



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting November 10, 2020

DATE: October 23, 2020
TO: Stephen P. Metruck, Executive Director
FROM: Dan Thomas, Chief Financial Officer
Tom Tanaka, Deputy General Counsel
SUBJECT: 2021 service agreements for Port of Seattle staff to provide services to the Northwest Seaport Alliance

Amount of this request: \$0
Total estimated project cost: \$0

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute an interlocal agreement (ILA) with the Northwest Seaport Alliance (NWSA) to implement a series of support service agreements to allow Port staff to provide services to the NWSA for 2021.

EXECUTIVE SUMMARY

The NWSA will require service support from different departments at the Ports of Seattle and Tacoma. The means to provide these support services is through an ILA between the NWSA and the homeports as a part of the annual budget process. The costs for these support service agreements are included in both the Port's and NWSA's 2021 budgets.

JUSTIFICATION

The NWSA will require support services from both the Ports of Seattle and Tacoma in order to carry out its functions. Each port will provide these support functions through an ILA that describes the services to be provided.

DETAILS

The NWSA needs support and services from both ports in order to carry out its various administrative functions and operations. Each port intends to execute an ILA with NWSA to allow the ports to provide those services for 2021. The Port of Seattle budget included the budgeted amounts for the proposed ILA service agreements with the NWSA.

Below is a summary of the major cost allocation changes to the NWSA from the 2020 budget to the 2021 budget.

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Department	2020 Budget	2021 Budget	Change	Explanations
Marine Maintenance	2,713,052	3,365,229	652,177	More direct charges for expense projects/repair work for the NWSA.
Insurance	323,228	604,622	281,395	Driven by higher property insurance cost.
Commission Office	51,225	241,638	190,412	Due to the allocation methodology change requested by the NWSA.
Design Services	222,201	335,220	113,019	More support for the NWSA projects.
NWSA Mitigation Parks	54,514	160,263	105,750	More planned expense work for the NWSA mitigation parks.
Police Department	1,211,954	623,228	(588,726)	Lower budget and cost allocation rate to the NWSA in 2021.
External Relations	790,171	489,380	(300,792)	Lower budget and cost allocation rate to the NWSA in 2021.
Maritime Environmental Svcs	342,730	177,799	(164,931)	Lower budget and cost allocation rate to the NWSA in 2021.
Maritime Security	614,338	453,145	(161,193)	Less outside security contract expenses.
All Other	3,049,444	2,893,657	(155,787)	Lower budget and cost allocation rate to the NWSA in 2021.
TOTAL	9,372,858	9,344,182	(28,676)	

There are 15 support service agreements that will be implemented as part of this agreement for 2021 and are attached as exhibits to the ILA.

Scope of Work

The proposed ILA is included as Attachment A. There are 15 service directives that are attached as exhibits to the ILA. The list of those exhibits is as follows:

- Exhibit 1: Accounting, Finance, Treasury and Risk Management
- Exhibit 2: Legal and Public Records
- Exhibit 3: Information Technology & Information Security
- Exhibit 4: External Relations
- Exhibit 5: Portfolio Management
- Exhibit 6: Capital Development
- Exhibit 7A: Port of Seattle Police
- Exhibit 7B: Security
- Exhibit 8: Maritime Maintenance
- Exhibit 9: Central Procurement Office
- Exhibit 10: Managing Member (Commission Office)
- Exhibit 11: Pier 69 Facilities Management
- Exhibit 12: Environmental and Planning
- Exhibit 13: Tribal Coordination
- Exhibit 14: Labor Relations
- Exhibit 15: Additional Support Services as Needed

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Schedule

This is a part of the annual budget process.

FINANCIAL IMPLICATIONS

The amounts required to provide the services to the NWSA are included in the Port's 2021 budget.

ADDITIONAL BACKGROUND

None

ATTACHMENTS TO THIS REQUEST

(1) Attachment A (Interlocal Agreement, including 15 service directives attached as exhibits).

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None