

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.	<u>10A</u>
Date of Meeting	<u>October 3, 2023</u>

DATE: September 25, 2023

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Jason Jordan, Director, Environmental and Planning Programs

SUBJECT: Grants Update Briefing

A. SYNOPSIS

Executive staff has directed the grants team to provide the Managing Members with an update and an opportunity to provide feedback and the opportunity to redirect grant actions following each Grant Steering Committee meeting. This will be a regular item on agendas moving forward.

A Grant Steering Committee (GSC) meeting was held on September 12th, 2023, where three action items were considered, and general updates were shared by the grants team to Executive leadership staff. The GSC recommended to move forward on three action items at this meeting, one State and two Federal.

B. BACKGROUND

In 2018, we adopted a Grant Procurement and Administration Procedure. The reason we developed the procedure is to recognize that the organization wishes to strategically pursue grants on a continuous basis.

The procedure establishes a process to:

1. Identify grant eligible projects,
2. Recommend which projects grant applications will be pursued – and under which grant program(s),
3. Develop the data and information necessary for a competitive grant application for those projects, and
4. Ensure that grant-funded projects are administered and managed in compliance with grantor agency rules and regulations.

The procedure also identifies the roles and responsibilities of the grants staff team¹ and the Grant Steering Committee. Consistent with the procedure, the Grant Specialist organizes and holds a bi-monthly Grant Steering Committee at which opportunities are vetted before grant opportunities and applications are pursued. The Grant Steering Committee considers staff's recommendation and review for compatibility of projects with grant opportunities.

This review considers, but is not limited to, grant eligibility criteria, cost versus benefit of pursuing a given opportunity, and financial match requirements to decide which projects to pursue grant funding for and which grant programs to apply for.

D. CURRENT STATUS

Grant Action Items

Washington State Volkswagen Federal Settlement Grant Program

(WA State Ecology)

Port of Tacoma grant application for \$400,000 toward the purchase of two yard trucks (CHE) and two mobile chargers

- Grant Application is due October 26, 2023
- We can apply for up to \$400K per piece of equipment/charger (combined)
- Total project ask: \$650K (\$610K for 2 trucks + \$40k for two mobile chargers), with a Port of Tacoma match of \$250K
- The maintenance equipment is based at Terminal 7
- Replaces two existing diesel yard trucks (one 32 years old, one 20 years old)

Transformational Habitat Restoration and Coastal Resilience Grants

(Federal NOAA)

NWSA ~\$24.5 million request for the construction Wapato Creek culvert outfall replacement at Pierce County Terminal.

- Total available funding is \$240 million
- Minimum award \$1 million; maximum \$25 million
- Grant Application is due November 17, 2023
- No match required but formal or informal "leverage" and matching funds are strongly encouraged
- NOAA anticipates cooperative agreements, which means "substantial involvement" from the funder

Diesel Emission Reduction Act (DERA)

(Federal EPA)

NWSA grant application for two yard trucks (CHE) at the SIM; maximum \$1.5 million award.

- Grant Application is due December 1, 2023

¹ The grant staff team includes the Grant Specialist, Grant Administrator, Project Managers, Grant Writers, Public Affairs, Contracts representative, Administrative Specialist, and accounting staff.

- Vehicle/equipment replacement with a zero-emission vehicle will be funded 45% by EPA
- Engine Replacement with a zero-emission engine will be funded 60% by EPA
- Charging equipment is now eligible (new for DERA)
- Buy America requirements apply to chargers but not vehicles

Post-submission updates

Other grant updates:

Post-submission: USDOT MARAD Port Infrastructure Development Program (PIDP) -FY22 (Terminal 5 Modernization Project) – agreement signed by NWSA CEO John Wolfe.

-FY23 (Husky Terminal Expansion) – received questions from MARAD, were answered with support from the Husky team and the Engineering department.

Recent submission: FHWA – PROTECT. NWSA/Port of Tacoma joint application for *Wapato Creek Connect: 300 Feet of Critical Infrastructure – Construction Phase*. Total estimated project cost of \$35 million + local match of \$10.5M = \$24.5M grant ask.

Success: FHWA – Culvert AOP. The Port of Tacoma and the NWSA will be awarded \$2M for the *Wapato Creek Fish Passage Restoration: The Final 300 Feet – Design and Permitting Phase*.

Post-Award: April-June quarterly fiscal and programmatic reports were successfully submitted in July. Budgets and match requirements for active grants are set up in SharePoint.

Earmarks and other Government Affairs: Clean Ports notice of funding opportunity (NOFO) expected from the EPA in February or March 2024. EPA may commit to a significant portion of \$3 billion in this first NOFO. Staff are discussing large/modular project ideas to take advantage of this funding.

Potential grant options for CIP projects over \$1 million

The list below represents CIP projects budgeted at \$1,000,000 or more that may be grant-eligible and briefly notes specific grant programs or funders for which these projects may be eligible. Projects that are HMT-eligible are not included in this list.

CIP Projects >\$1M	Est Project Cost	Potential Grants
Husky Terminal Berth Dredge	\$2,113,000	PIDP ²
Washington United Terminal (WUT) Berth Dredge	\$2,533,000	PIDP
Pierce County Terminal (PCT) LED Light Upgrade	\$2,840,000	WA Ecology grants
PCT Reefer Expansion	\$5,718,000	MARAD PIDP
Terminal 18 Shore Power Design	\$8,744,000	EPA DERA ³ EPA Clean Ports program FHWA ⁴ CMAQ ⁵ WA Ecology
Terminal 18 Lift Station Replacement	\$2,189,000	MARAD PIDP
Clean Cargo Handling Equipment Program	\$4,400,000	EPA DERA EPA Clean Ports
Clean Truck Program	\$1,276,000	WA DERA
Electric Straddle Carriers	\$5,000,000	EPA DERA EPA Clean Ports Program
Industrial Stormwater (ISGP) Strategic Initiative	\$1,316,000	Local Grant Programs
Jack Block Park Pier and Plaza replacement	\$6,500,000	NOAA ⁶ Grant Programs
Wooden Light Pole Replacement Program	\$7,756,000	PIDP
Northwest Ports Clean Air Strategy	\$4,933,000	EPA DERA, CMAQ, WA Ecology

E. FINANCIAL IMPLICATIONS

Grants and other funds received by outside agencies (Harbor Maintenance Tax, earmarks) are included in non-operating income by the organization that receives the funds. The 2024-2028 draft NWSA budget will include grants that have been authorized by the Managing Members.

² Port Infrastructure Development Program, a federal MARAD program.

³ Diesel Emission Reduction Act state and federal program.

⁴ Federal Highway Administration.

⁵ Congestion Mitigation and Air Quality program.

⁶ National Oceanic and Atmospheric Administration.

F. NEXT STEPS

If the Managing Members concur, staff will apply for Washington State Volkswagen Federal Settlement Grant Program. Port of Tacoma grant application for \$400,000 toward the purchase of two yard trucks (CHE) and two mobile chargers. Grant Application is due October 26, 2023. Total project ask will be \$650K (\$610K for two trucks + \$40k for two mobile chargers), with a Port of Tacoma match of \$250K.

If Managing Members concur, staff will apply for Transformational Habitat Restoration and Coastal Resilience Grants (Federal NOAA), an NWSA application of ~\$24.5 million request for the construction Wapato Creek culvert outfall replacement at Pierce County Terminal. Grant Application is due November 17, 2023.

The next Grant Steering Committee meeting is November 13, 2023. Staff will follow that meeting with an update to the Managing Members at the December 5th NWSA Regular Meeting.

Item No.: 10A
Date of Meeting: October 3, 2023

Grants Update Briefing



THE NORTHWEST
SEAPORT ALLIANCE
SEATTLE + TACOMA

Cassandra de Kanter
Grants Specialist

October 3, 2023

Briefing Requested

Objective of Grants Update Briefing:

To share awareness of grant planning and to seek regular feedback from the Managing Members on our grant pursuits.

Grants Update

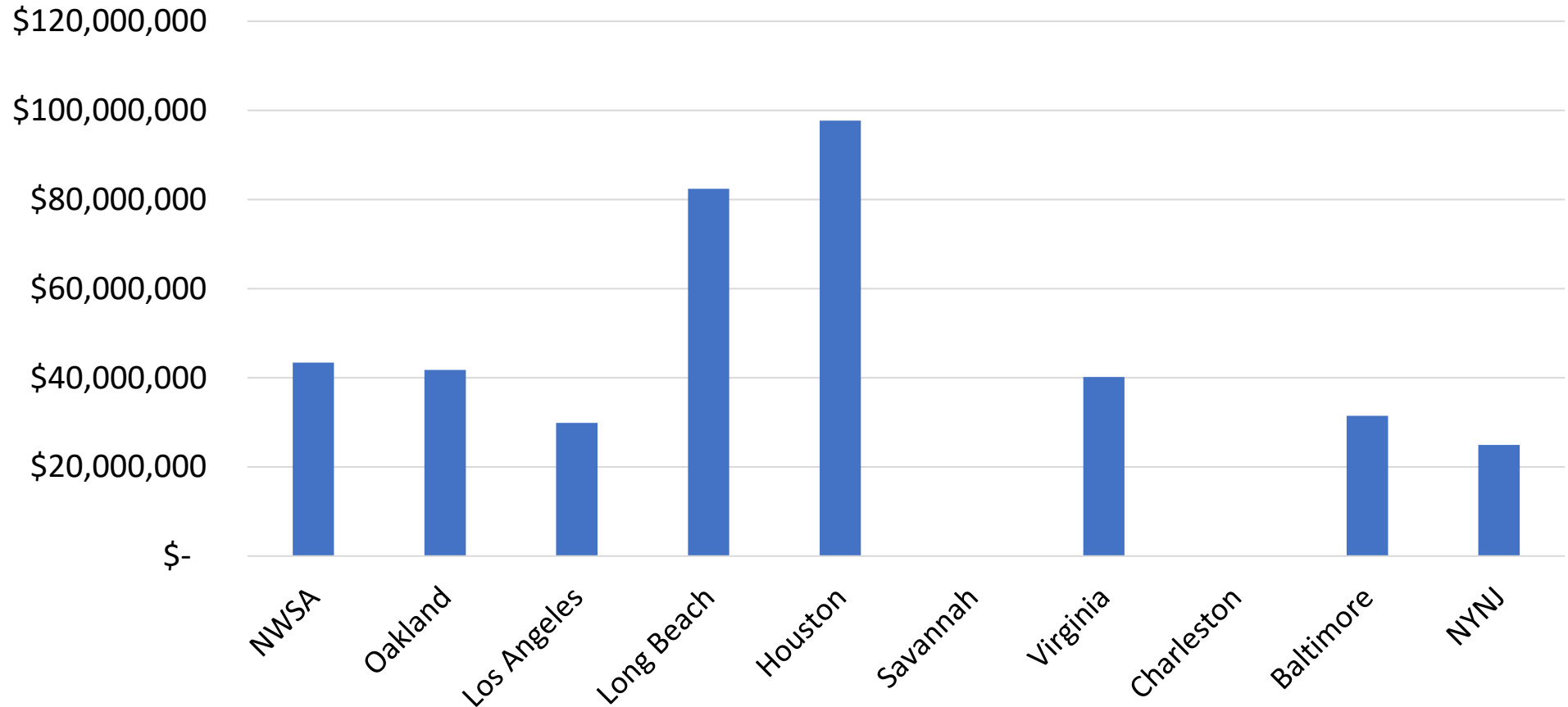
The Grant Management Program supports ongoing grant pursuit for priority projects and key initiatives.

A Grant Steering Committee (leadership staff) meets every other month to:

1. Review available and emerging grant opportunities
2. Recommend which projects to pursue grant funding
3. Discuss which grant programs are the best fit for priority projects
4. Consider
 - a. Eligibility criteria
 - b. Cost versus benefit of pursuing a given opportunity, and
 - c. Financial match requirements

Total Major Federal Grant Awards - Top 10 Ports

2020-2023



PIDP, RAISE, INFRA, CRISI

Ahead: Clean Ports and Climate Commitment

Federal EPA Clean Ports Program

- \$3 billion in competitive grants to fund zero-emission port equipment and technology and to help ports develop climate action plans to reduce air pollutants at U.S. ports
- Funded by the 2022 Inflation Reduction Act
- Notice of funding opportunity expected in February or March

Washington State Climate Commitment Act

- NWSA to receive \$14M for T18 shore power and \$6M for clean trucks
- \$26.5M competitive port electrification grant program coming soon
- 2023-25 biennial budget includes \$2 billion in CCA funding for decarbonization, almost half of which went to transportation

Grants Update – Actions Considered

WA State **Volkswagen Federal Settlement** Grant Program (WA Ecology)

- Port of Tacoma grant application for purchase of 2 yard-trucks (CHE) and two mobile chargers
- \$400,000 request
- October due date

Transformational Habitat Restoration and **Coastal Resilience Grants** (US NOAA)

- NWSA grant application for the construction phase to replace the Wapato Creek culvert outfall at Pierce County Terminal.
- \$25M request for \$40M project
- November due date

Diesel Emission Reduction Act (**DERA**) (US EPA)

- NWSA grant application for 2 yard-trucks (CHE) at Tacoma South Intermodal Yard (SIM)
- \$1.5M request
- December due date

Grants Update

Submitted

- FHWA – PROTECT grant program
 - NWSA/Port of Tacoma joint application submitted *Wapato Creek Connect: 300 Feet of Critical Infrastructure* – construction phase.
 - \$24.5M Grant Ask

Partners Submitted

- NOAA Climate Resilience Regional Challenge Letter of Intent submitted by the City of Tacoma to develop Commencement Bay climate adaptation actions
- Economic Development Administration Tech Hubs program application by Tacoma-Pierce consortium for designation and funding of strategy development

Grants Update

Success

- FHWA – Culvert AOP. The Port of Tacoma and NWSA Wapato Creek Fish Passage Restoration: The Final 300 Feet – Design and Permitting Phase.
 - Awarded \$2M

Questions

- MARAD 2023 PIDP – Husky Terminal Expansion
 - Received two questions from MARAD - both questions were timely answered by the NWSA/Husky grant team.
 - \$56.6M grant ask for \$126M project
 - Announcements are expected later this year

Grants Update – Active Grants

Environmental		Operational	
Ecology (clean-up): 5	\$5.5M	CRISI (rail): 1	\$2.5M
WA Dept Commerce (assessment): 1	\$200k	PIDP (terminal): 3	\$42M
EPA (assessment): 1	\$500k	WA Dept Commerce (terminal): 1	\$2M
PC Flood Control: 1	\$125k	Ecology (stormwater): 1	\$2M
EPA (trucks): 1	\$800k	FEMA (security): 1	\$200k
WSDOT (trucks): 1	\$400k	EPA (shorepower): 1	\$1M
		Ecology (shorepower): 2	\$1M
Total Grant Value	\$5.7 M	Total Grant Value	\$50.7 M

Grants Update – Future Grants for CIP Projects

CIP Projects >\$1M	Est Project Cost	Potential Grants
Husky Terminal Berth Dredge	\$2,113,000	PIDP
Washington United Terminal (WUT) Berth Dredge	\$2,533,000	PIDP
Pierce County Terminal (PCT) LED Light Upgrade	\$2,840,000	WA Ecology grants
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Key Dates

November 13, 2023	Grant Steering Committee meeting
December 5, 2023	Managing Member Meeting Update

Tentative Grant Dates:

October 2023	PIDP grant decisions
December 2024	CFI & RTEPF grant decisions
January 2024	PROTECT grant decisions
Feb-March 2024	EPA Clean Ports NOFO
Jan-Feb 2024	PIDP NOFO