

FIRST AMENDMENT TO GATE EFFICIENCY PROGRAM AGREEMENT

SSAT/ T-18 and Northwest Seaport Alliance

This First Amendment to Agreement modifies that certain Agreement re Gate Efficiency Program entered into on June 20, 2019 by and between the Northwest Seaport Alliance ("NWSA") and SSAT Terminal 18 ("SSAT"), a Marine Terminal Operator ("MTO") located within the NWSA (collectively hereafter "Parties").

RECITALS:

1. WHEREAS, the NWSA and SSAT previously entered into a Gate Efficiency Program Agreement ("Agreement") in which the NWSA agreed to reimburse SSAT for a portion of the costs actually incurred to extend gate hours to relieve congestion, in consideration of SSAT agreeing to and providing off-gate hours.
2. WHEREAS, SSAT agreed to be a Tier 1 MTO, which committed to operating the extended Off - hour Gates as described in the Agreement where by the Tier 1 MTO agreed to operate an extended gate program consisting of three (3) off-hour gates per week during the peak shipping season in 2019 and 2020 (July – December) and two (2) off-hour gate per week during the non-peak shipping season (January 2020 – June 2020), and whereby the NWSA agreed to reimburse SSAT up to a maximum of \$600,000 for actual cost incurred to run these additional gates.
3. WHEREAS, International container volumes during the month of June have softened. Import container volumes have slowed, yet laden exports have experienced the largest decrease year-over-year, dropping by 12.5% in June 2019 as compared to June 2018.
4. WHEREAS, due to the soft export market the utilization of night gates at SSAT Terminal 18 have been extremely low. Only 3% of the total gate transactions have occurred during the off- hour gates.

AGREEMENT:

Now therefore, based on the above, the NWSA and SSAT agree as follows:

1. Due to the current and presumed temporary lack of demand, the NWSA and SSAT agree to suspend the Gate Efficiency Program (GEP) at SSAT until volumes warrant the operation of additional gate service hours, as determined by the NWSA in its sole and exclusive discretion.
2. SSAT commits to running extended gates beyond the original Program Term (with completion date of December 31, 2020) for the same duration that the GEP is suspended.
3. Section 3 A of the Agreement is amended as follows:

Tier 1. To qualify for the funds, SSAT commits to operating the extended Off -hour Gates as described herein. SSAT must operate an extended gate program consisting of three (3) off-hour gates per week during the peak shipping season in 2019 and 2020 (July – December) and two (2) off-hour gate per week during the non-peak shipping season (January 2020 – June 2020), provided however SSAT’s current obligation to run extended gates for these terms is suspended at SSAT until volumes warrant the operation of additional gate service hours, as determined by the NWSA in its sole and exclusive discretion. Upon NWSA notifying SSAT that the suspension term has ended, SSAT commits to running extended gates beyond the original Program Term (with completion date of December 31, 2020) for the same duration that the GEP is suspended (i.e., if the GEP is suspended for three (3) months SSAT’s commitment shall be extended to March 31, 2021). Under Tier 1 the NWSA will reimburse SSAT up to a maximum of \$600,000 for actual cost incurred to run these additional gates.

4. Except as amended herein, the terms of the Agreement remain in full force and effect.

WHEREFORE, the parties have executed this Agreement this [numerical] day of [month], 2019.

Northwest Seaport Alliance

SSAT Terminal 18

John Wolfe
Chief Executive Officer
Date _____

By: Eli Bohm
Its: General Manager
Date _____