

2017 NWSA Performance Goals and Expectations

Sustain and Enhance Business Development (Scorecard: Cargo)

(Key Priorities for 2017 and beyond)	Performance Measure
<p>1. N. Harbor Terminal Strategy / T-5 Modernization Project Modernization of T5 dock, berth and power infrastructure to meet future container industry requirements, increase throughput, and position The Northwest Seaport Alliance gateway strategically.</p> <ul style="list-style-type: none"> Seek multi-year term lease commitment for T5 Advance T-5 modernization project to construction (Wharf, power, berth dredging) Increase container terminal utilization (Meyer) Develop alternative container terminal use strategy (Meyer) 	<ul style="list-style-type: none"> Favorably position multi-year lease commitment with customers Legal resolution of all permits; Position project for MM decision on construction funding
<p>2. General Central Peninsula Modernization Project Modernization of T4 dock, berth, CY and gate complex to meet container customer requirements, increase throughput, and position the Northwest Seaport Alliance gateway strategically.</p> <ul style="list-style-type: none"> Seek term Lease w/tenant for OCT Complete construction of GCP Phase II Assessment of crane needs and crane delivery (Meyer) 	<ul style="list-style-type: none"> Substantial completion of the initial 700 feet of the pier in 1Q2017 in time for delivery and commissioning of (4) cranes in 1Q2018 Develop design and permitting documents for GCP Gate and backlands 4Q2017. Secure Yang Ming business post the OCT lease expiration June 2017 Secure customer commitment for the OCT footprint
<p>3. Increase Cargo Diversification for the gateway</p> <ul style="list-style-type: none"> Expand breakbulk, auto and industrial maritime activity at properties in North and South Harbor. 	<ul style="list-style-type: none"> Seek term lease(s) at strategic properties in N & S Harbor, in coordination with container business strategy.
<p>4. Enhance Gateway Productivity, Efficiency and Operational Performance</p> <ul style="list-style-type: none"> Implement the Dray Q system in order to provide accurate and real-time tracking of drayage turn times Implement a year-round financially sustainable extended gate service program Launch a pilot program in order to improve the efficiency of the local drayage segment of the supply chain Implement the initial phase of a Port Community System that provides a single platform for the supply chain to exchange operational data Coordinate with terminal operators and labor to seek implementation of continuous vessel 	<ul style="list-style-type: none"> Enhance service delivery KPIs and establish performance dashboards for internal and external use Increase Crane Productivity from 27.4 moves per hour in 2016 towards a strategic target of 30+ moves per hour in 2017; an increase of 9.5% (Johnson) Reduce Drayage Turn Times towards a strategic target of 60 minutes or less Reduce Intermodal Transit towards a strategic target of 144 hour average or less

operations, where applicable, to increase gateway crane productivity (Meyer)	
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Sustain and Enhance Business Development (Scorecard: Cargo) – Continued

(Key Priorities for 2017 and beyond)	Performance Measure
5. Intermodal Rail Product Enhancements <ul style="list-style-type: none"> Develop and implement a comprehensive rail strategy which may include an incentive program with contributions from NWSA and other key stakeholders. Develop a sustainable inland port and short-haul rail product for NW exporters between Central WA and the NWSA in partnership with other key stakeholders 	<ul style="list-style-type: none"> Year-over-year increase in intermodal rail cargo volume Increase NWSA market share of transpacific discretionary cargo
6. Harbor Maintenance Tax Reform <ul style="list-style-type: none"> Build support among the regional/national port community for revisions to the HMT that address donor port equity and international competitiveness 	<ul style="list-style-type: none"> Seek to obtain agreement within AAPA for comprehensive HMT reform Seek to obtain full-use of the trust fund for its intended purpose Seek to obtain 2106 funding becoming permanent and part of the trust fund Pursue agreement on annual funding levels for donor ports Seek to obtain the use of rebate funds are aligned with NWSA interests

Deliver Superior Financial Performance (Scorecard: Financial Returns)

(Key Priorities for 2017 and beyond)	Performance Measure
1. Effectively manage the 2017 operating activities to deliver expected financial results	<ul style="list-style-type: none"> Meet or exceed the budgeted 2017 net operating income and distributed cash Year over year comparison and explanation of financial results (Meyer)

Quality Jobs Creation (Scorecard: Job Creation)

(Key Priorities for 2017 and beyond)	Performance Measure
1. Complete 2017 transition activities <ul style="list-style-type: none"> Agreement on functional structure of NWSA and homeports (Meyer) Complete HQ needs assessment (Meyer) 	<ul style="list-style-type: none"> Complete Total Rewards assessment and implementation of action items planned for 2017 Expand and implement comprehensive Diversity & Inclusion Program
2. Community/Industry Outreach Program <ul style="list-style-type: none"> Execute a proactive engagement strategy statewide campaign with stakeholders and the community to advance the brand, value and support of the NWSA (i.e. city governments, 	<ul style="list-style-type: none"> Our local communities better understand the value proposition of trade and ports to the State and support NWSA priorities; benchmark and establish baseline metric of NWSA-community understanding

<p>chambers of commerce, rotary, community groups, etc.)</p> <ul style="list-style-type: none"> • Build a more robust external business intelligence capability • Enhance Washington distribution center capabilities and shipper recruitment 	<ul style="list-style-type: none"> • Annual report on business and economic trends in the marketplace that assist in the development of new business
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Demonstrate Environmental Stewardship (Scorecard: Environmental Stewardship)

(Key Priorities for 2017 and beyond)	Performance Measure
<p>1. Identify and develop maritime industrial stormwater treatment best management practices</p> <ul style="list-style-type: none"> • Establish a NWSA Stormwater Work Group – includes tenants, agencies and external stakeholders. 	<ul style="list-style-type: none"> • Maintain permit compliance for Alliance stormwater permits • Facilitate quarterly meetings in Harbor South and North to promote compliance of tenant stormwater permits • Improve source control on a minimum of 50 acres by 4Q 2017 • Evaluate the utility of a Northwest Ports Water Quality Plan, with POS, POT and Port of Vancouver, BC by 4Q 2017
<p>2. Continue to implement the Northwest Ports Clean Air Strategy</p> <ul style="list-style-type: none"> • Reduce DPM emissions per metric ton of cargo by 80% by 2020, relative to the 2005 baseline • Reduce GHG emissions per metric ton of cargo by 15% by 2020, relative to the 2005 baseline 	<ul style="list-style-type: none"> • Complete the 2016 Northwest Ports Emissions Inventory by Q4 2017 • Scrap a minimum of 40, 2006 or older drayage trucks by Q4 2017 for a total of 315 since 2009 • Establish a NWSA Steering Committee to assist with Clean Truck Program Unification and provide quarterly briefings to the Managing Members regarding status of Clean Truck Program • Evaluate the 2011 Green Gateway carbon footprint study by Q4 2017 • Pilot truck wait time reduction technologies and best practices by Q1 2017 • Increase number of container terminals with fuel efficiency plans by 25% by Q4 2017 • Complete Green Marine self-assessment by Q2 2017 • Develop a NWSA terminal shore-power strategy