

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.	10A
Date of Meeting	June 4, 2024

DATE: May 16, 2024

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Jason Jordan, Director, Environmental & Planning

SUBJECT: Grants Briefing – June 4, 2024 Meeting

A. SYNOPSIS

Objective of Grants Update Briefing: To share awareness of grant planning and to seek regular feedback from the Managing Members on our grant pursuits.

A Grant Steering Committee (GSC) meeting was held on May 14, 2024, where major grant opportunities with spring application deadlines were discussed and general updates were shared by the grants team to Executive leadership staff.

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 grant-eligible project 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.

C. POST-SUBMISSION UPDATES

Partner Update: Joint NWSA/Port of Tacoma letter of support provided for Tacoma Public Schools' earmark request to the Department of Education for curriculum development support for the Maritime Skill Center in the tide flats.

Submitted:

EPA Climate Pollution Reduction Grant (CPRG). Puget Sound Regional Council (PSRC) led a collaborative \$200 million application, of which the NWSA's components total \$52 million to expand the ZE truck and ZE CHE incentive programs. The NWSA will be a

subrecipient to PSRC if the proposal is funded. The Port of Seattle was also a sub-applicant, along with the Port of Everett, several local transit agencies, and Pierce County.

PSRC Surface Transportation Block Grants (STBG). NWSA requested \$1,500,000 for the Port Community System (PCS). Planning and Operations staff responded to follow-up questions from reviewers included a request for additional details on emission reduction benefits, details about the trucking community to be served by the PCS, and questions about anti-displacement policies within the jurisdictions where the PCS would be deployed. In late May, we were notified that PCS did not score highly enough to be guaranteed funding but is on the contingency list.

Earmark request to Representative Jayapal’s office requesting ~\$3 million of a ~\$4 million T18 refurbishment project to bring back into service a south railyard. Scope includes adding ~350' of missing rail, upgrading existing rail switches from manual to remote, and an allowance for pavement repairs in the south rail area.

Port Infrastructure Development Program (PIDP). NWSA requested \$11,647,000 (50% of total project cost of \$23,294,000) to support a collection of efficiency improvements at Pierce County Terminal:

Pierce County Terminal Efficiency Project				
Funding Source	Component 1: LED Lighting Conversion	Component 2: Reefer Expansion	Component 3: Transfer Zone Rebuild	Total Funding
	Funding Amount			
PIDP Funds 50%	\$1,666,000	\$7,350,000	\$2,630,500	\$11,647,000
Non-Federal Funds (NWSA) 50%	\$1,666,000	\$7,350,000	\$2,630,500	\$11,647,000
TOTAL	\$3,333,000	\$14,700,000	\$5,261,000	\$23,294,000

D. Post Submission

Good news: Notified of several successful NWSA awards, all from the Federal Highway Administration (FHWA):

1. Charging & Fueling Infrastructure (CFI) \$12,000,000 for *Catalyzing Zero-Emission Drayage Trucking Infrastructure & Opportunities in the Seattle-Tacoma Region* (Corridor)
2. Reducing Truck Emissions at Port Facilities (RTEPF) \$16,000,000 for *Advancing a Just & Equitable Transition to Zero-Emission Port Trucks in the Seattle-Tacoma Region*
3. Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) \$24,500,000 for *Wapato Creek Connect: 300 Feet of Critical Infrastructure* (Resilience Improvement)
4. *Zero Emission Drayage Truck Charging Program* received \$850,000 in FY24 in congressionally directed spending (an earmark) that will be administered by the

Grants Briefing

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FHWA and must be obligated by September 2027. Staff will explore the possibility of managing these funds as part of the Alliance’s CFI grant.

Post-award: All required quarterly programmatic and financial reports were submitted for the January – March quarter.

Projected Grant Income vs. Drawdowns of Eligible Expenses Covered by Grants, January – April 2024:

NWSA – South Harbor
Projected: \$116,520
Actual: \$402,288.26

NWSA - North Harbor
Projected: \$1,451,314
Actual: \$88,357

Project	Grant	Budget	Actual	Variance
T5 Reefer Substation Design & Construction North	WA DOC	0.00	-	0.00
T5 Shore Power Substations	WA Commerce	-	-	-
T18 Shore Power	Ecology	228,013	-	(228,013.00)
T5 Ph 2 Premises Container Yard Paving	PIDP FY20	500,000	-	(500,000.00)
T5 New Gate Complex (done by SSA, owned by NWSA, no pass thru) MARAD FY 2022 PIDP this grant is not executed		-	-	-
T5 Stormwater Treatment System Ph 2	PIDP FY20	578,301.00	-	(578,301.00)
T5 Reefer 480 Voltage Demarcation	PIDP FY20	-	-	-
T5 Reefer Refrigerated Container Receptacles	PIDP FY20	-	-	-
T5 Intermodal Yard Improvements	PIDP FY20	-	-	-
T5 Contract Admin	PIDP FY20	15,000.00	0.00	(15,000)
T5 Contract Admin	PIDP FY20	30,000.00	-	
T5 Container Yard Expansion		56,000.00	-	

Husky Shore Power	Ecology	-	-	-
Husky Shore Power	DERA	-	-	-
Husky Shore Power	Trans Alta	-	-	-
Scrap Bonus (Clean Diesel)	DERA	-	-	-
Regional ZE Truck Collaborative	WSDOT #TBD	-	145	145
Zero Emission Drayage Demonstration Program		0.00	0.00	0.00
Total		1,407,314	145	(1,321,169)

E. CLEAN PORTS

The US EPA Clean Ports grant program is an unprecedented opportunity to seek funding for:

- Building a foundation for the port sector to transition over time to fully zero-emissions operations, positioning ports to serve as a catalyst for transformational change across the freight sector.
- Reducing diesel pollution (criteria pollutants, GHGs, and air toxics) in near-port communities.
- Helping ensure that meaningful community engagement and emissions reduction planning are port industry standard practices.

The EPA released two notices of funding opportunity (NOFOs) under the Clean Ports program, one to fund zero-emission technology deployment and one to fund climate and air quality planning activities. The NWSA Air Quality and Sustainable Practices team has undergone extensive tenant engagement in addition to assessing internal organizational needs that could be part of a competitive Clean Ports application or applications.

ZE Tech Deployment: The NWSA is leading a Zero-Emission Technology Deployment application with the home ports as sub-applicants. As of May 16, project activities and outputs include:

Activities	Outputs
T-18 Shore Power	3 vessel berths equipped with shore power; at least 3 connection points per berth
	Power distribution infrastructure installed to supply shore power connections
WUT Shore Power	2 vessel berths equipped with shore power; at least 3 connection points per berth
	Power distribution infrastructure installed to supply shore power connections
PCT Shore Power	1 vessel berths equipped with shore power; at least 3 connection points per berth
	Power distribution infrastructure installed to supply shore power connections
Husky Zero Emission (ZE) Cargo Handling Equipment (CHE)	75 electric yard tractors purchased
	25 electric top picks purchased
	75 yard truck chargers installed
	25 top pick chargers installed

	XX diesel engines scrapped
WUT ZE CHE	60 battery electric yard tractors purchased
	30 electric yard tractor chargers installed
	7 hydrogen RTGs purchased
	XX diesel engines scrapped
NWSA ZE CHE	5 electric forklifts purchased
	2 electric top handlers purchased
	1 electric yard tractors purchased
	5 diesel engines scrapped
PoT ZE CHE	2 ZE forklifts purchased
	1 electric yard tractor purchased
	3 diesel engines scrapped
ZE CHE Incentive Program	80 ZE yard tractors purchased
	80 yard tractor chargers purchased
	80 diesel engines scrapped
ZE Truck Incentives	100 ZE Trucks purchased
	100 truck chargers/fueling stations installed
	100 diesel Class 8 drayage trucks scrapped
	100 truck telemetric tracking units installed
Expand Cruise Shore Power	Two new connections to Pier 91; one on the west side and one of the east side of the pier.
	One new connection at Pier 66
Replace 2 diesel harbor craft with ZE harbor craft	2 ZE electric vessels constructed
	4 existing internal combustion engines scrapped
	1 AC Shore Power Charging Pedestals installed
Modernize Commercial Fishing Shore Power	Three new substations
	10 switches upgraded to 600V, 800A
Community Engagement & Workforce Development	At least three Clean Air Quarterly newsletters published annually and continuously increasing readership
	Web portal (www.nwcleanports.org) is sustained and regularly updated; continuously increasing viewership
	Digital community engagement tool created
	Two community roundtables organized per year
	3-5 community-led climate/clean air projects supported per year
	Port staff present for at least 10 community meetings/events annually (at least five in each harbor)
	Ports' ZE Technology Deployment Workforce Development Action Agenda
	Others TBD

Planning: The NWSA is applying for funding for terminal specific zero-emission planning. Funds would be passed through to MTOs (TOTE, WUT, PCT). Zero-emission planning at EB-1, including shore power design, is a core element. Anticipated ask of at least \$2 million.

F. PORT ELECTRIFICATION GRANT

Funder: Washington State Department of Transportation (WSDOT), Climate Commitment Act funds

- Capital improvement grants for port projects that will reduce carbon emissions. Intended to fund either smaller projects or a small part of a larger project, where state funds would enable the project to be completed.
- A total of \$26.5 million available. Eligible projects include truck and locomotive replacement with electric vehicles, electric power upgrades and zero emission charging, shore power, and other similar projects that will reduce emissions at ports.
- Match required; minimum 10%, but additional points are awarded for higher match

Proposed Project under discussion as of May 16, 2024; applications due by July 8, 2024.

G. LOOKAHEAD

Upcoming Federal grant opportunities:

1. Federal Highway Administration (FHWA):
 - Charging & Fueling Infrastructure (CFI) and Reducing Truck Emissions at Port Facilities (RTEPF) opportunities both expected to reopen in June 2024
 - Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) expected to reopen in July
2. Maritime Administration (MARAD): Marine Highways reopened in May; applications due in early July

Grants Update – June 2024



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Name: Cassandra de Kanter
Title: Grants Specialist

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BRIEFING REQUESTED

Objective of Grants Update Briefing:

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

- Clean Ports – Zero-Emission Technology Deployment
- Clean Ports – Clean Air & Climate Planning
- Port Electrification Grant
- Post-Submission & Other Updates
- Look ahead – Major USDOT grants
- Look ahead – Key Dates & What's Ahead



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Clean Ports: Zero Emission Technology Deployment

Funder: US EPA

- \$2.79 billion available; 32-90 grants anticipated
- Maximum award = \$500 million; minimum match requirement of 20%
- Grant period is 4 years (2025-2028)
- NWSA and homeports coordinating on a joint Tier A proposal (5-10 awards @ \$150-\$500M)
- Applications were due May 28

Goals:

- Build a foundation for full ZE transition at ports; ports as catalysts for transformational change
- Reduce pollution in near-port communities, especially disadvantaged communities
- Help ensure meaningful community engagement

Eligibility:

- ZE Mobile Equipment: Purchase/deployment of new eligible battery-electric/hydrogen fuel cell CHE, drayage trucks, locomotives, harbor craft
- ZE Infrastructure Serving Mobile Equipment: Shore power for marine vessels and new or expanded electric charging and/or hydrogen fueling infrastructure that directly serves ZE equipment purchased as part of the grant
- ZE Technology Deployment Support Activities (e.g., public engagement, workforce training, project management and administrative costs)

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Clean Ports: Zero Emission Technology Deployment (continued)

Summary of joint proposal for \$494M

- NWSA (prime applicant): \$439M
 - \$115M for shore power at T-18, WUT, PCT
 - \$265M for ZE CHE projects at Husky & WUT plus expansion of ZE CHE Incentive Program
 - \$50M for expansion of ZE Drayage Incentive Program
 - \$2.4M for community engagement
 - \$5.8M for program administration
- Port of Seattle (sub-awardee): \$54.5M
 - \$37M for shore power extensions/improvements (T-91, Pier 66, Fisherman's Terminal)
 - \$15.9M for ZE harbor vessels
 - \$800K for community engagement
 - \$800K for program administration
- Port of Tacoma (sub-awardee): \$670K for ZE CHE projects and program administration

Key Points from Environmental Working Group meeting on May 7

- Strong overall support for proposal
- Approach to scalability:
- Identify \$375M as minimum
- If necessary, prioritize: 1) all shore power projects; 2) shovel-ready CHE projects; 3) community engagement activities; 4) ZE CHE and ZE Drayage incentive programs; 5) other

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Clean Ports: Clean Air & Climate Planning

Funder: US EPA

- \$150M available; 50-70 grants anticipated
- Maximum award = \$3M; no match requirement
- NWSA and Port of Seattle developing separate proposals
- Grant period is up to 4 years (2025-2028)
- Applications due May 28

Goals: Same as ZE Technology Deployment

Eligible Activities: emissions inventory/accounting; emissions reduction strategy analysis; stakeholder collaboration/communication; resilience planning

NWSA Proposed Project (under development):

- Funding for terminal specific zero-emission planning
 - Funds to be passed through to MTOs
 - ZE planning at EB-1 (including shore power design) = core element
- Ask: \$3M

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Port Electrification Grant

Funder: WSDOT

Capital improvement grants, funded by Washington's Climate Commitment Act, for port projects that will reduce carbon emissions. Intended to fund smaller projects or a small part of a larger project, where state funds would enable the project to be completed.

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Proposed Project - TBD

Application due by July 8

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Post-Submission & Other Updates

Submitted

- **EPA Climate Pollution Reduction Grant (CPRG).** Puget Sound Regional Council (PSRC) led a collaborative \$200 million application, of which the NWSA's components total \$52 million to expand the ZE truck and ZE CHE incentive programs. The NWSA will be a subrecipient to PSRC if the proposal is funded.
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Post-Submission & Other Updates

Awarded

- **Charging & Fueling Infrastructure (CFI)** \$12,000,000 for Catalyzing Zero-Emission Drayage Trucking Infrastructure & Opportunities in the Seattle-Tacoma Region (Corridor)
- **Reducing Truck Emissions at Port Facilities (RTEPF)** \$16,000,000 for Advancing a Just & Equitable Transition to Zero-Emission Port Trucks in the Seattle-Tacoma Region
- **Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT)** \$24,500,000 for Wapato Creek Connect: 300 Feet of Critical Infrastructure (Resilience Improvement)



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Look ahead – Major USDOT Grants

Federal Railroad Administration (FRA): Port of Seattle and Port of Tacoma are preparing a CRISI application

Maritime Administration (MARAD): Marine Highways reopened this month; applications due in early July

Mega (the National Infrastructure Project Assistance program)

- Large, complex projects, difficult to fund by other means and likely to generate national or regional economic, mobility, or safety benefits.
- Mega funding will be made available under the MPDG combined Notice of Funding Opportunity (NOFO).
- FY23-24 awards announced in January



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Look ahead – Key Dates & What's Ahead

Pending grant decision

- NOAA Transformative (PCT Wapato Creek culvert)

Upcoming Federal Notices of Funding Opportunity (NOFOs)

- USDOT FHWA RTEPF (expected in June)
- USDOT FHWA CFI (expected in June)
- USDOT FHWA PROTECT (expected in July)

August 6: Next grants briefing at Managing Member meeting



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