

ATTACHMENT C
RFP 070976 EXECUTIVE SEARCH SERVICES
MANAGEMENT/OPERATING AGREEMENTS

- A. NWSA RESOLUTION NO. 2018-03**
- B. INTERLOCAL AGREEMENT FOR MANAGEMENT SUPPORT**
- C. INTERLOCAL AGREEMENT FOR SUPPORT SERVICES**

RESOLUTION NO. 2018-03

A RESOLUTION OF THE NORTHWEST SEAPORT ALLIANCE **NWSA MANAGEMENT STRUCTURE RESOLUTION**

WHEREAS, the Port of Seattle ("POS") and Port of Tacoma ("POT") are port districts, organized under provisions of the laws of the State of Washington, and codified under Title 53 RCW; and

WHEREAS, the POT and the POS previously entered into an agreement to establish The Northwest Seaport Alliance ("NWSA") pursuant to the following federal and state authorities: (1) the Federal Maritime Commission ("FMC") Discussion Agreement No. 201228, (2) an interlocal agreement with delegated powers exercised pursuant to the port joint powers statute (RCW 53.08.240) which expressly permits joint operation and investment outside of a port district's boundaries, (3) RCW 39.34.030, the state Interlocal Cooperation Act, and (4) pursuant to Title 53.57 RCW, which authorizes the Port districts to create a port development authority to use, operate and manage certain marine facilities jointly, to be known as the NWSA;

WHEREAS, the operations, management and business of the NWSA is managed by the port districts as Managing Members of the NWSA ("Managing Members") pursuant to an adopted Charter approved by the Ports and the FMC and each port district member shall act in such capacity through its own elected commissioners;

WHEREAS, the NWSA Charter Section 6.4 allowed for a temporary period of duality, whereby the NWSA CEO may also serve as the Port of Tacoma CEO for a period of five years commencing August 4, 2015 ("Transition Period"); and

WHEREAS, POS, POT and NWSA mutually and individually seek to address post-duality POT and NWSA management structures which will also include the adoption of an ILA between the parties which address the procedures to be used in standing up those management structures;

NOW, THEREFORE, be it resolved that:

I. The NWSA hereby memorializes certain understandings and commitments to address the post-transition period NWSA Management Structure. which shall include:

- Removing responsibility from NWSA leadership for POT matters beyond the NWSA scope, which will enhance both organizations' respective focus;
- Minimizing any additional overhead expense for all three entities: NWSA, POT and POS, to leverage advantages and maximize homeport income;
- Fully supporting NWSA objectives, and ensuring NWSA leadership has oversight to determine structure and manage critical services;
- Empowering the new Port of Tacoma Executive Leader to propose the strategy, approach and staffing for POT non-alliance needs, and simultaneously collaborates to ensure the best interests of the POT, POS and NWSA are met, as is expected of the other two organizations' leaders;
- Engaging the NWSA Executive Leadership in a Management Services Inter-local agreement ("ILA") to provide day to day management for all Port of Tacoma departments that provide service to the NWSA, including hiring, performance management, and collective bargaining negotiations;
- Clarifying the new Port of Tacoma Executive Leader will be accountable for leasing activities associated with POT properties not licensed to the NWSA;

- Clarifying the NWSA Executive leadership will be the lead for promoting growth of the Puget Sound Gateway's marine cargo, advancing initiatives to improve the efficiency of the marine cargo supply chain and managing customer relations with NWSA marine cargo owners and key logistics service providers. As the larger goods movement system is both diverse and complex, all three organizations will closely coordinate on those cargo owners and service providers whose interests overlap the NWSA and homeport operations.
- Developing a partnership expectation for the NWSA and homeport leaders to leverage licensed and non-licensed properties where necessary in support of the Marine Cargo supply chain, including an annual review of properties in both harbors that are strategic to the mission of the NWSA.

Adopted by the Managing Member of the NWSA at a meeting thereof, held this 4th day of September 2018, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof.

Port of Tacoma Commissioners:

Donald G. Meyer

Donald C. Johnson

Clare Petrich

John A. McCarthy

Dick Marzano

Port of Seattle Commissioners:

Courtney Gregoire

Ryan Calkins

Fred Felleman

Stephanie Bowman

Peter Steinbrueck

**INTER-LOCAL AGREEMENT FOR MANAGEMENT SERVICES BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

**INTER-LOCAL AGREEMENT FOR MANAGEMENT SUPPORT BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

THIS INTER-LOCAL AGREEMENT ("Agreement") is entered into by and between the Port of Tacoma, a Washington municipal corporation, ("POT") and The Northwest Seaport Alliance, a Washington Port Public Development Authority ("NWSA") (referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, the Port of Tacoma and the Port of Seattle previously entered into an agreement to establish The Northwest Seaport Alliance pursuant to the following federal and state authorities: (1) the Federal Maritime Commission Discussion Agreement NO. 201228, (2) an interlocal agreement with delegated powers exercised pursuant to the port joint powers statute (RCW 53.08.240) which expressly permits joint operation and investment outside of a port district's boundaries, (3) RCW 39.34.030, the state Interlocal Cooperation Act, and (4) pursuant to Title 53.57RCW, which authorizes the Port districts to create a port development authority to use, operate and manage certain marine facilities jointly, to be known as the NWSA;

WHEREAS, a significant portion of the Port of Tacoma's business portfolio, consisting of its marine cargo operations has been licensed to the Northwest Seaport Alliance resulting in the Port of Tacoma staff supporting both entities, which a higher percentage of time spent on NWSA support;

WHEREAS, in order to efficiently and effectively provide direct NWSA management oversight to departments residing in the Port of Tacoma that spend a significant amount of time and resources in support of the NWSA, the Port of Tacoma and the NWSA desire to establish this Management Support Agreement ("Agreement") pursuant to the terms and conditions contained herein; and

NOW, THEREFORE, the Parties agree as follows:

I. General Provisions for Support Services

- A. Purpose & Services Provided. The POT and NWSA agree that the primary purpose of this Agreement is to enter a contractual arrangement for the NWSA to carry out the following functional responsibilities on behalf of the POT:
1. NWSA leadership personnel will directly manage day to day operations of Port of Tacoma staff who work in departments that support the NWSA.
 2. Development and implementation of an effective performance management system for all non-represented employees to include coordination with Port of

**INTER-LOCAL AGREEMENT FOR MANAGEMENT SERVICES BY AND BETWEEN
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Tacoma leadership/staff regarding employee performance to the degree service is also in support of the Port of Tacoma.

3. Management of represented employees associated with Local 22 including negotiations and recommendations to the Port of Tacoma Commission regarding Collective Bargaining Agreements, and provided that the authority for approval of any Collective Bargaining Agreements for Port of Tacoma labor shall rest with the Port of Tacoma Commission.

B. Employees of Record. Notwithstanding any provision herein:

1. The Port of Tacoma shall remain the Employer of Record for all POT employees.
2. The NWSA shall remain the Employer of record for all NWSA employees.
3. Nothing in this Agreement shall impede the ability of POT or NWSA to designate or enter into an agreement with a third party in which the third party agrees to take over some or all of the employer's payroll and or benefits administration, and or Federal employment tax withholding, reporting and payment responsibilities and obligations.

C. Duration of this Agreement. The Management Services provided under this Agreement will be provided from its effective date and until this Agreement terminated by either Party by written notice provided to the other Party not less than 90 days prior to that year's annual budget deadline.

D. Annual Review During Parties' Budget Cycle. The specific costs of the Port of Tacoma departments to be managed as part of this Agreement shall be implemented through Support Services Directives ("Service Directives"), which shall be reviewed on an annual basis as part of the Parties' normal budget cycle. Each Service Directive when approved by the NWSA and the Port shall be in furtherance of this Agreement and are incorporated herein by reference, upon adoption. The effectiveness of this Management Support Agreement and costs, if any, associated with the Management Services shall also be reviewed, developed and approved as part of the Parties' annual budget cycle.

D. Communications. Each Service Directive identifies the contact people for the Parties who will coordinate the work for each service area. It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate financial performance of actual vs. projected spending.

E. Employment, Policies and Procedures. During the term of this Agreement, individuals providing services will remain full-time employees of their respective employer, which shall continue to be responsible for salary, benefits and retirement contributions. (The Employer of Record will not change). Nothing contained herein shall be construed as creating an employer/employee relationship between the individuals providing services and the entity

INTER-LOCAL AGREEMENT FOR MANAGEMENT SERVICES BY AND BETWEEN THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE

receiving the service. Staff who are subject to this Agreement will follow the policies and procedures of the NWSA and the POT in conducting the work, as will be more specifically set for the Service Directives.

F. Billing Rate and Procedures. Any future proposed charges for management services will be determined during the budget cycle for the coming fiscal year, and reflected in the Service Directives.

G. Independent Municipal Governments. The Parties hereto are independent governmental entities and nothing herein shall be construed to limit the independent government powers, authority or discretion of the governing bodies of each Party. It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of any Party shall be deemed, or represent themselves to be, employees of any of the other Party.

H. Legal obligations. This Agreement does not relieve either Party of any obligation or responsibility imposed upon it by law.

I. Timely Performance. The requirements of this Agreement shall be carried out in a timely manner according to a schedule negotiated by and satisfactory to the Parties.

J. Recording. Copies of this Agreement shall be posted to the web sites of the Parties.

K. Audit of Records. During the term of this Agreement, and for a period not less than six (6) years from the date of termination, records and accounts pertaining to the work of this Agreement and accounting therefore shall be kept by each Party and shall be available for inspection and audit by representatives of either Party and any other entity with legal entitlement to review said records. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claims, or audit finding has been resolved, even though such litigation, claim, or audit continues past the six-year (6) retention period. This provision is in addition to and is not intended to supplant, alter or amend records retention requirements established by applicable state and federal laws.

II. **Dispute Resolution**

A. Process. The Parties' designated representatives under Paragraph III herein shall use their best efforts to resolve disputes between the Parties. If the designated representatives are unable to resolve a dispute, then each Party's responsible Contact Person shall review the matter and use their best efforts to resolve it. If the Contact Person are unable to resolve the dispute, the matter shall be reviewed by the department director or chief executive officer of each Party or his or her designee. The Parties agree to exhaust each of these procedural steps before seeking to further resolve the dispute in any other forum. Any controversy or claim arising out of or

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relating to this Inter-Local Agreement, or the breach thereof, which is not settled by agreement between the Parties, shall be settled by mediation in the State of Washington, in Pierce or King Counties. In the event either Party reasonably believes mediation will not result in a solution to the disagreement, mediation may be waived.

B. Controlling law & Venue. This Agreement shall be construed and enforced according to the laws of the State of Washington. Venue for any actions relating to interpretation of this Agreement will be in Pierce County Superior Court.

III. Notices

A. Contact Persons. Any notice, demand, request, consent, approval or communication that either Party desires or is required to give to the other Party shall be in writing addressed to the other Party at the addresses as follows unless otherwise indicated by the Parties to this Agreement:

NWSA:	John Wolfe, Chief Executive Officer PO Box 1837 Tacoma, WA 98401 jwolfe@nwseaportalliance.com
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Port of Tacoma:	Don Meyer, Commission President PO Box 1837 Tacoma, WA 98401 dmeyer@portoftacoma.com
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B. Receipt. Notice shall be deemed “received” on the date of actual delivery or the first attempted delivery as shown on the return receipt if mailed with the United States Postal Service by certified mail, return receipt requested, otherwise receipt if presumed three days after deposit of mail into US Mail, or by receipt of email.

IV. Indemnification and Hold Harmless

A. The Parties release each other from, and shall defend, indemnify, and hold each other and agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of the other Party and/or its agents, employees, officers, and/or subcontractors, arising out of or in any way related to this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence of a Party or its agents, employees, and/or officers.

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B. This Agreement includes a waiver of subrogation against all losses sustained by either Party and/or its agents, employees, officers, subcontractors, and/or insurers, arising out of or related to this Agreement except to the extent the Parties' losses are caused in whole or in part by the negligence of the other Party or its agents, employees, and/or officers.

C. Each Party specifically assumes liability for actions brought by its own employees against the other Party and for that purpose each Party specifically waives, as respects the other Party only, any immunity under the Worker's Compensation Act, RCW Title 51.

D. Both Parties recognize that this waiver was the subject of mutual negotiation. In the event any Party incurs attorney's fees, costs or other legal expenses to enforce the provisions of this Agreement against the other Party, all such fees, costs and expenses shall be recoverable by the prevailing Party.

E. No liability shall attach to any of the Parties by reason of entering into this Agreement except as expressly provided herein.

F. Each Party agrees that it will include in any contract which is related to the work of this Agreement a provision requiring the contractor to defend, indemnify and hold harmless all the Parties to this Agreement against any claims arising out of or related to the work of the contractor.

G. The provisions of this Article shall survive any termination or expiration of this Agreement.

V. Severability

If any term or provision of this Agreement, or its application to any person or circumstance is ruled invalid or unenforceable, the remainder of this Agreement will not be affected and will continue in full force and effect.

VI. Limits of Financial Obligations/Property ownership.

Except as provided above, each Party shall finance its own conduct of responsibilities under this Agreement. No ownership of property will transfer as a result of this Agreement.

VII. Entire Agreement/Amendment

This Agreement, together with any documents, including Service Directives, incorporated by reference or adopted in furtherance of this Agreement shall constitute the entire agreement

**INTER-LOCAL AGREEMENT FOR MANAGEMENT SERVICES BY AND BETWEEN
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between the Parties with respect to the Services to be provided and shall supersede all prior agreements, proposals, understandings, representations, correspondence or communications relating to the subject matter hereof. No modification or amendment of this Agreement shall be valid and effective unless approved by both parties in writing.

WHEREFORE, the parties have executed this Agreement this [numerical] day of [month], 2017.

Northwest Seaport Alliance

Port of Tacoma

John Wolfe
Chief Executive Officer

Commission President Don Meyer

Date _____

Date _____

**INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

**INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

THIS INTER-LOCAL AGREEMENT ("Agreement") is entered into by and between the Port of Tacoma, a Washington municipal corporation, ("POT") and The Northwest Seaport Alliance, a Washington Port Public Development Authority ("NWSA") (referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, the Port of Tacoma and the Port of Seattle have entered into an agreement to establish The Northwest Seaport Alliance pursuant to the following federal and state authorities: (1) the FMC Discussion Agreement, (2) an interlocal agreement with delegated powers exercised pursuant to the port joint powers statute (RCW 53.08.240) which expressly permits joint operation and investment outside of a port's district, (3) RCW 39.34.030, the state Interlocal Cooperation Act, and (4) pursuant to ESHB 1170, WA Session Laws of 2015-6, (Title 53.XX RCW), which authorizes the Ports to create a port development authority to use, operate and manage certain marine facilities jointly, to be known as the NWSA;

WHEREAS, in order to improve efficiency in obtaining, the services necessary for the development, redevelopment, repair and maintenance of new and existing facilities, and providing for the operation of The Northwest Seaport Alliance, NWSA and POT desire to retain support services from one another pursuant to the terms and conditions contained herein; and

WHEREAS, the Parties are authorized, pursuant to Chapter 39.34 RCW (the Inter-local Cooperation Act), to enter into this Inter-local agreement.

NOW, THEREFORE, the Parties agree as follows:

I. General Provisions for Support Services

A. Duration of this Agreement. Services to be provided under the terms of this Agreement will be provided during Calendar Year 2018. This Agreement and attached Service Directive exhibits are effective between January 1, 2018 and December 31, 2018. Subsequent Inter-Local Agreements for Support Services, if any, will be executed on an annual basis.

B. Services Provided. The NWSA and POT have agreed to provide support services to one another as defined in the Service Directive exhibits attached to this Agreement. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided.

C. Communications. Each Service Directive exhibit identifies the contact people for the Parties that will coordinate the work for each service area. It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are

**INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN
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being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

D. Employment, Policies and Procedures. During the term of this Agreement, individuals providing support services will remain full-time employees of their respective employer, who shall continue to be responsible for salary, benefits and retirement contributions. Nothing contained herein shall be construed as creating an employer/employee relationship between the individuals providing support services and the entity receiving the services. Staff providing support services will follow the policies and procedures of their respective employer in conducting the work.

E. Billing Rate and Procedures. The charge for services will be determined during the budget cycle for the coming fiscal year. Based on the type of support service and as reflected on each specific Service Directive exhibit, costs will be allocated in one of the following ways: (1) monthly based on a fixed charge or formula, (2) charged to projects based on developed charge out rates or (3) performed as a fee for service based on predetermined charged out rates.

F. Independent Municipal Governments. The Parties hereto are independent governmental entities and nothing herein shall be construed to limit the independent government powers, authority or discretion of the governing bodies of each Party. It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of any Party shall be deemed, or represent themselves to be, employees of any of the other Party.

G. Legal obligations. This Agreement does not relieve either Party of any obligation or responsibility imposed upon it by law.

H. Timely Performance. The requirements of this Agreement shall be carried out in a timely manner according to a schedule negotiated by and satisfactory to the Parties.

I. Recording. Copies of this Agreement shall be posted to the web sites of the Parties.

J. Audit of Records. During the term of this Agreement, and for a period not less than six (6) years from the date of termination, records and accounts pertaining to the work of this Agreement and accounting therefore shall be kept by each Party and shall be available for inspection and audit by representatives of either Party and any other entity with legal entitlement to review said records. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claims, or audit finding has been resolved, even though such litigation, claim, or audit continues past the six-year (6) retention period. This provision is in addition to and is not intended to supplant, alter or amend records retention requirements established by applicable state and federal laws.

INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE

II. Dispute Resolution

A. Process. The Parties' designated representatives under Paragraph III herein shall use their best efforts to resolve disputes between the Parties. If the designated representatives are unable to resolve a dispute, then each Party's responsible Project Directors shall review the matter and use their best efforts to resolve it. If the Project Directors are unable to resolve the dispute, the matter shall be reviewed by the department director or chief executive officer of each Party or his or her designee. The Parties agree to exhaust each of these procedural steps before seeking to further resolve the dispute in any other forum. Any controversy or claim arising out of or relating to this Inter-Local Agreement, or the breach thereof, which is not settled by agreement between the Parties, shall be settled by mediation in the State of Washington, in Pierce or King Counties. In the event either Party reasonably believes mediation will not result in a solution to the disagreement, mediation may be waived.

B. Controlling law & Venue. This Agreement shall be construed and enforced according to the laws of the State of Washington.

III. Notices

A. Contact Persons. Any notice, demand, request, consent, approval or communication that either Party desires or is required to give to the other Party shall be in writing addressed to the other Party at the addresses as follows unless otherwise indicated by the Parties to this Agreement:

NWSA:	Erin Galeno, Chief Financial and Admin Officer PO Box 1837 Tacoma, WA 98401 egaleno@nwseaportalliance.com
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Port of Tacoma:	Darren Arakaki, Director Accounting PO Box 1837 Tacoma, WA 98401 darakaki@portoftacoma.com
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B. Receipt. Notice shall be deemed "received" on the date of actual delivery or the first attempted delivery as shown on the return receipt if mailed with the United States Postal Service by certified mail, return receipt requested, otherwise receipt if presumed three days after deposit of mail into US Mail, or by receipt of email.

**INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

IV. Indemnification and Hold Harmless

A. The Parties release each other from, and shall defend, indemnify, and hold each other and agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of the other Party and/or its agents, employees, officers, and/or subcontractors, arising out of or in any way related to this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence of a Party or its agents, employees, and/or officers.

B. This Agreement includes a waiver of subrogation against all losses sustained by either Party and/or its agents, employees, officers, subcontractors, and/or insurers, arising out of or related to this Agreement except to the extent the Parties' losses are caused in whole or in part by the negligence of the other Party or its agents, employees, and/or officers.

C. Each Party specifically assumes liability for actions brought by its own employees against the other Party and for that purpose each Party specifically waives, as respects the other Party only, any immunity under the Worker's Compensation Act, RCW Title 51.

D. Both Parties recognize that this waiver was the subject of mutual negotiation. In the event any Party incurs attorney's fees, costs or other legal expenses to enforce the provisions of this Agreement against the other Party, all such fees, costs and expenses shall be recoverable by the prevailing Party.

E. No liability shall attach to any of the Parties by reason of entering into this Agreement except as expressly provided herein.

F. Each Party agrees that it will include in any contract which is related to the work of this Agreement a provision requiring the contractor to defend, indemnify and hold harmless all the Parties to this Agreement against any claims arising out of or related to the work of the contractor.

G. The provisions of this Article shall survive any termination or expiration of this Agreement.

V. Severability

If any term or provision of this Agreement, or its application to any person or circumstance is ruled invalid or unenforceable, the remainder of this Agreement will not be affected and will continue in full force and effect.

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THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

VI. Limits of Financial Obligations/Property ownership.

Except as provided above, each Party shall finance its own conduct of responsibilities under this Agreement. No ownership of property will transfer as a result of this Agreement.

VII. Entire Agreement/Amendment

This Agreement, together with any documents incorporated by reference shall constitute the entire agreement between the Parties with respect to the Services to be provided and shall supersede all prior agreements, proposals, understandings, representations, correspondence or communications relating to the subject matter hereof. No modification or amendment of this Agreement shall be valid and effective unless approved by both parties in writing.

WHEREFORE, the parties have executed this Agreement this 14th day of November, 2017.

Northwest Seaport Alliance

Port of Tacoma



John Wolfe
Chief Executive Officer



Richard Mangum
Commission President

Date Nov. 9, 2017

Date 11/07/17

**INTER-LOCAL AGREEMENT FOR SUPPORT SERVICES BY AND BETWEEN
THE PORT OF TACOMA AND THE NORTHWEST SEAPORT ALLIANCE**

Attached Support Service Directives for Calendar Year 2018

Support Service Agreement between NWSA and POT:

- Exhibit 1 – Accounting, Financial Analysis & Treasury Support Services
- Exhibit 2 – Human Resources Support Services
- Exhibit 3 – Public Records Management Support Services
- Exhibit 4 – Information Technology and Business Process Support Services
- Exhibit 5 – Communications Support Services
- Exhibit 6 – Commercial and Real Estate Support Services
- Exhibit 7 – Facilities Development Support Services
- Exhibit 8 – Security and Labor Relations Support Services
- Exhibit 9 – Equipment and Facilities Maintenance Support Services
- Exhibit 10 – Railcar and Freight and Operations Coordinators Support Services
- Exhibit 11 – Strategic Operations Projects and Risk Management Support Services
- Exhibit 12 – Contracts and Purchasing Support Services
- Exhibit 13 – Executive Management Support Services
- Exhibit 14 – Additional Support Services as Needed
- Exhibit 15 – Government Relations Support Services
- Exhibit 16 – Commissioners Support Services
- Exhibit 17 – Commercial Strategy Support Services
- Exhibit 18 – Portwide Infrastructure, Sitcum Office Support Services

EXHIBIT 1 - Service Directive: Accounting, Financial Analysis and Treasury Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Accounting, Financial Management and Treasury Support Services to be provided by POT to The NWSA include the following:

1. Customer invoicing, accounts receivable, collections and cash application for NWSA customers in Pierce County.
2. Accounts payable services for The NWSA.
3. Payroll services for NWSA employees and for POT employees seconded to The NWSA.
4. Project accounting services to support project delivery for the NWSA.
5. External Audit services to support financial reporting and compliance with policies and state and federal statutes.
6. General accounting services for POT financial transactions associated with The NWSA and NWSA direct financial transactions, including consolidation of The NWSA financial statements, monthly financial reporting package preparation, tax filings.
7. Coordination with POS in creation of The NWSA budget including Capital Plan and Funding. Consolidated budget documentation for The NWSA and 5-Year Plan of Finance.
8. Financial Planning and Analysis including financial analysis for investment decisions for The NWSA.
9. Treasury activities associated with cash management, investment and debt management for NWSA and separate NWSA "division" within POT.

**EXHIBIT 1 - Service Directive:
Accounting, Financial Analysis and Treasury Support Services**

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ¹	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ²
Fixed	Percentage of POT department budget based on analysis of work activities	88 % of actual spending	\$2,828,666

Accounting, Financial Management and Treasury Support Services to be provided by The NWSA to POT include the following:

1. None. Chief Financial Officer services for POT Homeport business are included in the Executive Management Support Service Directive.

Primary Contacts:

NWSA – Erin Galeno

POT – Darren Arakaki

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Before January 1, 2018, agreements will be made on desired standard report formats and frequencies.
- Accounting services will be provided on standard schedules consistent with, and coordinating with, POT and POS accounting schedules.
- Retention of key financial reports and information in compliance with state requirements.

¹ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

² Preliminary budget amount – subject to final budget approval.

EXHIBIT 2

**Service Directive:
Human Resources Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Human Resources Support Services to be provided by POT to The NWSA include the following:

1. Provide services to manage salaries and benefits for POT employees while seconded to The NWSA and providing services to NWSA through other Support Service Agreements.
2. Provide services to evaluate and implement salary and benefits for NWSA employees.
3. Provide employee relations services for POT employees while seconded to The NWSA.
4. Provide services to support NWSA employee relations, professional development, retention, recruiting and hiring.
5. Provide services to support NWSA organizational development and team building.
6. Coordinate with POS regarding NWSA employee relations and organizational development.
7. Implement and oversee the transition of former Port of Seattle and Port of Tacoma employees to status of NWSA employees, to be temporarily structured as a sub-department of the Port of Tacoma for purposes of equitable and efficient administration of payroll, benefits and employee reporting requirements.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ¹	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ²
Fixed	Percentage of POT department budget based on analysis of work activities	88 % of actual spending	\$1,193,265

Human Resources Support Services to be provided by The NWSA to POT include the following:

1. None. Chief HR Officer services for POT Homeport business are included in the Executive Management Support Service Directive.

Primary Contacts:

NWSA – Erin Galeno

POT – Jean West

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Employee information is handled in compliance with all applicable laws.
- Salary and benefit programs are designed based on competitive market data.

¹ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

² Preliminary budget amount – subject to final budget approval.

EXHIBIT 3

**Service Directive:
Public Records Management Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Public Records Management Support Services to be provided by POT to The NWSA include the following:

1. Coordinate overall public records management for The NWSA. POT staff person Debbie Givens will serve as The NWSA Public Records Officer.
2. Provide management of POT portion of state-mandated NWSA records management
3. Provide support for and coordinate the production of responsive records for PDR requests from the NWSA.
4. Coordinate with POS records management staff on management of NWSA records.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	0 % of actual spending	Included in Information Technology and Business Process Support Service Agreement

Public Records Management Support Services to be provided by The NWSA to POT include the following:

1. None.

Primary Contacts:

NWSA – Erin Galeno

POT – Debbie Givens

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- At NWSA formation, Public Records Management policy and procedures for The NWSA will be adopted by the Managing Members.
- Public Records Management activities will follow The NWSA Public Records Management policy and procedures.

i Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ii Preliminary budget amount – subject to final budget approval.

EXHIBIT 4

**Service Directive:
Information Technology and Business Process Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Information Technology and Business Process Support Services to be provided by POT to The NWSA include the following:

1. Provide hardware/infrastructure including (but not limited to) - laptops, mobile devices (cellphones, tablets, etc), servers, network connectivity, and storage for NWSA staff working from POT and Pier 69 office locations.
2. Support The NWSA technical infrastructure requirements including Active Directory, Network and Data Security, and any additional infrastructure as needs arise.
3. Provide primary support for PC-based software and port Enterprise Applications, data, data bases, and associated services for NWSA staff working from POT and Pier 69 office locations. This may include (but is not limited to), back office systems, MS Customer Relationship Management (CRM) System, communications systems including (but not limited to) Skype for Business (dial tone and instant messaging), ADP Time and Attendance software, Exchange Email and Calendar services, all technology and software implemented in support of the NWSA Operations Service Center (waterway, rail, roadway, breakbulk terminal TOS).
4. Provide IT support services for the POT support service groups that will be providing services to the NWSA. This may include (but is not limited to): Technical Infrastructure, Internet Access, Maximo, Microsoft Dynamics GP Financial System, Video Analytics System, Microsoft SharePoint, HR Vista, Lease Management, Budgeting (Prophix), and GIS.

EXHIBIT 4 - Service Directive:
Information Technology and Business Process Support Services

5. Primary service desk and support for NWSA staff working from POT and Pier 69 office locations. Collaborate closely with POS IT to coordinate and develop procedures for NWSA specific issues.
6. Provide services and project resources including Project Management of IT Projects and Programs for the NWSA.
7. Provide services to evaluate business processes.
8. Public Records Management Support Services – see Exhibit 3.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ¹	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ²
Fixed	Percentage of POT department budget based on analysis of work activities	88 % of actual spending	\$7,039,548

Information Technology and Business Process Support Services to be provided by The NWSA to POT include the following:

1. None.

Primary Contacts:

NWSA – Erin Galeno

POT – Debbie Givens

¹ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

² Preliminary budget amount – subject to final budget approval.

EXHIBIT 4 - Service Directive:
Information Technology and Business Process Support Services

Service Level Expectations:

- It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.
- IT applications, hardware, infrastructure and applications managed by POT IT staff will be properly maintained and supported to ensure reliable uptime.
- IT help desk services will be available during normal business hours.

EXHIBIT 5
Service Directive:
Communications Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Communications Support Services to be provided by POT to The NWSA include the following:

1. Directs the development and execution of the NWSA's strategic communications plan, including effective management and support of assigned staff.
2. Represents the NWSA to media.
3. Develops and maintains NWSA website, social media channels and publications.
4. Develops and implements the NWSA's internal communications program.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	50 % of actual spending	\$769,700

External Affairs Support Services to be provided by The NWSA to POT include the following:

1. None.

Primary Contacts:

NWSA – Erin Galeno

POT – Tara Mattina

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Time and resources are effectively managed through prioritization of internal and external communications strategies that directly support the advancement and achievement of NWSA goals and objectives.
- Media stories and communication tools (website, social media, publications) consistently reflect NWSA objectives and priorities.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 6

**Service Directive:
Commercial and Real Estate Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Commercial and Real Estate Support Services to be provided by POT to The NWSA include the following:

1. Services as requested from staff within the POT Non-Alliance Real Estate group, to provide service related to NWSA-licensed properties.
2. Supports the development, review and management of various real estate agreements (leases, easements, Access and Hold Harmless, ROWs, vacation, etc. and manage lease and utility billing and compliance for the pierce county leases and contracts.
3. Coordinates the planning, developing and maintaining of Pierce County Port facilities and properties in a way that yields the highest possible level to optimize utilization and return including facility maintenance, upgrade and replacement or compliance with regulatory or other matters.
4. Provide guidance in efforts to assess the strategic fit of Pierce County's real property assets and develop plans to acquire, divest or otherwise manage these assets in a timely manner that support the NWSA's overall goals and objectives.
5. Operate and manage the Pierce County Foreign Trade Zone.

**EXHIBIT 6 - Service Directive:
Commercial and Real Estate Support Services**

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	15 % of actual spending	\$182,937

Commercial and Real Estate Support Services to be provided by The NWSA to POT include the following:

1. Services as requested from staff within The NWSA Business Development groups, and The NWSA Real Estate group, to provide service related to POT Non-Alliance Real Estate.
2. Note – Executive Management services for POT Homeport real estate business are included in the Executive Management Support Service Directive.

Cost for Service and Charge Methodology – NWSA to POT:

Method of Charges	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱⁱ
	Percentage of Chief Financial Officer budget based on analysis of work activities	0% of burdened cost	\$0

Primary Contacts:

NWSA – Erin Galeno

POT – Scott Francis

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Pierce county leases and contracts are billed and maintained in compliance with lease/contract provisions.
- Pierce county port facilities and properties licensed to the NWSA are maintained to yield the highest possible level to optimize utilization and return.
- Pierce County's real property development plans supports the NWSA's overall strategic goals and objectives.
- Contracts and/or agreements are consistently negotiated so as to achieve the NWSA's financial strategic and target deadline goals, as pre-defined for each negotiation.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

ⁱⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 7

**Service Directive:
Facilities Development Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Support services to be provided by POT Facilities Development Division to The NWSA include the following:

Contact people are indicated in parentheses:

1. Project Delivery

a. **Contacts**

- i. NWSA – Dakota Chamberlain
- ii. POT Engineering – Jane Vandenberg
- iii. POT Environmental & Planning Services – Jason Jordan

- b. POT staff will provide The NWSA with project delivery administration.
- c. POT staff will provide The NWSA with project delivery for NWSA projects in Pierce County. Services include planning, project management, engineering, permitting, SEPA/NEPA, environmental remediation, habitat mitigation and monitoring, construction management, and construction inspection.
- d. POT staff will fill key roles for NWSA environmental program management. NWSA, POT & POS staff will coordinate closely on regional air quality and water quality (stormwater) management programs.
- e. For projects completed in King County, POT will coordinate with Port of Seattle Capital Development staff, including but not limited to permitting, SEPA/NEPA, project management, construction management and design services.

**EXHIBIT 7 - Service Directive:
Facilities Development Support Services**

Note: This does not restrict staff from working on NWSA projects in King County, but for budgeting purposes, the assumption is that for initial years of operation, project delivery will be within homeport geography.

2. Construction Inspection (NWSA: D. Chamberlain, POT: J. Vandenberg)
 - a. POT staff will provide construction inspection services for NWSA projects in Pierce County.
3. Cost for Service and Charge Methodology – POT to The NWSA:

Service Area	Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Project Delivery, Administration, Construction Inspection Services	Project Charges	Project-Specific Agreements	Hourly Rate Schedule \$157	Costs for "Expense" project are included in operating expenses
Environmental Project Support	Project Charges	Project-Specific Agreements	Hourly Rate Schedule \$157	Costs for "Expense" project are included in operating expenses

Planning and Environmental Support Services to be provided by The NWSA to POT include the following:

1. Planning and Environmental Programs (POT: J. Jordan, NWSA: D. Chamberlain)
 - a. NWSA staff will provide services to POT for facility, land use, transportation planning, air quality and water quality (stormwater) management programs, and grant management related to POT Non-Alliance properties. NWSA, POT & POS staff will coordinate closely on regional programs.
 - b. NWSA staff will provide project-specific planning and environmental support to POT as requested, for POT Non-Alliance properties.

**EXHIBIT 7 - Service Directive:
Facilities Development Support Services**

2. Cost for Service and Charge Methodology – NWSA to POT:

Service Area	Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Planning Programs	Fixed	Percentage of NWSA department costs based on analysis of work activities	25% of actual spending	\$249,034
Air, Water Quality Environmental Project Support	Project Charges	Project-Specific Agreements	Hourly Rate \$157	Costs for "Expense" project are included in operating expenses

Primary Contacts:

NWSA – Kurt Beckett

POT – Dakota Chamberlain

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- **Project Delivery:** Project delivery and construction inspection will be provided in accordance with the authorization for projects.
- **Approval:** All services provided by POT for the NWSA shall be approved and/or authorized by the NWSA. The NWSA Master Policy is the controlling document for authorization of projects. Execution of work shall be consistent with relative policies and procedures for each organization.

Request for Services: All requests for services shall be documented and include scope of work, period of performance, cost of service, and any other information necessary for describing the work and how it shall be completed. Any changes to the agreed to terms of services shall be documented and agreed to by all parties.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 8

**Service Directive:
Security and Labor Relations Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Security and Labor Relations Support Services to be provided by POT to The NWSA include the following:

1. The NWSA will contract with POT for Port Patrol and Security associated with NWSA-licensed properties in Pierce County. These staff will also provide labor relations assistance for POT represented employees.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fee for Service	Direct Charge per hour	Hourly rate \$65.74	\$670,860
Fixed	Percentage of POT department budget based on analysis of work activities	54% of actual spending	\$3,569,836

When additional security service is requested beyond Security's routine staffing requirements, by the carrier, shipper, or consignee, security costs will be charged accordingly to the party requesting the service, at the appropriate billing rate or via the Port Security Tariff rate.

Primary Contacts:

NWSA – Don Esterbrook

POT – Louis Cooper

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- 24/7/365 Port Patrol Security Force in Pierce County
- Protection of Port of Tacoma and the NWSA personnel and licensed properties in Pierce County
- Focus on physical security ensuring compliance with the Port of Tacoma Security Facility Plan as mandated by MTSA and CFR 33 Part 105.
- Sustaining a safe and secure free flow of commerce
- Coordinate with local and regional safety and security organizations.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

**EXHIBIT 9 - Service Directive:
Equipment and Facilities Maintenance Support Services**

**EXHIBIT 9
Service Directive:
Equipment and Facilities Maintenance Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Equipment and Facilities Maintenance Support Services to be provided by POT to The NWSA include the following:

1. The NWSA will contract with POT for Equipment and Facilities maintenance for NWSA-licensed properties in Pierce County.

Procurement of materials and services necessary for the work will be conducted following POT Master Policy.
2. POT staff will support the NWSA with administration and policies related to Equipment and Facilities maintenance support services.
3. Special administrative projects that are above and beyond the day-to-day services will be charged at the Equipment or Facilities rate depending on the scope of the project.

Cost for Service and Charge Methodology – POT to The NWSA:

Service Area	Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Equipment	Hourly Rate	Time, Materials, and Overhead	Hourly Rate \$144 Allocation – Charged as a percentage or	Direct charges included in operating expenses

**EXHIBIT 9 - Service Directive:
Equipment and Facilities Maintenance Support Services**

			formula, applied monthly to the actual expenditures	
Facilities	Hourly Rate	Time, Materials, and Overhead	Hourly Rate \$124 Allocation – Charged as a percentage or formula, applied monthly to the actual expenditures	Direct charges included in operating expenses

Primary Contacts:

NWSA – Erin Galeno

POT – Ray Williams, Equipment; Pat Patterson, Facilities

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Customer input regarding prioritization of work will be discussed on a regular basis.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

**EXHIBIT 10 - Service Directive:
Railcar and Freight and Operations Coordinators Support Services**

EXHIBIT 10

**Service Directive:
Railcar and Freight Coordinators and Operations Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Railcar and Freight Coordinators Support Services to be provided by POT to The NWSA include the following:

1. The NWSA will contract with POT for railcar coordinators and freight coordinators and Operations support for work associated with NWSA-licensed properties in Pierce County.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	100 % of actual spending	\$1,429,767

EXHIBIT 10 - Service Directive:
Railcar and Freight and Operations Coordinators Support Services

Primary Contacts:

NWSA – Erin Galeno

POT – Zack Thomas

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Operations resources are available for efficient operations and timely service delivery.
- Manage operating costs using best operational best practices to maximize profitability.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 11 - Service Directive:
Strategic Operations Projects and Risk Management Support Services

EXHIBIT 11

Service Directive:
Strategic Operations Projects and Risk Management Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Strategic Operations Projects and Risk Management Support Services to be provided by POT to The NWSA include the following:

1. Risk management services to The NWSA in support of its business operations, activities and assets. Scope includes, but not limited to, evaluation of risks and insurance coverage needs, procurement of insurance, processing and adjusting of claims and/or coordination of legal services; consultation on risk management issues related to contracting and procurement.
2. Strategic project support to The NWSA as requested.
3. Workers' compensation insurance (or equivalent State-approved self-insurance), and associated claims management services, for all POT employees, including those providing support services to the NWSA and, when required, arrangements for workers' compensation insurance (or equivalent State-approved self-insurance) for NWSA direct employees.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	80 % of actual spending	\$327,689

EXHIBIT 11 - Service Directive:
Strategic Operations Projects and Risk Management Support Services

Strategic Operations Projects and Risk Management Support Services to be provided by The NWSA to POT include the following:

1. None.

Primary Contacts:

NWSA – Erin Galeno

POT – Lou Paulsen

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

1. Maintain cost effective property and casualty (including workers' compensation) insurance coverage, and claims management, as respects the operations and activities of The NWSA on licensed properties.
2. Provide expertise and support to complete NWSA strategic operations projects.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 12

**Service Directive:
Contracts and Purchasing Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

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Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Contracts and Purchasing Support Services to be provided by POT to The NWSA include the following:

1. POT staff will support The NWSA with contracting for personal services and outside consulting support to be provided to the Alliance.
2. POT staff will provide services for purchased Goods & Services associated with POT-owned assets, or office supplies for NWSA staff working in POT offices.
3. POT staff will also support The NWSA with additional goods & services purchasing for The NWSA.
4. Port staff will support contracting and procurement for public works and professional services for NWSA projects managed by POT Project delivery staff.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	88% of actual spending	\$1,111,127

Contracts and Purchasing Support Services to be provided by The NWSA to POT include the following:

1. None. Chief Financial Officer services for POT Homeport business are included in the Executive Management Support Service Directive.

Primary Contacts:

NWSA – Erin Galeno

POT – Mark Little

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Procurement timeliness will be developed and managed. Changes will be agreed to by the customer.
- Administration of contracts will be in compliance with POT policies and procedures and federal, state and local requirements.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 13

**Service Directive:
Executive Management Support Services**

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Executive Management Support Services to be provided by POT to The NWSA include the following:

1. None.

Executive Management Support Services to be provided by The NWSA to POT include the following:

1. Services of the NWSA Executive Management Team to manage POT Homeport business.
2. Services of NWSA senior administrative staff to provide POT Commission and executive support.
3. Provide strategic planning and direction to support POT Homeport business. Manage commission, stakeholder and community initiatives and communication.
 - Includes the CEO and their direct reports
 - Includes salaries, benefits and related expenses
 - Includes general Legal services and disputes and litigation costs
 - Any other significant costs budgeted in this department

**EXHIBIT 13 - Service Directive:
Executive Management Support Services**

Cost for Service and Charge Methodology – NWSA to POT:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of budget based on analysis of work activities	20 % of actual spending	\$750,444

Primary Contacts:

NWSA – Kurt Beckett

POT – Erin Galeno

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

Executives effectively prioritize and manage business activities associated with the NWSA and Port of Tacoma.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 14
Service Directive:
Additional Support Services as Needed

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Additional Support Services to be provided by POT to The NWSA as Needed:

1. POT will provide miscellaneous additional support services as requested by The NWSA. The specific scope of those services will be determined at the time of the request. These are services that are not covered by one of the other service agreement exhibits. Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fee for Service/Variable	Level of use monthly at agreed to rates	Agreed to when need for service is determined	\$XXX,XXX.XX

Additional Support Services to be provided by The NWSA to POT as Needed:

2. NWSA staff will provide miscellaneous support services to POT if requested by POT. The specific scope of those services will be determined at the time of the request. These are services that are not covered by one of the other service agreement exhibits. Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined

**EXHIBIT 14 - Service Directive:
Additional Support Services as Needed**

Cost for Service and Charge Methodology – The NWSA to POS:

Method of Charges	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount
Fee for Service/Variable	Level of use monthly at agreed to rates	Agreed to when need for service is determined	\$XXX,XXX.XX

Primary Contacts:

NWSA –

POT –

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- To be determined for each individual service to be provided at the time of request.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 15
Service Directive:
Government Relations Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Government Relations Support Services to be provided by POT to The NWSA include the following:

1. Directs the development and execution of the NWSA's overall legislative/community outreach strategy, including the effective management and support of assigned staff.
2. Represents the NWSA's legislative interests with state officials, staff and agency representatives.
3. Represents the NWSA's legislative interests with local officials and staff and tribal governments in Pierce County.
4. Establish and maintain NWSA relationship with community organizations in Pierce County to build support for the NWSA's mission and activities.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of POT department budget based on analysis of work activities	60 % of actual spending	\$1,056,312

External Affairs Support Services to be provided by The NWSA to POT include the following:

1. None.

Primary Contacts:

NWSA – Erin Galeno

POT – Sean Eagan

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

1. Time and resources (both human and financial) are effectively managed through prioritization of legislative and community relations strategies that directly support the advancement and achievement of the NWSA's goals and objectives.
2. Legislative issues are consistently and successfully achieved.
3. NWSA customers receive value through active engagement on issues that impact their business operations

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 16
Service Directive:
Commissioners Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

- The PDA shall be governed by its Managing Members will carry out the provisions of RCW 53.08 by overseeing the business of the PDA, setting policy and strategic direction for the NWSA in both internal and external matters and provide for their implementation..
- The Managing Members shall meet at least quarterly and may hold executive sessions to consider matters enumerated in RCW 42.30 or privileged matters recognized by law.
- The Managing Members shall select an initial CEO.
- See The Northwest Seaport Alliance Charter and other formation documents.
- Costs include commission salary, benefits, travel and major community memberships.

Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of budget based on analysis of work activities	50%	\$223,002

Additional Support Services to be provided by The NWSA to POT as Needed:

None

Cost for Service and Charge Methodology – The NWSA to POT:

Method of Charges	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount
Fixed	Percentage of budget based on analysis of work activities	0%	\$0

Primary Contacts:

NWSA – Kurt Beckett

POT – Erin Galeno

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- The Managing Members shall meet at least quarterly and may hold executive sessions to oversee the business of the PDA, set policy and strategic direction for the NWSA.
- Managing Members will carry out the provisions of the PDA in RCW 53.08 and RCW 42.30.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 17
Service Directive:
Commercial Strategy Support Services

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Commercial Strategy Support Services to be provided by POT to The NWSA include the following:

1. None.

Commercial Strategy Support Services to be provided by The NWSA to POT include the following:

1. Services of the NWSA Commercial Strategy Team to manage POT Homeport business.
2. Services of NWSA Commercial staff to provide POT Commission and commercial support.
3. Provide strategic planning and direction to support POT Homeport business. Manage commission, stakeholder and community initiatives and communication.

Cost for Service and Charge Methodology – NWSA to POT:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fixed	Percentage of budget based on analysis of work activities	20% of actual spending	\$402,789

Primary Contacts:

NWSA – Tong Zhu

POT – Erin Galeno

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

1. Effectively prioritize and manage business activities associated with the NWSA and Port of Tacoma.
2. Provides timely strategic planning and commercial support for Port of Tacoma businesses.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

EXHIBIT 18
Service Directive:
Portwide Infrastructure, Sitcum Office

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Tacoma (POT) and The Northwest Seaport Alliance (NWSA) for Calendar Year 2018.

The NWSA and POT have agreed to provide support services to one another as defined in Service Directive exhibits. Each Service Directive exhibit defines the scope of services, cost for services, charge methodology, and service level expectations for each service area to be provided. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

Time period:

This agreement is for calendar year 2018.

Scope of Services and Costs for Service:

Portwide infrastructure, Sitcum office services to be provided by POT to The NWSA:

1. POT will provide fully serviced office, conference room space and common area space at 1 Sitcum Plaza for staff in Tacoma that provide services to NWSA.
2. POT will maintain infrastructure – roads, entrances, exits common areas as required by regulatory agencies and maintain a safe working environment.
3. Cost for Service and Charge Methodology – POT to The NWSA:

Method of Charges ⁱ	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount ⁱⁱ
Fee for Service/Variable	Level of use monthly at agreed to rates	Agreed to when need for service is determined	\$1,771,712

Additional Support Services to be provided by The NWSA to POT as Needed:

4. NWSA staff will provide miscellaneous support services to POT if requested by POT. The specific scope of those services will be determined at the time of the request. These are services that are not covered by one of the other service agreement exhibits. Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined

Cost for Service and Charge Methodology – The NWSA to POS:

Method of Charges	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2018 Budgeted Amount
Fee for Service/Variable	Level of use monthly at agreed to rates	Agreed to when need for service is determined	\$0

Primary Contacts:

NWSA – Erin Galeno

POT – Scott Francis/Darren Arakaki

It is expected that the identified contact people will communicate frequently, to coordinate the work, to confirm that services are being provided in a manner that meets service level expectations, and to evaluate monthly financial performance of actual vs. projected spending.

Service Level Expectations:

- Office and conference room spaces are available and fully functional.
- Infrastructure – common areas, entrances, exits, roads are in maintained and functional.

ⁱ Method Options: Fixed, Project Charges, Fee for Service/Variable. Costs associated with support services will be charged to the Alliance as follows:

- Fixed allocation – Charged as a fixed allocated percentage or formula that will be applied monthly to the actual expenditures.
- Project Charges – Charged to specific projects based on current procedures.
- Fee for Service/Variable – Charges will be tracked and charged based on level of use monthly at rates agreed to when need for service is determined.

ⁱⁱ Preliminary budget amount – subject to final budget approval.

INTERLOCAL AGREEMENT BETWEEN THE NORTHWEST SEAPORT ALLIANCE AND PORT OF TACOMA

This Interlocal Agreement is entered into by and between the Port of Tacoma and the Northwest Seaport Alliance effective as of the date set forth below. The parties agree as follows:

WHEREAS, the Port of Seattle and the Port of Tacoma entered into an Interlocal Agreement dated August 4, 2015 for the purpose of creating a Joint Seaport Alliance now known as the Northwest Seaport Alliance.

WHEREAS, Paragraph III A of the August 4, 2015 Interlocal Agreement defined the PDA "Startup Period" as the timeframe of August 4, 2015 through December 31, 2015.

WHEREAS, Paragraph III C of the August 4, 2015 Interlocal Agreement provides in part that during the Alliance PDA Startup Period, "Focused support will be provided to the Alliance PDA from the staff of each Port through specific service agreements.

WHEREAS, the term of the "Startup Period" has expired.

WHEREAS, thereafter, the Port of Tacoma and The Northwest Seaport Alliance entered into annual Interlocal Agreements for Support Services By and Between the Port of Tacoma and the Northwest Seaport Alliance ("IL-Support Services Agreement") with the last such IL Support Services Agreement being effective between January 1, 2018 and December 31, 2018.

WHEREAS, the annual IL-Support Services Agreements, included a series of Service Directive Exhibits specifying the nature of certain services that would be provided by the Port of Tacoma to the Northwest Seaport Alliance and/or by the Northwest Seaport Alliance to the Port of Tacoma.

WHEREAS, Paragraph III C of the August 4, 2015 Interlocal Agreement also provides in part that "During the initial years of Alliance PDA operations, Alliance PDA employee functions and those functions provided through service agreements will be evaluated and adjusted as appropriate to best support the Alliance PDA business model."

WHEREAS, as the Northwest Seaport Alliance has been in existence for nearly three years, the Managing Members of the Northwest Seaport Alliance are currently engaged in evaluating and adjusting the governance, employee functions, the roles of the service agreements and organizational structure of the Northwest Seaport Alliance, as the 2015 Interlocal Agreement contemplated.

WHEREAS, the governance and organizational structures being evaluated, if selected, may necessitate changes in the types, nature or level of services the Northwest Seaport Alliance purchases from the Port of Tacoma.

WHEREAS, the intent of the IL-Support Services Agreement was not and never has been to require the Northwest Seaport Alliance to purchase any specific services or level of services from the Port of Tacoma on a long term basis.

NOW, THEREFORE, the parties agree as follows:

- A. The 2018 IL Support Services Agreement and each Service Directive Exhibit thereto are hereby clarified and/or amended to provide that:
- (1) Nothing in the former or present IL Support Services Agreement or in any Service Directive Exhibit requires or may be construed to require the Northwest Seaport Alliance to purchase any specific services or level of services from the Port of Tacoma;
 - (2) The Northwest Seaport Alliance may, in its sole and exclusive discretion, elect to modify, change, reduce, limit or discontinue purchasing any and all services addressed in any Service Directive Exhibit from the Port of Tacoma upon delivery of written notice to the Port of Tacoma; and
 - (3) The Northwest Seaport Alliance may, in its sole discretion, elect to meet its service needs in any of the areas covered under any Service Directive Exhibit by any combination of (i) purchasing such services from the Port of Tacoma; (ii) performing such services with employees of the Northwest Seaport Alliance; or (ii) contracting with one or more third parties to provide such services.
 - (4) In the event that the Northwest Seaport Alliance elects to modify, change, reduce, limit or discontinue purchasing any and all services addressed in any Service Directive Exhibit from the Port of Tacoma, the parties will promptly meet to discuss the corresponding change to the "Hourly Rate, Fixed Percentage or Formula" and/or the "2018 Budgeted Amount" in any effected Service Directive Exhibit.
 - (5) In the event that the Northwest Seaport Alliance elects to terminate the former or present IL Support Services Agreement and/or the Secondment Interlocal Agreement between the Port of Tacoma and the Alliance, the Northwest Seaport Alliance will provide 90 days' prior written notice.

WHEREFORE, the parties have executed this Agreement this 23 day of April, 2018.

NORTHWEST SEAPORT ALLIANCE

PORT OF TACOMA


John Wolfe
Chief Executive Officer


Commission President

Date: April 23, 2018

Date: 4-23-18