

## 2019 NWSA PERFORMANCE GOALS & EXPECTATIONS

I. BUSINESS DEVELOPMENT / COMMERCIAL INITIATIVES		Date Edited: 1/27/20
KEY PRIORITIES FOR 2019 & BEYOND	PERFORMANCE MEASURE	RESULTS TO DATE
<b>1. NORTH HARBOR COMMERCIAL STRATEGY &amp; T-5 MODERNIZATION &amp; WATERWAY DEEPENING:</b> <b>(1)</b> Re-engineer and modernize the North Harbor container terminal footprint to meet future container industry requirements, <b>(2)</b> increase throughput and terminal utilization supported by a commercial deal that is financially viable to support capital investment. <b>(3)</b> Support execution of Army Corps of Engineers' Seattle Harbor Deepening Project for POS/NWSA.	<b>A. Achieve multi-year lease commitment with international container customers and MTOs:</b>  Conclude negotiation and agreement for Phase I of T5.  Advance commercial negotiation for early commitment of Phase II term lease.	Complete  Complete  In progress
	<b>B. Secure incremental new maritime cargo-related activities at the unused terminal acreage at T46.</b>	Complete Foss @ T46 under a Master License Agreement.  RFP for T46 has been sent out and the deadline for submittals due December 5th, 2019. Review of submittals underway.
	<b>C. Secure Phase I T5 construction funding and commence construction of 2019 Q3.</b>	COMPLETE  Project is on schedule and slightly below budget. Staff are preparing a federal grant application in partnership with SSA Marine to help offset cost of T5.

	D. Begin preconstruction, engineering and design (PED) of the Seattle Harbor channel deepening project and obtain federal funding for continuing this work in subsequent years.	We probably will not have further news until the Corps issues its FY20 work plan, which will be 30-45 days after Congress passes its FY20 Energy and Water approps bill. Q4 2019 Design is on hold due to a lack of Federal funding in FY19. Potential for funding in FY20. POS has included funding in 2020 Capital Investment Plan. If funded in FY20 West Waterway could be completed in 2024.
<b>2. MAXIMIZE GATEWAY EXPORT POTENTIAL:</b> Leverage partnership opportunities to retain, attract and grow export cargo (container/non-container) & increase cargo diversification: Expand BB, Auto & Industrial Maritime activity.	A. Complete feasibility study on the short-haul rail project to/from Eastern WA. Explore a pilot project based on the findings of the study.	Recruited another supply chain partner; currently going through feasibility study phase. New supply chain partner completed feasibility work and is pursuing tentative agreements with appropriate local entities to move process forward. Anticipate a final decision Q1, 2020
	B. Increase container market share versus other west coast ports.	YTD (Sep 2019) NWSA increased its market share by 0.3% (to 13.8%) compared with 2018.
	C. Assess the viability of the Midwest regional rail hub strategy to attract more inland export cargo. Implement components of the strategy if proven viable.	In partnership with other stakeholders. Presented business case to BNSF in August along with local stakeholders. Additional feasibility work moving forward. RFP issued for rail ramp operator in coordination with BNSF & NWSA. Assessment and recommendation expected by end Q1 2020.
	D. Explore the concept of off-dock terminal yards in Eastern WA and OR.	Evaluated the concept in partnership with MTO's, ultimately decided not to move forward at this time due to a significant drop in agri export demand. Will reassess next spring during peak season.
	E. Retain the Kia business by renewing the Glovis agreement expiring end of 2019 and amending the AWC lease.	Due to leaderships changes, Glovis requested additional time. Plan to request comission action in January 2020.

<p><b>3. GENERAL CENTRAL PENINSULA (GCP):</b> Negotiate a Husky lease amendment that allows for building a new truck gate complex. Work with Husky Terminal regarding the tenant improvement for constructing and redeveloping terminal backlands that will maximize cargo capacity and throughput. This project will include extensive upgrades to paving, reefer capacity, electrical upgrades, yard reconfiguration and lighting. Support execution of Army Corps of Engineers' Tacoma Harbor Deepening Project for POT/NWSA.</p>	<p>A. Amend Lease and Operating Agreement to incorporate additional acreage. Support tenant's improvements (reconfiguration of CY and development of new gate complex). Coordinate on-terminal project with Port of Tacoma Thorne Road property improvements and consider related off-terminal road and rail infrastructure needs and impacts.</p>	<p>Executed the Fifth Amendment to the Husky Lease and Operating Agreement (with Managing Member authorization on May 7, 2019) which expanded Husky's leased premises by ~28 acres (including ~6 acres at Lot F) and allowed for the release of the NWSA's previously authorized \$14M investment for the development of a new gate complex at Lot F and various container yard improvements. Construction under the Tenant Improvement Program commenced in July 2019 and is expected to be completed in the Container Yard by Q4 2019 and at Lot F before Q2 2020. Upon completion, total terminal capacity will be increased to more than 800,000 TEU per year.</p>
	<p><b>B. South Harbor Waterway Deepening:</b> Secure funding for the Feasibility Study on the Tacoma Harbor deepening project in partnership with the US Army Corps of Engineers, in order to stay on track with the 3-year timeline established by Congress. Complete soil sampling survey by yearend 2019. Review project with key stakeholders.</p>	<p>COMPLETE- On Jan. 17 USACE held the public information meeting for the Tacoma Harbor deepening project. The public meeting kicked off a comment period that closed on Feb 21. The Corps received only a handful of comments. In April NWSA personnel and Puget Sound Pilots representatives traveled to Vicksburg to participate in ship simulations that will inform the feasibility study. The feasibility study is fully funded thanks to the larger-than-expected amount the Corps included in its FY19 work plan. This means the study has been fully funded in two years of appropriations instead of the expected three years. Study-level sediment characterization is complete. Results generally favorable. <b>Q:4 Tentatively Selected Plan Milestone completed 10/21. Includes entire Blair Waterway to -57'. Public review draft of study and Environmental Assessment published 12/16 which started 60 day review period. Public meeting to be held in Tacoma January 15, 2020.</b></p>

	C. Receive and commission 4 ship-to-shore cranes at Pier 4 and commence operations by Q2 2019.	COMPLETE. Piers 3 and 4 now have eight (8) fully operational Super Post-Panamax cranes. Surplus action on four (4) obsolete cranes is pending.
<b>4. DIVERSIFY CARGO BUSINESS PORTFOLIO</b>	A. Renew UPRR domestic terminal lease at the SIM Yard.	UPRR Domestic Terminal Lease renewal will occur after the finalization of SIM property negotiations in early 2020.
	B. Renew the log export business lease. - Secure marine cargo business opportunity for the site	Customer has shut down operations due to the negative impacts of recent tariffs. Log yard property has attracted multiple potential tenants including the log business at a scaled down version. Staff is currently evaluating the best long-term tenant for the site and anticipates to make a recommendation in Q1 2020.
<b>5. BUSINESS INNOVATIONS:</b> Explore and implement innovative business solutions to retain and grow cargo (container/non-container).	A. Secure Service agreements with selected container and/or breakbulk BCOs that capitalize on their growth strategies.	Secured new Australian export cargo with Western Star Trucks. Presented development and dedicated service opportunities to key import retailer. Microsoft completed a successful pilot import program moving intermodal cargo through the gateway. Proposed Service Level Agreement to BCO accounts.
	B. Develop an NWSA transformational digitization strategy to maximize opportunities within the global shipping industry.	Technology Vision and Digitization Strategy draft completed in Q4 2019. Executive Leadership Team review scheduled for February 2020. Digitization Strategy comprises three pillars, encompassing IT, Enterprise Data, and Operations Division Technology, with Cybersecurity forming a foundational cross strategy platform.

C. Enhance and expand the number of distribution centers (DCs) and transload facilities in the region with targeted strategic accounts.

TJX opened 2nd operation in Fife. Best Buy to open their own facility August of 2019 in Spanaway. Southern Glazers (wine and spirits) opened new distribution facility on E.11th St., allowing for 50% business growth. Samsung opened new distribution facility at Prologis (Taylor Way) to support International cargo growth.

Presented a potential transload development opportunity to Damco related to Short Haul rail initiative.

Continue to support a large transloader's effort in securing footprint in Seattle.

## II. GATEWAY OPERATIONS

<p><b>ENHANCE GATEWAY PRODUCTIVITY, EFFICIENCY &amp; OPERATIONAL PERFORMANCE:</b></p> <p>A. Enhance the Port's Community Portal to improve cargo &amp; service visibility and coordination across the supply chain.</p>	<p>A1. Design and Implement Phase II of the Port's Community Portal by end of 2019. This will include functionality that improves real-time cargo, drayage and inland transportation visibility</p>	<p>Request for Information (RFI) for the expansion of the Port Community System was advertised in June 2019. RFIs are due back to the NWSA by the end of July 2019. Staff will then perform a cost-benefit analysis beginning August 2019. Determine phased rollout of PCS enhancements by the end of 2019.</p> <p><b>Q3:</b> Received 14 responses to the RFI. Cost range from \$1M - \$3M in upfront investment with an additional \$1M per year in costs for ongoing maintenance and support. Based on these cost staff does not recommend moving forward with a PCS platform. Instead the OSC will focus on enhancing visibility to cargo movement via our Port website through the strategic investment in data collection and partnerships with key supply chain stakeholders.</p> <p><b>Q4:</b> RFID data for full turn time visibility is now being captured as of January 2020. NWSA will be displaying both historic and real-time (within 15 minutes) full turn times on our website for all international container terminals in our gateway by the end of January 2020.</p>
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A2. Establish ILA & strategic plan with WSDOT / SDOT / TDOT & King and Pierce Counties for electronic monitoring infrastructure & systems outside the port complex. This will be integrated into the Port's Community Portal.

Partnering with SDOT and WSDOT to utilize CMAQ grant funds (\$660K) to install and integrate CCTV Cameras in freight corridors in Seattle. As part of this effort a ILA with SDOT has been drafted. Scheduled to request authorization from commission for the ILA and CMAQ Grant in Q4 of 2019.

TDOT does not have a Traffic Management System (TMS). Therefore at this time there is not a system to integrate with. In the future as TDOT builds out their system we will stay engaged to ensure we have inner operability with thier TMS.

**Q3:** Managing Members authorized staff to enter into agency agreements with WSDOT and SDOT to utilize CMAQ grant funds (\$660K) to install and integrate CCTV cameras in strategic freight corridors in Seattle. Cameras will be installed and operational by Q3 of 2020.

**Q4:** Puget Sound Clean Air Agency denied the CMAQ grant due to the scope change to CCTV cameras. Project has been cancelled. Working with SDOT/WSDOT to look for alternatives to install CCTV in key freight cooridors.

<p>B. Expand real-time drayage truck electronic monitoring &amp; reporting of total service time at the international container terminals</p>	<p>B. Real-time drayage truck tracking project implementation by June 2019</p>	<p><b>North Harbor:</b> Full turn time visibility is complete for the North Harbor.</p> <p><b>South Harbor:</b> Design work is underway for the South Harbor. Current project plan has implementation for the South Harbor at the end of 2019.</p> <p><b>Q3:</b> Design work is complete for expanding full turn-time visibility in the South Harbor. Hardware is being installed and project will be delivered by the end of Quarter 4 2019.</p> <p><b>Q4:</b> Hardware was installed at the entrance to Lot F in December. Turn time data collection started in early January 2020. Full turn times will be displayed on the NWSA website by the end of January 2020.</p>
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C. Enhance and improve service delivery KPIs with a move toward real-time reporting and analytics	<p>C. Facilitate service delivery improvement initiatives with Marine Terminal Operators, Labor and Rail Roads:</p> <ul style="list-style-type: none"> <li>- Target improved crane production to 30+ MPH</li> <li>- Reduce full gate turn times at/below 90-min avg.</li> <li>- Maintain intermodal transit to Chicago at/below 6 days</li> </ul>	<p>Crane Production:</p> <p>Q1: NWSA 26.3   Seattle 26.3   Tacoma 26.3  Q2 2: NWSA 27.7   Seattle 27.4   Tacoma 28.0  Q3: NWSA: 27.0   Seattle 26.7   Tacoma 27.4  Q4: NWSA: 28.3   Seattle 28.8   Tacoma 27.9  YTD: NWSA 27.3   Seattle 27.3   Tacoma 27.4</p> <p>Turn Times*:</p> <p>Q1: Seattle 61.2   Tacoma 47.1  Q2: Seattle 57.6   Tacoma 44.2  Q3: Seattle 66.4   Tacoma 47.0  Q4: Seattle 60.8   Tacoma 55.5  YTD: Seattle 61.6   Tacoma 48.7</p> <p>*Info source is RFID readers: Seattle is full turn-time (security pedestal to out gate) and Tacoma is only on terminal turn-time (pedestal-to-pedestal) with the exception of Everport. Everport started collecting times at the security pedestal on October 8th.</p> <p>Transit Time to CHI:</p> <p>Q1: 7.6 days*  Q2: 5.8 days  Q3: 6.5 days  Q4: 5.1 days  YTD: 6.1 days</p> <p>*Transit times were severely impacted by winter weather in Chicago. Rail ramps were being shut down</p>
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<p>D. Promote improved service delivery by working with stakeholders to match workforce demand with registration availability and training.</p>	<p>D1. Work with PMA/ILWU to increase registration and casual hiring to meet increased labor demand.</p>	<p><b>Local 19:</b> 135 longshore have been registered in 2019 along with the hiring of 540 casuals. Minimal labor shortages have occurred during the start of the cruise season. In addition, a new per passenger assessment was levied by the PMA against the cruise lines in July. The funds from the assessment will enable the industry to employ adequate staffing levels to cover peak cruise season demand going forward.</p> <p><b>Local 23:</b> Ongoing registration has been agreed between the ILWU and PMA. 30 longshore will be registered along with the hiring of 90 casuals every quarter in 2019.</p> <p><b>Q3:</b> Overall gang fill has been solid during the peak shipping season months. The PMA and ILWU continue to work on regular registration and casual hiring to ensure adequate staffing levels.</p> <p><b>Q4:</b> Labor availability continues to be strong in quarter 4. No major issues to report.</p>
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D2. Hold the labor/NWSA/Terminal Operator meetings to discuss how to improve the performance of the gateway.

**Local 19:** Multiple meetings have occurred with SSAT/NWSA/Local 19. Future meetings are being scheduled to include a few commissioners. **Local 23:** Due to leadership change at Local 23 meetings with MTOs will be targeted for Q3 and Q4 of 2019 and will include a few commissioners.

**Q3:**

**Local 19:** SSAT and Local 19 reached agreement on a couple of initiatives to improve crane production. Launched October 2019. Monitor production in Q4 to see the results.

**Local 23:** Joint meeting held with Local 23. Local 23 takes lead to work directly with members/MTOs to address items to improve productivity. Will monitor Q4 results.

**Q4:**

**Local 19:** Improvement initiatives were launched in late Quarter 3. Productivity has steadily improved. Seattle average 28.8 during quarter 4 which is almost a 2 move per hour improvement over quarter 3.

**Local 23:** Local 23 executives have been working on improvement initiatives with the membership. They have also begun meeting individually with the MTOs. Productivity has improved by over 1 move per hour as compared to quarter 3.

E. Explore expanding Port Operations (off-terminal) to augment/increase service delivery options to the supply chain stakeholders.	E. Create a draft port operations expansion strategy by mid-year 2019 and evaluate other opportunities to expand NWSA-controlled operations.	NWSA operations expansion opportunities for both harbors developed Q2 2019. A South Harbor Terminal Optimization Plan is in development with delivery anticipated in Q4 2019. <b>Q4:</b> The South Harbor Terminal Optimization Assessment (Phase I of the Gateway Infrastructure Plan GIP) was presented to Execs in November. Minor amendments will be made in Q1 2020.
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### III. FINANCIAL PERFORMANCE

EFFECTIVELY MANAGE 2019 OPERATING ACTIVITIES TO DELIVER EXPECTED FINANCIAL RESULTS.	A. Meet or exceed the budgeted 2019 net operating income and distributed cash.	Q3: YTD operating income was \$71M and \$9M (14%) above budget and net income was \$75M and \$11M (16%) above budget, driven by operating expenses under budget by \$9M due lower crane maintenance and admin expenses, and major repairs that were pushed to future periods. Revenues were below budget by \$1M with the positive variance of \$3M from Non-Containers (tonnage increase) offsetting the negative variance in Containers of \$4M (due to termination of T46, E. Sitcum lease amendment, revenue at T5 later than budget). Distributable cash is a full year measure, will be addressed in Q4. Q4 financials not available until late-February.
	B. Year-over-year comparison and explanation of financial results and opportunities for improvement.	Q3: YTD operating income was \$4M (5%) below prior year and net income was flat compared to the prior year. Although revenue increased \$7M (5%) over the prior year (TEUs up 4% and breakbulk tonnage and auto units up 32% and 20%, respectively), one-time crane removal costs at T18 and T46, higher volume related operating costs and higher depreciation for post-formation assets drove operating income down. Q4 financials not available until late-February.

	C. Evaluate the structure of our business models and make recommendations on ways to improve the financial performance of business leases.	Analysis of alternative leasing structures was started in Q2. Recommendations will be provided by end Q3.
	D. Evaluate and make recommendations on any improvements to the tariff setting practices.	Briefing materials on the subject is scheduled to go out in early August. Staff will further refine the tariff document and the reviewing process.
<b>IV. ENVIRONMENTAL STEWARDSHIP</b>		
<b>1. IMPLEMENT CLEAN TRUCK PROGRAM</b>	A. Develop and implement a drayage truck registry and Red Light/Green Light technology infrastructure by Q1 2019. Synchronize North Harbor and South Harbor truck management database using RFID technology and data obtained through early use of new gate technology.	International container terminals in both harbors are fully RFID equipped as of Q1 2019. Truck management database is also operational.
	B. Provide a recommend domestic terminal Clean Truck Strategy to the MMs by Q1 2019.	Presented recommendation in Q1; per Commissioners' public discussion, committed to return to Managing Members if percentage of compliant domestic trucks drops below 75%. <b>Q4</b> 82% compliance.
<b>2. NW PORTS CLEAN AIR STRATEGY</b>	A. With broad external stakeholder support, update the plan by Q3 2020.	Q2: First stakeholder engagement workshop was conducted on July 18 covering a new draft vision statement, guiding principles, and technology shifts required to meet the vision. <b>Q3/4:</b> Staff is working with Port of Vancouver to prepare materials for the next round of stakeholder engagement. The second round of stakeholder engagement is planned for Q1 2020 to cover draft timelines for port and stakeholder actions working towards the vision along with metrics for tracking progress. A draft strategy is expected to be presented for stakeholder review in Q2/early Q3 2020 and the final strategy in Q4. Q4: Staff are nearing completion of the 2nd discussion document and are on track for engagement in Q1 of 2020 after executive and commission review.

	B. Pursue grant opportunities to further Cargo Handling Equipment (CHE), Shorepower and fleet modernization initiatives.	Q1: Secured \$4.4 million in state funds for T-5 shorepower infrastructure. <b>Q3/4:</b> Secured a \$1 million DERA grant and \$1 million TransAlta grant for shore power at Husky Terminal. Have proposed flexibility for remaining Ecology clean truck funds including shore power, trucks and CHE. Rep. Jake Fey has agreed to work on this issue during 2020 legislative session.
	C. Pilot electric yard equipment at both the North and South Harbor terminals by the end of Q2.	BYD yard truck pilot was conducted in both North and South Harbors the week of July 22, 2019.
<b>3. WATER QUALITY (WQ)</b>	A. Construct West Sitcum stormwater treatment system by Q1 2019.	Stormwater treatment systems in all 3 basins online Q2 2019. Meeting benchmarks. Q3: NWSA staff continue to refine the system. The water quality results are below benchmarks. SSAT is prepared to take the permit at the end of this year. <b>Q4: System fully operational, final report was submitted to Ecology, permit transfer paperwork is underway.</b>
	B. Resolve current litigation at West Sitcum Terminal & T46.	T-46 litigation settlement approval expected in Q3 2019. West Sitcum litigation not expected to be completed until Q4 2019 or beyond. Q3: T-46 is complete, the consent decree has been entered by the Judge. There is still no ruling from Judge Settle on the West Sitcum litigation. <b>Q4: No change in West Sitcum litigation.</b>

	C. Develop comprehensive and integrated industrial stormwater general permit (ISGP) policy and leasing strategy to establish responsibilities and minimize legal/compliance risk by Q4 2019.	Pending outcome of T-46 and West Sitcum litigation. Q3: Staff is preparing an analysis on a possible permit appeal. There is document that discusses potential changes to the lease; however, the litigation at West Sitcum could clarify the tenant / landlord responsibilities with respect to permit compliance. <b>Q4: NWSA/POT/POS appealed the 2020 ISGP permit. WQ staff will prepared a list of recommendations for lease language changes pending resolution of litigation and are currently benchmarking compliance related lease incentives.</b>
4. GREEN GATEWAY INITIATIVES	A. Work along side the Commercial & Public Affairs Depts and our customers to highlight and leverage our Green Gateway initiatives.	Elements of all environmental initiatives are consistently promoted in multiple customer and community forums.
<b>V. PUBLIC AFFAIRS / GOVERNMENT RELATIONS</b>		
1. LAND USE & TRANSPORTATION PLANNING	Support POT 2019 work on Tideflats Subarea Plan with the City of Tacoma to articulate NWSA interests and impacts.	Q1: Work Plan approved by Steering Committee. Next step is to hire consultant and draft a public engagement plan. <b>Q4: BERK consulting has been selected to assist with the Plan. Planning process will begin Q1 2020.</b>
2. DEVELOPMENT STRATEGY	Complete a scope of work, a schedule, and obtain executive authorization for consultant support to create an NWSA Gateway Infrastructure Plan for both harbors that will inform future 1) infrastructure investment, 2) land utilization, and 3) business decisions by Q4 2019.	Q3: Working draft of a 3-phase plan for the NWSA Gateway Infrastructure Plan is complete and Phase I, Terminal Optimization Assessment, is underway. Expect to complete the Gateway Infrastrucutre Plan Q4 2020. <b>Q4: RFQ issued, two proposals were submitted and reviewed, and included interviews. Davies and Hatch scored the highest and contract negotiations will continue into Q1 2020. MM authorization is anticipated in Q1 2020.</b>

<b>3. BUILD AWARENESS IN THE PNW OF IMPORTANCE OF MARITIME TRADE INDUSTRY:</b> Partner with key stakeholders to develop & execute aligned messaging.	A. Execute a multi-platform public affairs marketing plan, leveraging sponsorships & memberships to promote brand and ensure support from industry and community leaders.	ONGOING -- In November of 2018 commissioners held on the launch the public affairs marketing plan. Instead in 2019, staff has leveraged internal resources and social media channels to engage industry partners and build awareness. Opportunities such as the Terminal 5 decision in April 2019 and subsequent events have raised public awareness of the NWSA and the impact of marine cargo on the region. Q3/4: As part of a NWSA Public Affairs Transition strategy, staff is re-evaluating how it engages in its work, including better defining the appropriate usage of the NWSA and homeport identities and what that means in terms of day-to-day operations and current staffing and open positions.
	B. Launch and support in Q4 2018-2019 the Port Competitiveness Coalition and state legislature caucus; this network & education will help support achievement of Goal I, as does the Public Affairs' Team policy work and ongoing education with elected officials on the competitive landscape facing our gateway.	COMPLETE - We will continue to build on this early success in the 2020 legislative session and interim. During interim meetings with lawmakers we have encouraged them to participate and support this effort.
<b>4. REDUCE REGULATORY CONSTRAINTS</b>	A. Advance legislation that allows for operation of unregistered vehicles shipped as marine cargo on public streets between port facilities.	COMPLETE
	B. Explore integration and improvement to regulatory requirements of gateway operations, similar to Canadian permit improvement initiative.  Create greater awareness of the Canadian integrated strategy at the state & federal levels,	Creating this visibility has been a priority for government affairs staff. This information has been a portion of all briefings with lawmakers at all levels, and will continue to be part of our description of the competitive landscape.



<b>5. GRANTS</b>	Leverage export-related grants from both the State and Federal government.	<p>Q2: NWSA returned \$1.5 million in FAST formula funds for the Port Community System, as the project could not obligate funds within the required timeframe. NWSA tried to re-purpose the FAST grant for T5 Access, but that project could also not obligate the funds within the required timeframe. This \$1.5M grant will now be applied to the Taylor Way Road improvements, a freight corridor project by the City of Tacoma.</p> <p>Q2: NWSA secured \$4.4 million in state funds for T-5 shorepower and secured \$1 million in DERA funds as well as \$1 million from TransAlta for Husky Terminal shorepower.</p> <p>Q3: NWSA supported the City of Fife's BUILD grant application for POT Road Interchange, a request of \$25M; NWSA and homeport projects were reviewed but no projects are currently competitive for the scope and timing of this BUILD round.</p> <p>Q3: NWSA provided letters of support for these outside partner projects that support NWSA strategic business plan: WSDOT Virtual Coordination Center for the I-5 corridor; Port of Alaska for dock rehabilitation in Anchorage.</p> <p>Q3: NWSA submitted a \$33 million Port Infrastructure Development Program (PIDP) grant application for T5.</p> <p><b>Q4:</b> the NWSA was selected to receive a \$1M grant from USEPA, and \$1M from TransAlta for shorepower at Husky. Pending review for T5, are a US MARAD Port Infrastructure Development Program grant for \$33M for uplands improvements and equipment, and a \$5M stormwater grant opportunity from WA Ecology.</p>
<b>6. HARBOR MAINTENANCE TAX REFORM:</b> Advocate & influence Congress to reform the HMT by addressing international competitiveness & donor port equity.	A. Advance HMT reform legislation that addresses NWSA priorities for international competitiveness and donor port equity.	In late October the House passed Rep. DeFazio's full use HMTF bill. AAPA and the NWSA agreed to support the measure, conditioning support for final passage through the Senate on a comprehensive reform
	B. Achieve implementation of Section 2106 regulation on HMT rebates that reflects port priorities.	OMB is reviewing plans for transfer of funds for 2106 rebates. Waiting for final approval by OMB and Treasury Department, and then execution by the Corps and CBP.

<b>7. ENHANCE REPORTING METRICS FOR JOB CREATION</b>	Partnering with homeports, complete 2018 economic impact study. Utilize results to better define additional jobs of producers/manufacturers reliant on NWSA gateway to reach global markets. This work will also improve capability to connect economic impact to underserved communities & constituencies.	COMPLETE- In Q1 the joint economic impact study between the homeports and NWSA was completed.
<b>8. PORT COMPETITIVENESS FUND</b>	Establish a Port Competitiveness Fund that helps accomplish Goal I strategic initiatives & projects, including terminal infrastructure, port community systems, emissions reduction & supply chain partnerships recruiting cargo to the NWSA Gateway.	DID NOT ACHIEVE GOAL-- \$100 million port competitive grant program included in Hobbs statewide transportation package, though measure did not pass. We will continue to advocate for grant funding on an annual basis. In 2019 we were successful in securing state match for T-5 shorepower.
<b>VI. ORGANIZATIONAL PERFORMANCE</b>		
<b>1. COMPLETE 2019 TRANSITION ACTIVITIES</b>	A. Determine long-term work space requirements, including physical location & tech. improvements.	Briefing materials will be provided in January for short and long-term work space options in both the N and S Harbor
	B. Complete transition of North Harbor lease administration to the NWSA.	COMPLETE
	C. Complete assessment and develop a timeline and plan to improve the efficiency of monthly financial data transfers from the NH to NWSA Finance (used to prepare financial statements).	Plan has been developed and a project charter will be finalized in Q1 2020. Expected transition is mid-year 2020.
<b>2. TOTAL REWARDS</b>	Complete assessment and develop timeline and implementation plan for any recommended changes.	COMPLETE. Total Rewards recommendations approved at September 3, 2019 meeting with implementation date of January 1, 2020.
<b>3. STAFFING</b>	A. Diversity & Inclusion: Make progress on our diversity & inclusion plan that reflects the community that we serve.	Apprenticeship Program on track - development of technical instruction in progress. Ongoing efforts continue in identifying opportunities to increase diversity and inclusion in our workforce. Consultant identified to provide diversity training for all employees in 2020.
	B. Succession Planning: Develop a succession plan for leadership positions within the organization.	Draft succession plan completed - plan will be monitored and updated on on-going basis.

C. Organizational Health: Implement a training program that supports a healthy working environment.

New supervisory training offered in 2019 to provide information and tools to be more effective supervisors. Periodic training by external consultants continued on employee well-being (e.g. how to handle change; healthy eating habits). Provided employee sessions on Total Rewards and other HR topics to answer questions and obtain employee input. Will continue to evaluate options and opportunities to promote healthy working environment.