



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

## **Interdepartmental Internal Service Agreement Between**

### **Gary Paxton Industrial Park, Harbor Department, and Finance Department For Billing Accounting For GPIP Dock Transient Moorage and Tariff Charges**

It is agreed among the undersigned Departments that responsibilities regarding various aspects of billing and accounting for transient moorage and tariff charges stemming from usage of the GPIP dock shall be as follows.

In addition, fees, if any, levied between the undersigned Departments for services provided in conjunction with services performed under this agreement shall be as follows.

#### **Responsibilities**

##### **Gary Paxton Industrial Park (GPIP)**

The GPIP shall be responsible for determining all tariff charges, other than transient moorage, stemming from usage of the GPIP dock. This shall include determination of all billable dock activity, and determination of applicable charges to be billed.

The GPIP shall be responsible for providing the Finance Department, on a weekly basis, an advice of billing for each separate determination of billable tariff charges which shall (1) contains complete billing information for the billable party; (2) complete identification of all tariff charges to be billed by price times quantity, referencing tariff line numbers; (3) identification of party generating charges (date(s), name, address, license number, etc.) and (4) any special billing terms other than standard Net 30 terms.

##### **Harbor Department**

The Harbor Department shall be responsible for determining all transient moorage charges stemming from usage of the GPIP dock. This shall involve examining security camera footage of the dock, determining vessel numbers and owners, and generating physical transient moorage invoices, if necessary.

The Harbor Department shall be responsible for the entry of all transient moorage charges stemming from use into the GPIP dock into the Marina software system.

The Harbor Department shall be responsible for providing the Finance Department, on a monthly basis, all reports from the Marina software system necessary for the accounting for transient moorage charges at the GPIP dock.

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*Providing for today ... preparing for tomorrow*

## **Finance Department**

The Finance Department shall be responsible for accounting for all transient moorage charges generated through usage for the GPIIP dock, and, accounting for all collections of such charges from GPIIP dock customers.

The Finance Department shall be responsible for preparing invoices from each advice of billing for each separate determination of billable tariff charges, and, for the mailing of such invoices to billable parties as identified on each advice of billing. The Finance Department shall also be responsible for accounting for all billable tariff charges generated through usage for the GPIIP dock, and, accounting for all collections of such charges from GPIIP dock customers.

The Finance Department shall be responsible for all collections actions taken in attempts to collect past due billed charges generated through usage of the GPIIP dock. The Finance Department shall also be responsible for accounting for all bad debt expenses related to usage for the GPIIP dock, and, accounting for all recoveries of bad debt from GPIIP dock customers.

## **Fees Earned and Paid**

All parties agree that the Harbor Department shall earn a fee equal to 50% of all transient moorage at the GPIIP dock, in return for its responsibilities under this agreement. This fee shall be paid by the GPIIP and shall be received by the Harbor Department.

All parties agree that billing, accounting, and collections services performed by the Finance Department shall be a portion of the overall management fee for general governmental services charged by the General Fund to enterprise funds.

All parties agree that any collection fees paid to 3<sup>rd</sup> party collection agencies in conjunction with attempted collection of bad debts shall be paid by the GPIIP.

## **Specific Accounting Treatments**

All parties agree that all revenue earned through transient moorage at the GPIIP dock, and through tariff charges, shall be accounted as revenue of the GPIIP.

The Finance Department shall be responsible for accounting for fee revenue earned by the Harbor Department, and, for fee expenses charged to the GPIIP, which will be recorded on a monthly basis.

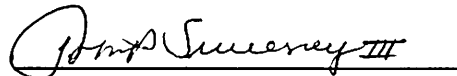
All parties agree that any bad debts related to transient moorage at the GPIIP dock, and through tariff charges, shall be accounted as an expense of the GPIIP. Any recoveries of bad debt shall subsequently be accounted for as revenue of the GPIIP. All fees payable to the Harbor Department under this agreement shall be considered earned at the time

services are provided by Harbor personnel and shall not be reduced if billed charges prove to be uncollectable.

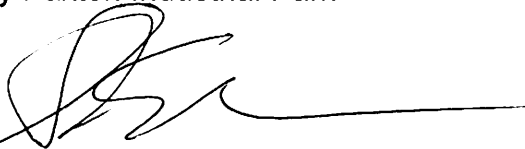
Signed this 7<sup>th</sup> day of March, 2018



Gary Paxton Industrial Park



Finance Department



Harbor Department

Approved:



Municipal Administrator