



Port of Tacoma

***Developing
Partnerships***

Feb 27, 2008
AAPA
Partnerships in Planning and
Development



Guiding Principles

Help our Current Customers Grow

Prepare for the Future

Be a Good Neighbor



EVERGREEN GROUP

Recognitions Awarded for High Quality and Environmental Standards:

- ISO 9001:2008
- ISO 14001:2004
- Environmental Performance Award by Port of Los Angeles
- GreenSource Award for Environmental Stewardship
- Corporate Social Responsibility Award by Environmental Magazine

EVERGREEN
Your Partner in a Brighter Tomorrow

EVERGREEN is investing in the future – yours and ours. Our world is changing, growing smaller and ever more dependent on trade. To compete in the global economy you need efficient, reliable and responsible logistics services worldwide. We know what it takes to be a trusted provider of sustainable success. We are your partner in a brighter tomorrow.

ENVIRONMENTAL FEATURES OF EVERGREEN S-TYPE GREENSHIPS

- Alternative Maritime Power (AMP):** Connects to electric power from shore to reduce air pollution during loading/unloading.
- Waste Storage Chambers:** Treats garbage to maintain excellent sanitary condition.
- Low-Sulfur Fuel System:** Reduces harmful SOx emissions to reduce air pollution.
- Double Skin Internal Fuel Oil Tank:** Double skin hull protects internal ballast fuel tanks to prevent pollution.
- Electric Deck Machinery:** Eliminates leakage risk from traditional hydraulic system.
- Cargo Hold Bilge Tank:** Collects and treats cargo hold bilge discharge.
- Gray Water Holding Tank:** Collects and treats gray water discharge.
- Larger Bilge Tank and Oil Water Separator:** Collects and treats oily water and bilge of engine room discharge.
- Superior Hull Design For Maximum Efficiency:** Improves speed and reduces fuel consumption to conserve natural resources.
- Airspace Stern Tube Sealing System:** Prevents lubricant oil leakage from stern tube.

EVERGREEN
www.evergreen-marine.com



Port Governance

- In 1911, the state legislature authorized the Port District Act, allowing citizens to create port districts. Since that time, our state has grown to be the most trade-dependent in the union. And that trade activity is responsible for one in every four jobs in Washington.
- Ports in Washington are governed by local county-wide elected boards, separate from city or county governmental agencies.
- Ports bring economic development - investment and jobs - to their communities.

- “Industry Only” Zone
- Reduced traffic congestion on rails and roads.
- Reduced Emissions
- Reduced Population Density
- Actively Worked to secure a Buffer Zone between Residential and Industrial uses



Good Neighbor Initiatives

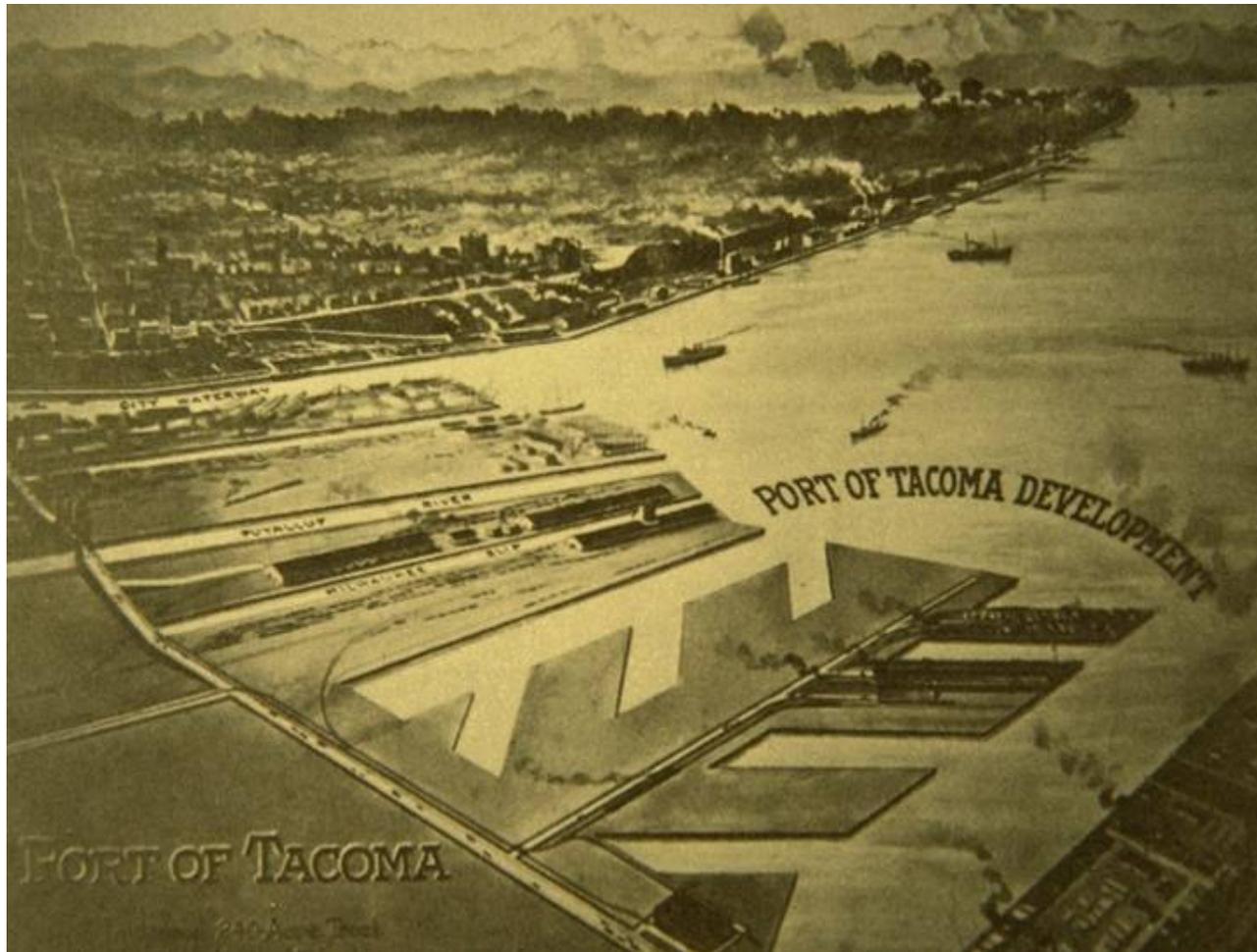


The Industrial Past on Tidelands



- **Shipbuilding activities**
- **Heavy Industrial**

The Early Years



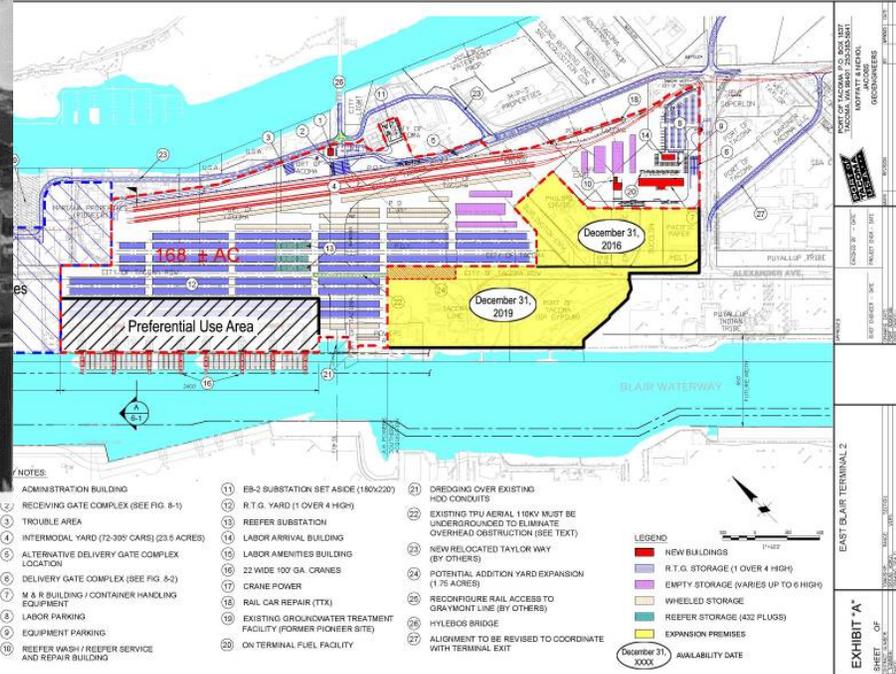
Re-development



1960's Port
Dredged Blair
Waterway

1 mile and
created 1600
acres of
Industrial
Lands with
Dredge
Materials

Re-development



Philosophy

We believe our Port growth is in harmony with environmental protection



Ships travel and salmon swim in the same waterways



Land

- Over the last 20 years, the Port has invested \$162 USD million to:
 - Clean up Tacoma Tideflats
 - Develop mitigation sites
- Brownfield conversion, Kaiser project
- Terminal densification



Land *Brownfield Conversion*

Former Kaiser Aluminum Smelter



Before

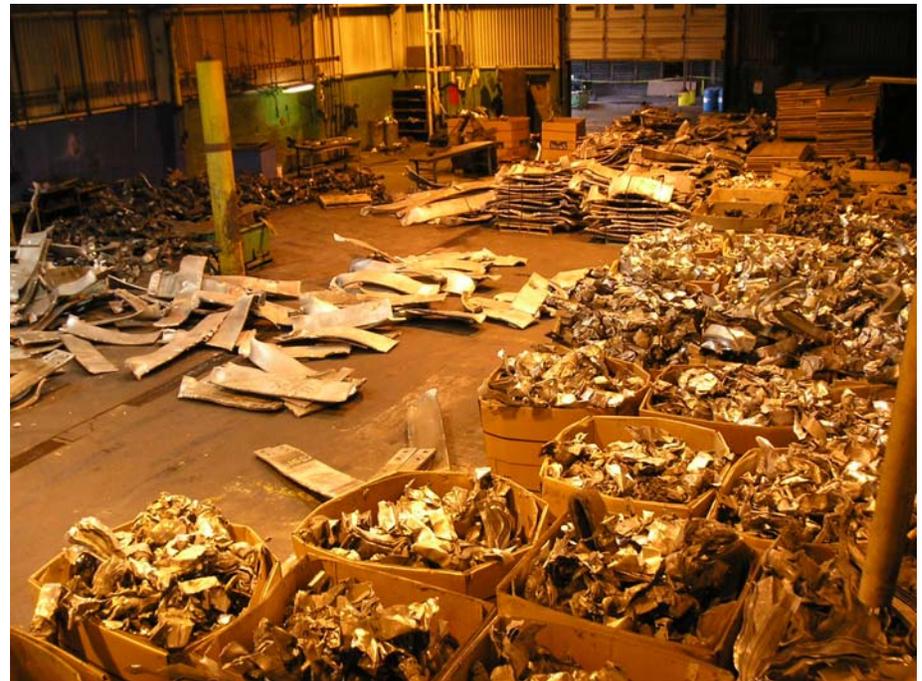
After



Land *Recycling*

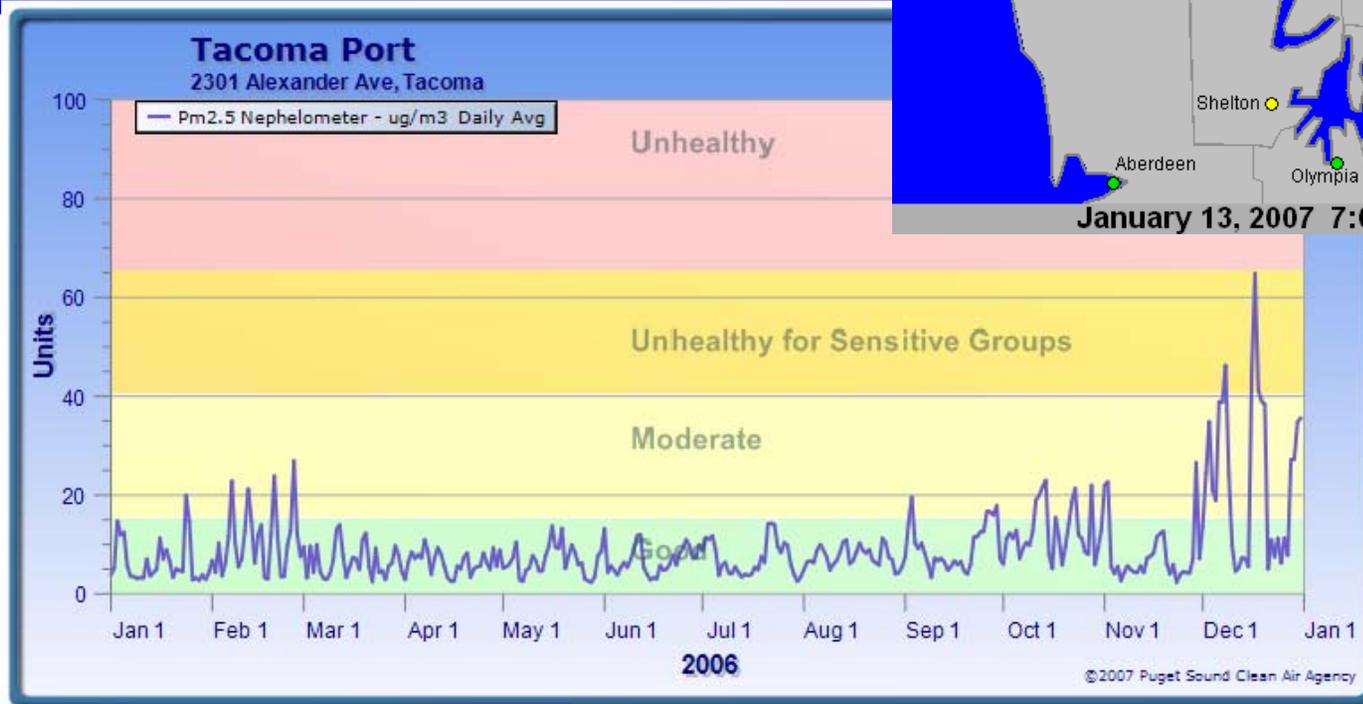
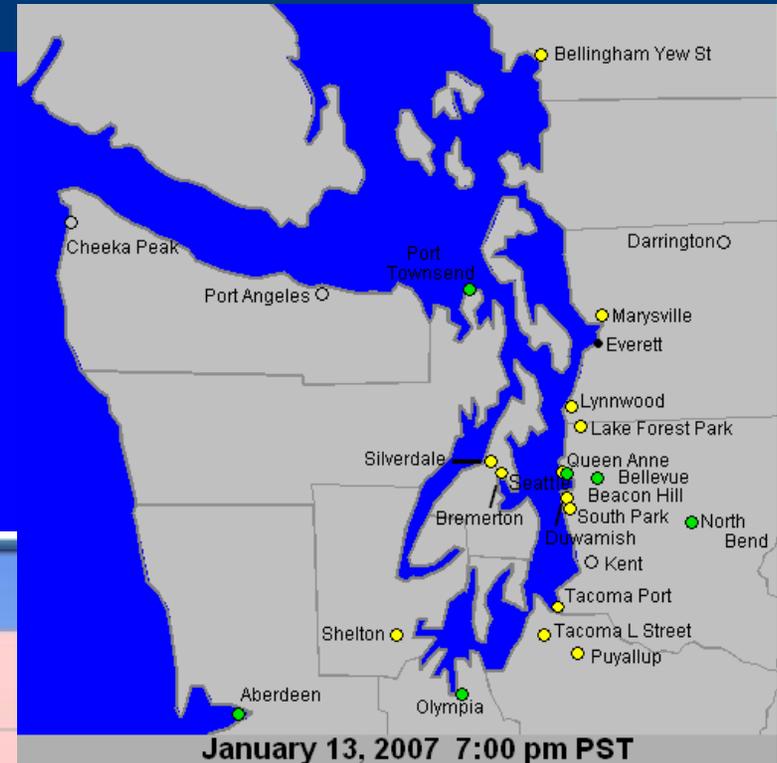
Materials recycled from the former Kaiser Aluminum Smelter

- Aluminum: 2,680 tons
- Steel: 11,000 tons
- Copper: 860 tons
- Carbon: 4,530 tons
- Alumina ore: 8,200 tons
- Transformer oil: 473,000 liters



Air

Future Growth and Air Quality: poor on cold foggy days due to woodstove use



Help our Customers Grow



Inland Strategy

Recognizing the different needs of each Business Unit



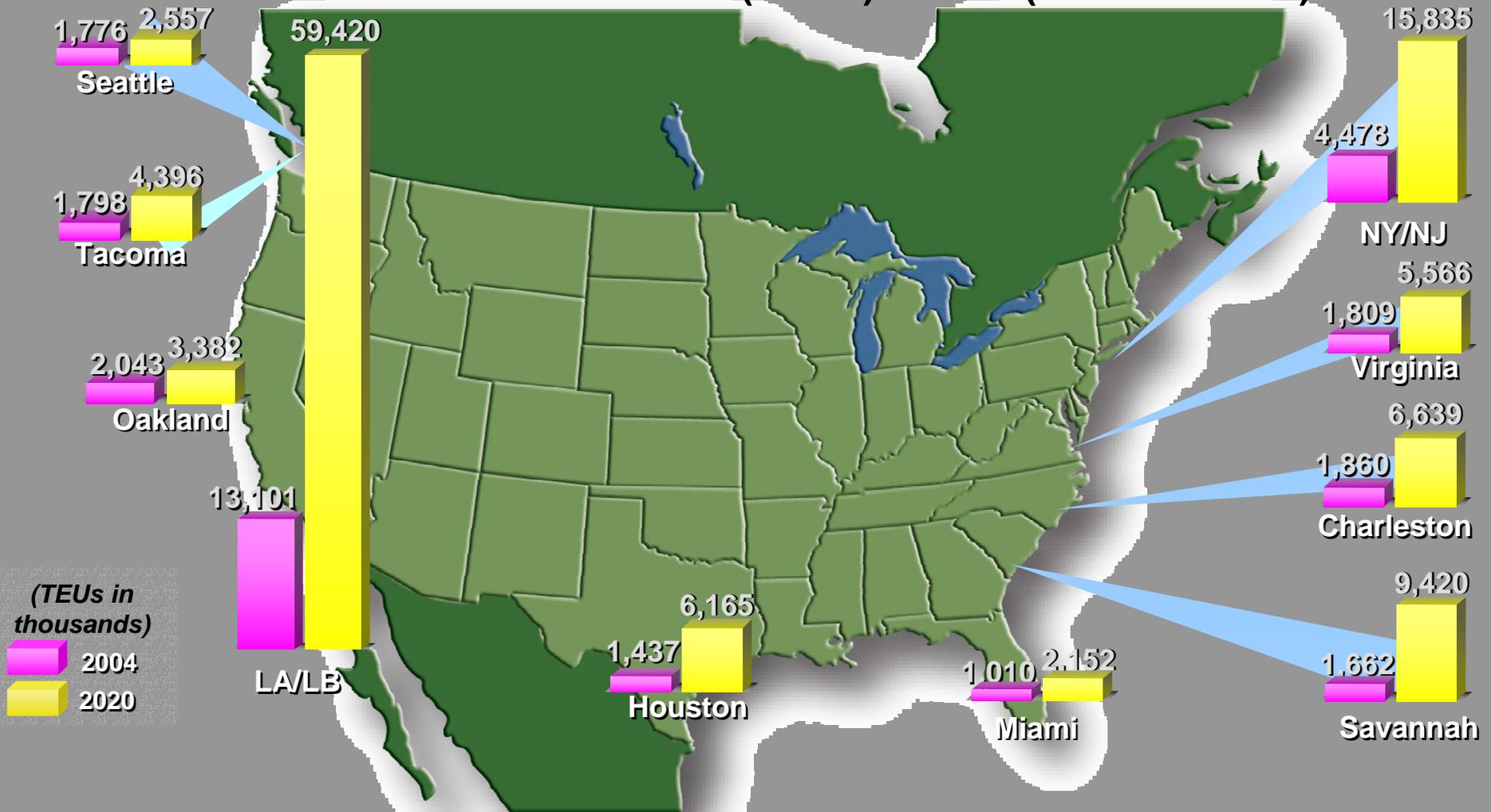
A Sustainable Business Unit that provides
Internal and External Customers a Seamless Solution
to the North America marketplace –

“An Expressway to your customers’ door”



Projected Port Freight Demand

Volume of trade 2004 (actual) v. 2020 (unconstrained)*



* Forecast figures are based on an unconstrained 10-year linear regression, and do not reflect the expected capacity of each port in 2020.

What we know

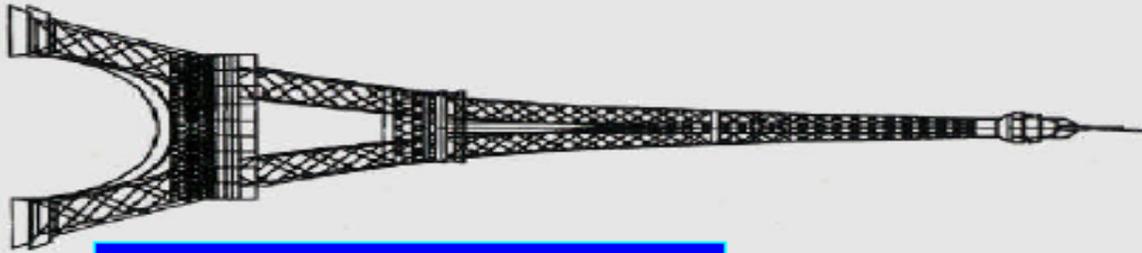
- China Continues to Grow
- Shipping Lines are asking about our ability to take more intermodal cargo
- Shippers are looking for alternative supply chains to get their cargo to market
- Pacific Northwest (PNW) is being sold as an alternative to PSW for Chicago Traffic
- Ships are getting BIGGER

6800 TEU Ship in Tacoma



How Big?

Today's Mega Ships - Measuring Up



Eiffel Tower – 990 feet

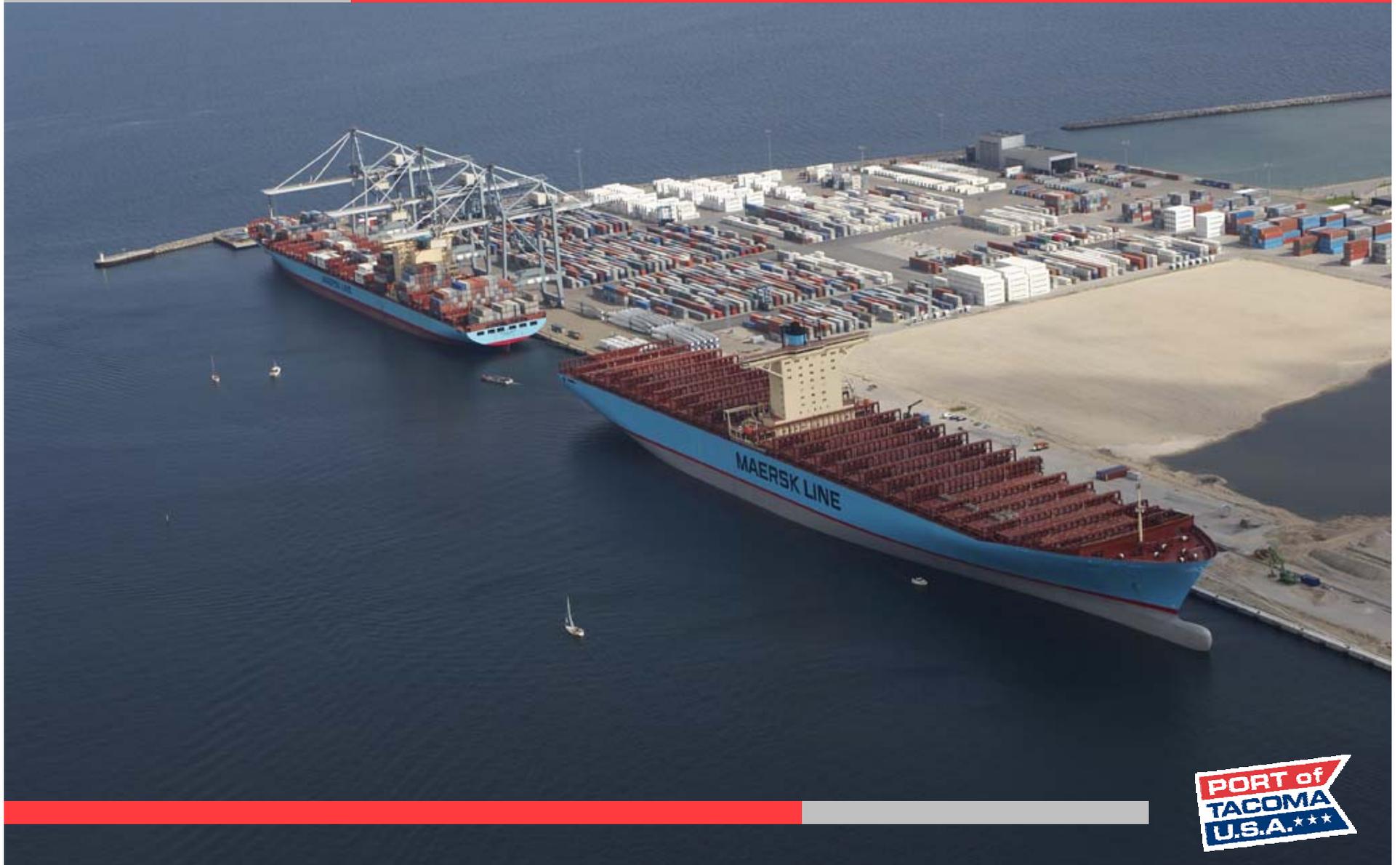


Regina Maersk – 1043 Ft, 140 Ft wide, 6000+ TEUs

TRANSYSTEMS
CORPORATION
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PORT of
TACOMA
U.S.A.***

The New Mega-vessel



Comparative Carrying Capacity

10,000 TEU Vessel
85% Discharge / Load
50% Local/ 50% Intermodal



1
10,000
TEU
Container
Ship



18
8,000 Foot
Double-
Stack
Trains
(27 Miles)
(50 Acres)



5,800
Trucks
(60 Miles)
(95 Acres)



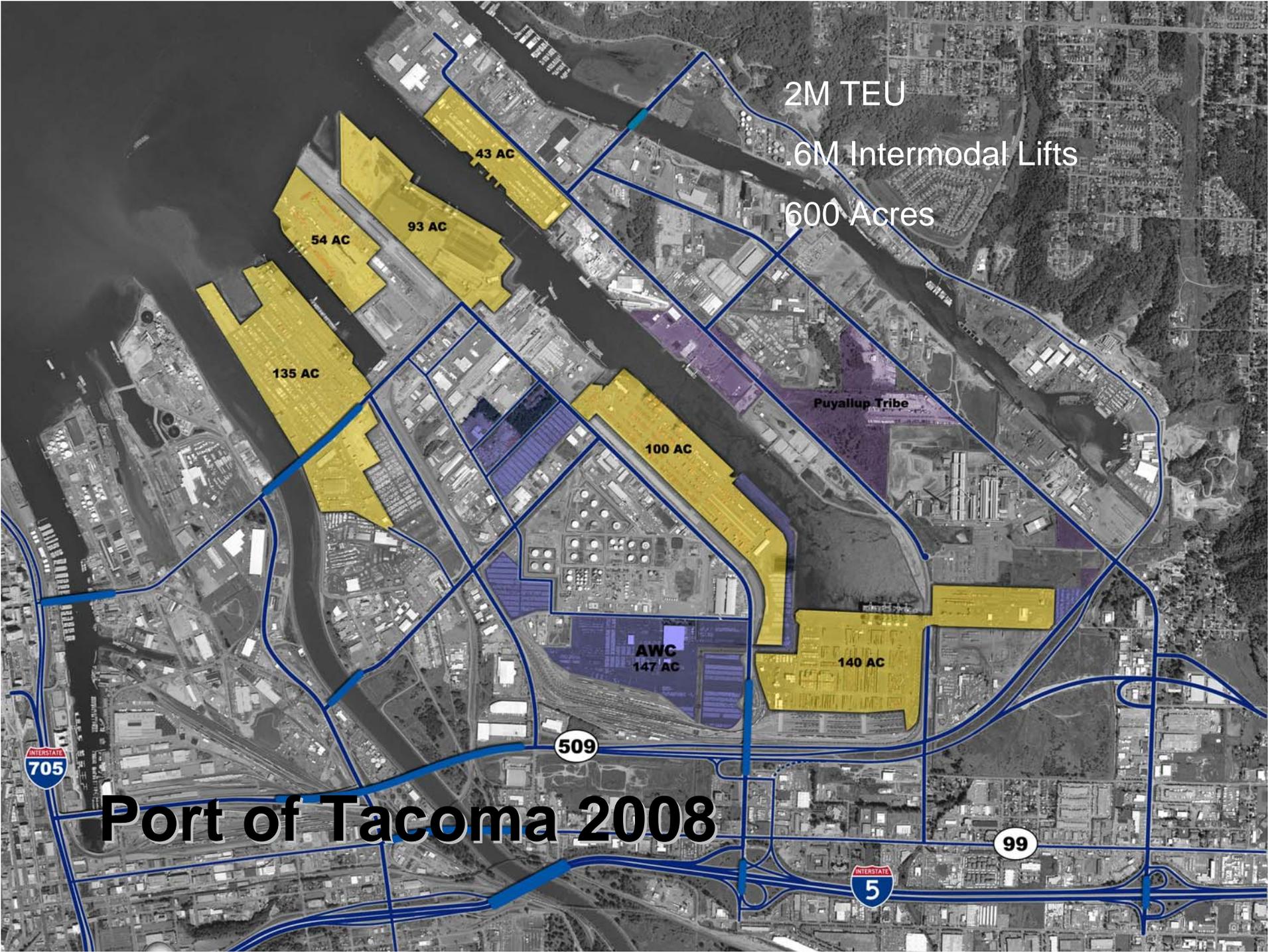
DISCHARGE OR LOAD ONLY !

Impacts to Infrastructure

- Container Yards-
 - Land availability (current productivity 4500-8000 TEUs per acre)
 - Productivity (first train out within 4 hours of vessel berthing)
- Road Infrastructure (City, State and Federal)
- Tideflats Rail Capacity (land availability)
- Mainline Rail Capacity (BNSF and UP)
- Environmental Capacity (?????)

Challenges

- Growth is uneven year to year
- Infrastructure takes up to 10 years to build
- Who should pay for the infrastructure?
- Who truly benefits from the infrastructure?
- Funding is always an issue



2M TEU
.6M Intermodal Lifts
600 Acres

135 AC

93 AC

54 AC

43 AC

100 AC

AWC
147 AC

140 AC

Puyallup Tribe

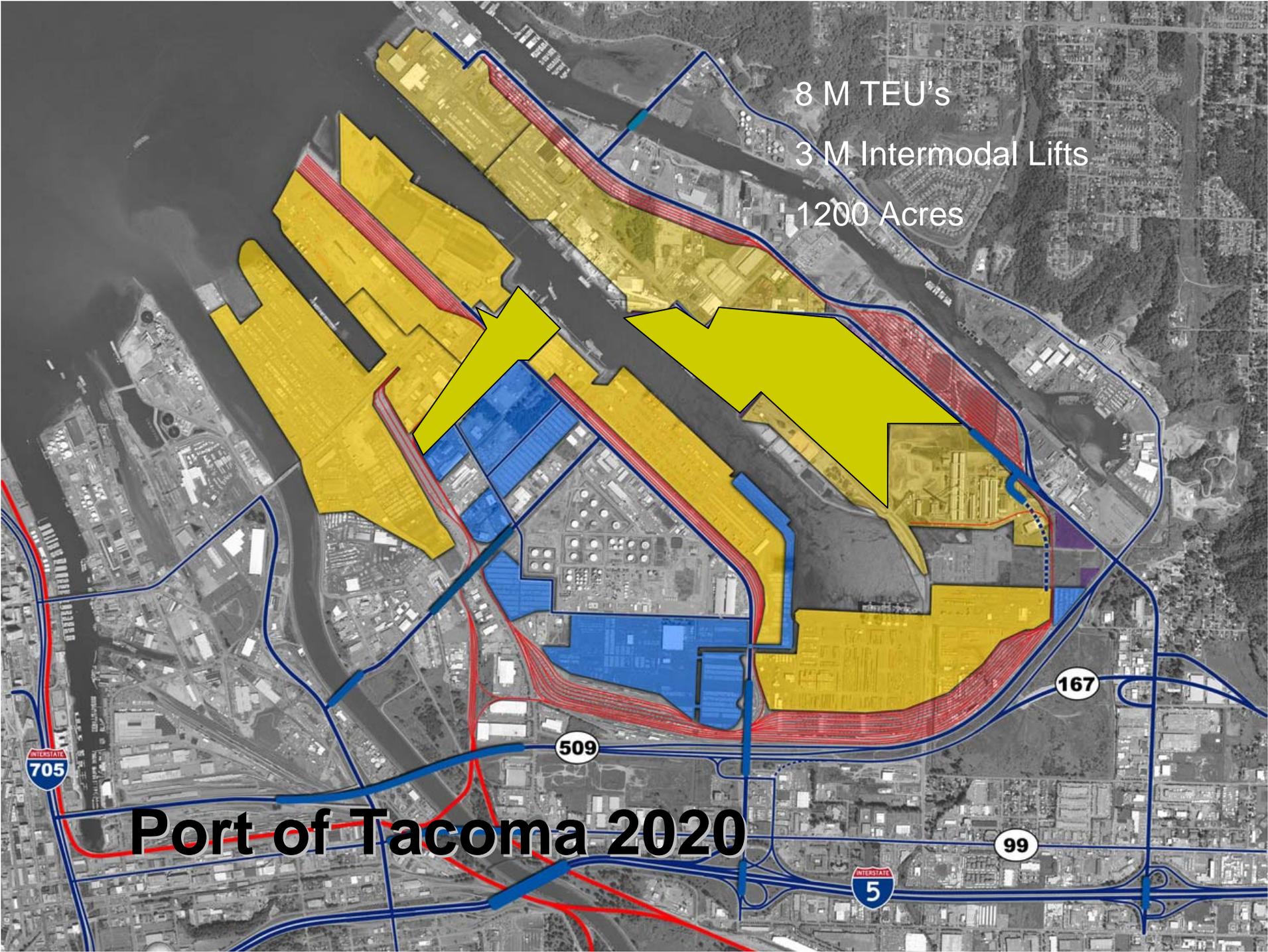
Port of Tacoma 2008

INTERSTATE
705

509

INTERSTATE
5

99



8 M TEU's
3 M Intermodal Lifts
1200 Acres

Port of Tacoma 2020

Port of Tacoma Partnerships





PUYALLUP TRIBE
OF INDIANS

MARINE VIEW
VENTURES, INC.

A Tribally Chartered Entity of the Puyallup Tribe of Indians



SSAMarine

A Carrix Enterprise



Maximizing Economic Opportunity



In 1989,
President
George H. W.
Bush signed
into law the
“Puyallup Tribal
Indians
Settlement Act
of 1989”.

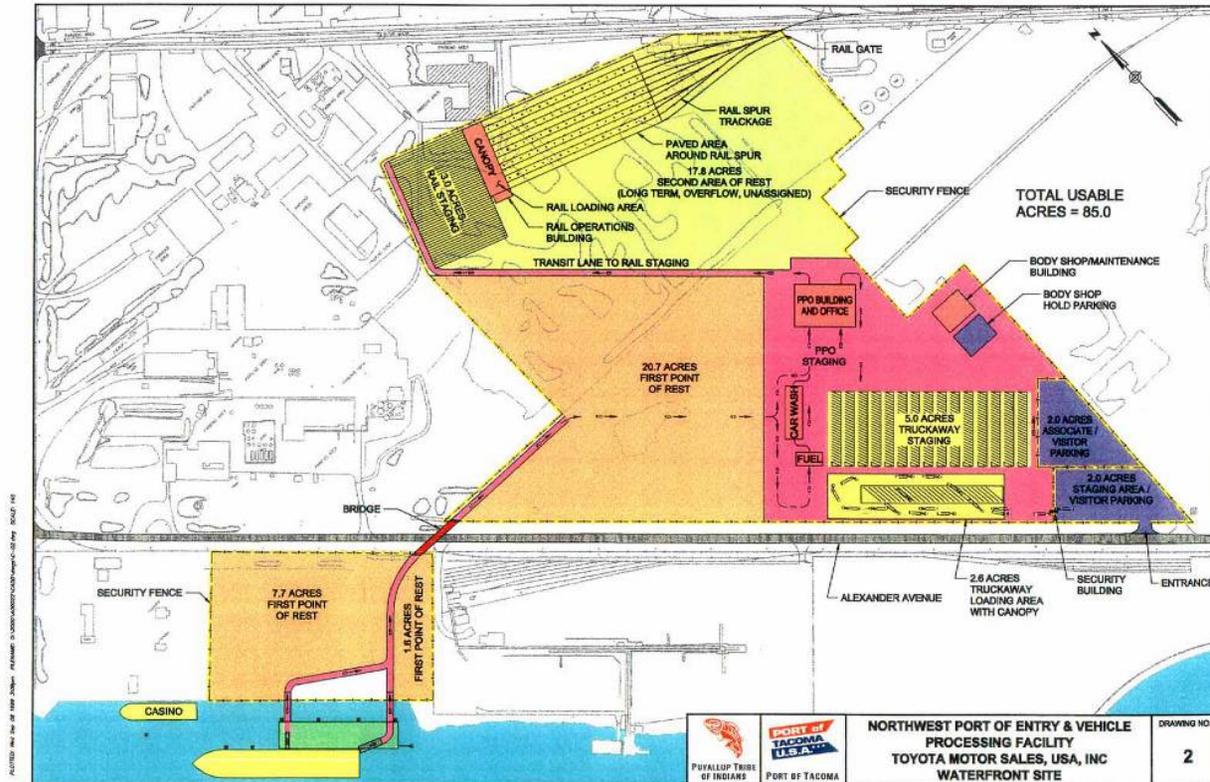


In 1997, the Blair Bridge was removed, unlocking the full development potential of Tribal and Port land on the upper Blair Waterway



Port and Tribe cooperation

In 1990's Port and Tribe prepared a joint proposal for Auto Facility



Port and Tribe cooperation



Opening of Evergreen Terminal

- Coordination on Alexander Avenue Vacation
- Relocation of Tribal gaming activities from the Blair Waterway to the current location on I-5

Port and Tribe cooperation

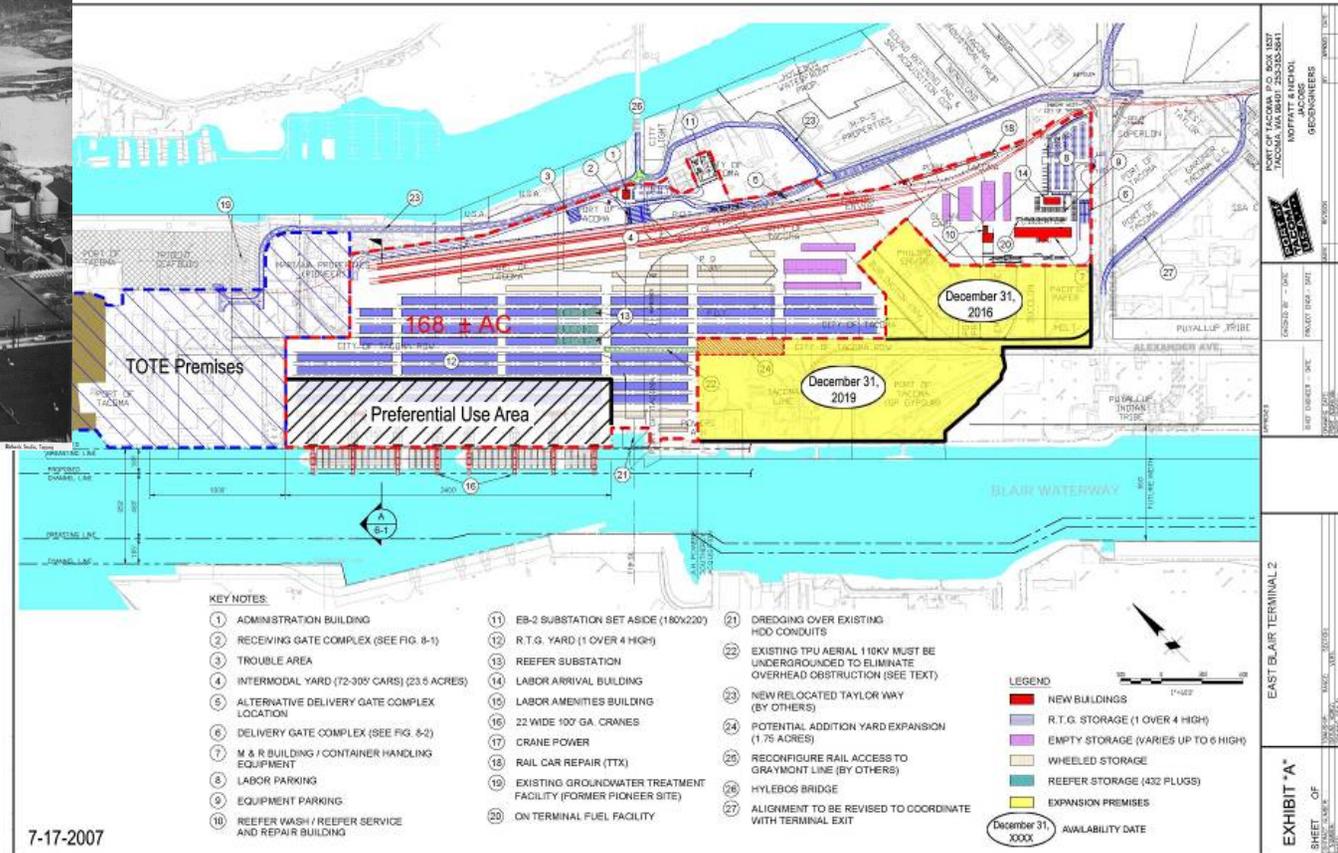
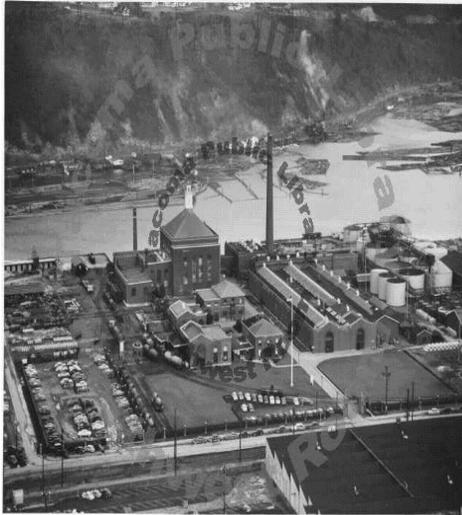


Joint Mitigation
Sites

Expansion of
Gog-le-hi-te



Re-development for NYK



Stakeholder Outreach

- Transparency of Decisions
 - Web streaming Meetings
 - Public Friendly Public Comment Format
 - Freedom of Information Act
 - Open Meetings Act
- Public Awareness
 - Open Houses
 - Commission Work sessions
 - Editorial Boards
- Communication of Future Plans
 - Local Communities
 - Local Cities
 - Community Groups

The Local Community Issues

- Good Neighbor Policy-Environmentally Friendly Growth
 - Noise
 - Lights
 - Emissions
- How to Balance Economic Development for Region vs. Individual?
 - Eminent Domain Authority



Growth with Care

Environmental Provisions:

Promote “*Environmentally Conscientious Practices*”

Goal: Maintain the most environmentally conscientious practices by using ***best management practices*** and ***latest technology***.

- Explicitly acknowledges benefits of ***stewardship practices*** and ***emphasizes mutual commitment***.
- Practices to be ***reviewed and updated every 3 years*** during the lease term

Initial Agreement on Environmental Practices:



Renewable Power:

- Maximize renewable energy use and electric powered equipment



Clean Fuel, Clean Engines:

- *Terminal:* ULSD/biodiesel, LNG, and Electric; Best Engine Technology
- *Vessels:* Fuel Switching & Emission Control Technologies

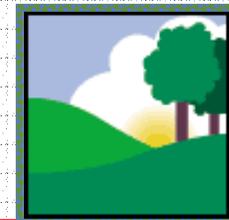


Compliance with Port-Established Standards:

- Port-administered municipal stormwater permit program
- Hazardous waste management and reporting
- Spill Response and Prevention
- Ballast Water Management and Invasive Species Prevention

Also:

- Low-Impact Development Practices for Terminal Facilities
- Noise and Light Pollution Limits
- Protection of Adjacent Habitats and Use of Native Species for Landscaping



NYK Group Environmental Management Vision

We aim to manage environmental risk and strike an optimal balance between the environment and the economy, with the goal of contributing to a sustainable society.



NYK's "Captain Eco"

Recent Voluntary Accomplishments:

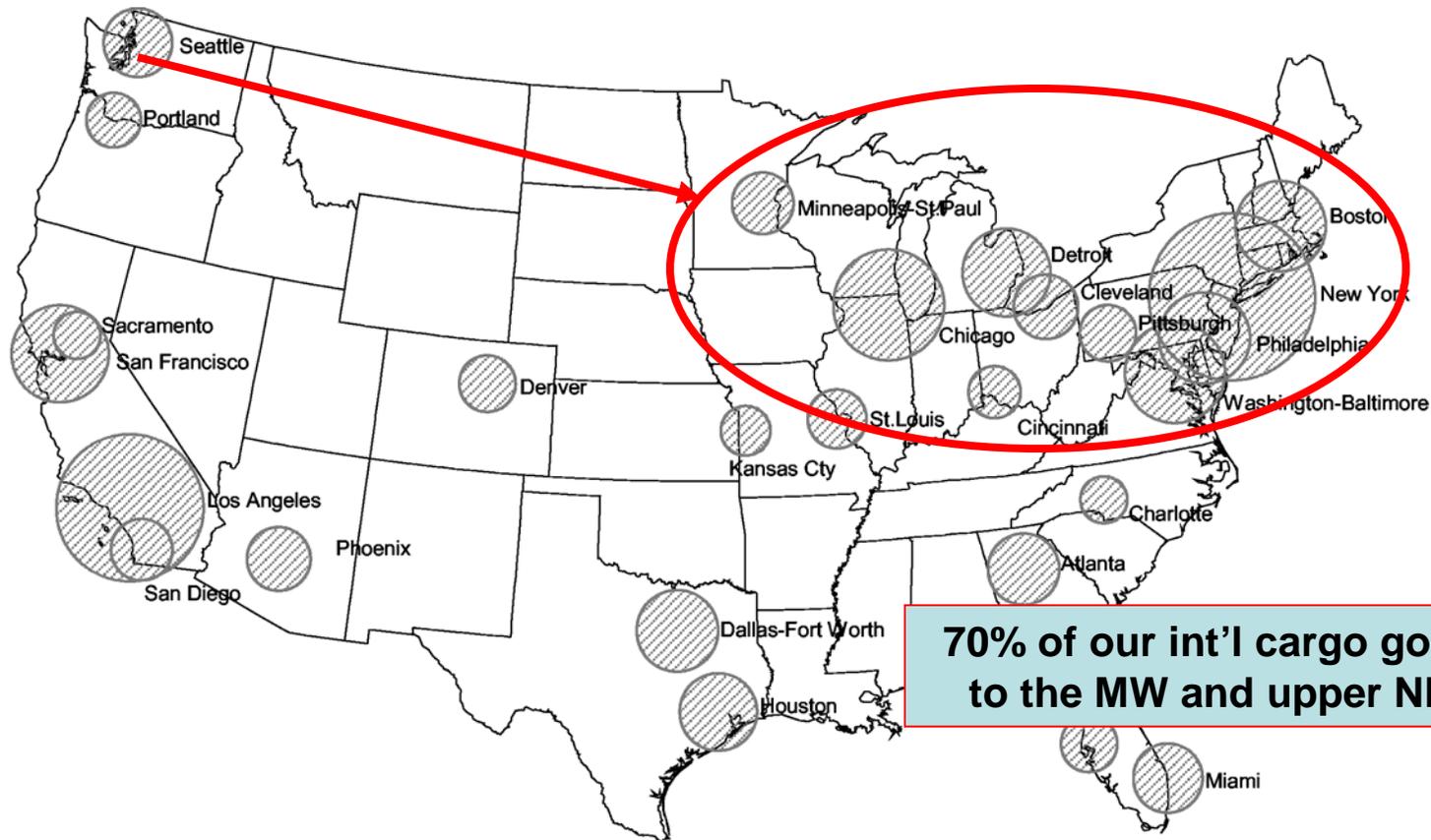
-  Per ton-mile **CO2 Emissions** are at ~60% of 1990 levels and falling
-  Research and Implementation of **Ballast Water Treatment Systems**
-  Aggressive Group-wide **Environmental Management System**
-  NYK's "**EcoShips**" have advanced environmental protection features
-  NYK Proprietary Advanced **Bilge Water Treatment Systems**

Intermodal Rail is an Environmentally Friendly way to Move Cargo



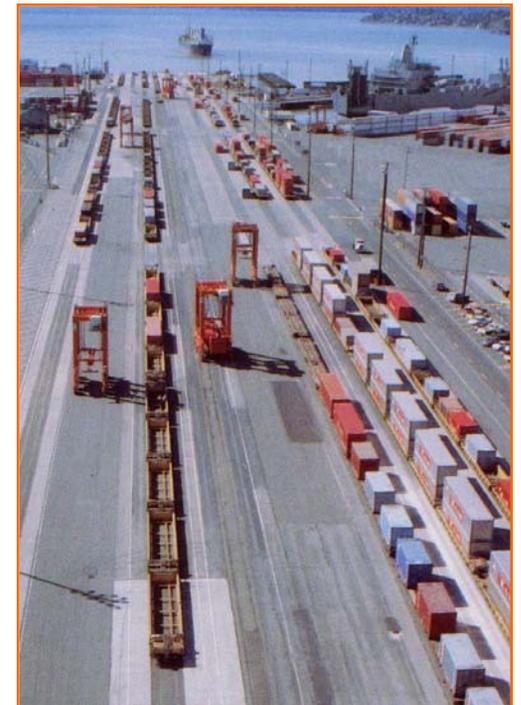
#1 Goal for the Port of Tacoma

- The Port of Tacoma to be the most efficient and reliable intermodal gateway in North America

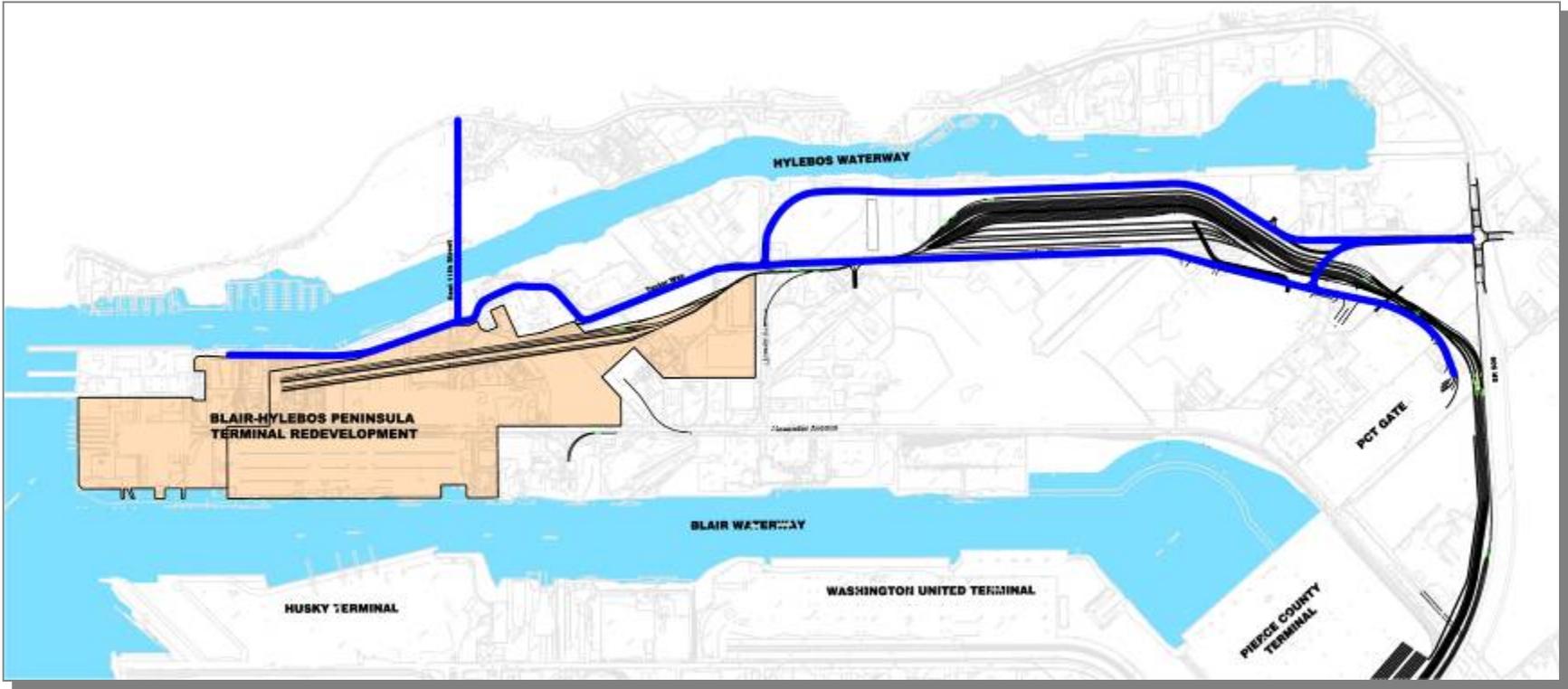


Increasing Capacity

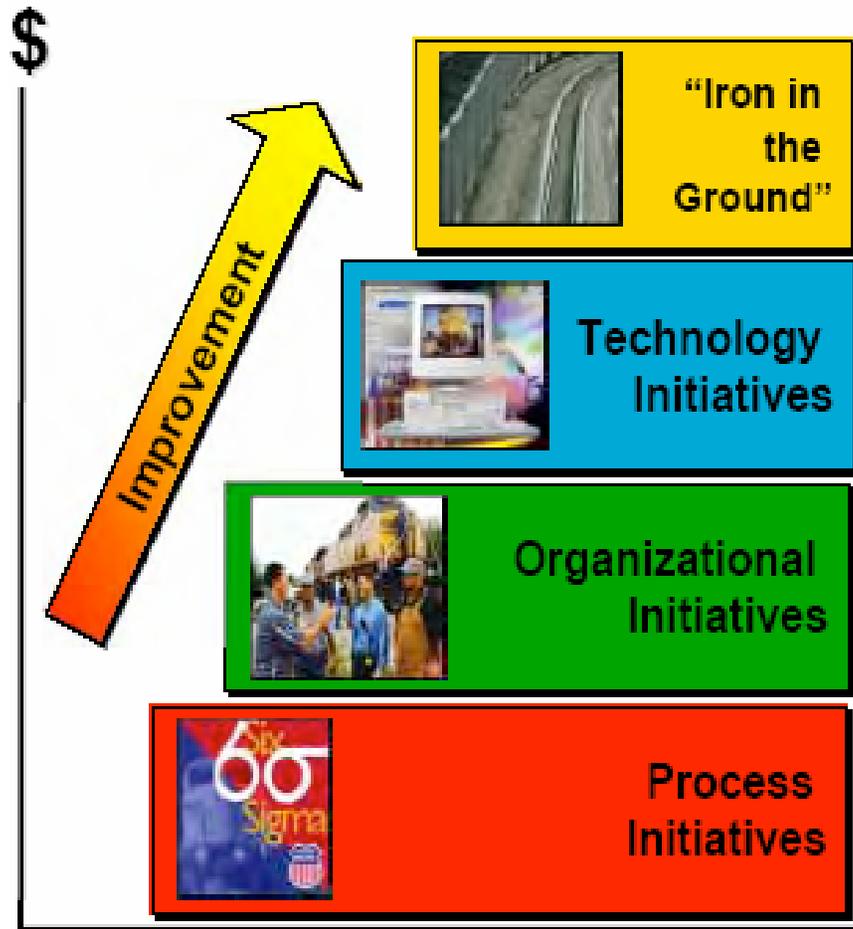
- Balancing Port Capacity –Land Use
 - Container Yard Acres
 - Intermodal On-dock Acres
 - What is the right formula?
- Balancing Densification of Storage with Velocity of Rail
 - Decrease the Dwell & Increased Capacity
 - Do you stack it higher, or move it faster



Conceptual Road and Rail Infrastructure Schematic



Capacity Improvement Process



- Build new Intermodal Facilities
- Model current Facilities
- Develop Web based Decision Tools
- Improve Financial Returns
- Improve Cashflows
- Document Processes- look for opportunities to improve efficiency

Collaboration with BNSF/ UP Rail Partners



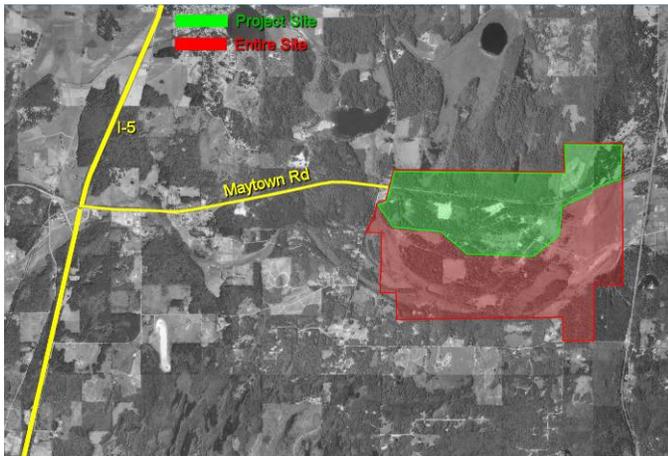
Maytown Property



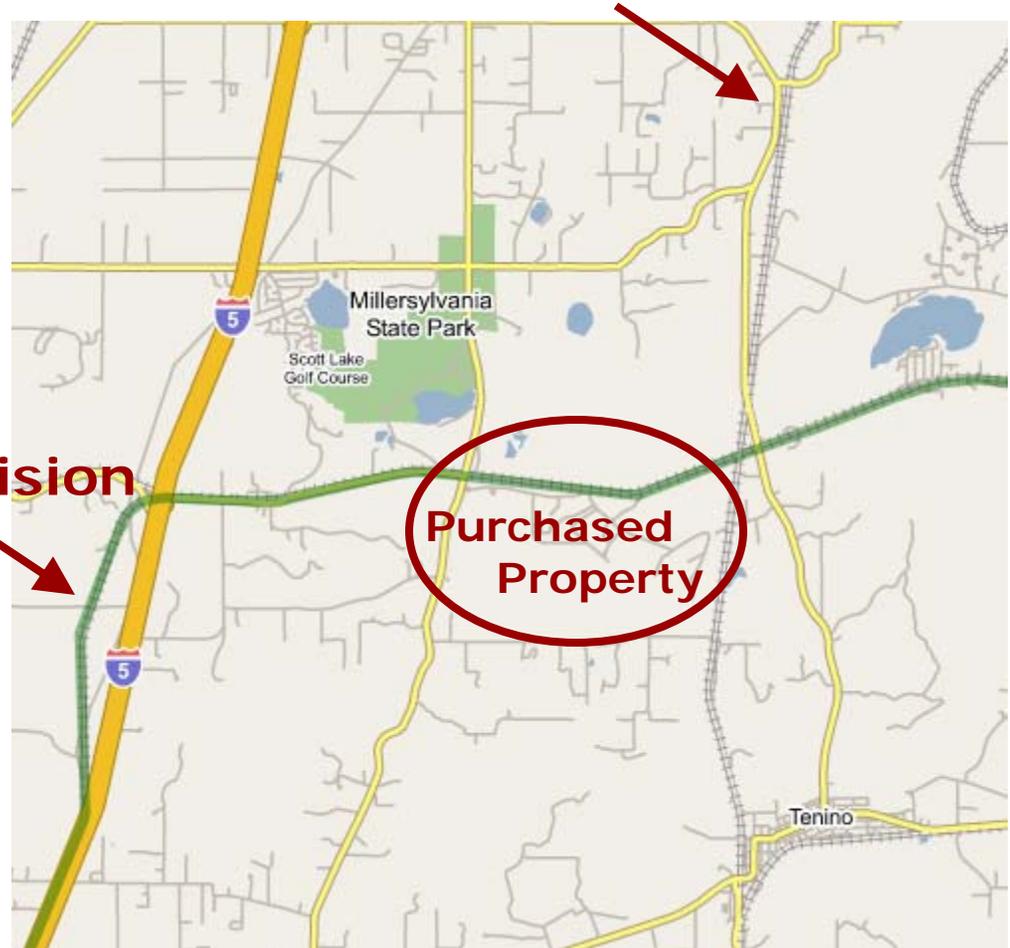
Maytown Property

- Port of Tacoma
- Port of Olympia

Tacoma Rail
Mountain Division



BNSF Mainline



What it's going to take

We all must **Be TEAM PLAYERS**, It's a Team Sport.

- Continue developing the regional perspective on growth and demand
- Continue engaging the mainlines – understand their plans and sharing ours
- Define what is Public and what is Private
- Investigate a wider range of funding options
- Engagement with our neighbors – preventing deterioration of relationships

Questions?

