

EXHIBIT POS - 05

Item No. 8f_attach
Meeting Date: February 9, 2021

Service Directive for Portfolio Management Support Services

by and between

Port of Seattle and The Northwest Seaport Alliance

This document is an Exhibit to the Inter-Local Agreement for Support Services By and Between the Port of Seattle (POS) and The Northwest Seaport Alliance (NWSA).

1) Purpose:

The purpose of this exhibit is to identify the services provided by the Port of Seattle with regard to Support Services listed above for The Northwest Seaport Alliance. This exhibit defines the mutually agreed upon scope of services, cost for services, charge methodology, and service level expectations to include performance measures and monitoring. Refer to the governing Inter-Local Agreement for terms under which these services are provided.

2) Time period:

This agreement is for calendar year 2021.

3) Scope of Services to be provided by POS to The NWSA

a) Property Management

- i) For NWSA-licensed properties in King County, POS staff will provide ~~property management information tracking including updating of software system for lease management, property management, tenant management, insurance and surety compliance management,~~ coordination with utility billing/invoicing, and current routine reporting. Additional reports as requested may be subject to additional charges.
- ii) For NWSA-licensed properties in King County, POS staff will provide utility administration including processing of utility invoices and billing of tenants their share of utility expense as well as reimbursement of tenants paying utility providers directly where Port or other tenants are also using those services. Services also include budgeting for relevant utility revenue and expense accounts-, and monitoring/paying for City of Seattle Street Use Permits.

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

Service Area and Department # (Acct if appropriate)	Service Item (from list above)	Method of Charges ¹	Basis for Charge	Hourly Rate, Fixed Percentage or Formula	2021 Budgeted Amount ²
Portfolio Management (also includes Central Harbor Mgmt, Maritime Industrial Admin, Marina Office & Retail Mgmt) Dept# 6230	3.a	Fixed	Percentage of Portfolio Management department costs based on analysis of work activities as determined in connection with development of 2018 Operating Budget and actual employee time recorded on bi-weekly payroll time reporting.	10.08-65% of actual spending	\$193,738 <u>103,881</u>

5) Scope of Services to be provided by The NWSA to POS

- a) None.

6) Cost for Service and Charge Methodology – The NWSA to POS

- a) None.

7) Service Level Expectations:

- a) Timely and accurate.

b) Performance Measures and Metrics:

This section outlines the performance measures and metrics upon which service under this SLA will be assessed. Shared Service Centers and Customers will negotiate the performance metric, frequency, customer and provider service responsibilities associated with each performance measure.

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.

Measurements of the Port of Seattle activities are critical to improving services and are **the basis for cost recovery** for services provided. The Port of Seattle and The Northwest Seaport Alliance have identified activities critical to meeting The NWSA’s business requirements and have agreed upon how these activities will be assessed.

Service Area	Type of Measure ³	Performance Measure (SMART - Specific, Measurable, Achievable, Relevant, Time Bound)	Target
Lease Administration and Utilities	Time-Based	<p>Provide reports of provisions (ticklers) in a timely manner to allow time for NWSA managers to take steps to ensure continued tenant compliance</p> <p>Timing of lease processing steps from lease draft to billing subject to the goals outlined in the approved Port Lease Administration Procedures.</p> <p><u>Utility providers and SDOT are paid in a timely manner. Monthly utility bill files are transmitted to the NWSA in a timely manner.</u></p>	<p>Number of days vary by provision</p> <p><u>N/A</u></p>

8) Primary Contacts:

- a) NWSA – Tong Zhu
- b) POS – Melinda Miller, Joe Pelonio

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.

³ Type of Measure Options:

- Time Based – measure is time bound – duration, frequency, by a specific date, etc...
- Management – measure dealing with or controlling issues, communications, or staff
- Accuracy – measure to have a specified level of accuracy to be measurable
- Other – measure that doesn’t fit into category above