



ACHIEVING THE PORT OF SEATTLE CENTURY AGENDA •

PORT OF SEATTLE
2017 - 2021
LONG RANGE PLAN

• ACHIEVING THE PORT OF SEATTLE CENTURY AGENDA

DEAR COMMUNITY,



The mission of the Port of Seattle is to create good jobs here by advancing trade and commerce, promoting manufacturing and maritime growth, and stimulating economic development.

Our vision is to add 100,000 jobs through economic growth led by the Port, for a total of 300,000 port-related jobs in the region, while reducing our environmental footprint. We are committed to creating opportunity for all, stewarding our environment responsibly, partnering with surrounding communities, promoting social responsibility, conducting ourselves transparently, and holding ourselves accountable.

Beginning in 2017, the Port of Seattle is using a rolling 5-year Long Range Plan to focus our efforts to best accomplish this job growth and the other 25 year strategic objectives established by the Commission in the Century Agenda (see page 5).

Over a hundred Port employees developed the Long Range Plan over the last year, representing divisions and departments from across the Port. These teams of subject matter experts connected their work to the goals of the Century Agenda and developed strategies, objectives, actions, and performance measures focused in five areas: aviation, maritime, economic development, the environment, and high-performance organization.

What follows is our first Long Range Plan for the years 2017 through 2021. The Plan is organized around the strategic objectives identified in the Century Agenda and those pertaining to organizational excellence. It cuts across all departments and divisions of the Port and spans annual budget periods.

The intention of the Long Range Plan is to bring all capabilities of the Port to bear in the work of achieving our goals. For each strategic objective, the Plan sets out the key actions and performance measures we will use to guide the work and monitor progress.

The Long Range Plan shapes the annual budget and ensures that all Port divisions have specific, achievable actions to keep up with the dramatic growth in our industries and create economic opportunities for all in our community.

The Long Range Plan will be updated and formally adopted by the Commission each year, launching our budget process. We hope you will follow our progress and we welcome your input.

Sincerely,



John Creighton
Commission President



Tom Albro
Commission Vice President



Stephanie Bowman
Commissioner



Fred Felleman
Commissioner



Courtney Gregoire
Commissioner



Ted Fick
Chief Executive Officer

TABLE OF CONTENTS

- 4** Introduction to the Port of Seattle
- 5** Century Agenda
- 6** Long Range Plan (LRP) Overview
- 7** LRP Scorecard
- 8** Port-Wide Strategic Planning Cycle
- 9-25** LRP Century Agenda
Strategies & Objectives
- 26-38** LRP High Performance Organization
Strategies & Objectives



THE PORT OF SEATTLE

AN INTRODUCTION



The Port of Seattle plays a key role in bringing international trade and travel to the Pacific Northwest. The Port provides maritime and airport operations for the greater Seattle area. About 40 percent of the state of Washington's economy is impacted in some way by the Port.

The ports of Seattle and Tacoma created the historically innovative Northwest Seaport Alliance in 2015, unifying the management of the two ports' marine cargo terminals and related functions to continue our leading role in international trade.

The Port of Seattle manages two cruise terminals that make Seattle the preferred choice for Alaska or Pacific Northwest cruises. Nearly 960,000 visitors are expected during this year's cruise season with 203 ship calls. The Port also manages Fisherman's Terminal, the headquarters of the North Pacific Fishing fleet, as well as three recreational marinas.

The Port of Seattle operates Seattle-Tacoma International Airport (Sea-Tac), the fastest-growing airport in the nation. The airport has set consecutive quarterly growth records for the past three years and served 42.3 million

passengers in 2015. In addition, air cargo volumes have increased to nearly 333,000 metric tons in 2015.

The Port is finalizing a Sustainable Airport Master Plan to look ahead five, 10 and 20 years in the future to manage growth. The airport's capital program includes \$5 billion in projects and facilities, including the International Arrivals Facility, the North Satellite Renovation, the Baggage Optimization Project, and the South Satellite Renovation.

Five commissioners, elected at large by the voters of King County serve four-year terms and establish Port of Seattle policy. The Chief Executive Officer, in carrying out these policies, leads 1,800 employees. The Port of Seattle's Century Agenda supports the triple bottom line of business development, environmental sustainability and social responsibility. Our goal is to make the Port of Seattle the gateway of choice and create a vibrant economic engine that drives job creation throughout the region. For more information, visit portseattle.org.



CENTURY AGENDA

For more than 100 years, the Port of Seattle has generated jobs and growth for King County and the greater region by advancing trade and commerce, promoting industrial growth, and stimulating economic development. In 2012, the Port of Seattle's centennial anniversary, the Port Commission launched the Century Agenda—a comprehensive vision that focuses on the Port's next quarter-century. The Century Agenda refreshes the Port's strategies and objectives in a way that builds upon the accomplishments of the Port's first century and provides a visionary look at the emerging challenges and opportunities of the 21st century.

The Port of Seattle will use its real estate, capital assets and financial capabilities to accomplish the Century Agenda. These are tools to thoughtfully steward, rather than areas well-suited for specific 25-year goals.

In anticipation of the Port's Centennial, in 2010, the Commission formed a Century Agenda Committee to guide the Port's long-range vision. During 2011, the Commission convened monthly public roundtables to discuss strategic issues

related to the Port's mission. In January 2012, the Commission adopted Preliminary Strategic Goals, which now are known as Strategies and Objectives, along with a proposed Mission and Commitment. Through extensive public outreach in 2012 that included over a thousand people and more than 60 events and engagements, the Port's partners affirmed this preliminary work. Each year since then, Port staff has identified action plans that have been incorporated in the Port business plans and budget, to advance progress towards achieving the Century Agenda Vision, Strategies (Pg 6), and Objectives (Pg 7).

To ensure "One-Port" participation and ownership of the Century Agenda, various cross-functional internal LRP development teams were created between June and September 2015. These teams include Aviation, Maritime, Small Business Development, Workforce Development, Environmental, and High Performance Organization. These teams were established to operationalize the Century Agenda and drive it from being aspirational to operational in a rolling five-year planning process.

OUR VISION

Over the next 25 years we will add 100,000 jobs through economic growth led by the port of Seattle, for a total of 300,000 port-related jobs in the region, while reducing our environmental footprint.

OUR MISSION

The Port of Seattle is a public agency that creates jobs by advancing trade and commerce, promoting industrial growth, and stimulating economic development.

OUR COMMITMENT

The Port of Seattle creates economic opportunity for all, stewards our environment responsibly, partners with surrounding communities, promotes social responsibility, conducts ourselves transparently, and holds ourselves accountable. We will leave succeeding generations a stronger Port.



LONG RANGE PLAN OVERVIEW

The Long Range Plan (LRP) allows the Port to more effectively and transparently improve the Port's ability to support the local economy by creating 100,000 new jobs for the Puget Sound region while addressing key environmental opportunities and social responsibility of all its stakeholders. Both Century Agenda and High Performance Organization strategies and objectives are important in the development of the LRP, and to ultimately achieve the vision for supporting the local economy.



CENTURY AGENDA

Focused on external growth: moving cargo, traveling public, community engagement & environment stewardship

4 STRATEGIES / 16 OBJECTIVES

- Strategy 1. Position the Puget Sound Region as a Premier International Logistics Hub
- Strategy 2. Advance this Region as a Leading Tourism Destination and Business Gateway
- Strategy 3. Use Our Influence as an Institution to Promote Small Business Growth and Workforce Development
- Strategy 4. Be the Greenest, and Most Energy Efficient Port in North America



HIGH PERFORMANCE ORGANIZATION

Focused on operations excellence, organizational alignment, and a people centric organization

5 STRATEGIES / 12 OBJECTIVES

- Strategy 1. Increase Customer Satisfaction
- Strategy 2. Eliminate Workplace Injuries
- Strategy 3. Act as One Port
- Strategy 4. Become Model for Workplace Diversity & Inclusion
- Strategy 5. Foster Employee Development & Leverage Talent

LONG RANGE PLAN SCORECARD

PERFORMANCE TO PLANS

CENTURY AGENDA

STATUS	Strategy 1: Logistics Hub
	Objective 1/Pg. 10 - Grow seaport annual container volume to more than 3.5 million TEUs
	Objective 2/Pg. 11 - Optimize infrastructure investments & financial returns w/ Washington Ports
	Objective 3/Pg. 12 - Triple air cargo volume to 750,000 metric tons
	Objective 4/Pg. 13 - Triple the value of our outbound cargo to over \$50 billion
	Objective 5/Pg. 14 - Double the economic value of the fishing and maritime cluster
STATUS	Strategy 2: Tourism & Business Gateway
	Objective 6/Pg. 15 - Make Sea-Tac Airport the West Coast "Gateway of Choice" for international travel
	Objective 7/Pg. 16 - Double the number of international flights and destinations
	Objective 8/Pg. 17 - Meet the region's air transportation needs at the Airport for the next 25 years & encourage the cost effective expansion of domestic and int'l PAX & cargo service
	Objective 9/Pg. 18 - Double the economic value of cruise traffic to Washington state
STATUS	Strategy 3: Small Business & Workforce Development
	Objective 10/Pg. 19 - Increase the proportion of funds spent by the Port w/qualified small business firms on construction, consulting, goods and services to 40 percent of the eligible dollars spent
	Objective 11/Pg. 20 - Increase workforce training, job and business opportunities for local communities in maritime, trade, travel and logistics
STATUS	Strategy 4: Greenest & Most Efficient Port
	Objective 12/Pg. 21 - Meet all increased energy needs through conservation and renewable
	Objective 13/Pg. 22 - Meet or exceed agency requirements for storm water
	Objective 14/Pg. 23 - Reduce air pollutants and carbon emissions
	Objective 15/Pg. 24 - Anchor the Puget Sound urban industrial land use to prevent sprawl
	Objective 16/Pg. 25 - Restore, create, & enhance 40 additional acres of habitat in the Green/Duwamish watershed and Elliott Bay

HIGH PERFORMANCE ORGANIZATION

STATUS	Strategy 1: Customer Satisfaction
	Objective 1/Pg. 27 - Improve External Customer Service
	Objective 2/Pg. 28 - Improve Customer Service between the Port's Departments/Functions
	Objective 3/Pg. 29 - Improve process efficiencies & effectiveness
STATUS	Strategy 2: Safety
	Objective 4/Pg. 30 - Reduce occupational injury rate & severity rate
	Objective 5/Pg. 31 - All managers will lead safety performance
STATUS	Strategy 3: One Port
	Objective 6/Pg. 32 - Strengthen the culture and act as a single organization with a shared vision
	Objective 7/Pg. 33 - Increase Port-wide common & standardized language, business processes, tools, & measures
STATUS	Strategy 4: Diversity & Inclusion
	Objective 8/Pg. 34 - Increase management accountability for diversity & inclusion (D&I)
	Objective 9/Pg. 35 - Increase percentage of employees who agree that the Port is committed to D&I
	Objective 10/Pg. 36 - Increase awareness internally and actively share D&I programs externally
STATUS	Strategy 5: Talent Development
	Objective 11/Pg. 37 - Develop a strong talent pipeline
	Objective 12/Pg. 38 - Foster awareness of Port-wide talent

Status Key

- Not Started
- Completed
- On Track
- In Progress
- Mitigation to be developed..

PORT WIDE STRATEGIC PLANNING CYCLE



LONG RANGE PLAN

CENTURY AGENDA STRATEGIES

STRATEGY 1 POSITION THE PUGET SOUND REGION AS A PREMIER INTERNATIONAL LOGISTICS HUB



- Objective 1. Grow seaport annual container volume to more than 3.5 million TEUs
- Objective 2. Structure our relationship with Washington ports to optimize infrastructure investments and financial returns
- Objective 3. Triple air cargo volume to 750,000 metric tons
- Objective 4. Triple the value of our outbound cargo to over \$50 billion
- Objective 5. Double the economic value of the fishing and maritime cluster

STRATEGY 2 ADVANCE THIS REGION AS A LEADING TOURISM DESTINATION AND BUSINESS GATEWAY



- Objective 6. Make Sea-Tac Airport the West Coast "Gateway of Choice" for international travel
- Objective 7. Double the number of international flights and destinations
- Objective 8. Meet the region's air transportation needs at Sea-Tac Airport for the next 25 years and encourage the cost-effective expansion of domestic and international passenger and cargo service
- Objective 9. Double the economic value of cruise traffic to Washington state

STRATEGY 3 USE OUR INFLUENCE AS AN INSTITUTION TO PROMOTE SMALL BUSINESS GROWTH AND WORKFORCE DEVELOPMENT



- Objective 10. Increase the proportion of funds spent by the port with qualified small business firms on construction, consulting, goods and services to 40 percent of the eligible dollars spent
- Objective 11. Increase workforce training, job and business opportunities for local communities in maritime, trade, travel and logistics

STRATEGY 4 BE THE GREENEST AND MOST ENERGY EFFICIENT PORT IN NORTH AMERICA



- Objective 12. Meet all increased energy needs through conservation and renewable sources
- Objective 13. Meet or exceed agency requirements for storm water leaving Port-owned or operated facilities
- Objective 14. Reduce air pollutants and carbon emissions
- Objective 15. Anchor the Puget Sound urban industrial land use to prevent sprawl in less developed area
- Objective 16. Restore, create, & enhance 40 additional acres of habitat in the Green/Duwamish Watershed and Elliott Bay



LONG RANGE PLAN CENTURY AGENDA

POSITION THE PUGET SOUND REGION AS A
PREMIER INTERNATIONAL LOGISTICS HUB



STRATEGY 1

OBJECTIVE 1

GROW SEAPORT ANNUAL CONTAINER VOLUME TO MORE THAN 3.5 MILLION TEUS

KEY METRICS

Annual container volume (in million TEUs)

The ports of Seattle and Tacoma joined forces in August 2015, establishing the Northwest Seaport Alliance (NWSA), to unify management of our marine cargo facilities and business to strengthen the Puget Sound gateway and attract more marine cargo and jobs for the region.

The NWSA strategic plan focuses on improving licensed NWSA terminal and waterway assets to meet market demand (NWSA Strategic Plan #1A) as well as improving efficiency and cost competitiveness of the supply chain (NWSA Strategic Plan #1B). Additionally, the NWSA aims to advance the Alliance's market position in the international shipping industry (NWSA Strategic Plan #1C).

The NWSA Strategic Plan can also be accessed from the NWSA website. For more information about the NWSA, visit: www.nwseaportalliance.com

The Port of Seattle is aligning this objective with the NWSA TEU target of 6 million TEUs.



THE NORTHWEST
SEAPORT ALLIANCE



LONG RANGE PLAN CENTURY AGENDA

POSITION THE PUGET SOUND REGION AS A
PREMIER INTERNATIONAL LOGISTICS HUB



STRATEGY 1

OBJECTIVE 2

STRUCTURE OUR RELATIONSHIP WITH WASHINGTON PORTS TO OPTIMIZE INFRASTRUCTURE INVESTMENTS AND FINANCIAL RETURNS

The ports of Seattle and Tacoma joined forces in August 2015, establishing the Northwest Seaport Alliance (NWSA), to unify management of our marine cargo facilities and business to strengthen the Puget Sound gateway and attract more marine cargo and jobs for the region.

The NWSA strategic plan focuses on providing reliable and efficient regional and local infrastructure connections: Enhance transportation infrastructure and improve the Seaport Alliance's infrastructure (NWSA Strategic Plan #2 A and B). Additionally, the NWSA aims to increase revenue through growth and diversification (NWSA Strategic Plan #3A).

The NWSA Strategic Plan can also be accessed from the NWSA website. For more information about the NWSA, visit: www.nwseaportalliance.com.

With the creation of the NWSA, The Port of Seattle has successfully completed this objective.



THE NORTHWEST
SEAPORT ALLIANCE



STRATEGY 1

OBJECTIVE 3

TRIPLE AIR CARGO VOLUME TO 750,000 METRIC TONS

KEY METRICS

Air Cargo Volume (Metric Tons)

Space Utilization

PRIORITY ACTION 1: INCREASE AIRLINE CARGO CAPACITY

Airlines, operating both freighter and passenger aircraft services, perform the actual work of shipping air cargo into and out of the region using Seattle-Tacoma International Airport. The extent of routes, the number and frequency of services, and the size and capacity of specific aircraft used, define the overall capacity for moving air cargo through the airport. The purpose of this action is to bring in additional airline carriers and add routes, and to support the capacity growth of existing airlines at Seattle-Tacoma International Airport. Air cargo is carried aboard by both freighter and passenger aircraft at Seattle-Tacoma International Airport, with freighters handling 54% of total cargo and the remaining 46% termed “belly cargo” as it travels in the bellies of passenger flights, along with passenger baggage. Two thirds of all international freight is carried as belly cargo, emphasizing the significant synergy between international passenger service and air cargo. While the air cargo team at Seattle-Tacoma International Airport actively markets airport services to airline freighter operators, passenger airline routing decisions are made on the basis of passenger demand and reflect the strategies of the air service development team. The Air Cargo team is working closely with the Air Service Development team to market the full suite of Seattle-Tacoma International Airport’s capabilities for both passenger and cargo particularly to interested international airlines (see page 9).

PRIORITY ACTION 2: EXPAND ON- AND OFF-AIRFIELD CARGO FACILITIES FOOTPRINT

Consistent with the airport’s Sustainable Airport Master Plan, airfield air cargo facilities will be relocated, redeveloped, or built new, on or directly adjacent to the airfield. Existing air cargo facilities not directly impacted by terminal expansion will require redevelopment to increase their processing efficiency. Preferably, the total inventory of air cargo warehouse facilities needed to support airline cargo capacity will remain on the airfield, however if insufficient area exists in the future, adjacent off-airfield land may be needed to bridge the gap, either on an interim basis, or permanently

PRIORITY ACTION 3: BUILD STRATEGIC LOGISTICS PARTNERSHIPS

Sponsor the development of all available Port-owned land in the airport vicinity for use by air cargo and other logistics, manufacturing, and other supportive uses that contribute to growth in air cargo tonnage at Seattle-Tacoma International Airport. Enhance global logistics presence at Seattle-Tacoma International Airport and in the region.



LONG RANGE PLAN CENTURY AGENDA

POSITION THE PUGET SOUND REGION AS A
PREMIER INTERNATIONAL LOGISTICS HUB



STRATEGY 1

OBJECTIVE 4

TRIPLE THE VALUE OF OUR OUTBOUND CARGO TO OVER \$50 BILLION

KEY METRICS

Value of outbound air cargo (\$)

The ports of Seattle and Tacoma joined forces in August 2015, establishing the Northwest Seaport Alliance (NWSA), to unify management of our marine cargo facilities and business to strengthen the Puget Sound gateway and attract more marine cargo and jobs for the region.

The NWSA Strategic Plan can also be accessed from the NWSA website. For more information about the NWSA, visit: www.nwseaportalliance.com.

The Port of Seattle Air Cargo long range plan (see page 5) details the priority actions to also achieve this objective. Furthermore, the Port of Seattle is assessing to update this objective to reflect only air cargo value in the future.



THE NORTHWEST
SEAPORT ALLIANCE



STRATEGY 1

OBJECTIVE 5

DOUBLE THE VALUE OF THE FISHING AND MARITIME CLUSTER

KEY METRICS

Economic Impact data (jobs, personal income, business revenue, local purchases, taxes)

PRIORITY ACTION 1: FISHING VESSEL RECAPITALIZATION

Retaining shipbuilding jobs throughout the Puget Sound Region including maintenance and provisioning jobs sourced in Seattle is a key action for the Port of Seattle Maritime division. Efforts are focused in workforce development training for workers in the community to be able to handle the increased shipyard work. The Port of Seattle is assessing how shipyards are supported given the anticipated regional growth. Additionally, there is a priority to advocate for State and Federal Legislative programs pertaining to vessel financing.

PRIORITY ACTION 2: DEVELOPMENT OF FISHERMAN'S TERMINAL

The Port of Seattle embarked on a Long Term Strategic Plan for Fishermen's Terminal, which is a "use and needs" analysis of the maritime cluster in and around Fishermen's Terminal. The plan allows the Port of Seattle to bring more services and suppliers onto Fishermen's Terminal property that would support and complement the commercial fishing industry.

PRIORITY ACTION 3: ASSET ACQUISITION & MANAGEMENT

The Maritime and Economic Development divisions are dedicating efforts to explore and address the need to moor larger vessels, as they replace smaller vessels in operation now. While the economic impact of building the vessels is substantial, so is the impact of long term presence of the fleet in Puget Sound ports. Analysis is underway to better understand the demand.

PRIORITY ACTION 4: DIVERSIFYING THE MARITIME CLUSTER

The Port of Seattle will continue to encourage diversification of Commercial Fish processing products and assets to accommodate new and expanding ventures. This includes developing or strengthening partnerships with other maritime sectors to recruit and retain commercial vessel moorage and associated economies: University of Washington, National Oceanic and Atmospheric Administration/National Marine Fisheries Service, and fishing/process companies to explore. There are opportunities to expand types of vessels utilizing Maritime moorage assets, such as research vessels, environmental work vessels, constructions and transport barges, and supply ships..



LONG RANGE PLAN CENTURY AGENDA

ADVANCE THIS REGION AS A LEADING
TOURISM DESTINATION AND BUSINESS GATEWAY



STRATEGY 2

OBJECTIVE 6

MAKE SEA-TAC AIRPORT THE WEST COAST “GATEWAY OF CHOICE” FOR INTERNATIONAL TRAVEL

KEY METRICS

Customer Service Metric

PRIORITY ACTION 1: COMPLETE THE INTERNATIONAL ARRIVALS FACILITY PROJECT (IAF)

The budgeted \$649 million IAF project will construct a new international arrivals facility on the landside of Concourse A by 2019. The project will increase the capacity of the Federal Inspection Services area and increase the number of gates connected to the international corridor from 12 to 20.

PRIORITY ACTION 2: REDUCE MINIMUM CONNECT TIMES BY IMPROVING FACILITIES AND PROCESSES

The Baggage Optimization project will facilitate in-line baggage transfers that will permit airport to achieve a minimum connect time target of 75 minutes that is critical to passengers connecting to and from international flights.

PRIORITY ACTION 3: IMPROVE CUSTOMER SERVICE

The Port of Seattle is dedicating significant efforts on the passenger and customer experience across all business divisions. For Aviation, a team is in place to develop focused on providing more quantitative and multi-dimensional customer insights that will link our resources dedicated to customer service improvement efforts to our Century Agenda of making ‘Seattle-Tacoma International Airport the West Coast “Gateway of Choice” for international travel.’ Additionally, the Port of Seattle, selected customer services as a key element to the nonfinancial goal of the employee incentive pay plan. More detail for this priority action can be found in the High Performance Organization LRP (See Page 27).

STRATEGY 2

OBJECTIVE 7

DOUBLE THE NUMBER OF INTERNATIONAL FLIGHTS AND DESTINATIONS

KEY METRICS

Number of year-round, medium- and long-haul international air services (over 2,000 miles)

Number of seats on year-round, medium- and long-haul services (over 2,000 miles)

Number of year-round, medium- and long-haul international destinations (over 2,000 miles)

PRIORITY ACTION 1: IMPLEMENT BEST PRACTICE AIRPORT MARKETING TO DRIVE AIR SERVICE GROWTH

To compete effectively with airports such as Vancouver, San Francisco and Portland, or other similarly-situated airports in the country, the Air Service Development team will develop a comprehensive airport marketing plan with a holistic approach, research best practices of airport marketing utilized by other successful airports, and align them with our Century Agenda goals.

PRIORITY ACTION 2: ENHANCE AIR SERVICE INCENTIVES TO ATTRACT NEW SERVICES

Airports around the world commonly employ Air Service Incentives Programs that are designed to attract and promote new air services and help mitigate the inherent risks of a new operation. The Air Service Development team will continue to evaluate the effectiveness of current program components, incorporating feedback from existing and potential airline partners, reviewing the competitive environment with peer airports and utilizing these programs as necessary.

PRIORITY ACTION 3: BUILD STRATEGIC PARTNERSHIPS THAT ELEVATE THE REGION'S GLOBAL PRESENCE

Following a strategy successfully employed by Vancouver, Seattle has an opportunity to brand itself globally to highlight the population base, the dynamic economy, the beautiful geographic setting and the airport passenger volumes and many connections that could make Seattle the natural hub for the Pacific Northwest. We will develop a regional partnership by all stakeholders in the Puget Sound region in order to raise the awareness of Seattle's global prominence.





LONG RANGE PLAN CENTURY AGENDA

ADVANCE THIS REGION AS A LEADING
TOURISM DESTINATION AND BUSINESS GATEWAY



STRATEGY 2

OBJECTIVE 8

MEET THE REGION'S AIR TRANSPORTATION NEEDS AT SEA-TAC AIRPORT FOR THE NEXT 25 YEARS AND ENCOURAGE THE COST-EFFECTIVE EXPANSION OF DOMESTIC AND INTERNATIONAL PASSENGER AND CARGO SERVICE

KEY METRICS

Million annual passengers that can be accommodated (Primary)

Passenger airline cost per enplaned passenger (CPE)

Specific airline rates (e.g., landing fee, Federal Inspection Station (FIS) rate, etc.)

PRIORITY ACTION 1: COMPLETE AND IMPLEMENT THE SUSTAINABLE AIRPORT MASTER PLAN (SAMP)

SAMP will identify the facility requirements to accommodate the 20 year forecasted growth at Seattle-Tacoma International Airport (through 2034). Completing SAMP includes conducting the environmental review, assessing financial feasibility and obtaining Federal Aviation Administration (FAA) approval. Efforts will then take place involving additional planning and programming to develop projects for incorporation into the Port of Seattle Aviation division capital plan.

PRIORITY ACTION 2: RENOVATE EXISTING FACILITIES TO MAINTAIN CAPACITY

Reinvesting in existing assets is critical to maintaining and enhancing capacity. Facilities and infrastructure must be replaced and/or upgraded. Major projects underway include: the renovation and expansion of the North Satellite and the Baggage Optimization project. Planning is underway to renovate the South Satellite.

PRIORITY ACTION 3: IMPROVE OPERATIONAL EFFICIENCY OF EXISTING FACILITIES

The Port of Seattle is committed to increasing the capacity of existing facilities, which can be accomplished through lean initiatives and other efforts to streamline passenger or vehicle flows. There is also focus on enhancing systems (e.g. baggage makeup) to reduce down time, which effectively increases capacity.

PRIORITY ACTION 4: KEEP AIRLINE COSTS COMPETITIVE

The primary measure of airline costs at an airport is the passenger airline cost per enplaned passenger (CPE). Rigorous budgeting and cost control are key to managing operating costs. Managing long-term capital costs requires a strategic trigger driven capital plan and a financing plan that maximizes the efficiency of Passenger Facility Charges (PFCs) through leverage and one that seeks to maximize FAA grants. Growing non-aeronautical revenues reduces borrowing needs and increases the ability to directly offset airline costs through revenue sharing. To keep airline rates competitive, the Port of Seattle will continue to maintain a balanced funding plan that allows PFCs to be deployed to cost centers where needed to reduce rate base costs.



STRATEGY 2

OBJECTIVE 9

DOUBLE THE ECONOMIC VALUE OF CRUISE TRAFFIC TO WASHINGTON STATE

KEY METRICS

Economic Impact data (jobs, personal income, business revenue, local purchases, taxes, and per call impact)

Number of passengers and annual revenue to the port

PRIORITY ACTION 1: INCREASE MARKET SHARE WHILE SUPPORTING REGIONAL JOB GROWTH

In order to be a leading tourism destination and business gateway, the Port of Seattle understands the importance of securing commitment for new homeport cruise vessels and new cruise products. Additionally, the relationships with the cruise industry stakeholders must continue to be fostered while also developing connections with new partners with a shared interest to promote tourism and economic growth, as well as enhance the experience for the cruise passenger. Additionally, the Port of Seattle will continue to market Pacific Northwest Cruises with partners in British Columbia.

PRIORITY ACTION 2: INCREASE CRUISE TERMINALS EFFICIENCY AND COST EFFECTIVENESS

The Port of Seattle Aviation and Maritime divisions are dedicated to the One-Port strategy, working together to improve customer service and guest satisfaction from ship to plane and plane to ship. A multi-stakeholder team, representing cruise industry related businesses and organizations working with the Port of Seattle, has been formed to collaborate on areas that will improve the passenger experience. For example, team will address new services aimed at separating the cruise line passenger from their luggage to increase efficiencies and allow the guest to visit Seattle.

PRIORITY ACTION 3: MAXIMIZE ECONOMIC IMPACT FROM CRUISE PASSENGERS AND SHIPS

Various efforts are underway to increase the economic impact of cruise passengers. Key projects include raising awareness and interest about Alaska cruising from Seattle in key international markets by reaching out to the travel trade and appropriate media through direct contact and familiarization tours. Additionally, the Port of Seattle is working to educate the domestic and international travel trade, (cruise lines, tour operators, and retail travel agencies) about the benefits of and opportunities to extend cruise visitors' stays with pre and post extensions in Seattle and the region (see page 33).

PRIORITY ACTION 4: IDENTIFY REDEVELOPMENT OPPORTUNITIES FOR PORT CRUISE FACILITIES

The Port of Seattle is responsible for two port cruise facilities: Smith Cove at Pier 91 and Bell Street Pier 66. Pier 66 anchors an 11-acre complex along Seattle's downtown waterfront. This vibrant, multi-use property is home to Norwegian Cruise Line and Oceania Cruises, which offer weekly sailings to Alaska. The Port of Seattle is focused on the Pier 66 renovations to upgrade the terminal to meet the demand of new larger vessels. Additionally, a market study will be conducted to determine growth potential and market demand for additional home port berth, as well as an assessment to identify off-season utilization and revenue opportunities at Terminal 91 and Pier 66.



LONG RANGE PLAN CENTURY AGENDA

USE OUR INFLUENCE AS AN INSTITUTION TO PROMOTE
SMALL BUSINESS GROWTH AND WORKFORCE DEVELOPMENT



STRATEGY 3

OBJECTIVE 10

INCREASE THE PROPORTION OF FUNDS SPENT BY THE PORT WITH QUALIFIED SMALL BUSINESS FIRMS ON CONSTRUCTION, CONSULTING, GOODS AND SERVICES TO 40 PERCENT OF THE ELIGIBLE DOLLARS SPENT

KEY METRICS

Funds spent on small businesses

Funds spent on women & minority owned businesses

PRIORITY ACTION 1: EXPAND PORTGEN PROGRAM

In 2016, the Port launched PortGen, a program focused on providing education and training to small businesses on how to do business with the Port. The value of the Port Gen program increases the number of small business bidding on Port work, strengthens the competitiveness of small business bidding, and builds the pipeline of potential SBE firms ready, able, and willing to do business with the Port. Over the next five years, the Port is committed to further engaging with small businesses, developing Small business training and mentorship programs, as well as promote small business incubators & accelerators.

PRIORITY ACTION 2: FURTHER BUILD A MORE VERSATILE AND ACTIVE SUPPLIER DATABASE

With a focus on operations excellence, efforts are underway to further develop our Supplier Database. The database is designed to be a procurement tool that will allow the staff to have a line of sight into firms that are ready, able, and willing to do business with the Port. This will enable the Port to identify small businesses by skillset, develop forecast of SBE utilization and drivers of gaps to target, recognize upcoming procurements with limited supplier base, apply more targeted supplier outreach and development, and provide a better understanding of the regional supplier base across functional areas.

PRIORITY ACTION 3: INTEGRATE BID LEVERS INTO PROCUREMENT ACQUISITION PLANNING

In order to meet the Century Agenda, the Port is committed to structuring procurement contracts in a way that will allow more small businesses to do work with the Port as Primes or subs. Integrating bid levers into the procurement and acquisition planning process means setting more aggressive targets for different procurements such as having carve-outs, bundling contracts, preferential score, price advantaging, among others.

PRIORITY ACTION 4: STRENGTHEN SMALL BUSINESS PARTNERSHIP WITH GOVERNMENT AGENCIES

Promoting small business growth is important to our region and various government agencies are also invested in supporting small businesses. The Port will work and collaborate with government agencies to leverage resources that will elevate the impact of efforts for small businesses. Additionally, the Port is committed to local legislative efforts to increase small business participation including minority, women, and disabled business enterprises.

STRATEGY 3

USE OUR INFLUENCE AS AN INSTITUTION TO PROMOTE
SMALL BUSINESS GROWTH AND WORKFORCE DEVELOPMENT

OBJECTIVE 11

INCREASE WORKFORCE TRAINING, JOB AND BUSINESS OPPORTUNITIES FOR
LOCAL COMMUNITIES IN MARITIME, TRADE, TRAVEL AND LOGISTICS

KEY METRICS

Placement in jobs
Training completions

PRIORITY ACTION 1: SUPPORT & PROMOTE QUALITY JOB OPPORTUNITIES

The Port of Seattle is committed to creating quality jobs and equity criteria for economic development projects that prioritize middle wage industries. Community Workforce Agreements may be established to encompass apprentice utilization, diversity, and preferred entry to ensure that all members of the community have access to quality jobs in port-related industries, and increased opportunities for career advancement. The Port of Seattle will serve as a model employer for workforce development (WFD) by incorporating apprentice positions into internal Port of Seattle departments where appropriate and consistent with external apprenticeship goals, expanding high school internships and community partnerships, and supporting employee career development.

PRIORITY ACTION 2: STRENGTHEN LEADERSHIP COMMITMENT AND ACCOUNTABILITY TO PROMOTE WFD

The success of the WFD program relies heavily on the commitment of Port of Seattle management who will designate staff to promote career pathways, equity in employment, and job quality for workers at the Port and at Port-related businesses. This can be accomplished through promoting public awareness of port-related industries and career opportunities, identifying current and future workforce demands of port-related industries, and strengthening industry engagement and participation in career pathways efforts.

PRIORITY ACTION 3: EXPAND CAREER PATHWAYS TO FOCUSED PORT-RELATED INDUSTRIES

The Comprehensive Career Pathways Strategic investments support the Port's vision of creating family wage jobs in the region by strengthening port-related industry sectors. They are designed to meet the skill and workforce needs of employers by creating opportunities for workers and job-seekers, including those with low skills, enter employment and advance within a target industry sector towards higher-skill, higher-wage jobs. Investments are focused port-related industries and include Airport, Manufacturing, Trades and Maritime sectors.

PRIORITY ACTION 4: BUILD A TALENT PIPELINE FOCUSED ON YOUTH CAREER DEVELOPMENT

Employers in port related sectors having an aging workforce and find difficulty recruiting and retaining younger workers. Additionally, many youth and high school students lack exposure to careers in port related sectors and work-based learning opportunities. The Port will help build a talent pipeline to connect port related employers with high schools and other education and training institutions, and youth and high school students to port related careers.





2017-2021 Long Range Plan

LONG RANGE PLAN CENTURY AGENDA

BE THE GREENEST, AND MOST ENERGY EFFICIENT PORT IN NORTH AMERICA



STRATEGY 4

OBJECTIVE 12

MEET ALL INCREASED ENERGY NEEDS THROUGH CONSERVATION AND RENEWABLE SOURCES

KEY METRICS

Annual energy use from natural gas, electricity, and liquid fuels (e.g., gasoline) in MMBTU (Million British Thermal Units)

PRIORITY ACTION 1: DEVELOP AN INTEGRATED ONE-PORT BASELINE OF ENERGY USE

As part of the migration towards a One-Port environmental strategy, the Aviation, Maritime and Economic Development divisions are working on an integrated approach to energy usage. The individual Port of Seattle divisions have been measuring their energy use for almost a decade, and continue to refine their estimates. The divisions are currently working together to develop a consistent measurement protocol to ensure that energy estimates are comparable across Port facilities.

PRIORITY ACTION 2: SOURCE RENEWABLE NATURAL GAS

In order to reduce carbon emissions from all operations by 50% over the next 10 to 25 years, the Port of Seattle must find a source of renewable natural gas (RNG), as over 70% of Port of Seattle's carbon comes from using fossil-based natural gas (CNG) in our boilers and bus fleet. The Port of Seattle is actively looking for opportunities across Washington to purchase RNG from sources such as waste water treatment plants, landfills, and dairy farms, and evaluating costs associated with bringing that fuel to the Port of Seattle.

PRIORITY ACTION 3: DEPLOY SOLAR ENERGY PANELS

The Port of Seattle is surveying and analyzing port properties for solar arrays, working in conjunction with utility partners. The Port of Seattle will assess the costs and benefits of the various sites, along with the environmental benefits, and identify the most promising locations. The review will also consider options for financial incentives from state and federal programs.

PRIORITY ACTION 4: IMPLEMENT ENERGY EFFICIENCY PROJECTS

The Port of Seattle is evaluating and implementing an array of energy efficiency projects at Port operated facilities that are designed to reduce costs. At the airport, testing, adjusting and balancing of the Main Air Handlers is on-going and scheduled into 2017. The Maritime division is installing outdoor lighting upgrades and performing audits at three sites.

The Port of Seattle is also developing an Energy Plan in 2016 that will identify renewable and energy conservation opportunities for both Maritime and Aviation divisions. The Plan will include a matrix of the renewable energy and energy conservation opportunities available to the Port of Seattle, whether each opportunity is commercially available, current costs, and if not commercially available, potential steps and costs necessary to develop that opportunity.



2017-2021 Long Range Plan

LONG RANGE PLAN CENTURY AGENDA

BE THE GREENEST, AND MOST ENERGY EFFICIENT PORT IN NORTH AMERICA



STRATEGY 4

OBJECTIVE 13

MEET OR EXCEED AGENCY REQUIREMENTS FOR STORM WATER LEAVING PORT-OWNED OR OPERATED FACILITIES

KEY METRICS

Airport treatment: percentage of acres treated

Maritime: Maritime conveyance rehabilitation: % of linear feet completed

PRIORITY ACTION 1: IMPLEMENT STORMWATER UTILITY

The Storm water Utility in the Maritime division will collect money from Port of Seattle properties and tenants and invest in storm water system cleaning, assessment, repair, rehabilitation and other improvements, resulting in improved function of storm water system and improved water quality.

PRIORITY ACTION 2: DEVELOP GREEN STORMWATER INFRASTRUCTURE AND RAINWATER CAPTURE

The Port of Seattle will develop guidance for implementing green storm water infrastructure (GSI) on Port properties specific to land use type. Consideration will be given to restrictions inherent to industrial properties and unique to maritime and aviation activities. The guidance will be used to identify appropriate measures necessary to comply with low impact development requirements, meet Salmon-Safe certification standards, and incorporate sustainable storm water practices in future development.

PRIORITY ACTION 3: MAINTAIN COMPLIANCE WITH EXISTING PERMITS

The Port of Seattle will comprehensively manage the storm water permit compliance function, both internally through a One-Port approach and externally with tenants to gather better information on permit compliance and success of prevention practices across industrial, municipal, maritime and aviation facilities, and identify opportunities for improvement. The Port of Seattle will further determine and implement storm water management requirements for all new and redevelopment projects.



2017-2021 Long Range Plan

LONG RANGE PLAN CENTURY AGENDA

BE THE GREENEST, AND MOST ENERGY EFFICIENT PORT IN NORTH AMERICA



STRATEGY 4

OBJECTIVE 14

REDUCE AIR POLLUTANTS AND CARBON EMISSIONS

REDUCE AIR POLLUTANT EMISSIONS BY 50 PERCENT FROM 2005 LEVELS.
- REDUCE CARBON EMISSIONS FROM ALL PORT OPERATIONS BY 50 PERCENT FROM 2005 LEVELS AND REDUCE AIRCRAFT-RELATED CARBON EMISSIONS AT SEATTLE-TACOMA INTERNATIONAL AIRPORT BY 25 PERCENT

KEY METRICS

Particulate Matter (PM) 2.5 Emissions (metric tons)/(% reduced)
Diesel PM Emissions (metric tons)/(% reduced)
Port Greenhouse Gas Emissions (metric tons)/(% reduced)

PRIORITY ACTION 1: PROVIDE AVIATION BIOFUELS (AIRPORT JET FUEL)

As leaders in aviation biofuels, the Port of Seattle, together with Alaska Airlines and Boeing, have determined that the key first step to biofuel adoption and integration is to conduct an Aviation Biofuels Infrastructure Feasibility Study to identify the best approach to deliver blended biofuel to Seattle-Tacoma International Airport. Biofuel infrastructure will make Seattle-Tacoma International Airport an attractive option for any airline committing to using biofuel, and will assist in attracting biofuel producers to the region as part of a longer-term market development strategy.

PRIORITY ACTION 2: SOURCE RENEWABLE NATURAL GAS

In order to reduce carbon emissions from all operations by 50% over the next 10 to 25 years, the Port of Seattle must find a source of renewable natural gas (RNG) as over 70% of Port's carbon comes from using fossil-based natural gas in our boilers and bus fleet. The Port of Seattle is actively looking for opportunities across Washington to purchase RNG from sources such as waste water treatment plants, landfills, and dairy farms, and evaluating costs associated with bringing that fuel to the Port of Seattle.

PRIORITY ACTION 3: IMPLEMENT NORTHWEST PORT'S CLEAN AIR STRATEGY

A joint strategy with the Port of Tacoma and Port Metro Vancouver has been developed with goals to reduce Diesel Particulate Matter by 80% per ton and Green House Gases by 15% per ton of cargo by 2020. Targets have been set together with the Port of Tacoma and Port Metro Vancouver for different activities to reduce Emissions in each sector: ocean going vessels, heavy duty vehicles, cargo handling equipment, harbor vessels, and rail and administrative.

PRIORITY ACTION 4: DEVELOP AND IMPLEMENT GREEN FLEET STRATEGY

Approximately 10% of the Port of Seattle's carbon emissions are due to fossil fuels used by our vehicle fleet. The Port of Seattle is developing a Green Fleet Plan to reduce those emissions. The Plan will include an evaluation of our current vehicle fleet, how the vehicles are used, and to research and identify new vehicles and fuels that can provide the same service but with lower emissions. The Plan will estimate potential emission reductions and financial costs from existing and emerging vehicles including new technologies and advanced fuels, and provide recommendations to upgrade our fleet and reduce emissions.



2017-2021 Long Range Plan

LONG RANGE PLAN CENTURY AGENDA

BE THE GREENEST, AND MOST ENERGY EFFICIENT PORT IN NORTH AMERICA



STRATEGY 4

OBJECTIVE 15

ANCHOR THE PUGET SOUND URBAN INDUSTRIAL LAND USE TO PREVENT SPRAWL IN LESS DEVELOPED AREA

KEY METRICS

Remediation of contaminated sites

Industrial land (acres)

PRIORITY ACTION 1: IMPLEMENT CLEAN-UP PROJECTS ACROSS THE PORT

The Port of Seattle has completed several remediation projects and will move forward with remediation projects that clean up industrial land and keep industrial businesses thriving. These include the Lower Duwamish, East Waterway, Lora Lake and others.

PRIORITY ACTION 2: ADVOCATE FOR POLICIES AND PROJECTS THAT SUPPORT INDUSTRIAL USES

In order to meet the Century Agenda, the Port of Seattle will work with the City of Seattle to advocate for industrial land use regulations in the City's comprehensive plan update and in City land use code that support a growing maritime business.

PRIORITY ACTION 3: ENHANCE KEY PARTNERSHIPS

Leveraging resources with key partners is important to support the Century Agenda objective of anchoring Puget Sound urban industrial land use to prevent sprawl. Efforts are ongoing and continuing to build coalitions across the aviation and maritime industries to support urban industrial land uses.

STRATEGY 4

OBJECTIVE 16

RESTORE, CREATE, & ENHANCE 40 ADDITIONAL ACRES OF
HABITAT IN THE GREEN/DUWAMISH WATERSHED AND ELLIOTT BAY

KEY METRICS

Acres of habitat restored, created and enhanced

PRIORITY ACTION 1: CONSTRUCT 13 ACRES OF HABITAT AT TERMINAL 117

The Port of Seattle has undertaken extensive public outreach associated with the Terminal 117 project and has received enthusiastic support from the community, resource agencies and Tribes. At present, the design is 90% complete and local, state and federal permits are pending. The project team is working towards breaking ground in summer of 2017.

PRIORITY ACTION 2: CONSTRUCT 7 ACRES OF HABITAT AT TERMINAL 25 SOUTH

The Terminal 25 (T25) South project is a valuable opportunity to establish critical habitat in the East Waterway of the Duwamish River, which is an important migratory corridor for salmon. Recently, T25 project concepts were presented to agencies and Tribes and were met very favorably. The Port of Seattle is now working to develop the Mitigation Banking Agreement and associated studies. Once the Agreement has been approved, the project will be moved through the design and permitting process.

PRIORITY ACTION 3: CONSTRUCT ADDITIONAL HABITAT PROJECTS IN THE LOWER DUWAMISH

The Mitigation Banking Agreement developed for the T25 project will provide an ‘umbrella’ under which other potential restoration actions can occur. To that end, the Port of Seattle has begun environmental due diligence and concept design work for several sites, totaling 13 acres. These sites are part of a growing portfolio of important fish and wildlife restoration projects being undertaken by the Port of Seattle.



2017-2021 Long Range Plan

LONG RANGE PLAN

HIGH PERFORMANCE ORGANIZATION STRATEGIES

STRATEGY 1 CUSTOMER SATISFACTION

Objectives

1. Improve External Customer Service
2. Improve Internal Customer Service
3. Improve Process Efficiencies & Effectiveness



STRATEGY 2 SAFETY

Objectives

4. Reduce occupational injury rate and severity rate
5. All managers will lead safety performance



STRATEGY 3 ONE PORT

Objectives

6. Strengthen the culture and act as a single organization with a shared vision
7. Increase Port-wide common and standardized language, business processes, technology tools, and measures



STRATEGY 4 DIVERSITY & INCLUSION (D&I)

Objectives

8. Increase management accountability of D&I
9. Increase % of employees who agree that the Port is committed to D&I
10. Increase awareness internally and actively share D&I programs externally



STRATEGY 5 TALENT DEVELOPMENT

Objectives

11. Develop a strong talent pipeline
12. Foster awareness of Port-wide talent





STRATEGY 1

OBJECTIVE 1 IMPROVE CUSTOMER SERVICE

KEY METRICS

Aviation - Airport Service Quality (ASQ)

Maritime and Economic Development Business Divisions developing baseline for Moorage Customers & Cruise Passengers

PRIORITY ACTION 1: EXECUTE THE AIRPORT'S MULTI-LAYERED CUSTOMER SERVICE PLAN APPROACH

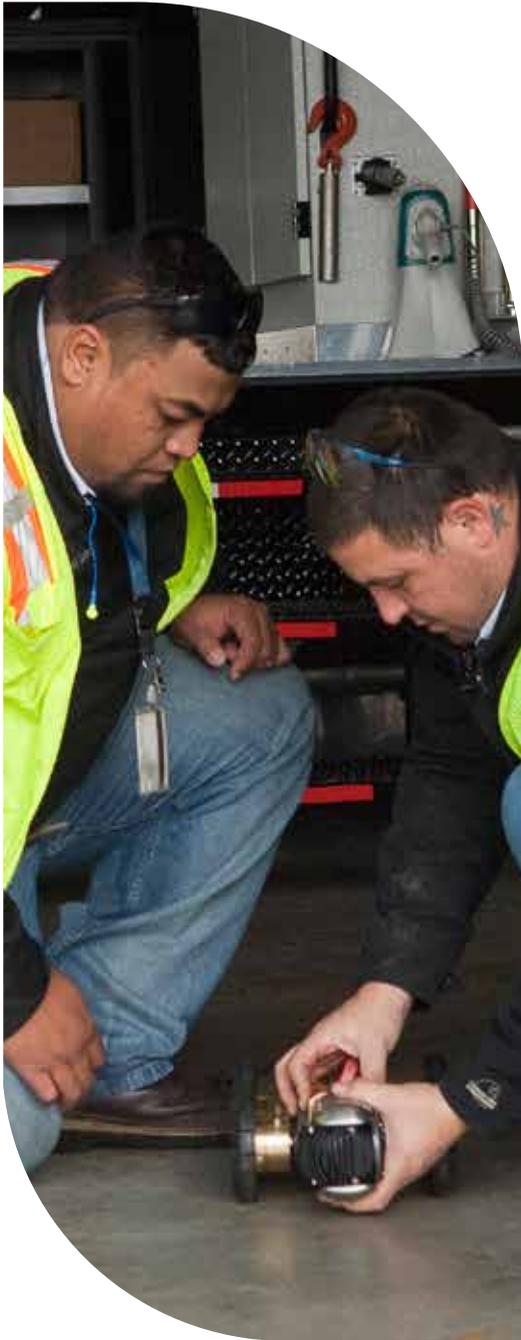
The airport is focused on several key priority areas to improve the ASQ score. These areas include: airport restroom cleanliness, curb to gate speed, airport signage and wayfinding master plan, and terminal technology and connectivity.

PRIORITY ACTION 2: DEVELOP AND IMPLEMENT A SYSTEM TO MANAGE AND TRACK EXTERNAL CUSTOMER SATISFACTION FOR CORPORATE PROPERTIES AND MARITIME

A customer satisfaction measurement program is under development for the Maritime and Economic Development business divisions. Plans for implementation are set for the 3rd quarter of 2016.

PRIORITY ACTION 3: PUBLIC AWARENESS & ENGAGEMENT SURVEY

In order to better understand public perception, the Port conducted a county-wide survey in spring 2016 that provided a baseline. Focus groups conducted in summer 2016 will probe into the survey results. Additional focus group research is underway to inform the Sustainable Airport Master Plan.



LONG RANGE PLAN HIGH PERFORMANCE ORGANIZATION INCREASE CUSTOMER SATISFACTION



STRATEGY 1

OBJECTIVE 2

IMPROVE CUSTOMER SERVICE BETWEEN THE PORT'S DEPARTMENTS/FUNCTIONS

KEY METRICS

Customer Satisfaction

On-Time Delivery

PRIORITY ACTION 1: DEVELOP PROCEDURES, POLICIES, AND TOOLS TO MANAGE INTERNAL CUSTOMER SATISFACTION

Internal customer is defined as a Port of Seattle department providing service to another Port of Seattle department. As the Port of Seattle strives for operations excellence, it is imperative for the organization to transform into a data driven enterprise in order to meet the demands of customers quickly. It is critical to measure operational performance and quality across the Port through metrics. This priority action will develop a standardized and efficient system to measure internal customer satisfaction as well as act on results, supporting the continuous process improvements identified as key areas in Priority Action 2, below.

PRIORITY ACTION 2: CONTINUOUS PROCESS IMPROVEMENT WITH KEY AREAS AT THE PORT OF SEATTLE

Develop and streamline the Port of Seattle internal customer satisfaction measurement process through the initiatives of continuous process improvement, prioritizing the following key service groups and processes: Aviation Maintenance, Airport Operations, Capital Development, Marine Maintenance, Central Procurement Office (see below action), the Commission Review Process, and Cruise Operations (see page 25). These initial areas will serve as a model to learn from and in the future to apply to all departments at the Port of Seattle. The improvement made through these identified groups and processes will be seen and demonstrated through the improvement of their internal customer satisfaction score, mentioned in Priority Action 1, above.

PRIORITY ACTION 3: PROCUREMENT EXCELLENCE

Central Procurement Office (CPO) is strategically and operationally critical to delivering key Century Agenda goals, as well as to be a driver of financial stewardship and project excellence. In 2016, CPO launched a Port-wide supported effort, with consulting support, to identify opportunities to increase efficiency and effectiveness of our existing procurement processes, systems and capabilities. Over the next years, the Port of Seattle is committed to implementing a set of four Procurement Principles:

Principle 1: Procurement supports our values

Principle 2: Procurement processes emphasize customer service

Principle 3: Procurement is about planning ahead and working collaboratively

Principle 4: Procurement should be grounded in rigorous and transparent decision-making



STRATEGY 1

OBJECTIVE 3 IMPROVE PROCESS EFFICIENCIES & EFFECTIVENESS

KEY METRICS

Cost, delivery, speed, & quality

PRIORITY ACTION 1: DEVELOP INFRASTRUCTURE TO SUPPORT CONTINUOUS PROCESS IMPROVEMENT (CPI) EFFORTS AND PROMOTE A PORT OF SEATTLE CULTURE EMBRACING LEAN

Port of Seattle has challenged the organization to respond to an unprecedented rate of growth with new levels of efficiency and effectiveness. By engaging employees in reengineering processes and reducing waste, the Port of Seattle can: (1) streamline work and gain capacity to support growth, (2) use these efficiency gains to free up resources, which can be reinvested. To achieve operations excellence with a culture embracing lean, the Port of Seattle is developing the infrastructure such that more lean training and education is available, more CPI projects are planned and executed, and achieve a future state where CPI is linked to performance management.

PRIORITY ACTION 2: CPI CONDUCTED AT KEY AREAS AT THE PORT OF SEATTLE

This action aims to develop and streamline the Port of Seattle internal customer satisfaction measurement process through the initiatives of continuous process improvement, prioritizing the following key service groups and processes: Aviation Maintenance, Airport Operations, Capital Development, Marine Maintenance, Central Procurement Office (see below action), the Commission Review Process, and Cruise Operations (see page 33). These initial areas will serve as a model to learn from and in the future to apply to all departments at the Port of Seattle. The improvement made through these identified groups and process will be seen and demonstrated through the improvement of their internal customer satisfaction score (See page 28).

PRIORITY ACTION 3: STRATEGIC POSITIONING FOR GROWTH

The Port of Seattle is undertaking the Strategic Positioning for Growth (SPG) budgeting initiative, which is designed to ensure that operating division budgets and activities are fully aligned with the Port of Seattle's Long Range Plan. The initiative was launched in May 2016 looking at the Divisions' operating expenses first. This priority action is focused on developing a Port-wide budget alignment program plan applying the SPG model across all budgets to include all Corporate departments and Capital Development in the 2018 budget planning process.

PRIORITY ACTION 4: PROCUREMENT EXCELLENCE

The end-to-end procurement has also been identified an opportunity to improve process efficiencies and effectiveness as shared in the HPO LRP Objective 2 (see page 28)



STRATEGY 2

OBJECTIVE 4

REDUCE OCCUPATIONAL INJURY RATE AND SEVERITY RATE

KEY METRICS

Occupational Injury Rate - OIR – injuries occurring at work that require medical treatment

Lost Work Day Injury Case Rate: LWCIR – injuries occurring at work that require days away from work due to severity of injury

PRIORITY ACTION 1: ANNUAL SAFETY EVALUATION PROCESS

Port of Seattle has challenged the organization to respond to an unprecedented rate of growth with new Operation and Administrative workgroups/departments will participate in Annual Safety Evaluation. The evaluation measures how well organizations perform in several accident-prevention leading indicators, such as: leadership, hazard and near miss reporting, job hazard analysis, safety training completion, safety committees, worksite inspections, and leadership accountability. Any deficiencies noted in the evaluation process are to be included in the next year's Safety Action Plans.

PRIORITY ACTION 2: INCREASE LEADERSHIP ACCOUNTABILITY WITH SAFETY PERFORMANCE

A culture of safety starts with leadership, because leadership drives culture and culture drives behavior.

Leaders influence culture by setting expectations, building structure, teaching others, employee recognition and demonstrating stewardship. Every Port leader will establish a safety performance goal in their annual e-performance as well as leadership goals in their respective organization's Annual Safety Evaluation Process. Leaders will consistently promote employee recognition related to safety performance improvement.

PRIORITY ACTION 3: ENHANCE EMPLOYEE ENGAGEMENT WITH SAFETY

Bolster employee engagement by providing meaningful training to ensure compliance as well as motivating safety behaviors, and providing opportunities for employees to have a voice in safety improvement. This aims to expand Safety Solution Teams throughout the Port of Seattle to address high risk areas: sprains, falls and noise exposure. Teams will use the 8-step problem solving process to create countermeasures to enhance safety performance and evaluate impact of countermeasures.

PRIORITY ACTION 4: STANDARDIZE RETURN TO WORK FOR INJURED WORKERS

If an injury occurs, the severity of the injury (days away from work) can be minimized by an aggressive and standardized return to work process. All employees will receive training on the standardized Return to Work process as a performance expectation. This priority will impact the Lost Work Day Case Injury Rate.



STRATEGY 2

OBJECTIVE 5

ALL MANAGERS WILL LEAD SAFETY PERFORMANCE

KEY METRICS

Annual Safety Evaluation Scores

PRIORITY ACTION 1: ANNUAL SAFETY EVALUATION PROCESS

Operation and Administrative workgroups/departments will participate in Annual Safety Evaluation. The evaluation measures how well organizations perform in several accident-prevention leading indicators, such as: leadership, hazard and near miss reporting, job hazard analysis, safety training completion, safety committees, worksite inspections, and leadership accountability. Any deficiencies noted in the evaluation process will be included in the next year's Safety Action Plan.

PRIORITY ACTION 2: INCREASE LEADERSHIP ACCOUNTABILITY WITH SAFETY PERFORMANCE

A culture of safety starts with leadership, because leadership drives culture and culture drives behavior. Leaders influence culture by setting expectations, building structure, teaching others, employee recognition and demonstrating stewardship. Every Port of Seattle leader will establish a safety performance goal in their annual e-performance plan as well as incorporating leadership goals in their respective organization's Annual Safety Evaluation Process. Leaders will consistently promote employee recognition with safety performance improvement.

PRIORITY ACTION 3: SAFETY PERFORMANCE RECOGNITION

The key to fostering a strong safety culture is recognizing safety improvement in work locations. Consistent feedback and team recognitions at all levels will be communicated throughout the organization. Recognizing people for safety improvement is an extremely powerful message to the recipient, their work team and other employees through the grapevine and formal communication channels. This action builds a strong safety culture.



STRATEGY 3

OBJECTIVE 6

STRENGTHEN THE CULTURE & ACT AS A SINGLE ORGANIZATION WITH A SHARED VISION

KEY METRICS

% of employees agree that the Port of Seattle acts as a single organization with a common vision

% increase toward ideal culture

PRIORITY ACTION 1: INCREASE PORT LEADERS' COMPETENCIES IN CREATING THE DESIRED CULTURE AND MEASURE IF WE ARE ACHIEVING IT

200 Port of Seattle leaders participated in a leadership and culture learning opportunity which culminated in a two-day conference. Each leader is accountable for bringing the conference outcomes back to their teams. Tools and support are being developed for this. To measure the progress toward our desired culture and One-Port, the Port of Seattle is developing a survey to get targeted employee feedback. The surveys will be conducted periodically.

PRIORITY ACTION 2: IMPLEMENT PERFORMANCELINK WHICH FACILITATES STRATEGIC ALIGNMENT OF ORGANIZATIONAL PRIORITIES THROUGH PERFORMANCE MANAGEMENT

During 2016, the organization is implementing a new performance management process which encourages all individual leader and employee goals to be linked to business objectives directly or through their manager's performance goals. This process facilitates the discussion about organizational priorities and alignment between those priorities and the individual employee's performance goals. The new performance management process also requires quarterly check-ins which allow for further opportunities to align actions.

PRIORITY ACTION 3: IMPLEMENT INCENTIVE PAY PROGRAM

The Port of Seattle is implementing an incentive pay program. The new Incentive Pay Plan is a results-oriented, self-funding, values-driven and Century Agenda focused plan. It is designed to provide incentives to achieve both financial and values driven non-financial goals; requires financial performance to be above a threshold before awards are paid out and does not add to fixed salary costs.

PRIORITY ACTION 4: IMPLEMENT CENTERS OF EXPERTISE STRUCTURE TO MORE EFFECTIVELY SUPPORT THE LINES OF BUSINESS

The Port of Seattle is implementing a new organizational structure that utilizes Centers of Expertise. Centers of Expertise are teams that provide leadership, expertise, policy and strategic direction for a given area of focus. Implementing Centers of Expertise include such actions as defining their vision, mission, strategies and metrics, clarifying roles and responsibilities internally and with the operating divisions and identifying process improvement opportunities.



STRATEGY 3

OBJECTIVE 7

INCREASE PORT-WIDE COMMON AND STANDARDIZED LANGUAGE, BUSINESS PROCESSES, TECHNOLOGY TOOLS, AND MEASURES

KEY METRICS

of processes that are standardized and implemented

% performance plans that link goals to manager or organizational goals through e-Performance system

PRIORITY ACTION 1: IMPLEMENT OPERATIONS EXCELLENCE THROUGH STANDARDIZED PROCESSES, TOOLS, AND SYSTEMS USED PORT-WIDE

For the Port of Seattle, operations excellence is defined as doing the right work with the least cost, delivered efficiently and with highest quality, safely and together. This means building quality into the process, working collaboratively across divisions, and recognizing and rewarding value added work. The Port of Seattle will develop and implement a Port-Wide plan to assess number of key organizational processes to be standardized, prioritize processes and set target for number to standardize and implement per year. Additionally, The Port of Seattle will establish a best practices system for the organization to use as a reference for ideas to apply to teams, projects, and processes all across the Port of Seattle.

PRIORITY ACTION 2: DEVELOP A COMMON PORT-WIDE CONTINUITY OF OPERATIONS PLAN (COOP)

Consolidate Port of Seattle COOP plans into a single integrated “One-Port” Continuity of Operations Plan that will maximize the Port of Seattle’s ability to recover from emergencies and sustain a stable business-continuity environment for its employees, tenants, and customers.

PRIORITY ACTION 3: ONE-PORT EFFORT TO IMPROVE THE END-TO-END CRUISE PASSENGER EXPERIENCE

In order to achieve the Century Agenda, the Port of Seattle aligned the internal strategy of achieving a “one-port” cruise customer experience through the application of continuous process improvement. In partnership with the Cruise Stakeholders team (referenced in CA Objective 9, Page 18), this action aims to streamline the end to end Cruise Operations process to enhance the cruise passenger experience and increase customer satisfaction (Reference in HPO Objective 1, Page 27).

Additionally this priority action will improve process efficiencies (capacity, operations cost, lead time) and strengthen the collaborative support from external stakeholders and business partners.



STRATEGY 4

OBJECTIVE 8

INCREASE MANAGEMENT ACCOUNTABILITY OF DIVERSITY & INCLUSION (D&I)

KEY METRICS

% of managers who include “lead and manage staff effectively” goal in their PerformanceLink

% of employees who completed diversity and inclusion development opportunity (workshop, classes, council participation, etc.) at least every 3 years

PRIORITY ACTION 1: DEVELOP A PORT OF SEATTLE MODEL OF DIVERSITY AND INCLUSION

The Port of Seattle will join a number of public agencies and professional sectors in identifying a set of operating principles and practices addressing diversity and inclusion. After a review of models in use by other organizations, Port of Seattle leadership will engage port employees, and community partners, in refining and finalizing a model for implementation.

PRIORITY ACTION 2: ALIGN DIVERSITY INCLUSION MODEL WITH PERFORMANCE MANAGEMENT PROCESS

The Port of Seattle will increase accountability by clarifying performance expectations for management by utilizing the Port of Seattle competency framework in the performance management process, which will also be aligned with the diversity and inclusion model mentioned above in Priority Action 1. Each employee will have the opportunity to participate in diversity and inclusion development learning such as workshop, class, and council participation every three years, among other activities.

PRIORITY ACTION 3: STRATEGICALLY ENGAGE EMPLOYEE RESOURCE GROUPS IN BUILDING EMPLOYEE UNDERSTANDING OF DIVERSITY AND INCLUSION

Employee resource groups (ERGs) are important representatives of segments of the employee population. Human Resources will convene ERGS to discuss and identify ways to convey the Port of Seattle’s commitment to diversity and inclusion and partner with them to engage and educate employees. For example, an increased use to a variety of methods such as CEO webcasts, Town Halls, and Executive Roundtables.



OBJECTIVE 9

INCREASE THE PERCENTAGE OF EMPLOYEES THAT AGREE THAT THE PORT OF SEATTLE IS COMMITTED TO DIVERSITY & INCLUSION

KEY METRICS

% of all employees agree that the Port of Seattle is committed to diversity and inclusion

PRIORITY ACTION 1: STRATEGICALLY ENGAGE EMPLOYEE RESOURCE GROUPS IN BUILDING EMPLOYEE UNDERSTANDING OF DIVERSITY AND INCLUSION

Employee resource groups (ERGs) are important representatives of segments of the employee population. Human Resources will convene ERGs to discuss and identify ways to convey the Port of Seattle's commitment to diversity and inclusion and partner with them to engage and educate employees. For example, an increased use to a variety of methods such as CEO webcasts, Town Halls, and Executive Roundtables.

PRIORITY ACTION 2: INCREASE VISIBLE AND PURPOSEFUL EFFORTS TO FULLY ENGAGE LESBIAN, GAY, BISEXUAL, AND TRANSGENDER (LGBT) EMPLOYEES AND TO EDUCATE MANAGERS ABOUT ISSUES OF INCLUSION FOR THIS DEMOGRAPHIC GROUP

Human Resources will partner with the Port-wide Pride ERG to convene LGBT employees to identify how they would like to be engaged and produce a plan to integrate LGBT inclusion more explicitly in manager and employee development. The Port of Seattle will continue to participate in the Seattle Pride Parade.

PRIORITY ACTION 3: INCREASE INCLUSION OF REPRESENTED EMPLOYEES IN POS SPONSORED DEVELOPMENT OPPORTUNITIES

Human Resources will continue to partner with Labor Relations to establish a process for providing performance feedback for represented employees; expand development opportunities for represented employees in convenient locations and on various shifts; and foster a shared commitment to the Port of Seattle's future.



STRATEGY 4

OBJECTIVE 10

INCREASE AWARENESS INTERNALLY AND ACTIVELY
SHARE D&I PROGRAMS EXTERNALLY

KEY METRICS

of unique visits to website pages related to diversity and inclusion

of unique visits to D&I pages

of free (news stories/editorials) and paid (advertisements) media placements related to D&I

PRIORITY ACTION 1: DEVELOP A PORT OF SEATTLE MODEL OF DIVERSITY AND INCLUSION

The Port of Seattle will join a number of public agencies and professional sectors in identifying a set of operating principles and practices addressing diversity and inclusion. After a review of models in use by other organizations, Port of Seattle leadership will engage port employees, and community partners, in refining and finalizing a model for implementation.

PRIORITY ACTION 2: TELL THE PORT OF SEATTLE'S DIVERSITY AND INCLUSION STORY

Public Affairs and Human Resources will create robust diversity and inclusion content for the Port of Seattle's internally and externally facing websites and social media. Public Affairs will continue to promote the Port of Seattle with no-cost media placement and explore paid placement.

Public Affairs will continue to survey the community to gauge awareness of the Port of Seattle's commitment to diversity and inclusion and refine communications strategy as data becomes available.

PRIORITY ACTION 3: STRATEGICALLY ENGAGE EMPLOYEE RESOURCE GROUPS IN BUILDING EMPLOYEE
UNDERSTANDING OF DIVERSITY AND INCLUSION

Employee resource groups (ERGs) are important representatives of segments of the employee population. Human Resources will convene ERGs to discuss and identify ways to convey the Port of Seattle's commitment to diversity and inclusion and partner with them to engage and educate employees. For example, an increased use to a variety of methods such as CEO webcasts, Town Halls, and Executive Roundtables.



STRATEGY 5

**FOSTER EMPLOYEE DEVELOPMENT
& LEVERAGE TALENT**

**OBJECTIVE 11
DEVELOP A STRONG TALENT PIPELINE**

KEY METRICS

- % of executive team leaders that have documented succession plans for their leadership teams and key positions
- % of non-represented employees who have a development goal

PRIORITY ACTION 1: LAUNCH PERFORMANCELINK

Human Resources has begun implementation of a new approach to performance management, PerformanceLink, aligning the organization around cascading performance goals and business objectives and establishes more consistency in performance ratings and rewards.

PRIORITY ACTION 2: DEVELOP AND IMPLEMENT THE SUCCESSION PLANNING MODEL

The Port of Seattle is taking a strategic approach to ensuring there is a strong talent pipeline for executive leader position and their teams, as well as other key positions. All non-representative employees will set a development goal as part of the performance management process PerformanceLink.

PRIORITY ACTION 3: DEVELOP AND IMPLEMENT A LABOR RELATIONS STRATEGY TO INCREASE THE NUMBER OF REPRESENTED EMPLOYEES WITH DEVELOPMENT PLANS

Labor Relations with Human Resources will determine a method for recording development plans and measuring participation and impact. Such a strategy would include manager and foreman education and employee outreach and education and an evaluation of results and methods.



STRATEGY 5

OBJECTIVE 12

FOSTER AWARENESS OF PORT-WIDE TALENT

KEY METRICS

% of non-represented Port Employees contributing to skills bank

% of positive feedback from departments that had internal interns

PRIORITY ACTION 1: CONDUCT AN ORGANIZATIONAL LEARNING NEEDS ASSESSMENT

Engage representatives from across the organization in conducting an organizational learning needs assessment to identify key workforce strengths, gaps, and development opportunities.

PRIORITY ACTION 2: CREATE A PORT-WIDE TALENT BANK

Leverage Human Resources information systems to make talent data more accessible. Design and implement a talent bank web-platform in which managers and employees can collaborate as well as share and exchange knowledge and skills.

PRIORITY ACTION 3: IDENTIFY EMPLOYEE DEVELOPMENT LESSONS LEARNED AND EXTEND BEST PRACTICES

Collect and analyze results from employee development programs such as the Internal Internship program and identify ways to leverage best practices for targeted purposes such as manager development and succession planning.

**PORT OF SEATTLE
2017 - 2021
LONG RANGE PLAN**



P.O. Box 1209
Seattle, WA 98111 USA
206.787.3000
www.portseattle.org