**THE NORTHWEST SEAPORT ALLIANCE**
**MEMORANDUM**

**MANAGING MEMBERS**
**ACTION ITEM**

**Item No.:** 9F
**Meeting Date:** December 1, 2026

**DATE:** November 12, 2026

**TO:** Managing Members

**FROM:** John Wolfe, CEO

Sponsor: Tong Zhu, Chief Commercial and Strategy Officer
Project Manager: Andre Elmaleh, Director Non-Container Business Development

**SUBJECT:** NYK Group Americas Inc. Ro-Ro Vessel Service Agreement

## A. ACTION REQUESTED

Authorize the CEO or his delegate to enter into a Vessel Service Agreement (VSA) with NYK Group Americas Inc. (NYK) from December 2, 2026, through June 30, 2028, in substantially the same form as presented.

## B. SYNOPSIS

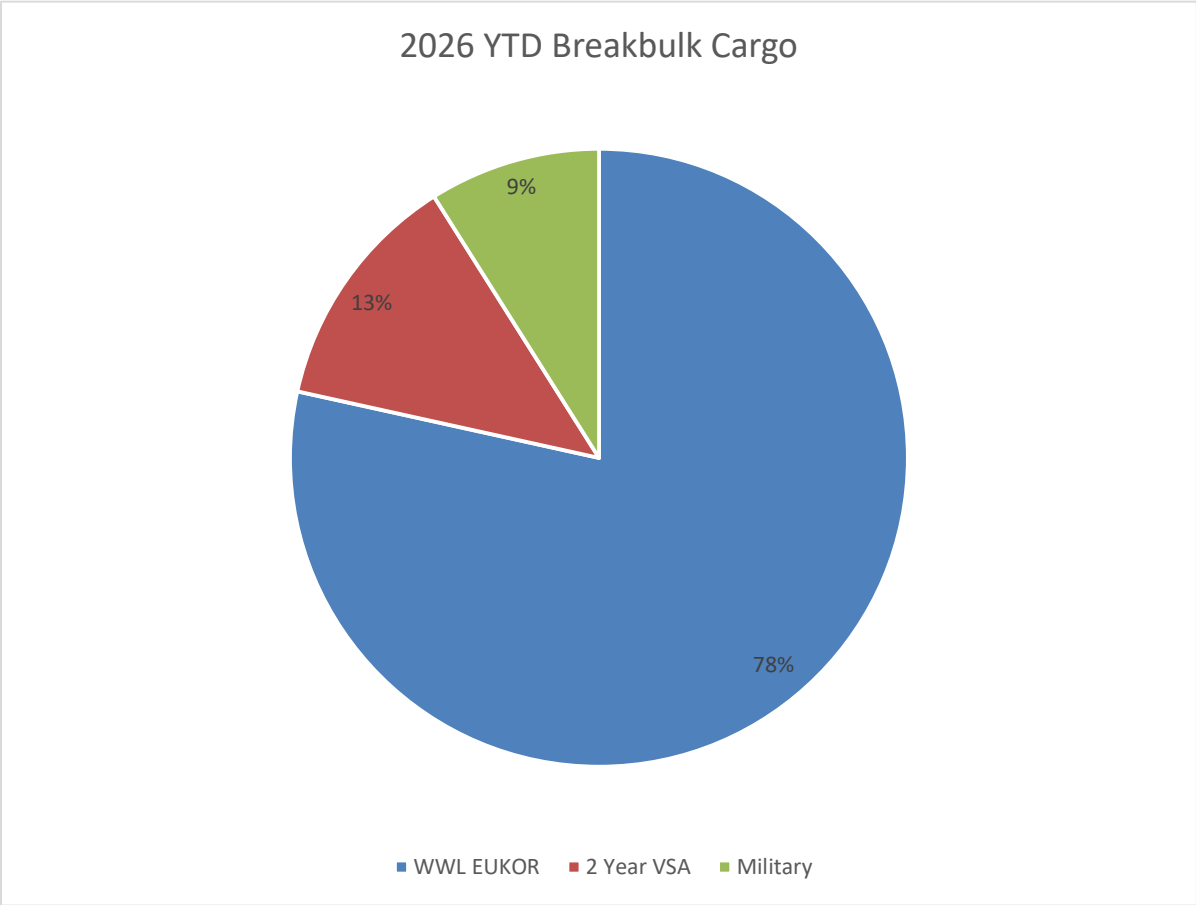
This VSA requested for consideration is very similar to the previously approved VSA's in June 2026. The key differences between this VSA and those previously approved are the start date (December vs. July), and language providing clarity should a breach occur. Other than that, the terms are identical.

If approved, a VSA with NYK will mean that The Northwest Seaport Alliance (NWSA) will have a VSA with all major West Coast Ro-Ro carriers.

As a reminder, while the NWSA public tariff provides pricing for use of the facilities, a Vessel Service Agreement is a negotiated contract directly with a customer that secures port exclusivity and increases cargo volume.

The key difference between this VSA and the other Two-Year VSA's is that this contains additional language which merely reflects existing practice for the NWSA to use all reasonable efforts to accommodate vessels. For consistency's sake and clarity, we intend to include the language in new or renewal VSA's moving forward.

## C. BACKGROUND




The breakbulk line of business is an important part of the Cargo Diversification Strategy (Goal 3.A.1) for the NWSA. It creates between 12-40 longshore jobs per day, as well as other trucking, stevedoring, and service-related jobs locally. Through October, the volume is up 18% vs the same time last year. We have already met the forecasted tonnage of 250,000 ST's for the entire year and are on track to hit just shy of 300,000 ST's.

The NWSA and the Port of Tacoma (prior to the formation of NWSA) have entered into VSAs with various steamship line customers for over 20 years. Service agreements typically focus on the highest volume commodities and specific business sectors that move through the gateway.

The majority of Service Agreement customer cargo is handled at the EB-1 Terminal, with a very small amount being handled at Terminal 7.

Staff aims to maintain a healthy profit margin while considering the overall cost of breakbulk operations and market conditions. Typical discounts range between 15% to 60% of the published tariff depending on the customer and the types of commodities they wish to handle. All other cargoes and services not specified in the service agreement are charged per the published tariff rates.

Charges for military cargo from any nation are assessed according to the published tariff.

## D. FINANCIAL IMPLICATIONS

### Financial Impact

The business at EB-1 is projected to provide approximately $2.4 million in income in 2026.

**EB-1 Terminal Financials in Millions of Dollars**

| | 2023 Actual | 2024 Actual | 2025 Actual | 2026 Forecast |
|---|---|---|---|---|
| Revenue | $13.4 | $13.4 | $12.2 | $13.3 |
| Operating Expenses before Depreciation | 10.4 | 10.9 | 10.8 | 10.9 |
| Operating Income before Depreciation | $3.0 | $2.5 | $1.4 | $2.4 |
| Operating Margin | 22% | 19% | 11% | 18% |

### ATTACHMENTS TO THIS REQUEST

- Proposed NYK Vessel Service Agreement

## E. PREVIOUS ACTIONS OR BRIEFINGS

- June 2, 2026, Managing Member action: July 11, 2026, through June 30, 2028, VSA's with multiple Ocean Carriers
- October 1, 2024, Managing Member action: October 2, 2024, through June 30, 2026, VSAs with multiple ocean carriers
- May 7, 2024, Managing Member action: May 8, 2024, through September 30, 2026, VSAs with multiple ocean carriers
- September 30 through October 4, 2022, Interim VSAs with multiple ocean carriers
- September 8, 2021, Managing Member action: One-year VSAs with multiple ocean carriers
- September 1, 2020, Managing Member action: One-year VSAs with multiple ocean carriers, and 12th Amendment to the Service Agreement with Wallenius Wilhelmsen Logistics

- October 1, 2019, Managing Member action: One-year VSAs with multiple ocean carriers
- June 4, 2019, Managing Member action: Extension of VSAs for three months
- June 5, 2018, Managing Member action: Ten-year VSAs with multiple ocean carriers
- February 7, 2018, Managing Member action: Ten-year VSA with WWL

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# SERVICE AGREEMENT

**The Northwest Seaport Alliance and NYK Line ("NYK")**

**Reference #505**

This Service Agreement ("Agreement") is between The Northwest Seaport Alliance as licensee/agent for the Port of Tacoma and Port of Seattle (collectively, "NWSA") and NYK Group Americas Inc. for and on behalf of Nippon Yusen Kabushiki Kaisha ("NYK") (together, "Parties").

WHEREAS, the Parties wish to set rates and provide for services in the NWSA Gateway as more fully set forth herein.

Now therefore, the Parties hereby agree as follows:

**1. Term**: This Agreement is effective from December 2, 2026, through June 30, 2028.

**2. Applicable Facilities: This** Agreement covers commodities imported and exported via the NWSA at East Blair One (EB-1) Terminal, Terminal 7, and Blair Terminal only, except as otherwise agreed in writing by NWSA. This Agreement supersedes any and all prior service agreements between the parties regarding commodities imported and exported via the NWSA at these facilities.

~~**3.**~~ **Exclusive Gateway:** The NWSA will be the exclusive U.S. Puget Sound port for NYK Pure Car Carrier/ Roll-on Roll-Off ("PCC/RoRo") cargo for the duration of this Agreement; provided, however, that NYK may from time to time call on other U.S. Puget Sound ports with respect to PCC/RoRo cargo, but each such call shall occur only on the prior written consent of the NWSA after written request by NYK, which consent shall not be unreasonably withheld. The remedy for breach of this provision by NYK shall be termination of this Agreement.

**4. Rates and Conditions for East Blair One (EB-1) Terminal:**

**4.A. Rates: Effective December 2, 2026 through June 30, 2027:**

| Description | Applicable Tariff Number | Agreed Rate | Calculation |
|---|---|---|---|
| Machinery & Construction Equipment (Import and Export) | 333.400 | $31.38 | Per 1,000 kgs |
| Agricultural Equipment | 333.400 | $31.38 | Per 1,000 kgs |
| Vehicles (NOS) other than automobiles, vans and pickup trucks (import and export) | 333.400 | $31.38 | Per 1,000 kgs |
| Modular Houses and Buildings | 324.000 | $31.82 | Per 1,000 kgs |
| Pleasure Boats on Trailers (import and Export | 309.000 | $75.82 | Per 1,000 kgs |

**4.B. Agreement Rate Adjustment:** The Rates in this agreement shall be adjusted annually each July. The adjustments shall become effective on July 1st of each year or on the effective date of the applicable July-issued NWSA Tariff #300, whichever occurs later. Each adjustment shall be calculated in accordance with the following methodology:

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- 74% of the CPI-U Seattle Tacoma Bellevue (April to April)
- 26% of the ILWU-PMA West Coast Agreement net impact between wages and benefits/assessments
- If a rate other than the one derived using the above formula is requested, both parties will work in good faith agree to a different rate
- In no case will the rate be lower than the preceding year
- Example: October through June:
    - CPI-U April – April: 3.8%
    - ILWU – PMA July 1 Change (Non-PMA Member): 7.24%
    - Increase would be: 4.7% ((3.8*7.4)= 2.8%) + ((7.24*2.6)=1.9%)) = 4.7%

**5. Rates and Conditions for Terminal 7 and Blair Terminal**:

**5.A. Wharfage**: Wharfage shall be assessed per the current NWSA Tariff #300 Item #333.500 (currently $.32/MT) except as otherwise provided in this Agreement.

**5.B. Labor/Equipment**: The amount of labor and equipment required for handling cargo at Terminal 7 or Blair Terminal will be determined by each vessel call. If labor is required to receive/release cargo, terminal operations and gate, NWSA shall provide the labor, and NYK shall be charged at the actual cost of labor and benefits plus 25%. NYK may reduce the potential cost of a vessel call by coordinating with NWSA Operations and the trucking companies to limit the number of days labor is hired to receive or issue out cargo.

**5.C. Exemptions**: Except as otherwise provided in this Agreement, NWSA will not charge the following when cargo is imported or exported via the NWSA at Terminal 7 or Blair Terminal:

1. Service and Facilities
2. Handling
3. Administrative or Superintendent Costs.

**5.D. Limitations**: This Agreement is subject to the following limitations which may affect operations at Terminal 7 or Blair Terminal:

1. Weight and axle spacing of cargo
2. Availability of equipment required for safe and efficient operations
3. Availability of supervisory personnel required for safe and efficient operations
4. Other NWSA operations at Terminal 7 or Blair Terminal

**5.E. Reasonable Efforts and Limitations Notice:** Notwithstanding the foregoing, NWSA shall use commercially reasonable efforts to accommodate NYK's vessel calls and cargo operations at Terminal 7 or Blair Terminal. If any of the foregoing limitations materially affects NWSA's ability to accommodate a scheduled NYK vessel call or cargo operation, NWSA shall promptly notify NYK and cooperate in good faith with NYK to identify a commercially reasonable alternative arrangement.

**6. General Conditions:**

**6.A.** Dockage and Security shall be per NWSA Tariff, except as provided in 6.B. below.

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**6.B.** If NYK elects to make a "Double Call" at a NWSA Operated terminal to include the East Blair One Terminal, Terminal 7, Blair Terminal, Terminal 46, or Terminal 30 during the same voyage, NYK shall pay the Dockage and Security Fees of the terminal where the charges are greater and will be exempt from the Dockage and Security Fees otherwise due at the other (less expensive) terminal.

**6.C.** Equipment located at Terminal 7 or Blair Terminal and available for NYK vessel operations at the location and time of such operations is included. Equipment required for NYK vessel operations but not located at the place of such operations or not available for NYK vessel operations at the location or time of such operations shall be per NWSA Tariff.

**6.D.** Autos going to or from processors will be charged Wharfage and S&F as per NWSA Tariff. POV vehicles will be charged Wharfage, S&F, Ro-Ro handling, as per NWSA Tariff. Minimum charges shall not apply on Ro-Ro handling for POV's.

**6.E.** The rates under this Agreement do not apply to military cargo from any nation. The rates under this Agreement do not include overweight or over-dimensional cargo that requires additional outside services and NWSA labor.

**6.F.** This Agreement may be terminated prior to the end of the Term only in the event of a breach. The party claiming breach shall give the other party written notice and a description of the claimed breach, and thirty (30) business days to cure or otherwise reach agreement between the Parties on resolution. If the claim of breach has not been cured or resolved, this Agreement will terminate on the thirty-first (31st) business day after the written notice of breach

**6.G.** If this Agreement continues beyond June 30, 2028, then the rates under this Agreement shall be increased effective July 1, 2028 and each July 1st thereafter by amounts to be mutually agreed to by the parties. If the parties are unable to agree to the amount of an increase, then the applicable NWSA Tariff shall apply.

**6.H.** Unless expressly stated otherwise in this Agreement all other terms and conditions of the applicable NWSA Tariff #300 shall apply, including, but not limited to: commodity rates, overtime, standby, shift differentials, and other NWSA services. Other rules and regulations of the NWSA Tariff and of the NWSA generally shall apply. The applicable tariff is available on the NWSA website at https://www.nwseaportalliance.com/service-providers/shipper-resources/tariff-notices

| **The Northwest Seaport Alliance**<br>**As licensee/agent for the Port of Tacoma and Port of Seattle** | | **NYK Group Americas Inc.**<br>**As Agents on behalf of**<br>**Nippon Yusen Kabushiki Kaisha (NYK)** | |
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| By: | | By: | 署名者: 桜井和人 4D7A293D467847B... |
| | Tong Zhu | | Kazuto Sakurai |
| Its: | CCO & CSO | Its: | Managing Director |
| Date: | | Date: | 2026年10月17日 |