

Extraordinary History.
Bright Future.
Corporate Report 2010/2011

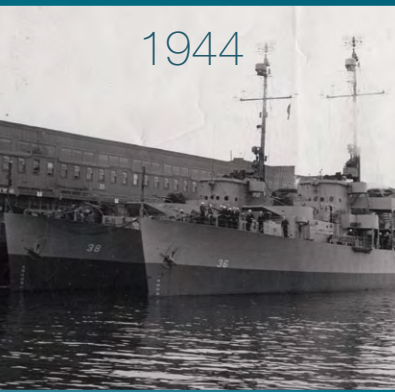
One Hundred Years is Just the Beginning.

In last days of the summer of 1911, the voters of King County did something remarkable. They created the first public port in the state of Washington, setting in motion 100 years of progress, stewardship, and innovation. If they could be with us today, they might not recognize much of what they created, as jumbo jet aircraft fly overhead and alternative fuels power the freighters at our docks. But they would see something that hasn't changed across the decades—the Port of Seattle's commitment to the vitality of our region.

As we enter our next century, the port continues to invest in the infrastructure that will build our local economy and provide strong employment opportunities for our citizens. At the same time, we're putting our efforts at the service of the environment, helping ensure the health of ecosystems and natural resources here in the Puget Sound and around the globe. Our world and its challenges have changed enormously since the port was founded—and our century of experience puts us in a unique position to respond, succeed, and help shape a more sustainable future.

CONTENTS

02_Centennial Introduction	12_Responsibility
05_Letter to the Community: Commission President Bill Bryant	15_Major Accomplishments
06_Executive Summary: Tay Yoshitani	18_Partnerships
08_2010-2011 Financial Charts	22_Recognition
10_Bright Future/Capital Improvement Projects	24_Special Features
	28_Centennial and More



PORT OF SEATTLE: ONE HUNDRED YEARS

From Top Left **1911** The Port of Seattle is established and soon constructs the Hanford Street Grain Terminal, one of the nation's largest grain facilities. **1919** Longshoremen load raw silk, Seattle's most valuable import accounting for 40 percent of U.S. silk trade. **1923** Seattle is the nation's leading fish port with shipments worth more than \$5 million in just one year. **1943** USS Johnston is one of many new ships launched from Seattle docks as war contracts dominate the seaport's business. **1944** The U.S. military takes control of Piers 90 and 91, and war ships replace cargo ships. **1949** Visitors tour a Western Airlines aircraft as part of Seattle-Tacoma International Airport's grand opening. **1952** Flying Tiger Airlines becomes Sea-Tac's first permanent air freight operator. **1962** Seattle is one of the first U.S. ports to install the infrastructure that can handle containerized cargo. **1996** The new Bell Street Pier opens with prime central waterfront recreational moorage, an international conference center, maritime museum and restaurants. **2005** Sea-Tac's new Central Terminal opens with a dramatic window wall recreating the wide-angle airfield view offered by the original 1949 terminal. **2009** Smith Cove Cruise Terminal at Terminal 91 opens, giving Seattle two facilities to serve the booming Alaska cruise market. **2011** A study confirms Seattle's lowest carbon footprint status for maritime shipping from Asia. Award-winning environmental practices at both seaport and airport combine to make the Port of Seattle The Green Gateway.



Port of Seattle Commissioners *clockwise from top:* Rob Holland, Gael Tarleton, John Creighton, Bill Bryant, President, Tom Albro



LETTER TO THE COMMUNITY: Commissioner Bryant

Created by Our Community. Committed to It.

2010 was a solid year for the port. At a time when good news is hard to come by, the port has delivered a solid performance for its shareholders, the people of King County, as the following pages of this report will demonstrate. But that solid performance didn't just happen – it is the result of several years of planning and hard work.

Over the last four years a new port commission and new senior management team have worked to transform the port into a leaner, more fiscally responsible organization.

By increasing commission oversight, empowering a robust audit committee and discussing commission decisions in public, and by moving commission meetings into the communities most affected by the issues being discussed and the decisions being made, the port has worked to increase the public's trust.

The port's unwavering commitment to fiscal responsibility, preserving net operating income and making strategic cuts has kept its operations in the black during difficult times. Because of the port's strategic budgeting, it has been able to cut taxes and add to reserves at a time when many governments were doing the opposite.

I'm proud of the progress we've made, but our shareholders, the people of King County, should know that big challenges lie ahead, and we must prepare for them.

In the second half of this decade, the Port of Seattle will have major transportation and environmental liabilities just as we will face increased competition from British Columbia and Southeastern U.S. ports. To succeed in the face of these challenges, every Port of Seattle business unit must remain focused on the bottom line, working toward generating the revenue it needs for expanding and maintaining operations.

To keep jobs here, Washington must have a transportation system that moves cargo between here and the Midwest more efficiently than can other ports and regions. That is why the Port of Seattle will continue working with the state, King County and cities to help build a transportation system that increases freight mobility. The biggest investment is our contribution to the Alaskan Way Viaduct and Seawall Replacement Program, but we are participating in many other projects across the region. As we make these investments, we also need to invest in cleaning up the Duwamish Waterway Superfund Site.

The port is committed to increasing the number of aviation, maritime and industrial jobs generated by the Port of Seattle across King County. This commission is committed to environmental leadership and demonstrating how an agency can generate family wage jobs while protecting our environment.

Over the last four years we have laid a foundation that should provide the necessary public trust, financial stability, and environmental ly sustainable practices to meet these challenges – and to continue to be the region's economic engine for generations to come.

Onward,

Commissioner Bill Bryant
Commission President 2009-2011



Executive Summary: Tay Yoshitani 2010-11: An Exciting Start to Our Next 100

The headlines of 1911 were full of the promises and threats of a new wonder—the Panama Canal. What would it mean to the various economies of the U.S. coasts? How would it change commerce worldwide? What could the Port of Seattle expect? Those same questions are on the table a century later as the completion of the canal expansion draws closer.

Container volumes moving through the Panama Canal will certainly increase when it is enlarged in 2014, but that does not necessarily mean West Coast ports will lose market share. We've seen positive trends—including recent growth for West Coast ports and heavy investment in West Coast networks by western railroads—that indicate the Port of Seattle is still well positioned as a premier gateway for trade from Asia to the American Heartland. In fact, the Port broke its 5-year-old cargo volume record in 2010, generating millions in regional business revenue and thousands of local family-wage jobs.

For the 2011 cruise season, 195 ship calls are scheduled, bringing an estimated 807,300 revenue passengers through Seattle. Like our cargo volume, every cruise call supports jobs here in King County, and contributes \$1.9 million to our local economy. The recent announcement that Disney Corporation will offer cruises from Seattle in 2012 adds even more excitement to our growing seaport operations.

We're attracting new business and creating jobs at Seattle-Tacoma International Airport, too. Delta Airlines last year named Seattle as its "gateway city to Asia," adding major new routes across the Pacific. And in June we welcomed Condor Airlines' new international service to Frankfurt. Thanks to the ongoing efforts of Sea-Tac's biggest customer, Alaska Airlines, the flight

tracking company FlightStats honored Sea-Tac with their first-ever award to an airport for on-time performance.

Construction of our new LEED-certified rental car facility creates thousands of jobs during construction, and upon completion next year that facility will accommodate thousands of vehicles and travelers. Over the next two years, the airport's escalator modernization project also will create jobs as it updates 42 aging escalators in the Main Terminal, Concourse B and the South Satellite, and adds two new escalators in the South Satellite.

Throughout all of these efforts, our commitment to environmental stewardship has not wavered. Sea-Tac Airport was honored for a fifth consecutive year in 2011 as a Best Workplace for Recycling & Waste Reduction, awarded by King County's Solid Waste Division. And, the American Association of Port Authorities named two of the seaport's environmental programs as winners in the 2011 Environmental Improvement Awards competition. The port was honored for stake-holder awareness, education, and involvement in the Terminal 117 cleanup process, and for the implementation of the Northwest Ports Clean Air Strategy.

Our recently published 2010-2011 Port of Seattle Environmental Report provides additional information and highlights of our



Port of Seattle's Executive Team *from left:* Chief of Police Colleen Wilson, Aviation Division Managing Director Mark Reis, Chief of Staff Kurt Beckett, Chief Executive Officer Tay Yoshitani, Chief Financial and Administrative Officer Dan Thomas, Seaport Division Managing Director Linda Styrk, Real Estate Division Managing Director Joe McWilliams; Public Affairs Director Patricia Akiyama, Capital Development Division Managing Director Ralph Graves, General Counsel Craig Watson

projects, successes and challenges. Please take a few moments to view it at

www.portseattle.org/about/publications/

In the pages that follow, you'll find more on our newest partners and all the landmarks of a very eventful year at the port. As we celebrate our Centennial and plan for the next century, we know that every year and every decade brings its own promises and threats. Our focus remains

steadfast on growing of our regional economy while sustaining a healthy environment.

Tay Yoshitani
Chief Executive Officer

YEAR 2010-11 Financial Charts

The port took a conservative approach for the 2011 budget. While striving to maintain a strong bottom line, we continue to invest in business operations that retain and attract customers, create jobs, and help position the port for future growth.

STATEMENTS OF REVENUES, EXPENSES, & CHANGES IN NET ASSETS

		2010	2009	2008
The change in net assets is an indicator of whether the overall fiscal condition of the Enterprise Fund has improved or worsened during the year. Following is a summary of the statements of revenues, expenses, and changes in net assets (in millions) for the years ended December 31, 2010, 2009, and 2008.	Operating revenues	\$ 470.5	\$ 449.4	\$ 478.5
	Operating expenses	<u>253.4</u>	<u>245.8</u>	<u>274.6</u>
	Operating income before depreciation	217.1	203.6	203.9
	Depreciation	<u>160.8</u>	<u>157.1</u>	<u>144.2</u>
	Operating Income	56.3	46.5	59.7
	Nonoperating (expense) income—net	(34.3)	(11.3)	42.5
	Capital contributions	<u>30.5</u>	<u>76.8</u>	<u>52.4</u>
	Increase in net assets	52.5	112.0	154.6
	Net assets—beginning of year	2,751.9	2,639.9	2,490.0
	Restatement—Implementation of GASB49			(4.7)
	Net assets—end of year	<u>\$ 2,804.4</u>	<u>\$ 2,751.9</u>	<u>\$ 2,639.9</u>

NONOPERATING INCOME (expense)

		2010	2009	2008
A summary of nonoperating income (expense)—net and capital contributions (in millions):	Ad valorem tax levy revenue	\$ 73.1	\$ 75.6	\$ 75.7
	Passenger facilities charges revenue	59.7	59.7	60.7
	Customer facilities charges revenue	23.2	21.9	22.9
	Non-capital grants and donations	12.5	7.2	10.5
	Investment income—net	13.1	17.3	39.0
	Revenue and capital appreciation bond interest expense	(133.2)	(121.1)	(105.5)
	Passenger facility charges revenue bond interest expense	(10.2)	(11.0)	(11.4)
	General obligation bond interest expense	(17.5)	(15.8)	(17.1)
	Public expense	(25.1)	(20.4)	(27.5)
	Environmental expense—net	(22.7)	(14.7)	(5.7)
	Other (expense) income—net	(7.2)	(10.0)	0.9
	Total	\$ (34.3)	\$ (11.3)	\$ 42.5
	CAPITAL CONTRIBUTIONS	\$ 30.5	\$ 76.8	\$ 52.4

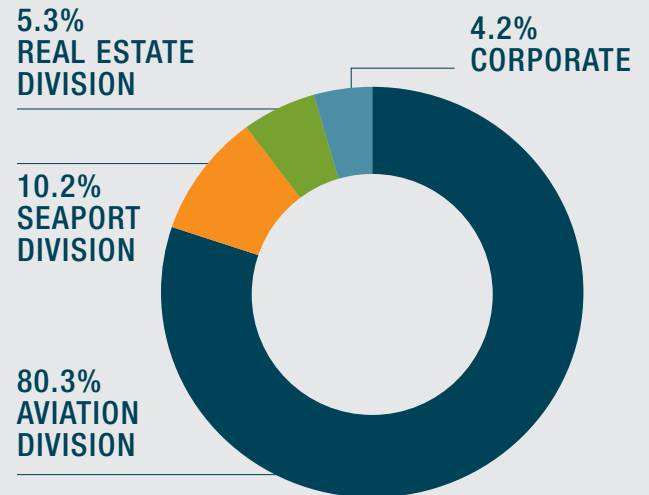
2010 BOND RATINGS

		FITCH	MOODY'S	S&P
A summary of the Port of Seattle Bond rating as of December 31, 2010.	General obligation bonds	AAA	Aa1	AAA
	First lien revenue bonds	AA	Aa2	AA-
	Intermediate lien revenue bonds	A+	Aa3	A+
	Subordinate lien revenue bonds	A	A1	A
	Passenger Facility Charge Revenue bonds	A	A1	A+
	Fuel Hydrant Special Facility bonds	A-	A3	A-

SUMMARY OF CAPITAL SPENDING (\$ in000's)

Committed Capital Projects	2011 Budget	2011-2015 CIP	% of 2011 Total Committed
Aviation Division	\$231,408	\$ 487,461	80.3%
Seaport Division	29,490	88,160	10.2%
Corporate & CDD Division	12,072	24,198	4.2%
Real Estate Division	15,357	31,873	5.3%
Total Committed	\$288,327	\$ 631,692	100.0%
Business Plan Prospective Projects	\$ 90,206	\$ 838,455	
Total CIP	\$378,533	\$1,470,147	

COMMITTED CAPITAL BUDGET 2011



TAX LEVY 2011

\$88.7 MILLION
MAXIMUM ALLOWABLE

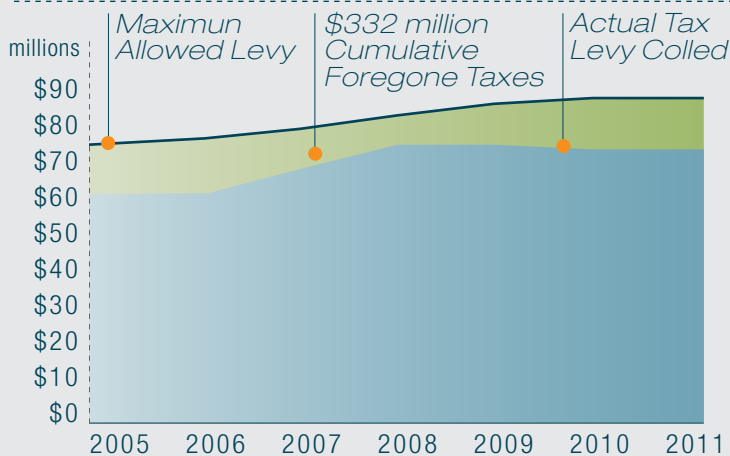
\$73.5 MILLION
2011: ACTUAL LEVY

\$0.2235 MILLAGE RATE ESTIMATED

2011 LEVY WILL BE USED FOR:

- General Obligation (G.O.) Bond Debt Service
- Public Asset Expense: Freight Mobility
- Seaport and Real Estate Environmental Expense
- A portion of Real Estate Operating Expenses
- Capital Improvements
- Office of Port Jobs

ACTUAL VS. MAXIMUM ALLOWABLE TAX LEVY: 2005 - 2011



Big Plans. Strong Foundations.

A brighter future isn't going to build itself. At the Port of Seattle, we're thinking bigger and building smarter as we lay the groundwork for the next century.



Shipping In 2010 the Port of Seattle had a record year for cargo volumes with more than 2.1 million TEUs (20-foot equivalent container units).

2010 VESSEL EXPORT COMMODITIES VIA SEATTLE

Milions of US Dollars; Ranked by \$ Value

Rank	Commodity	\$ Value
1	Misc Grain, Seed, Fruit	1,486.57
2	Machinery	978.52
3	Cereals	713.15
4	Fish and Seafood	703.93
5	Inorg Chem; Rare Erth Mt	505.16
6	Preserved Food	494.76
7	Edible Fruit and Nuts	428.35
8	Paper, Paperboard	410.54
9	Meat	405.85
10	Mineral Fuel, Oil, Etc.	333.41

2010 VESSEL IMPORT COMMODITIES VIA SEATTLE

Milions of US Dollars; Ranked by \$ Value

Rank	Commodity	\$ Value
1	Electrical Machinery	5,132.18
2	Machinery	4,786.84
3	Toys and Sports Equipment	3,486.86
4	Knit Apparel	2,117.89
5	Furniture and Bedding	1,789.07
6	Vehicles, Not Railway	1,684.45
7	Woven Apparel	1,597.62
8	Footwear	1,476.61
9	Plastic	1,090.70
10	Iron/Steel Products	1,024.36



New Program Trucks calling at the Port of Seattle terminals must meet new environmental standards.



Five-story RCF Upon completion in 2012, this facility at Sea-Tac Airport will process up to 14,000 rental cars on a peak day.



Building Green Interior construction of the RCF uses organic compound paints, sealants, adhesives and carpets.

An Agenda for the Century to Come

Planning for the future at the port

Once the celebrations of our 100th birthday are over, we'll be facing a new era, full of emerging opportunity and challenges. And we'll be ready. Three years ago, in advance of this year's milestone, the port began creating a "Century Agenda" — building a comprehensive vision and strategic plan that focuses on our next quarter-century of business and operations.

In January, the commission formed the Century Agenda Committee to implement the goals of the agenda and begin planning around topics ranging from "Creating Economic Opportunity" and "Achieving Our Community Values" to "Moving Cargo" and "Moving People." Since March, the commission has hosted monthly public panel discussions on strategic issues, involving our staff, outside experts, and members of the public with topic expertise. A port-approved shortlist of strategic goals — and five-year objectives to achieve them — is expected to be in place and moving forward by the end of 2011.

A New Facility Means New Jobs

Sea-Tac rental car complex takes shape

At South 160th Street and International Boulevard, a new five-story consolidated rental car facility (RCF) is rising to meet the challenges of future growth, as well as a local need for viable employment. Scheduled to open in spring 2012, it will be the busy hub of operations for about a dozen rental car companies, with shuttle buses to transport customers to and from the airport, customer amenities and other services.

Construction on the 23-acre RCF site has promoted the use of many sustainable construction practices, and the facility will meet or exceed many of the U.S. Green Building Council's LEED guidelines. In addition, this new facility creates nearly 3,000 local, family-wage construction jobs and will provide employment once it is operational, including an estimated 100 full-time, part-time, seasonal, and relief positions, primarily in passenger transport.

The Balance of Responsibility.

Our dual commitment to the region's economy and its environmental health guides each decision we make, whether it affects the future of an ecosystem or simply tomorrow morning's commute.



Alaskan Way Viaduct

A key transportation artery

Even though our container trucks don't travel on it, the Alaskan Way Viaduct plays a critical role in port operations. The more than 100,000 other vehicles that use the Viaduct would otherwise be crowding Duwamish-area streets and conflicting with freight and rail lines. People headed to port facilities—including the cruise terminals and Sea-Tac Airport—use the corridor as a west-side artery. And the Viaduct is a key part of the regional highway system, carrying 25 percent of the north-south traffic through downtown Seattle.

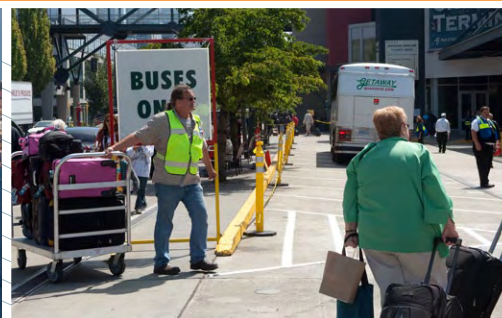
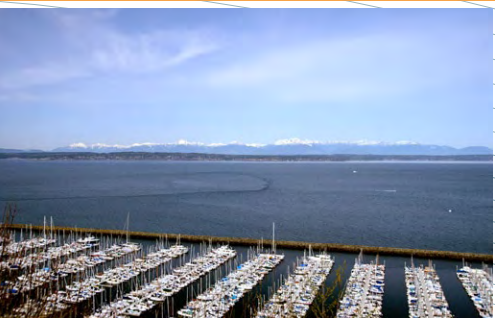
But there are serious concerns about the future of the Viaduct, and the Port Commission believes that its replacement with a bored tunnel will achieve the best balance among retaining and creating jobs, sustaining regional economic vitality, and benefiting the environment. In January 2009, a Bored Tunnel Hybrid

was introduced by state and local officials as the preferred alternative to carry forward for further study. We're participating with the city in study of the design of their replacement seawall and in-water habitat enhancements, which are part of the replacement program.

The port helped create a funding framework for pursuing environmental review and further design, and we are working with the Washington State Department of Transportation and local governments to ensure that the program meets the needs for access to container terminals and other port properties. Bored tunnel construction is estimated for 2012–2015, with Viaduct demolition and waterfront reconstruction to follow.



2007 Along Alaskan Way, local residents and visitors can access the Bell Street Pier Cruise Terminal, Bell Harbor Marina, Anthony's Restaurant and other local businesses.



Destination: Sustainability

Port of Seattle Environmental Report

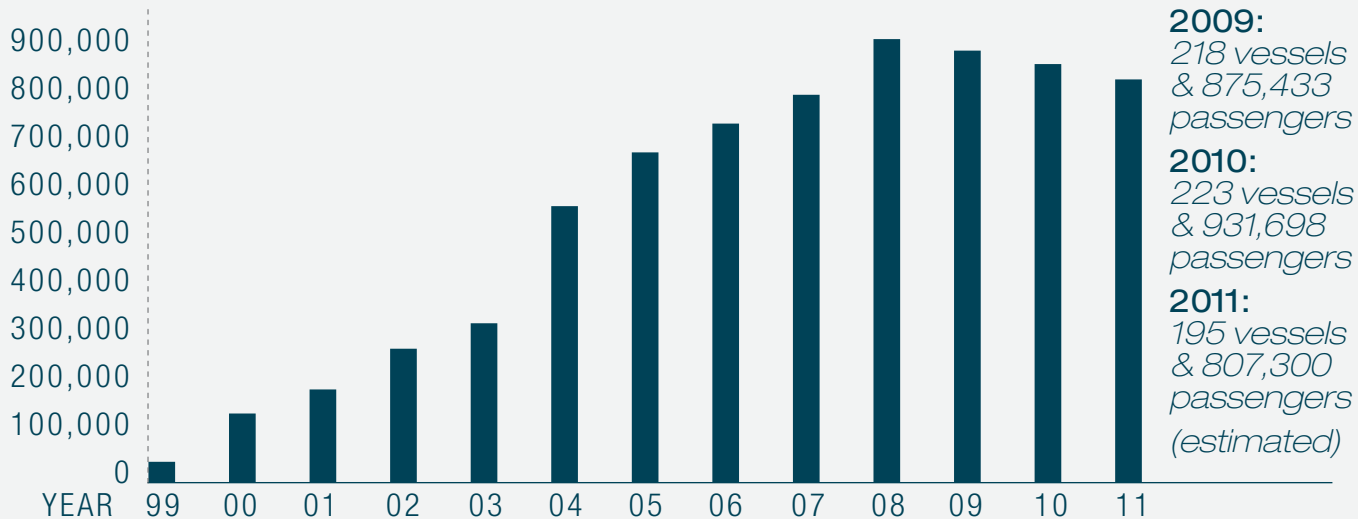
The next century of the Port's history will be defined not only by the steps we take to ensure a bright economic future, but also by the commitment we make to the environment—in our region and across the globe. Read the 2010-2011 Port of

Seattle Environmental Report for a close look at the programs, practices, and results related to our Port-wide sustainability and conservation efforts.

Visit www.portseattle.org/about/publications/ to download a PDF or access an online report.

CRUISE PASSENGER GROWTH

Seattle 1999-2011



Timely Improvements at Sea-Tac



New Entry Drive Greets Airport Customers

A clock tower, welcome sign, art, lighting, and landscaping are all part of the recently completed entry drive portal to Sea-Tac Airport. These exciting new features are the finishing touches on the roadway improvement project conducted by the Port of Seattle and Sound Transit, which also included the development of the airport's Link light rail service.

The improvements have an "Emerald City" theme, which "connects the evergreen ethic of the Pacific Northwest with the sense of possibility and wonder associated with travel," according to portal artists Laura Haddad and Tom Drugan. The clock tower features stainless steel fins that not only display the time, but also house LED lights—powered by green crystalline photovoltaic panels—that change color with the air temperature.

Major Airline Realignment Projects

As the airline industry continues to evolve, passengers will see changes at Sea-Tac Airport terminals.

Delta Airlines merged with the former Northwest Airlines and their consolidated activities will take place primarily at the South Satellite. United Airlines is merging with Continental Airlines and their consolidated activities will be realigned on Concourse A. Southwest Airlines' purchase of AirTran Airlines will merge their activities and realign on Concourse B.

In addition, Alaska and Horizon Airlines merged under the Alaska brand, and their consolidated activities will primarily occur at the North Satellite and Concourse C. These significant realignments also necessitate other individual airline operations to shift gate, ticket counter, and office locations within the airport. Specifics can be found on Sea-Tac's construction web page:

www.portseattle.org/seatac/construction/

Timely Improvements at Sea-Tac



AIRPORT CLOCK TOWER

The new clock tower at the north entry to Sea-Tac Airport will change colors according to the outside temperature. See the video.

Arrivals Hall In 2004 Sea-Tac Airport opened its new Concourse A and international arrivals hall with the stunning 70-foot high wall of glass.

New Escalator Project Begins

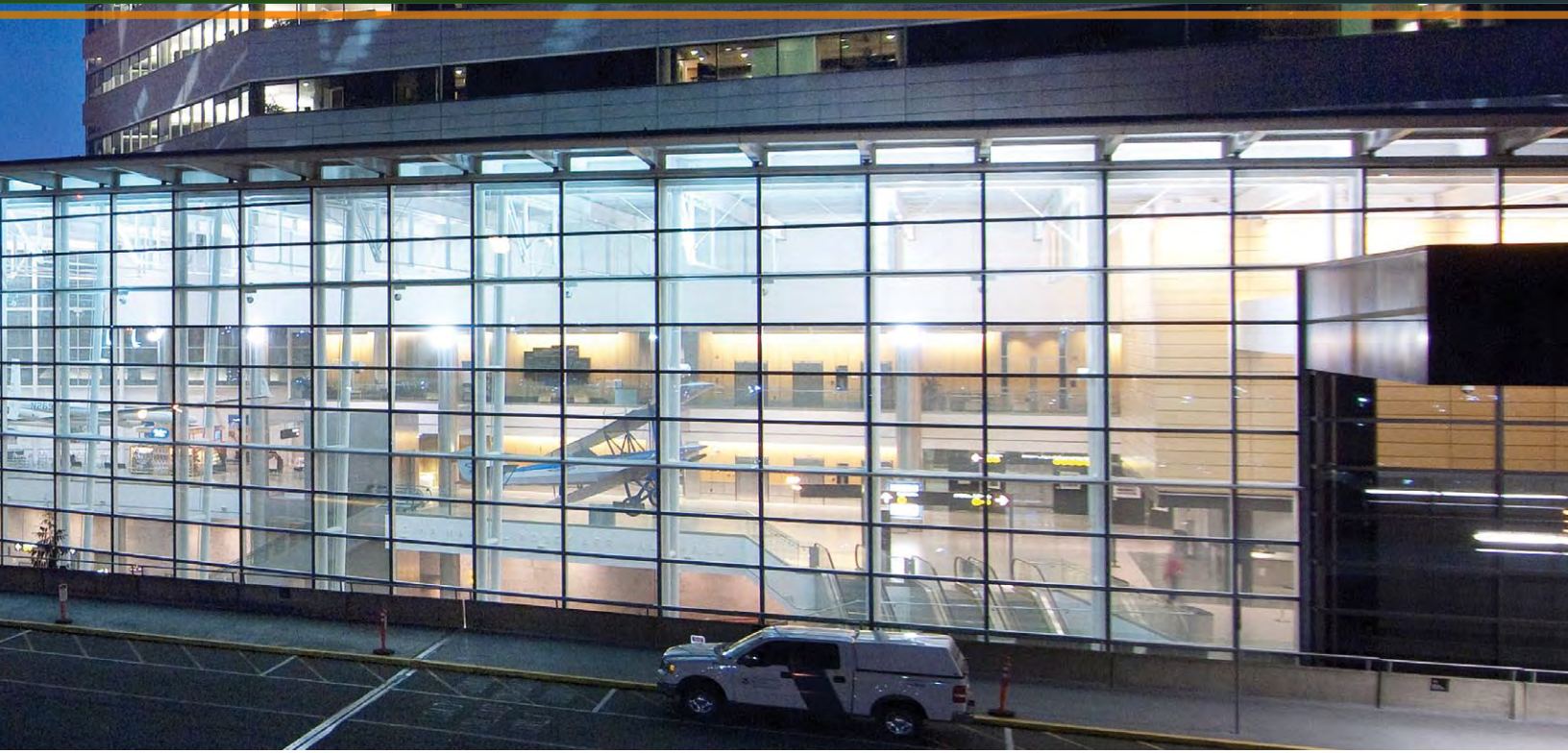
Installation for 44 Escalators

Moving from one place to another at Sea-Tac Airport soon will be more energy and cost efficient. Forty-two escalators will be replaced and two new ones will be built to serve airline passengers, saving a quarter of a million dollars in annual repair costs and reducing energy costs by 20 percent.

The modernization project began in late July and will address more than half

of the 79 escalators at Sea-Tac, some dating back to the early 1970s. Existing escalators will be replaced in the Main Terminal, Concourse B, and the South Satellite. Two new escalators will be added to the South Satellite to handle projected passenger growth.

The installation will be phased in over two years to reduce passenger disruption. The project is scheduled to be completed June 2013.

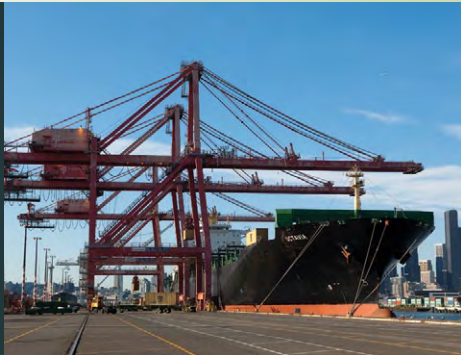


NEW TAXI OPERATOR DEBUTS AT SEA-TAC

As part of a new five-year agreement with the port, Yellow Taxi Association now provides on-demand airport taxi service at Sea-Tac. Launched with 170 taxis, Yellow's airport operations feature improved dispatching to reduce "deadheading" (sending empty taxis back to the airport) and a fleet at least 50 percent green—vehicles with alternative fuels or superior fuel mileage. By 2012, the entire fleet is required to be green.

SEA-TAC AIRPORT: TOTAL ANNUAL PASSENGERS

	2010	% of Total	2009	% of Total	% Change
Total	31,553,166		31,227,512		1.0
Domestic	28,745,014	91.1%	28,593,782	91.6%	0.5
International	2,808,152	8.9%	2,633,730	8.4%	6.6



New Customers in the Air and at the Dock

Condor Airlines, MSC, and Disney Cruise Line

At the seaport and at Sea-Tac Airport, bringing more partners onboard means economic growth and additional jobs for our region. That's why the port is excited to welcome our three newest. For our airport customers, Condor Airlines now offers twice weekly nonstop service between Sea-Tac and Frankfurt, Germany. With the added service, Sea-Tac has 19 international nonstop connections served by 11 airlines, including major destination cities in Asia and Europe.

On the water, two very different companies add to the port's shipping and cruise offerings. Mediterranean Shipping Company (MSC) has added Seattle to its California Express service, with the MSC Vienna as its first ship to call the port at Terminal 18. And Disney Corporation has announced that they will offer weekly Alaska bound cruises from our docks in the summer of 2012. Seattle's cruise business already leads all U.S. cruise home-ports on the West Coast in passenger volume and number of ship calls, and is responsible for more than 4,447 jobs and \$19 million in annual tax revenues.

Ports of Seattle and Moses Lake Explore Partnerships

Collaborating to boost the state's economy

Working with other ports has been a constant in the Port of Seattle's history. In February, commissioners and executive staff from Port of Moses Lake joined us for a roundtable highlighting recent successes for both ports—and possible partnerships for promoting economic growth in King and Grant counties and across the state.

Like Seattle, the Port of Moses Lake operates an airport—the Grant County International Airport—and has a thriving industrial park within the agency's Foreign Trade Zone. The port also is working with Washington State Department of Transportation to study and fund the North Columbia Basin Railroad Project, which would increase access to rail for businesses in surrounding areas.

Partnering for a More Vital Washington

While global trade and ecology dominate the headlines, we're also investing locally to improve commerce and create vibrant, sustainable resources for our communities. And we're not doing it alone.



2011 On Earth Day, students from Rose Hill Elementary School helped the Port of Seattle rededicate and celebrate Centennial Park by planting native plants in the flower beds.

Earth Day and Sustainability Week

Highlighting a year-round commitment

As part of our ongoing Sustainability Initiative for port employees, a “Sustainability Week,” celebrated April 18-22, included activities for everyone. Along the Duwamish River, port staff volunteered for Duwamish Alive! shoreline restoration, removing debris and invasive plants,

and placing mulch. At Terminal 107 park, a ribbon-cutting celebrated the opening of a new boat launch. In West Seattle, seaport employees staffed an Earth Day booth and screened the Port’s Centennial video, “Voices of the Port.” And on Earth Day, April 22, the port rededicated its Elliott Bay Park as “Centennial Park” while children who had attended our Sea-Air School joined in to plant ground cover in the park’s flower beds.



Honored for On-time Performance

Sea-Tac receives international airport award

Flight tracking company FlightStats has recognized Sea-Tac Airport with an award for operational excellence in the category of Departure Performance among Major International Airports. Sea-Tac's 2010 on-time performance record was 85.21 percent, well above the average of 71.66 percent for the category, which includes airports that have a significant number of transoceanic or international departures spanning at least three continents with at least 91,250 departures operated annually (250 departures per day).

The port has invested millions of dollars in buildings, runways, and facilities to improve the operational efficiency of the airport, and improvements such as the third runway and a 100 percent in-line baggage screening system have played a key role in Sea-Tac's performance. But credit also is due to the strong operational performance of our airline partners, notably Alaska Air Group, who won an Arrival Performance among Major North American Airlines award.

Transforming the Eastside Rail Corridor

Partnering to achieve public ownership

After purchasing the Eastside Rail Corridor in late 2009, the Port of Seattle and several local agencies are preserving this property for future generations by placing it in public ownership. King County, Sound Transit, the City of Redmond, Puget Sound Energy, and the Cascade Water Alliance all are participating the process, which affects a 42-mile corridor stretching from Snohomish to Renton.

The Port will maintain freight service between Snohomish and Woodinville, while King County and Sound Transit will acquire rights in the southern section between Woodinville and Renton, which will be preserved for dual transportation and recreational uses under the federal rail banking program. The City of Redmond acquired the southerly section of the Redmond spur, within the City of Redmond. This once-in-a-lifetime investment is intended to help improve the region's growth and quality of life.

Opportunity for Small Business

Investments in our community also means creating new opportunity. Our Small Business Program helps small firms compete for contracts while providing vendor training, continuing education and other incentives.



Coffee to go—Small businesses are an important part of the vibrant community at Sea-Tac Airport.

Less Paperwork and More Opportunity

Streamlining processes for small businesses

It's now simpler to become a vendor for the Port of Seattle and King County. As part of our ongoing efforts to expand opportunities for small businesses,

we recently adopted a process that allows qualified Small Contractors and Suppliers (SCS) to fill out just one application to work with both agencies. Less paperwork means more efficiency for everyone involved in the SCS program and reduced administrative costs for the port and the county, who will share the costs of the joint certification process.

New Recognition. New Opportunity.

The hard work and high standards of our partners and our port staff earned recognition recently. Our thanks go out to everyone involved as we extend a welcome to the newest members of our award-winning family.

Seattle and Tacoma Win VISION 2040 Award

Tri-port effort works for the region

The ports of Seattle and Tacoma won a 2011 VISION 2040 award from the Puget Sound Regional Council for their Northwest Ports Clean Air Strategy. The awards recognize innovative projects and programs that help ensure a sustainable future as the region grows.

The Northwest Ports Clean Air Strategy is the first and only tri-port and international agreement to reduce greenhouse gas and diesel particulate emissions from maritime operations. It's a joint effort of the ports of Seattle, Tacoma and Port Metro Vancouver, British Columbia. All three ports used the strategy to inventory emissions, employ green procurement policies, and implement equipment and energy efficiency programs.

VISION 2040 is the region's growth management, economic, and transportation strategy, designed to meet the needs of the 5 million people expected to be living in the region in 2040 (compared to the 3.7 million people living here today).

AIRLINES RANKED BY PASSENGER TRAFFIC

	2010 Passengers	Market Share	Mkt share change vs. 2009*
1. Alaska Airlines	11,011,886	34.9%	0.7
2. Horizon Airlines	4,453,164	14.1%	0.3
3. Delta Airlines	3,449,36,	10.9%	2.1
4. Southwest Airlines	2,729,869	8.7%	1.6
5. United Airlines	2,070,556	6.6%	0.2
6. American Airlines	1,364,856	4.3%	-1.2
7. Continental Airlines	1,361,958	4.3%	0.0
8. US Airways	901,961	2.9%	-1.5
9. Virgin America	559,109	1.8%	-1.5
10. JetBlue Airways	438,114	1.4%	-0.5
All Other	3,212,330	10.2%	-0.1
Total	31,553,166		



Sea-Tac Passengers_In 2010, Sea-Tac Airport reached a new milestone with more than 31 million passengers coming through the facility.

Terminal 117_More than a work site, the cleanup project at this terminal has created an opportunity for community engagement.

CMA CGM_Calling at Terminal 18, environmental stewardship is a corporate value for this Port of Seattle customer.

AAPA Applauds T-117 Cleanup Outreach

Clean Air Strategy best in the country

The American Association of Port Authorities named two of the Port of Seattle's environmental programs as winners in the 2011 Environmental Improvement Awards competition. The port was honored for stakeholder awareness, education, and involvement in the Terminal 117 cleanup process, and won the Comprehensive Environmental Management award for their implementation of the Northwest Ports Clean Air Strategy.

In addition, the Clean Air Strategy was a finalist for the Clean Air Award given in London as part of the Annual Sustainable Shipping Awards, which recognize environmental excellence in the shipping industry. Shipping line CMA CGM, a Port

of Seattle customer, won the award for their efforts in reducing air pollutants both in port and at sea.

Learn more about these programs in *Destination: Sustainability*, the port's 2010-2011 Environmental Annual Report.

www.portseattle.org/about/publications

Airport Ivar's Makes the Top Ten Local eats earn spot on Frommer's list

A Northwest favorite located at Sea-Tac Airport has made a list of the Top 10 U.S. Airport Restaurants from the distinguished travel guide Frommer's. Ivar's has been serving great seafood and chowder since 1938, and has been in its current Sea-Tac space since the central terminal opened in 2005. The Frommer's list was requested by USA Today, which published the results nationally.



Helping Those Who Helped Protect Us

Veterans program is a model for success

The transition from active military service to civilian employment can be a difficult one, but the Port of Seattle's Veterans Fellowship Program is helping make it easier. Each session, three transitioning veterans enter six-month positions with customized opportunities that relate to their specific skills and provide on-the-job experience, training, and individualized career guidance.

The port's program has been recognized nationally as a model for other organizations. In the words of one graduate, "My most hearty thanks goes to the support you have shown the Veterans' Fellowship program. By choosing to host a Marine for six months, you have made a positive statement about all veterans. Our country is at war and will be for some time. My hope is that all veterans find a similar opportunity, or at the very least, meet thankful and appreciative citizens such as yourselves."

A Smith Cove Welcome

New art installed at curise terminal

For thousands of years, "welcome figures" have stood on local lands, crafted by Puget Sound natives from already fallen old growth cedar to welcome, protect, and show the wealth of our communities. Now, area artist Andrea Wilbur-Sigo, a member of the Squaxin Island Tribe, has created new figures to greet passengers at the port's Smith Cove Cruise Terminal and bring them into the story of the special place they're visiting.

Smith Cove Cruise Terminal opened in 2009 and this year welcomes cruise ship calls from Holland America, Princess, Royal Caribbean and Carnival cruise lines. In 2012, Disney Corporation ships will join the lineup.

Living Our Commitments.

Whether we're promoting success for businesses in our region or just celebrating an anniversary with our local communities, there's always something happening at the Port of Seattle.



Jack Block Park In partnership with the U.S. Environmental Protection Agency, the port opened the beach at this 15-acre park in June 2011.



A Little “Love” for the Port Centennial Video Contest winners

At the start of the year we launched a Centennial Video Contest, inviting students to create and submit a short video on “What the Port Means to Me.” The contest was intended to help raise visibility of the port in the community, promote the creative use of video among King County students, and encourage them to learn about our centennial and the port’s economic impact on the region.

We received some terrific videos, which were judged by an all-star local panel that included media, marketing, and historical professionals as well as our own Port Commissioner Tom Albro, who originally inspired the contest. Four entries received cash awards, and *Port of Seattle Love* also won the port’s “People’s Choice” contest on YouTube.

FIRST PLACE: \$6,000

More Than a Dock on the Shore

Kentwood High School, Covington

No Port, No Seattle Home Education Exchange, Shoreline

SECOND PLACE: \$4,000 CASH

Port of Seattle: A Loving Relationship and
The Port to My Heart

Aviation High School, Des Moines

Port of Seattle Love Islamic School of Seattle, Seattle

Centennial Park—a gem on the waterfront, a legacy of the port’s centennial, and a symbol of our sustainable future.

Voices of the Port

Our centennial documentary packs 100 years of great stories into an entertaining 30 minute video.



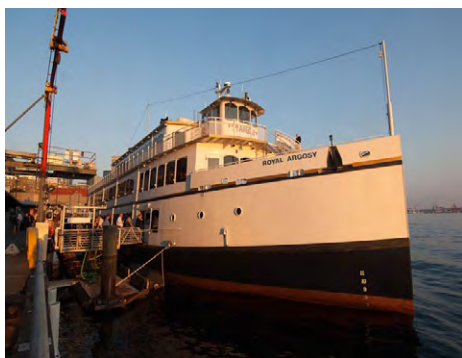
The Denny Party In the documentary, a reenactment of the Denny Party depicts the discovery of deep water, indicating for these settlers a good place to build the harbor that would become Seattle's port.

Along with archival photos, films, and contemporary video footage of port operations, "Voices of the Port" brings a century of history to life with period re-enactments and interviews with Port of Seattle employees, retirees, friends,

and business partners, as well as local historians. The award-winning 30-minute documentary has been shown on Seattle-area cable stations and local university and community college channels.

Our 100th year, AAPA's 100th Convention.

Seattle was the selected location for the American Association of Port Authorities' 100th Annual Convention, focused on a theme of sustainability.



Port Hosts 100th AAPA Annual Convention

We're not the only ones marking a century

As the port celebrates its centennial throughout 2011, we're proud to host this year's American Association of Port Authorities Annual Convention—their 100th event, September 11–15. Founded in 1912, the AAPA represents more than 160 public port authorities in the United States, Canada, the Caribbean, and Latin America, promoting their common interests and providing leadership on

trade, transportation, environmental and other port-related issues.

The 4-day convention, the organization's largest membership meeting of the year, typically features technical and policy committee meetings, business sessions, and social networking opportunities for port professionals and others in the marine transportation industry. Washington's Governor Christine Gregoire provided a keynote address, and Port of Seattle's CEO Tay Yoshitani spoke about global supply chain challenges.



Know Your Port by Bike

Centennial event draws 250 cyclists

More than 250 people participated in the port's free "Know Your Port by Bike" family bike ride on Sunday, June 5. The centennial-related event was a fun and casual way to see the port in action. Cyclists signed in at Shilshole Bay Marina and looped around at the Bell Harbor Marina

and Cruise Terminal at Pier 66 for a 14-mile round trip ride. Along the way they passed Fishermen's Terminal, the Terminal 86 Grain Facility, Smith Cove Cruise Facility at Terminal 91, and crossed the Hiram Chittenden Locks, named for one of the port's first commissioners. Port Police and Fire departments were on-hand demonstrating the tools of their trade.

Our Centennial On Display.

From the transformation of the Seattle waterfront to the launch of the jet age, experience the remarkable story of the Port of Seattle—on screen, on the page, and online at www.portseattle100.org



Time to explore—A slide show on the opening screen of the Centennial Map and Timeline features historical photo favorites. Click on the map and zoom into the past for seaport or airport locations.

Interactive Map and Timeline

Navigating history in an online experience

Who could have imagined the possibilities of the Internet back in 1911?

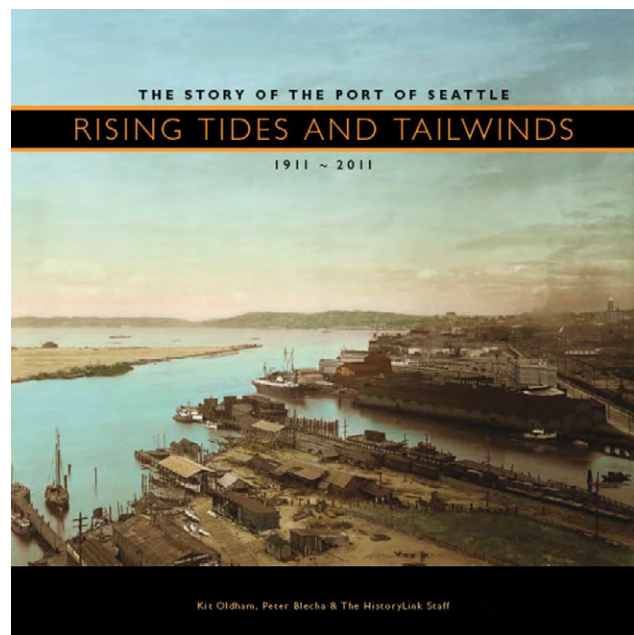
At www.portseattle100.org, our interactive Centennial Map & Timeline invites visitors to explore the history of the port in a very 21st-century way. At this site, you can view the port's history as an evolution of specific port facilities, or as a series of major accomplishments organized by decade. Viewers can even engage with the information by posting their own stories and memories.

Since it went live on the Internet in January, thousands have visited the site, and it has won three national awards. Our gratitude goes to the dozens of organizations and individuals who aided us in this innovative project.

Rising Tides and Tailwinds

Commemorative hardcover centennial book

Published by the Port of Seattle in association with History Ink / HistoryLink and the University of Washington Press, *Rising Tides and Tailwinds: The Story of the Port of Seattle, 1911–2011* features 200 color photos across 138 hardbound pages. See the port from its earliest days to its role as an environmental and economic leader in this keepsake book written by Kit Oldham, Peter Blecha, and the History Link Staff, available now from online retailers.



CONTACTS

2011 Port of Seattle Commission

Tom Albro
Bill Bryant, President
John Creighton
Rob Holland
Gael Tarleton

Chief Executive Officer

Tay Yoshitani

Executive Staff

Patricia Akiyama, Director of Public Affairs
Kurt Beckett, Chief of Staff
Ralph Graves, Managing Director, Capital Development Division
Joe McWilliams, Managing Director, Real Estate Division
Mark Reis, Managing Director, Aviation Division
Linda Styrk, Managing Director, Seaport Division
Dan Thomas, Chief Financial and Administrative Officer
Craig Watson, General Counsel
Colleen Wilson, Chief of Police

Accounting and Financial Reporting Department

Rudy Caluza, Director
Debbi Browning, Assistant Director
Lisa Lam, Senior Manager, Financial Reporting and Controls

Finance and Budget Department

Michael Tong, Corporate Budget Manager

Photography

Don Wilson, David Vasquez Johanson, staff contributors, and various sources as credited

Port of Seattle Headquarters

P.O. Box 1209
Seattle, Washington 98111 U.S.A.
Tel 206.787.3000 Fax 206.787.3413

Seattle-Tacoma International Airport

P.O. Box 68727
Seattle, Washington 98168 U.S.A.
Tel 206.787.5388 Fax 206.787.5912

www.portseattle.org

Visit our centennial timeline www.portseattle100.org

