

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.: 10A
Meeting Date: October 6, 2026

DATE: September 28, 2026
TO: Managing Members
FROM: John Wolfe, CEO
Sponsor: Jason Jordan, Sr. Director, Environmental & Planning
SUBJECT: 2026 Q3 Grants Update

A. SYNOPSIS

The purpose of this briefing memo is to share an update on the grant program.

B. BACKGROUND

Our outside funding strategy covers grant opportunities at all levels, from local to federal. Much of our focus remains on federal grant programs due to the nature and cost of our projects: larger finding opportunities, especially for infrastructure, are usually federal. Consideration is rooted in a project list matched with potential funding opportunities using information available from the Capital Investment plan (CIP), Coordinated Course materials, and conversations with partner agencies. We update the project list regularly to reflect new priorities, project readiness and available funding options, and we vet ideas with all departments within the organization. To improve that vetting process, the grants team is developing a draft five-year plan of grants in coordination with internal teams such as Finance, Operations, Engineering and Permitting, etc.

The Grant Steering Committee (GSC) meets bi-monthly to update executive leadership on recent and upcoming grant activity. The GSC is a joint process of the NWSA and the Port of Tacoma and meetings include staff from the Port of Seattle to ensure information is shared across the organizations. GSC approval is required before grant applications are submitted. For those meetings, a recap of the meetings is sent to the Managing Members in the weekly email.

Federal policies and actions continue to cause uncertainty about funding cycles and changing application requirements to reflect evolving administration priorities. In 2026, we have experienced shorter application windows for federal grant opportunities, necessitating quicker decision making, less time for discussions and fast-paced collaboration to successfully coordinate our applications.

C. POST-SUBMISSION UPDATES

2027-29 Biennium Freight Rail Assistance Program (FRAP)

This WSDOT Freight & Rail grant program supports freight rail capital projects.

On September 4th, the NWSA submitted its *North Intermodal Yard Track Switch Project* application, proposing to replace nine switches at the North Intermodal (NIM) Yard in the south harbor.

- Grant ask: \$1,250,000
- Proposed 54% match: \$1,473,361

The NWSA received letters of support from the Port of Tacoma, required as the Port is the property owner; Tri-Cities Intermodal, with whom we partnered on July's *FARM-TO-GATE* RTEPF application; Husky Terminal; and Tacoma Rail.

FY22 Congestion Mitigation and Air Quality (CMAQ) and King County Earmark

These grants are in negotiations. To avoid a lengthy and complicated ROW phase with WSDOT, we are planning to restrict both grants to projects proposed on port properties:

- NWSA/POS sites for the \$850K earmark
- NWSA/POT sites for our \$2.8M CMAQ award

In both harbors we have potential projects and tenants lined up who are interested in the funding.

FY26 Port Infrastructure Development Program (PIDP) earmarks

These grants are in negotiations and are expected to meet milestones that must be met prior to execution, e.g., NEPA and Section 106 (cultural resources consultations).

- \$2M Berth Deepening on the Blair Waterway (Representative Emily Randall)
- \$8M Terminal 18 Shore Power Expansion (Senator Patty Murray)

FY22-23 Reducing Truck Emissions at Port Facilities (RTEPF)

In 2023, the NWSA successfully applied to the first round of the FHWA RTEPF grant program. The \$16M grant would, as originally written, have incentivized battery-electric drayage trucks and charging infrastructure in the NWSA gateway. Negotiations on the funding agreement stalled in January of 2025 with the change in federal administration. In December of 2025, FHWA offered to resume negotiations if the NWSA rescope the project to remove electrification; staff submitted a revised scope of work focused on deployment of renewable natural gas-powered trucks (RNG trucks), which FHWA accepted in May 2026.

However, FHWA cannot obligate grant funds (execute the agreement) until NEPA is complete, and NEPA cannot be completed without a selected project site. Our projects site(s) would be identified through a competitive procurement process, planned for after a signed funding agreement is secured. NWSA had originally proposed to sign the agreement and then select a project site or sites, which would then go through NEPA—a process expected to have been much simpler and less risky under the electrical charging scope of work, but more complex for RNG fueling infrastructure.

NWSA is concerned about the potential risk to applicants to prepare a project and undergo NEPA without a signed agreement from FHWA to guarantee reimbursement of funds.

The funding was set to expire on September 30, 2026, but was recently extended by one year. FHWA staff explained that the \$16 million grant could be obligated in two phases, with the first including educational/outreach components as well as RNG truck procurement. These activities would all fall under a NEPA Categorical Exclusion for which the paperwork could be completed relatively quickly. However, trucks must be Build America, Buy American (BABA) compliant, and at present there is no path to a waiver. A phased project deployment with the truck procurement funds accessible right away might help procure BABA compliant trucks if, for example, they require a longer lead time because the original equipment manufacturer (OEM) must track component sourcing more closely. Air Quality staff are investigating the availability of BABA-compliant trucks on the market. If compliant trucks are not available, then installing RNG fueling infrastructure is unlikely to be a good use of resources. The second obligation phase would occur after the Air Quality and Sustainable Practices team issued an RFP, selected site(s) to construct RNG fueling infrastructure, and completed the requisite NEPA documentation.

Staff agree that risks remain, but we now have the benefit of both the Washington Division and FHWA headquarters staff being fully apprised as well as the support of Senator Murray's staff, who have already been strongly advocating for this program. The grants team will keep the Senator's staff informed of our progress.

Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT)

In 2023, the NWSA successfully applied to the FHWA PROTECT grant program. This \$24.5M grant would support the construction phase of the PCT Wapato Creek culvert outfall. FHWA told us in the fall of 2025 that NEPA was the obligating condition, and we met that condition.

In August of this year, FHWA told us they would not obligate the grant without final design, which is not possible by the current September 30th, 2026, obligation deadline. The project's design phase is funded through the Culvert Aquatic Organism Passage (AOP) grant; however, the NWSA did not receive the countersigned grant agreement from WSDOT until September 17th, 2026. Now that the Culvert AOP Local Agency Agreement is executed, design work will begin. However, even if the FY23 funds are extended a year, final design will not be complete in time for a September 2027 obligation deadline.

On August 27th, the FY24-26 PROTECT notice of funding opportunity (NOFO) was released, with applications due October 9th, 2026.

Notable in the NOFO is:

FHWA may elect to utilize funds from this NOFO for projects selected to receive an award under the previous PROTECT Competitive Grant Program NOFO. In this instance, previous awardees would not have to re-apply.

If the grant can be secured with FY24-26 funds, this would obviate the need to resolve the question of final design, as final design would be complete in time to obligate ahead of the FY24-26 deadlines: September 30th, 2028, for FY25 funds or September 30th, 2029, for FY26. The Government Affairs, Legal, and Planning teams continue to closely coordinate inquiries, responses, and strategy and are preparing to update and resubmit the culvert project for consideration under the FY24-26 NOFO. Due to the uncertainty, this grant is excluded from the 2027-2031 budget.

D. 5-YEAR PLAN OF GRANTS (PoG)

Staff have drafted a 5-year Plan of Grants to help guide discussions and inform decision-making beyond the day-to-day. With the grants landscape shifting, sometimes rapidly, the 5-year PoG—currently a work in progress—will help ensure that grants are considered in project planning, as well as what NWSA resources are appropriate to invest ahead of potential grant applications. For example, if grant funding is desired for the construction phase of a project and the team identifies a good fit in a grant program, it may make sense to invest in getting to a certain percent of design ahead of the grant application.

The nascent 5-year PoG, intended to be a living document, looks ahead to 2031 and was built with input from Planning, Operations, Engineering, Finance, Government Affairs, and other NWSA and Port teams. Among the sources projects and programs were drawn from are past and current grant “matchmaking” lists and unconstrained “wish lists,” and in the case of grants where the NWSA would not be the applicant, partner organizations’ pursuits that benefit the NWSA, e.g., the City of Tacoma’s Fishing Wars Memorial Bridge.

While the federal grants landscape always includes a degree of uncertainty, and what opportunities will be available in the future are rarely certain, the landscape in 2026 remains unpredictable. The grant programs currently in the table may change or be eliminated in the future, but our intent is to remain ready to take advantage of whatever external funding opportunities are available to us. The 5-year PoG will support this effort by helping ensure projects considered for grant applications are being discussed early and are receiving the necessary input and resources to be grant ready – including prior planning and design.

E. NEXT STEPS

Staff will provide grant updates to the Managing Members at regularly scheduled meetings quarterly, with the 2026 Q4 Grants Update scheduled for January 5th, 2027.

5-year Plan of Grants					
Fund	Potential Projects (By Year of Anticipated Application)				
	2027	2028	2029	2030	2031
Terminal, Waterway, Road, Rail					
MPDG^a (MEGA/INFRA)		New container terminal development*	T-18 repair fender	T-18 repair KM fender*	A/D tracks & Alexander Ave crossing removal*
HMT^b	WUT construct toe wall	Husky construct toe wall	T-18 repair KM fender*	T-25 rehab dock	T-25 rehab dock
	T-18 repair pile cap	T-7 infrastructure	T-25 rehab dock	T-30 rehab dock	T-46 N & NW bulkhead
	T-18 SSA fender repairs	T-18 repair SSA fenders	T-30 bulkhead*	T-30 bulkhead*	
	T-18 design KM fender repairs	T-18 design KM fender repairs	T-30 rehab dock	T-46 N & NW bulkhead; replace S. concrete deck*	
	T-30 assess bulkhead	T-25 rehab dock	T-46 N&NW bulkhead; replace SE bulkhead*; replace S. concrete deck*		
	T-30 rehab dock	T-30 bulkhead*			
PIDP^c	T-18 paving program; weigh in motion*; on-dock rail	T-46 N&NW bulkhead; replace SE bulkhead*; replace S. concrete deck*			
PROTECT^d	Wapato Creek culvert construction*	WUT install electricity for top picks; add 200 reefers	PCT construct shore power*	WUT lengthen berth (for T-2725)*	West Sitcum design and construct shore power*
CRISI^f	Track turnout replacements	T-115 construct erosion stabilization (if not HMT)	EB-1 design & construct shore power	Evacuation route signage and lighting*	T7 relocate main gate
RCE^g	PCT Alexander Ave crossing alts analysis*	Grain Terminals ZE switcher locomotives	T-2725 rail yard project development*		
BUILD	T-25 truck and charging facility*	Fishing Wars Memorial Bridge (City of Tacoma)	Husky berth lengthening (for T-2725)*	T-2725 reconfigure utility lines*	
USMHP^h	West Sitcum electric yard trucks	T-115 constrict switchgear*			
FMSIBⁱ	n/a	Arrival/Departure tracks design*	n/a	Underground US Oil pipeline (for T-2725)*	n/a
STP^j	Fishing Wars Memorial Bridge (City of Tacoma)	n/a	Alexander Ave design crossing removal*	n/a	

5-year Plan of Grants

Fund	Potential Projects (By Year of Anticipated Application)				
	2027	2028	2029	2030	2031
Air Quality					
CCA^k					
RTEPF^l	<i>ZE drayage and ZE CHE</i>	<i>ZE drayage and ZE CHE</i>	<i>ZE drayage and ZE CHE</i>	<i>ZE drayage and ZE CHE</i>	<i>ZE drayage and ZE CHE</i>
DERA^m	<i>ZE fleet</i>	<i>ZE fleet</i>	<i>ZE fleet</i>	<i>ZE fleet</i>	<i>ZE fleet</i>
CMAQⁿ	<i>Weigh in Motion</i>	<i>Weigh in Motion</i>			
Other					
PSGP^o	<i>Surveillance equipment and security training</i>				
PWEAA/EDA^p	<i>T-30 non-containerized cargo opportunities</i>	<i>Inland logistics hub opportunities</i>			

Biggest Award	Moderate Award	Smaller Award	* Not in 2027 – 2031 CIP
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^a Multimodal Project Discretionary Grant, USDOT federal funding for large-scale, multimodal transportation projects of national or regional significance

^b Harbor Maintenance Trust Fund, US Army Corps of Engineers, federal fund to operate and maintain federal navigation channels, jetties, breakwaters, and coastal navigation locks

^c Port Investment Development Program, MARAD port safety, efficiency, and reliability, environmental and emission mitigation

^d Promoting Resilient Operations for Transformative, Efficient, Cost-saving Transportation, FHWA to address the climate crisis, improve resilience of highways, transit, ports

^e Seeking funding for culvert project under FY24-26 NOFO; previously selected under FY22-23 PROTECT program

^f Consolidated Rail Infrastructure and Safety Improvements, FRA to improve railroad safety, efficiency, and reliability

^g Railroad Crossing Elimination, USDOT FRA highway-rail or pathway-rail grade crossing improvement projects that enhance safety and mobility for people and goods

^h US Marine Highways program, MARAD for projects that increase cargo transport via US marine highways

ⁱ Freight Mobility Strategic Investment Board of WA proposes funding to the legislature for statewide freight mobility projects

^j Surface Transportation Program FHWA funding via PSRC to preserve and improve the conditions and performance on highway, bridge, tunnel, road, pathway, transit

^k Climate Commitment Act funding via WA state transportation budget

^l Charging and Fueling Infrastructure, FHWA to reduce idling at port facilities, including through the electrification of port operations

^m Diesel Emissions Reduction Act, State and Federal EPA funds to reduce emissions, improve environment, and enhance operational efficiency, ZE port equipment or technologies

ⁿ Congestion Mitigation and Air Quality Improvement FHWA program funding for transportation projects/programs to help meet Clean Air Act (CAA)

^o Port Security Grant Program, FEMA to protect port infrastructure from terrorism, support maritime security risk mgt, improve security mitigation protocols

^p Public Works and Economic Adjustment Assistance, federal EDA economic development assistance, planning program and local technical assistance

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2026 Q3 Grants Update



THE NORTHWEST
SEAPORT ALLIANCE
SEATTLE + TACOMA

Cassandra de Kanter
Grants Specialist

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Grant Program Update

- We continue to see very short application windows.
- Grants for traditional infrastructure projects with funding agreements in place are moving along appropriately.
- Staff are working with congressional delegation in cases where grant obligation appears to be in jeopardy.
- Staff continue to explore all funding opportunities, identifying projects and getting those projects grant ready.



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Grant Program Update

Acronyms and Initialisms:

CMAQ: Congestion Mitigation and Air Quality grant	PCT: Pierce County Terminal
FHWA: Federal Highway Administration	PIDP: Port Infrastructure Development Program grant
FRAP: Freight Rail Assistance Program grant	PoG: Plan of grants
NEPA: National Environmental Policy Act	PROTECT: Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation grant
NIM Yard: North Intermodal Yard	RNG: Renewable natural gas
NOFO: Notice of funding opportunity	RTEPF: Reducing Truck Emissions at Port Facilities grant



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Grant Program Update

Freight Rail Assistance Program (FRAP)

- North Intermodal Yard Track Switch Project submitted September 4th
- Project will replace nine switches at the NIM Yard in the South Harbor
- Grant ask: \$1,250,000
- Proposed 54% match: \$1,473,361

FY22 Congestion Mitigation and Air Quality (CMAQ) and King County earmark grants for the Zero Emission Drayage Truck Demonstration Program:

- NWSA/POS sites for the \$850K earmark
- NWSA/POT sites for our \$2.8M CMAQ award

FY26 PIDP earmarks in negotiation

- \$2M Berth Deepening on the Blair Waterway
- \$8M Terminal 18 Shore Power Expansion



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Grant Program Update

- NWSA's FY22-23 \$16M RTEPF grant would support incentivizing battery-electric drayage trucks in the NWSA gateway.
- Negotiations stalled in January of 2025.
- In December 2025, FHWA offered to resume negotiations if the project was rescoped to remove electrification.
- Staff submitted a revised scope focused on renewable natural gas (RNG) trucks and fueling infrastructure, which FHWA accepted in May 2026.
- The RNG scope has NEPA challenges, which in turn creates obligation challenges.
- Staff continue to work with FHWA to problem-solve, but the grant remains in jeopardy.



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Grant Program Update

- NWSA's FY22-23 \$24.5M PROTECT grant would support construction of the PCT Wapato Creek culvert outfall.
- FHWA told us last year that NEPA was the obligation condition, and we met that condition.
- In August, FHWA told us they would not obligate the grant without final design, which is not possible in the timeframe for FY22-23 funds.
- Due to uncertainty, excluded from 2027 budget.
- FY24-26 PROTECT applications due October 9th, 2026
- FHWA may elect to utilize funds from the FY24-26 NOFO for projects selected to receive awards under the previous PROTECT competitive grant program NOFO.

Staff Recommendation is to seek funding under the FY24-26 NOFO by resubmitting our culvert project.



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Grant Program Update

5-Year Plan of Grants underway with input across NWSA departments

5-year Plan of Grants					
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PIDP*	T-18 paving program; weigh in motion*; on-dock rail	WUT install electricity for top picks; add 200 reefers	PCT construct shore power* EB-1 design & construct shore power	WUT lengthen berth (for T-2725)*	West Sitcum design and construct shore power* T7 relocate main gate
PROTECT*	Wapato Creek culvert construction*	T-115 construct erosion stabilization (if not HMT)	Backflow preventers on stormwater systems*	Evacuation route signage and lighting*	

Next Managing Member Grant Program Update Briefing:
January 5, 2027