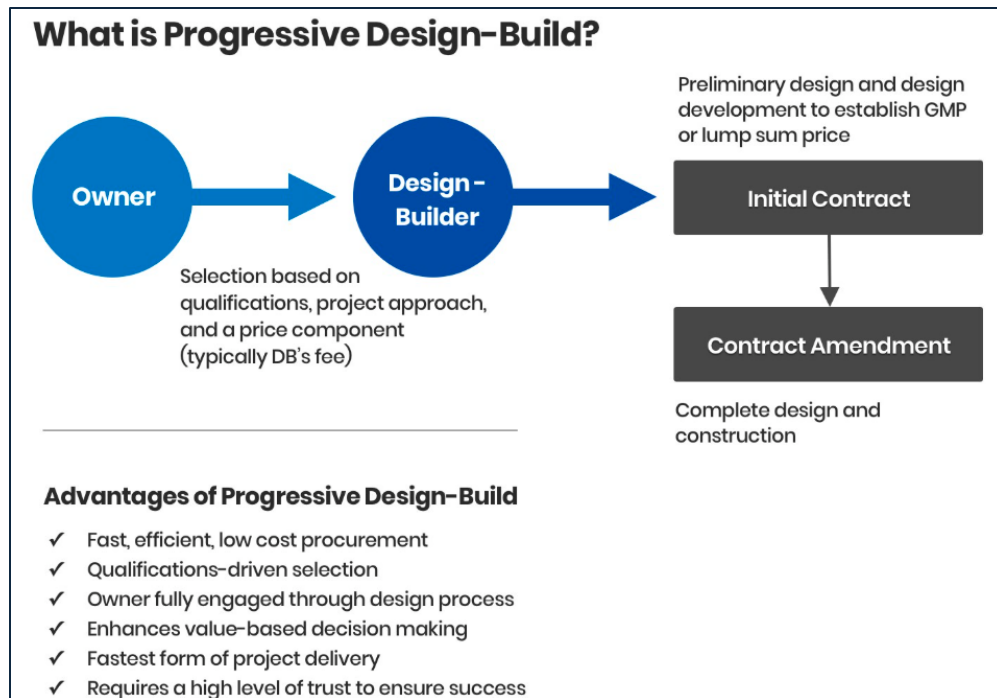


Figure 15: Overview of Progressive Design-Build process for project delivery as adopted from the Silicon Valley Clean Water RESCU Program’s website (Silicon Valley Clean Water RESCU Program, 2025).

Conclusion & Summary

In an era of constrained resources, limited budgets and ever-increasing costs of labor and construction materials, leveraging ILAs can be a key strategy to maximize benefits to the community and deliver transformational projects such as the Port Maritime Center. When TSD approached the Port in late 2022 with a proposal to partner on building Pierce County’s first-ever maritime skills center, a light bulb went off, and the Port embraced innovative thinking to make the Port Maritime Center – a shared campus housing the Port’s new administration headquarters and TSD’s Maritime 253 skills center – a reality. Both parties knew the only path to formalizing the partnership and establishing the necessary authorities, resources and funding mechanisms would be through the execution of well-structured ILA.

ILAs are a foundational mechanism for government entities to work together and leverage shared resources and expertise. As this paper has illustrated, the Port Maritime Center ILA

roadmap was an extremely deliberate process that involved careful planning, open communication, and detailed negotiations.

Every state has some form of an Interlocal Cooperation Act that authorizes one or more government agencies to enter into an ILA – making them a widely accessible tool for ports across the U.S. There are a variety of free resources available to assist ports in the ILA process, from the feasibility stage to negotiation, drafting and implementation. Some of these resources have been shared here and are included in the Appendix. PDB is also an option for all U.S. ports; only North Dakota and Iowa do not have a design-build alternative method of contracting certification program.

The combined use of ILAs and PDB offers a highly effective approach to deliver on capital-intensive, time-sensitive projects, such as the Port Maritime Center. The Port is committed to ensuring that Maritime 253 opens on schedule in September 2026. The Port's strong partnership and strategic alliance with TSD is expected to result in lasting benefits for generations to come. As of this writing, construction of the Port Maritime Center is well underway, with the walls going up on the skills center and the foundation poured for the Port's administration building (see below picture taken in May 2025).



The Port of Tacoma strongly believes that all ports share a responsibility to help build the next generation of the maritime workforce. While some ports may have greater capacity than others to dedicate resources and allocate real estate, this is precisely where ILAs can be a powerful tool, enabling collaborative solutions regardless of a port's size or means.

Reflections on Learning

As I continue my career in executive port management, I remain committed to sharing and learning from the best practices of peers across the industry. By presenting this successful case study on the use of ILAs and PDB, my aim is to encourage fellow leaders to think creatively about how we can play a more proactive role in shaping the future of the maritime workforce.

The new Port Maritime Center will create powerful synergies that enrich students' educational experiences in numerous ways. They will gain direct access to Port resources and staff through internships, hands-on projects and research opportunities, and immersive exposure to active Port operations.

Through the research conducted for this project and the development of this best practices-orientated paper, I am confident that it will help expand awareness of ILAs and their potential application across a broad range of port initiatives. Additionally, I appreciated the opportunity to learn from the many innovative maritime workforce efforts at other ports, particularly those led by Houston, Los Angeles, Long Beach and Seattle.

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Appendix A: ILA Feasibility and Drafting Checklist

Appendix A: ILA Feasibility Study & Completion Checklist

Outline: Interlocal Agreement Feasibility Study

As adopted from the “Manual of Practice for Drafting Interlocal Agreements” by the Indiana Rural Community Assistance Program found at <http://www.incap.org/>

I. ESTABLISH A CLEAR GOAL FOR THE JOINT SERVICE

- A. Describe the service to be provided
- B. Clarify expectations about the joint Service
- C. Identify all potential participants

II. DESCRIBE, ANALYZE SERVICES CURRENTLY PROVIDED BY EACH LOCAL UNIT

- A. Describe how the service is currently provided
- B. Describe the level of service currently provided
- C. Does the service meet current needs?
- D. What are future service needs?

III. DETERMINE PARTICIPANT'S COST OF PROVIDING THE EXISTING OR NEW SERVICE

- A. Determine the total cost for each local unit
- B. What is needed to meet minimum service levels?
- C. What are the projected service costs?

IV. DESCRIBE AND ANALYZE THE PROPOSED JOINT SERVICE

- A. Determine service levels required
- B. Fix responsibility for providing the service
- C. Identify potential problem areas

V. DETERMINE TOTAL COST OF THE JOINT SERVICE AND EACH PARTICIPANT'S COST

- A. Total cost of the proposed service structure
- B. Cost of the service to each participant

VI. DEFINE SERVICE CRITERIA AND EVALUATE GOALS

- A. Measure the service to each participant
- B. Does the proposed interlocal service meet the established goals?

VII. ASSESS THE ECONOMIC, ADMINISTRATIVE AND OPERATIONAL FEASIBILITY OF PERFORMING THE SERVICE ON A JOINT BASIS

- A. Economic feasibility
- B. Operational and administrative feasibility

Checklist for Drafting Interlocal Agreements

As adopted from the "Manual of Practice for Drafting Interlocal Agreements" by the Indiana Rural Community Assistance Program found at <http://www.incap.org/>

- **DEFINITIONS.** All technical terms to be used in the Interlocal Agreement should be precisely defined in a "table" of definitions. The agreement should also include all terms that have been defined in any applicable statute or ordinance.
- **PARTIES.** The agreement should name all parties to the agreement, together with their capacity to enter into the agreement. Public entities should recite their authority to enter into Interlocal Agreements.
- **RELATIONSHIP OF THE PARTIES.** The relationship between the parties to the agreement should be stated clearly. Typically, the statement will specify that the relationship is authorized by the Interlocal Agreement statute.
- **PROPERTY.** The subject matter of the agreement should be clearly and thoroughly identified. An attachment specifically describing property or describing the subject matter of the agreement in detail should be provided and incorporated into the agreement by reference.
- **AUTHORIZATION.** The state and local government legislation under which the parties are enabled and authorized to enter into this agreement should be cited. This is particularly important in the event a state agency is a party. The resolution or ordinance by which the agreement has been approved by the local government body should be cited.
- **INTENT OF THE PARTIES.** The intent of the parties to be bound by the terms of the agreement should be clearly stated.
- **RECITATION OF CONTRACTUAL TERMS.** The parties should specifically recite their duties each party agrees to bear. Because an Interlocal Agreement is treated as a special form of agreement, the terms of the duties and obligations each party is to receive from and provide to the other should be stated clearly. It is especially critical that the terms exhibit the agreement as consistent or as an exercise of—the Interlocal Agreement statute.
- **NOTICE AND HEARINGS.** The date upon which any statutorily required public hearing was held should be noted, as well as all relevant findings resulting from such hearing. All other pertinent notice and hearing requirements should be recited
- **APPLICABLE REGULATIONS.** The agreement should contain a precise statement of all regulations to which the project will be subject. The agreement should specify precisely which regulations will apply to the project regardless of future changes, or those which might be affected by the agreement. The statement should make it clear that regulations not specifically identified will not be affected by the terms of the agreement and will be subject to enforcement and change under the same criteria that would apply if no agreement were in effect.
- **APPROVAL AND PERMIT REQUIREMENTS.** As far as possible at the time the agreement is written, the parties should specify all discretionary approvals and permits which will have to be obtained before the agreement can proceed. Permits and approvals obtained prior to the execution of the agreement should be specified. Any and all conditions precedent to the obtaining of permits and approvals should be listed.
- **DEDICATIONS AND RESERVATIONS.** The agreement should provide, where appropriate, a statement of all reservations or dedications of land for public purposes as are required pursuant to laws, ordinances, resolutions, rules, or policies in effect at the time of entering into the agreement. The agreement should also state all reservations or dedications that are permitted under existing laws at the agreements are entered, and to which the parties have agreed.

- **DURATION OF THE AGREEMENT.** The agreement must provide for a termination date. It may also specify project commencement and completion dates, either for the project as a whole, or for its various phases. The agreement should specify that the termination date can be extended by mutual agreement, and that commencement and completion dates may also be extended at the discretion of the parties.
- **AMENDMENTS, CANCELLATIONS OR TERMINATION.** The agreement should recite the conditions under which the agreement can be amended, cancelled or otherwise terminated. In particular, the agreement should note that the parties may only terminate the agreement under circumstances spelled out in the Interlocal Agreement.
- **PERIODIC REVIEW.** The agreement should provide for periodic reviews of the project in order to determine compliance with the terms of the agreement. The party responsible for performing such reviews should be identified and specific times for such reviews should be stated. A procedure should be developed and specified for dealing with situations in which minor and major noncompliance is discovered.
- **PROGRESS REPORTS.** If the parties agree, the agreement should specify that progress reports be made available to the parties at specified intervals, or upon completion of specified phases of the project, or at whatever time periods the parties choose.
- **REMEDIES.** Remedies for breach on the part of either party should be provided. Specific remedies for specific breaches should be stated, if possible. The agreement should include a statement clarifying whether remedies stated in the agreement are to be exclusive, or whether other statutory or common law remedies will also be available.
- **ENFORCEMENT.** The agreement should specify that it shall be enforceable, unless lawfully terminated or cancelled by any party to the agreement or any party's successor in interest, notwithstanding any subsequent changes in any applicable law adopted by the parties, that alters or amends the laws, ordinances, resolutions, rules or policies frozen by the agreement, except as noted above.
- **HOLD HARMLESS CLAUSE.** If the parties so agree, the agreement should contain a clause whereby the parties hold each other and their agents harmless from liability for damages, injury, or death that may arise from the direct or indirect operations of the parties in carrying out the terms of the agreement.
- **INSURANCE BONDS.** Any insurance coverage required and/or secured by either party to the agreement, and affecting any aspect of the project, should be specified. Existing performance bonds should be listed in detail, as well as bonds not yet obtained but required as conditions precedent for final approval of the agreement. Applicable ordinances relating to bond requirements should be cited.
- **SEVERABILITY CLAUSE.** The agreement should include a clause specifying the provisions of the agreement are severable, if the parties so agree. Any limitations upon the severability of any particular clause or clauses should be clearly stated.
- **MERGER CLAUSE.** A merger clause or other statement should be provided specifying that the terms of the agreement as stated in the written document are both a final and complete expression of the parties' intentions.
- **STATEMENTS OF INCORPORATION BY REFERENCE.** All documents related to the agreement or otherwise attached or appended thereto should be expressly stated to be incorporated into the agreement by reference. These might include lists of conditions, schedules of completion for public facilities, imposition of dedications, impact fees, and development plans and specifications.
- **COOPERATION.** The agreement should include a statement of the extent to which the parties will cooperate in their efforts to carry out the terms of the agreement.

- **SUBSIDIARY OR COLLATERAL AGREEMENTS.** If the governments have obtained additional agreements relating to the project from any nonparty agencies or persons, such agreements and the parties thereto should be specified.
- **CONFLICT OF LAWS.** Procedures should be specified for dealing with situations in which the parties to the agreement are in different countries or in different states. Choice of law provisions should be stated in the agreement specifying which law governs the terms and conditions of the agreement and whether the law preempts or otherwise affects local laws.

Appendix B: Interlocal Agreement Between Port of Tacoma and Tacoma School District

INTERLOCAL/INTERDISTRICT AGREEMENT

TSD-23-030

PORT OF TACOMA

[SOUTH PUGET SOUND MARITIME SKILLS
CENTER AND PORT MARITIME CENTER -
PLANNING AND DEVELOPMENT – PHASE 1]

3/23/2023 – 1/31/2024

between

TACOMA SCHOOL DISTRICT NO. 10

(hereinafter referred to as “the District”)

601 South 8th Street

P. O. Box 1357

Tacoma, WA 98401-1357

Contact: Morris Aldridge

Email: maldrid@tacoma.k12.wa.us

Ph: 253.571.3350

and

PORT OF TACOMA

(hereinafter referred to as “Port”)

1 Sitcum Way

P.O. Box 1837

Tacoma, WA 98401-1837

Contact: Alisa Praskovich

Email: apraskovich@portoftacoma.com

Ph: 253.888.4773

THIS AGREEMENT is between Tacoma School District No. 10 (District), a political subdivision of the State of Washington, and Port of Tacoma (Port), a public port district organized under the laws of the State of Washington, referred to individually as a “Party” and collectively as the “Parties”.

WHEREAS, the Interlocal Cooperation Act, as amended, and codified in Chapter 39.34 of the Revised Code of Washington, provides for interlocal cooperation between governmental agencies; and

WHEREAS, Port of Tacoma’s 2021-2026 Strategic Plan calls upon the Port to partner with regional organizations to facilitate career development and business growth in Pierce County; and

WHEREAS, in 2022, the Port of Tacoma Commission adopted a Workforce Development Strategic Plan, which has an overarching objective of ensuring that the maritime industry has access to workers who have the necessary skills to provide safe and efficient maritime services; and

WHEREAS, the Parties seek to work together to improve maritime career access and opportunities throughout the region; and

WHEREAS, the Port and the District desire to explore the opportunity to locate the Maritime Skills Center as part of a larger campus together with a new Port Maritime Center; and

WHEREAS, in addition to supporting workforce development, the Port plans to develop a new Maritime Center to meet the business needs of the Port while also accommodating public access elements, community engagement and other mixed-used opportunities; and

WHEREAS, the Port intends to partner with the District to develop a South Puget Sound Maritime Skills Center to provide efficient management of the Parties’ resources for the benefit of Tacoma and Pierce County citizens by entering into a cooperative capital venture; and

WHEREAS, the Parties’ partnership will provide advantages and educational opportunities for students in Tacoma, Pierce County, and throughout the South Puget Sound; and

WHEREAS, the District has vast planning and construction experience in delivering significant capital projects both on time and on budget using alternative project delivery methods in a manner that results in local investment in community businesses and workforce; and

WHEREAS, the District and the Port are both qualified public bodies in RCW 39.10.210(18) which may be certified to use alternative project delivery methods pursuant to RCW 39.10.270; and

WHEREAS, the Port owns real estate where the South Puget Sound Maritime Skills Center and Port Maritime Center could be jointly developed in a campus setting; and

WHEREAS, the District has identified at least \$12 million in capital dollars and is requesting \$12 million in state funds.

NOW, THEREFORE, the Parties agree as follows:

1. Incorporation of Recitals. The Parties acknowledge and agree that the above stated recitals are true and correct to the best of their knowledge and are incorporated by this reference as though fully set forth herein.
2. Interlocal Cooperation Act Compliance. This is an Agreement entered into pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW. Its purpose is stated in Section 3 below. Its duration and method of termination is stated in Section 4 below. Except as otherwise specifically provided herein, each Party shall bear its own costs and control its own manner of financing and of establishing and maintaining a budget for the activities contemplated herein. No separate entity is created hereby and, except as otherwise provided in this Agreement, no real or personal property shall be acquired pursuant to this Agreement which will need to be disposed of upon partial or complete termination of this Agreement.
3. Purpose. This agreement provides a framework for the Parties to engage in a master planning process to support the development of a campus on Port-owned property that will include, at a minimum, a South Puget Sound Maritime Skills Center (operated by the District) and the Port's Maritime Center (operated by the Port), together with other Port functions and public amenities as may be identified and agreed upon during the planning process.
4. Term and Termination. This Agreement shall be effective upon mutual execution by the Parties (the "**Effective Date**") and shall remain in effect until completion of the selection of and contract negotiation with the Design Build Team for the Project unless amended for future phases per Section 9. Either Party may terminate this Agreement upon written notice to the other Party. If such notice is given, each Party shall bear its own costs incurred pursuant to this Agreement. The Parties anticipate entering into one or more future Agreements corresponding with future phases of the Project, as described in Section 9.
5. Parties' Obligations and Project Coordination.
 - A. District's Obligations.
 1. Project Approval. The District will coordinate and lead the submission of the Capital Projects Advisory Review Board (CPARB) Project Review Committee (PRC) application and presentation seeking the approval that is necessary to develop the Project using alternative project delivery (APD) methods. This would include follow up or resubmission efforts if additional info is requested by the PRC panel or if the initial submission is rejected.

2. Design Build Team Procurement. The District will facilitate and coordinate activities related to the procurement of the progressive Design Build Team and related negotiations.

3. Consultant Expenses. The District will enlist the services of and fund the costs associated with an external consultant selected by the District who will provide APD advisory and project management services related to the tasks the District approves related to Design Build Team procurement for this Project. This responsibility will continue through selection of the most qualified Design Build Team and through the contract negotiation process. The firm currently contracted by the District to assist with this process is Parametrix, Inc.

4. Design Build Team Expenses. Once the Design Build Team is selected the District may choose to begin initial work on this Project with the selected team prior to authorization from the Port Commission and District Board in order to fund the Design Build Team through the next phase of the Project. The Port will not be responsible for any costs associated with this initial work.

B. Port's Obligations

1. Project Approval. The Port will provide the District with relevant Port information related to its operations, intent and budget for this Project and collaboration with the District as necessary for the CPARB PRC application and presentation process. The Port will co-present at the Project Review Committee (PRC) meeting related to approval for an alternative project delivery method for the Project.

2. Site Conditions Assessment. The Port will complete an assessment of cultural resources, environmental conditions, and existing encumbrances on potentially suitable Port properties in preparation for the site alternatives selection and planning process for the Project. The Port will assume all costs associated with this work. Findings and reports completed by the Port will be shared with the District and the selected Design Build Team upon completion.

3. Site Selection. Following completion of the site conditions assessment as outlined above, the Port commits to the selection and use of Port-owned property to support the Project.

4. Public and Stakeholder Input. The Port will commit to a public and stakeholder engagement process in the design and development of the campus to ensure public access elements are incorporated.

C. Internal Staff Costs. Each Party will fund their own internal staff costs.

- D. Timetable. The Parties anticipate the following Project schedule for this initial Agreement:

Task	Timeline
CPARB PRC Submission	April 22, 2023
CPARB PRC Presentation/Review	May 25, 2023
RFQ Advertisement	June 2023
Selection of Design Build Team Finalist	August 2023
Project Site Selection & Contract Negotiation with selected DB Team	Fall 2023

6. Selection of Design Build Team.

- A. RFQ/RFP Development. The Port and District will develop the Request for Qualifications (RFQ) / Request for Proposals (RFP) packages cooperatively. Each Party will have the opportunity to contribute to, review, and approve the RFQ/RFP package before it is issued or advertised.
- B. Selection Process. The Parties agree to select the Design Build Team following a qualifications-based selection process in compliance with chapter 39.10 RCW, all applicable state and City of Tacoma laws, regulations and policies as well as the procurement policies and practices of the Port and the District. The Design Build Team selection process that will be followed is generally outlined in Exhibit A.
- C. Selection Committee. The Port and the District will each select up to three representatives to represent their interests and participate on the selection committee that will review and score the proposer's qualifications and select the most qualified Design Build Team for the Project.
- D. Contract Documents. The District will obtain the services of, and fund all costs associated with, external legal counsel who are experienced in alternative project delivery contracting to assist and advise the District and the Port in preparing the proposed contract documents for the Project for inclusion with the RFQ. The District and the Port will develop the proposed contract documents cooperatively utilizing the services of the external legal counsel and the APD Advisory Consultant. Each Party will have the opportunity to review, provide input, and approve the proposed contract documents to be included with the RFQ/RFP package.
7. Commitment to Public Engagement. The District and the Port agree to provide the opportunity for public engagement as part of the overall master planning process for the Project. The Design Build team shall demonstrate to the Parties their approach and methodology to engage the public in the design of the Project.

8. Communications. The District and the Port agree to coordinate communications regarding the Project through a mutually created communications plan, regular meetings between Port and District communications staff, and the use of mutually agreeable language describing Project updates and information.

9. Agreements for Future Project Phases. The Parties anticipate working cooperatively towards and entering into one or more future Interlocal Agreements corresponding with future phases of pre-design, programming, design and construction of the Project. Future Agreements are expected to include, but not be limited to, the following subjects:

- Negotiation of Contract terms and conditions and the Design Build Team's scope and fees related to the Phase 1 pre-design, programming and design services for the Project;
- Costs related to the Services of the external APD advisory and project management consultant beyond selection of the Design Build Team for the Project;
- Project/Contract Management (following selection of the Design Build Team);
- Site selection and planning;
- Project timetable;
- Project design process (including review and approval procedures);
- Funding and payment (including final Project authorization by the Port and invoicing procedures between the Parties);
- Site development/offsite improvement cost allocations;
- Cost allocations for costs resulting from unforeseen site conditions including but not limited to existing buried tanks/structures, contaminated soils, unsuitable soils and buried debris;
- Real property agreement(s) for South Sound Maritime Skills Center location.

10. Indemnification.

- A. The District agrees to indemnify and hold harmless the Port, its officials, officers, agents, employees, volunteers, and representatives, from, and shall defend at its sole expense, against any and all claims, demands, damages, suits at law or at equity, liabilities, losses, judgments, liens, expenses, and costs arising out of or occasioned by the District's negligence or wrongful conduct in fulfillment of its obligations pursuant to this Agreement. In the event of recovery due to the aforementioned circumstances, the District shall pay any judgment or lien arising therefrom, including any and all costs as part thereof.

- B. The Port agrees to indemnify and hold harmless the District, its officials, officers, agents, employees, volunteers, and representatives, from, and shall defend at its sole expense, against any and all claims, demands, damages, suits at law or at equity, liabilities, losses, judgments, liens, expenses, and costs arising out of or occasioned by Port negligence or wrongful conduct in fulfillment of its obligations pursuant to this Agreement. In the event of recovery due to the aforementioned circumstances, The Port shall pay any judgment or lien arising therefrom, including any and all costs as part thereof.
- C. In the event of liability based upon the alleged concurrent or joint negligence of the Parties, the Parties shall individually bear their respective liability, including costs, as determined according to RCW 4.22.015.
- D. The indemnification provisions of this Agreement shall not be limited by any worker's compensation, benefit, or disability laws, and each indemnifying Party hereby waives, solely for the benefit of the indemnified Party, any immunity that such indemnifying Party may have under the Industrial Insurance Act, Title 51 RCW.
- E. The foregoing obligations shall survive termination of this Agreement with respect to acts or omissions occurring during its term and relating to or involving the subject matter of this Agreement.

11. Miscellaneous:

- A. EXAMINATION AND RETENTION OF RECORDS: The District agrees that any duly authorized representative of the Port, including the Port's Auditor, shall, until the expiration of three (3) years after the last of the Project is completed, have access to and the right to examine any books, documents, papers, and records of involving any matter directly related to this Agreement. All Project records shall be retained in accordance with each Party's document retention schedule.
- B. ASSIGNMENT & SUBCONTRACT: Except as otherwise expressly provided in this Agreement, each Party covenants and agrees that it will not assign, transfer, or subcontract its rights and obligations hereunder without first obtaining the written consent of the other Party. Any approved assignment or subcontract may require new or extended insurance and indemnification being provided by the assignee or transferee.
- C. NO THIRD-PARTY BENEFICIARY: The Parties understand and expressly agree. Enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any third person. It is the express intention of the Parties that any person other than the District or the Port receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary Only.

- D. NO AUTHORITY TO BIND THE PORT TO CONTRACTS: The District has no authority to bind the Port on any contractual matters. Final approval of all contractual matters which obligate the Port or District must be by the Port and/or District, as applicable.
- E. NO AUTHORITY TO BIND THE DISTRICT TO CONTRACTS: The Port has no authority to bind the District on any contractual matters. Final approval of all contractual matters which obligate the Port or District must be by the Port and/or District, as applicable.
- F. INTEGRATION & AMENDMENTS: This Agreement, including the exhibits and attachments hereto (each of which is specifically incorporated herein), is intended as the complete integration of all understandings between the Parties. No prior or contemporaneous addition, deletion, or other modification hereto shall have any force or effect, unless embodied in this Agreement in writing. No subsequent novation, renewal, addition, deletion, or other amendment shall have any force of effect unless embodied in a written amendment to this Agreement executed by the Parties in the same manner as this Agreement. The Parties anticipate that this Agreement shall be amended from time to time to allow for future phases of the Project as described in Section 9 above.
- G. SEVERABILITY: The Parties agree that if any provision of this Agreement or any portion thereof is held by a court of competent jurisdiction to be invalid, illegal, unenforceable, or in conflict with any law, the validity of the remaining portions or provisions shall not be affected if the intent of the Parties can be fulfilled.
- H. CONFLICT OF INTEREST: No employee of the Port or the District shall have any personal or beneficial interest in the services or property described in the Agreement; and neither the District nor any contractor hired by the District under this Agreement shall hire, or contract for services with, any employee or officer of the Port in violation of the District's Code of Ethics.
- I. NOTICES: All notices required under this Agreement, notices concerning the termination of this Agreement, notices of alleged or actual violations of the terms or conditions of this Agreement, and other notices of similar importance, including changes to the persons to be notified or their addresses, shall be in writing and delivered to:

To: Port: Alisa Praskovich
Chief, Strategic Projects & Commission Relations
Port of Tacoma
Address: 1 Sitcum Plaza, Tacoma, WA 98421
Tel: (253)888-4773
Mobile: (253) 459-9069
E-mail: apraskovich@portoftacoma.com

To: The District: Morris Aldridge
Executive Director of Planning & Construction
Tacoma Public Schools
3223 South Union Avenue
Tacoma, Washington 98409
Tel: (253) 571-3350
E-mail: maldrid@Tacoma.K12.Wa.US

All notices shall be in writing and provided by personal delivery, certified mail, return receipt requested, or overnight courier. All notices are effective upon personal delivery or upon placing in the United States mail or with the courier service.

- J. COUNTERPARTS: This Agreement may be executed in two or more identical counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
12. No Waiver. No failure by either Party to insist upon the performance of any of the terms of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of any of the terms of this Agreement. None of the terms of this Agreement to be kept, observed, or performed by either Party, and no breach thereof, shall be waived, altered, or modified except by a written instrument executed by the injured party. No waiver of any breach shall affect or alter this Agreement, but each of the terms of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. No waiver of any default of the defaulting party hereunder shall be implied from any omission by the injured party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and then only for the time and to the extent therein stated. One or more waivers by the injured party shall not be construed as a waiver of a subsequent breach of the same covenant, term, or conditions.
13. Dispute Resolution. In the event of a dispute between the Port and the District arising out of or relating to this Agreement, the Port's Executive Director and the District's Superintendent or their designated representatives shall review such dispute and options for resolution. If the dispute cannot be resolved by the Port's Executive Director and the District's Superintendent, the dispute may be submitted to mediation before a mediator agreed to by the Parties, and if still not resolved, shall be submitted to binding arbitration in accordance with the rules and procedures set forth in Chapter 7.04 RCW, and the judgment or award rendered by the arbitrator may be entered in any court having jurisdiction thereof.
14. Enforcement, Interpretation, Venue. The laws of the State of Washington shall govern the validity, performance, interpretation, and enforcement of this Agreement. Should either party institute arbitration for enforcement or interpretation of any provision contained herein, the venue of such arbitration shall be in Pierce County, Washington. The prevailing party in any arbitration or litigation arising out of this Agreement shall be entitled to its reasonable attorney's fees, costs and expert witness fees.

15. Equal Participation in Drafting. The Parties agree that each of them were adequately represented by independent counsel, and that both Parties shared equally in the drafting of this Agreement. Therefore, this Agreement shall not be construed either for or against the District or the Port as drafter, but this Agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.
16. Integration and Amendment. There are no oral Agreements between the parties affecting the meaning, content, purpose, or effect of this Agreement. The provisions of this Agreement may be amended with the mutual consent of the parties. No additions to, or alterations of the terms of this Agreement shall be valid unless made in writing and formally approved and executed by the duly authorized agents of both Parties.
17. Invalid Provisions. If any provision of this Agreement shall be held invalid, the remainder of the Agreement shall not be affected thereby, if such remainder would then continue to serve the purposes and objectives of the Parties.
18. Filing. By its signature below, each party confirms it approves of and is authorized to enter into this Agreement pursuant to RCW 39.34.080. A copy of this Interlocal Agreement shall be filed with the Pierce County Auditor pursuant to chapter 39.34 RCW. Alternatively, a copy of this Interlocal Agreement may be listed by subject on the District and Port's website or other electronically retrievable public source.

CONDITIONS OF COMMENCEMENT OF PERFORMANCE

The parties to this Agreement shall not commence performance or be entitled to compensation or reimbursement for any services rendered or materials provided, prior to the occurrence of each of the following conditions: (1) this Agreement must be executed by an authorized representative of both Parties, and (2) this Agreement must be approved by the Port of Tacoma Commission and the District's Board of Directors.

We the undersigned agree to the terms of the foregoing Agreement.

PORT OF TACOMA

TACOMA SCHOOL DISTRICT NO. 10

By: Eric Johnson
(signature)

By: [Signature]
(signature)

Its: Executive Director

Its: Superintendent

Eric Johnson

(print name)

Joshua J. Garcia

(print name)

Who certifies that they are the party identified herein, OR a person duly qualified and authorized to sign for the party.

Date: March 21, 2023

Date: 3/23/2023

Approved as to form:

[Signature]

By: Heather L. Burgess
General Counsel, Port of Tacoma

Exhibit A: Design Build Team Selection Process

The key stages of the Design Build Team selection process will include:

Phase I: RFQ

- Issuing and advertising a Request for Qualifications (RFQ) through a minimum of two publicly accessible platforms and/or publications;
- Pre-bid submittal meeting and walk-through with qualified applicants and interested candidates;
- Submittal of a statement of qualifications by proposers;
- Evaluation and scoring of the statements of qualifications that are received; and
- Short list of finalists receive a copy of the Request for Proposals (RFP).

Phase II: RFP

- Proprietary meeting with finalists to answer finalist's questions (usually three);
- Submittal of proposals and price factors by finalists;
- Interviews, evaluation and scoring of finalists;
- Opening and scoring of finalists price factors;
- Identification of the most qualified finalist;
- Notification to all proposers of the most qualified finalist (Design Build Team), the intent to negotiate terms and conditions with that finalist and a summary of the scoring of the procurement process;
- Selection of the most qualified finalist; and
- Presentation to School Board and the Port of Tacoma Commission for approval to negotiate the Design Build Team contract.