

**THE NORTHWEST SEAPORT ALLIANCE**  
**MEMORANDUM**

**MANAGING MEMBERS**

**ACTION ITEM**

**Item No.:** 8E

**Meeting Date:** January 7, 2025

**DATE:** December 20, 2024

**TO:** Managing Members

**FROM:** John Wolfe, CEO

**Sponsor:** Jason Jordan, Sr. Director, Environmental & Planning

**Project Manager:** Rose Arsers, Project Manager II, Environmental

**SUBJECT:** Authorization to accept EPA Clean Ports Climate & Air Quality Planning grant and use funds to develop a Zero-Emission Shipping Terminal (ZEST) Plan at Washington United Terminals (WUT) and a Zero-Emission Roadmap at East Blair One Terminal.

**A. ACTION REQUESTED**

Request the Managing Members of The Northwest Seaport Alliance (NWSA) authorize the CEO or his delegate to accept an EPA Clean Ports Program (CPP) Climate and Air Quality Planning grant of \$3,000,000 to fund shovel-ready shore power design and zero emission infrastructure planning at Washington United Terminal (WUT) and zero emission infrastructure planning at East Blair One (EB-1) Terminal.

**B. SYNOPSIS**

The NWSA requested \$3 million through the Clean Ports Program (CPP) Climate and Air Quality Planning Competition to conduct a comprehensive Zero Emission Shipping Terminal (ZEST) Plan for Washington United Terminal (WUT) and a Zero Emission (ZE) Roadmap at our East Blair One (EB-1) Terminal.

The ZEST Plan at WUT will be guided by a baseline emissions inventory for the terminal and a feasibility analysis of zero emission technology solutions, culminating in a plan for transitioning the fleet of approximately 129 pieces of cargo handling equipment (CHE) and light-duty fleet vehicles to zero emissions with the associated infrastructure development requirements. The plan also will include an assessment of related workforce development and climate resilience needs, and how those needs

will be met. In addition, a shovel-ready engineering design for a shore power installation at WUT will be completed.

The Zero Emissions Roadmap at EB-1 Terminal will include a baseline emissions inventory of terminal equipment and a roadmap to transition approximately 40 pieces of cargo handling equipment and light-duty vehicles and will consider future vessel shore power demand as part of an energy analysis. We believe the ZE Roadmap at EB-1 will be the first of its kind at a breakbulk terminal.

### **C. BACKGROUND**

Since adopting the updated Northwest Ports Clean Air Strategy (NWPCAS) in April of 2021, the Northwest Seaport Alliance (NWSA) has been working directly with our industry partners and other stakeholders to advance the Strategy's central goal: to phase out all emissions from all seaport-related activities by 2050 or sooner. Soon after adoption of the NWPCAS, the NWSA developed and adopted a Clean Air Implementation Plan that establishes five-year milestones for advancing the goal of ZE by 2050 or sooner. Priority programs include the NWSA Shore Power Program and the Clean CHE Program. Terminal-specific zero-emission plans are an important next step to identify the specific actions and investments that the NWSA and its industry partners need to take to make the zero emissions vision a reality.

WUT is an impactful place to apply this concept, as one of the busiest terminals in the South Harbor (Tacoma) and currently home to the largest CHE fleet in the South Harbor. Additionally, a significant and growing portion of the container ship vessel calls at WUT are by shore power-capable ships, indicating a large opportunity for emission reductions. In 2023, 64% of calls were by shore power capable ships, for a total of 4,988 shore power capable hours at berth. Both WUT and their main shipping line customer Hyundai Merchant Marine (HMM) are committed to reducing their environmental impact. HMM is a leader in the global shipping and logistics industry with a company-wide decarbonization strategy to be net-zero by 2045. HMM is heavily invested in reducing emissions not only from the ships they transit, but also from their vessels while at-berth by plugging into shore power and from the equipment that loads and unloads containers from their vessels.

NWSA is well positioned to plan and ultimately execute a zero-emissions terminal roadmap at EB-1 Terminal. Because the NWSA manages this facility, we have more direct control over strategies and investments. As a hard-to-decarbonize breakbulk cargo facility that is one of the fastest-growing terminals in the NWSA gateway, infrastructure planning at EB-1 is an important first step in establishing capital improvement needs and timelines.

And our main commercial customer at this facility – Wallenius Wilhelmsen (WWL) -- is keen to partner with us on this effort. WWL has an aggressive company-wide decarbonization strategy to dramatically reduce emissions by 2030 and be net-zero by 2040. WWL views decarbonization as an end-to-end supply chain responsibility.

The NWSA is already collaborating with HMM and WWL, respectively, along with other partners including the US Department of State and US Department of Energy, to develop two separate Green Shipping Corridors<sup>1</sup> between the US and Republic of Korea. Once established, the Green Shipping Corridors will support green methanol-powered and shore power capable ships deployed by both HMM and WWL.

#### **D. PROJECT DESCRIPTION AND DETAILS**

The ZEST Plan for WUT will include an inventory of current emissions and CHE infrastructure planning to support the transition of equipment to zero emissions by 2050 or sooner at WUT. Planning efforts for transitioning to a zero emissions terminal at WUT will include a high-level evaluation of existing workforce training policies and safety procedures and highlight any gaps that should be addressed for implementing zero-emissions technology. The ZEST Plan will also consider resiliency measures and innovative energy technologies at WUT, expanding on the NWSA' Vulnerability Assessment and Response Framework, an assessment of resiliency challenges in our gateway and an action agenda for addressing those challenges. In addition, our South Harbor Electrification Roadmap (SHERM) – a South Harbor-wide energy planning effort -- is nearing completion and a report is expected in Q1 2025. Collaborating with our local utility (Tacoma Power), this effort has assessed the grid's ability to serve new electrification loads and the high-level infrastructure improvements needed to serve those loads. Once completed, the SHERM will lay the foundation for more granular terminal-specific infrastructure planning and design.

The infrastructure planning ZE Roadmap at EB-1 Terminal will similarly include an emissions inventory for CHE and light-duty fleet operations, as well as a scenario analysis to align ZE technology deployments with the NWSA's goals to achieve net zero scope 1 and 2 GHG emissions by 2040 and phase out all emissions by 2050 or sooner. This scenario analysis will inform a ZE transition implementation that will establish a timeline for NWSA investments in ZE equipment and associated infrastructure. Planning for shore power at EB-1 terminal based on the known demand from WWL will also be included as part of the ZE Roadmap effort. Similar to the ZEST Plan at WUT, the EB-1 ZE Roadmap will include assessments of gaps and needs regarding workforce training, safety procedures, and resiliency measures specific to EB-1 Terminal.

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<sup>1</sup> [United States – Republic of Korea Joint Statement on Green Shipping Corridors Collaboration - U.S. Embassy & Consulate in the Republic of Korea \(usembassy.gov\)](#)


**E. FINANCIAL IMPLICATIONS**

The expenses for ZEST Plan at WUT and a Zero-Emission Roadmap at East Blair One Terminal will be funded by this grant. This will have no net impact to the NWSA Profit and Loss (P&L).

Additionally, \$300,000 of this grant will be used as the NWSA's match to the Washington State Department of Transportation Port Electrification Grant. This will save the NWSA \$300,000 in cash that would have been used for the match.

**F. ATTACHMENTS TO THIS REQUEST**

- EPA Grant Agreement

	<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>  <b>Grant Agreement</b>	<b>GRANT NUMBER (FAIN):</b> 02J92701 <b>MODIFICATION NUMBER:</b> 0 <b>PROGRAM CODE:</b> 5Y	<b>DATE OF AWARD</b> 12/18/2024
		<b>TYPE OF ACTION</b> New	<b>MAILING DATE</b> 12/23/2024
		<b>PAYMENT METHOD:</b> ASAP	<b>ACH#</b> X0757
		<b>RECIPIENT TYPE:</b> Special District	
<b>RECIPIENT:</b> THE NORTHWEST SEAPORT ALLIANCE P.O. Box 2985 Tacoma, WA 98401-2985 <b>EIN:</b> 47-4921178		<b>PAYEE:</b> THE NORTHWEST SEAPORT ALLIANCE One Sitcum Plaza Tacoma, WA 98421-3000	
<b>PROJECT MANAGER</b> Steve Nicholas One Sitcum Plaza Tacoma, WA 98421-3000 <b>Email:</b> snicholas@nwseaportalliance.com <b>Phone:</b> 253-888-4713		<b>EPA PROJECT OFFICER</b> Elizabeth Carper 1200 6th Ave., Suite 155 Seattle, WA 98101 <b>Email:</b> Carper.Beth@epa.gov <b>Phone:</b> 206-553-1906	
<b>EPA GRANT SPECIALIST</b> David Herrick 1200 6th Ave., Suite 155 Seattle, WA 98101 <b>Email:</b> herrick.david@epa.gov <b>Phone:</b> 206-553-2579			
<b>PROJECT TITLE AND DESCRIPTION</b> NWSA Zero Emission Shipping Terminal (ZEST) Plan See Attachment 1 for project description.			
<b>BUDGET PERIOD</b> 01/01/2025 - 12/31/2027	<b>PROJECT PERIOD</b> 01/01/2025 - 12/31/2027	<b>TOTAL BUDGET PERIOD COST</b> \$ 3,000,000.00	<b>TOTAL PROJECT PERIOD COST</b> \$ 3,000,000.00
<b>NOTICE OF AWARD</b>			
<p>Based on your Application dated 05/28/2024 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$ 3,000,000.00. EPA agrees to cost-share <u>100.00%</u> of all approved budget period costs incurred, up to and not exceeding total federal funding of \$ 3,000,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.</p>			
<b>ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)</b>		<b>AWARD APPROVAL OFFICE</b>	
<b>ORGANIZATION / ADDRESS</b> U.S. EPA, Region 10, EPA Region 10 Mail Code: 17-C04, 1200 Sixth Avenue, Suite 155 Seattle, WA 98101		<b>ORGANIZATION / ADDRESS</b> U.S. EPA, Region 10, ARD R10 - Region 10 1200 6th Ave., Suite 155 Seattle, WA 98101	
<b>THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>Digital signature applied by EPA Award Official</b> Andrea Manion - Grants Management Officer			<b>DATE</b> 12/18/2024

## EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$ 0	\$ 3,000,000	\$ 3,000,000
EPA In-Kind Amount	\$ 0	\$ 0	\$ 0
Unexpended Prior Year Balance	\$ 0	\$ 0	\$ 0
Other Federal Funds	\$ 0	\$ 0	\$ 0
Recipient Contribution	\$ 0	\$ 0	\$ 0
State Contribution	\$ 0	\$ 0	\$ 0
Local Contribution	\$ 0	\$ 0	\$ 0
Other Contribution	\$ 0	\$ 0	\$ 0
Allowable Project Cost	\$ 0	\$ 3,000,000	\$ 3,000,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.051 - Clean Ports Program	Inflation Reduction Act: Sec. 60102 Clean Air Act: Sec. 133	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2510IRG017	2227	E4SF6	10B4	000AVFXY3	4166	-	-	\$ 3,000,000
									\$ 3,000,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$ 176,740
2. Fringe Benefits	\$ 80,593
3. Travel	\$ 0
4. Equipment	\$ 0
5. Supplies	\$ 0
6. Contractual	\$ 2,742,667
7. Construction	\$ 0
8. Other	\$ 0
9. Total Direct Charges	\$ 3,000,000
10. Indirect Costs: 0.00 % Base	\$ 0
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$ 3,000,000
12. Total Approved Assistance Amount	\$ 3,000,000
13. Program Income	\$ 0
14. Total EPA Amount Awarded This Action	\$ 3,000,000
15. Total EPA Amount Awarded To Date	\$ 3,000,000

## Attachment 1 - Project Description

The purpose of this award is to provide funding under the Inflation Reduction Act to the Northwest Seaport Alliance. Specifically, the recipient will conduct emissions inventory and accounting exercises; analyze emissions-reduction strategies; engage with port stakeholders; and conduct resilience planning.

The activities include conducting a baseline emissions inventory and a terminal-specific feasibility analysis of zero-emission technology, as well as addressing workforce development and climate resilience needs for the Washington United Terminal and their East Blair One Terminal. And an engineering design plan for shore power at the Washington United Terminal.

The anticipated deliverables include developing an inventory of current terminal equipment and infrastructure, conducting an emissions inventory of current operations and future emission scenario forecasting, developing a terminal masterplan for the transition of 169 pieces of CHE and light-duty vehicles to zero-emissions, identify infrastructure needs to support charging infrastructure for zero emission equipment, determine demand for shore power at Eb-1 terminal, and develop an engineering design for shore power at WUT terminal including workforce development and safety and resilience considerations in developing plans for zero-emissions transition.

The expected outcomes include improved understanding of equipment and infrastructure conditions at the port; identification of opportunities for emissions reductions measures; increased support for fleet replacement activities; increased resiliency measures and workforce training; and improved understanding of the scope, budget, finalized shore power engineering design, and planning for the implementation of future projects.

The intended beneficiaries include the Northwest Seaport Alliance (grantee), their partners including the Port of Tacoma, Wallenius Wilhelmsen (WWL), Ports America, Hyundai Merchant Marine (HMM), Tacoma Power, and near-port community residents that are impacted by the port. No subawards are included in this assistance agreement.



## Administrative Conditions

### NATIONAL ADMINISTRATIVE TERMS AND CONDITIONS

#### GENERAL TERMS AND CONDITIONS

The recipient agrees to comply with the current EPA general terms and conditions available at: [https://www.epa.gov/system/files/documents/2024-10/fy\\_2025\\_epa\\_general\\_terms\\_and\\_conditions\\_effective\\_october\\_1\\_2024\\_or\\_later.pdf](https://www.epa.gov/system/files/documents/2024-10/fy_2025_epa_general_terms_and_conditions_effective_october_1_2024_or_later.pdf)

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions>.

#### A. CORRESPONDENCE

Federal Financial Reports (SF-425): [rtpfc-grants@epa.gov](mailto:rtpfc-grants@epa.gov)

MBE/WBE reports (EPA Form 5700-52A): [R10grants@epa.gov](mailto:R10grants@epa.gov)

All other forms/certifications/assurances, Indirect Cost Rate Agreements, updates to recipient information (including email addresses, changes in contact information or changes in authorized representatives) and other notifications: [R10grants@epa.gov](mailto:R10grants@epa.gov)

Requests for Extensions of the Budget and Project Period, Quality Assurance documents, workplan revisions, equipment lists, programmatic reports and deliverables, Amendment Requests, Requests for other Prior Approvals: [carper.beth@epa.gov](mailto:carper.beth@epa.gov)

Administrative questions and issues: [herrick.david@epa.gov](mailto:herrick.david@epa.gov)

#### B. INTERGOVERNMENTAL REVIEW PERIOD

In accordance with 40 CFR Part 29, EPA must allow for an intergovernmental review comment period on this grant program for grants that include construction or land use planning. Accordingly, the recipient may incur costs at its own risk but shall not draw down any funds for construction or land use planning until the intergovernmental review process is completed. This process includes successful resolution of any issues identified during the comment period. The term "land use planning" is defined in the [EPA Financial Assistance Programs Subject to Executive Order 12372 and Section 204 of the Demonstration Cities and Metropolitan Development Act and Section 401 of the Intergovernmental Cooperation Act in RAIN-2021-G02](#) and construction is defined [at 40 CFR 33.103](#).

The recipient must provide evidence of submission of the project for intergovernmental review; the evidence should clearly indicate the date of submission. This evidence of submission must be sent by email to the EPA Grants Specialist with a courtesy copy to the Project Officer. The comment period will end 60 days from the aforementioned submission.

## Programmatic Conditions

### Grant Programmatic Terms and Conditions

#### A. Final Approved Workplan and Modifications

1. Recipient agrees to carry out the project in accordance with the final approved workplan.
2. Recipients are required to report deviations from budget or project scope or objective, and must request prior written approval from EPA:
  - a. for any change in the scope or objective of the project or program (even if there is no associated budget revision requiring prior written approval);
  - b. any change in key personnel (including employees and contractors) that are identified by name or position in the Federal award specified in the application or workplan;
  - c. the disengagement from the project for more than three months, or a 25% reduction in time and effort devoted to the Federal award over the course of the period of performance, by the approved project director or project manager;
  - d. the inclusion of costs that require prior approval in accordance with 2 CFR Part 200 Subpart E—Cost Principles or 48 CFR part 31, “Contract Cost Principles and Procedures,” as applicable;
  - e. the transfer of funds budgeted for participant support costs to other budget categories as defined in 2 CFR Section 200.1 Definitions to other categories of expense;
  - f. unless described in the final approved workplan and budget, the subawarding, transferring or contracting out of any work under the award;
  - g. for changes in the total approved cost-sharing by the recipient; or
  - h. the need arises for additional Federal funds to complete the project.

Requests for modifications to the approved workplan or budget, including additions, deletions, or changes in the schedule, must be submitted in a timely manner to the EPA Project Officer for approval, to minimize project delays. Depending on the type or scope of changes, a formal amendment to the award may be necessary. Major project modifications which include changes to the approved types and number of partners and equipment, or to the approved project partners and location(s) may not be allowed.

#### B. Performance Reporting and Final Performance Report

##### B1. Performance Reports – Content

In accordance with 2 CFR 200.329, the recipient agrees to complete and submit electronic performance reports using reporting template(s), including the approved Clean Ports Project Reporting Template ([EPA Form Number: 5900-690](#) or future revisions, as applicable), which will be provided by the project officer. The purpose of semi-annual performance reports is to provide updates on implementation of each

project, including brief information on each of the following areas:

1. A comparison of accomplishments to the outputs/outcomes established in the assistance agreement work plan for the reporting period;
2. The reasons why any established outputs/outcomes were not met;
3. Additional information, analysis and explanation of cost overruns or higher-than-expected unit costs.

Additionally, the recipient agrees to notify the EPA when a significant development occurs that could impact the award. Significant developments include events that enable meeting milestones and objectives sooner or at less cost than anticipated or that produce different beneficial results than originally planned. Significant developments also include problems, delays, or adverse conditions which will impact the ability to meet the milestones or objectives of the award, including outputs/outcomes specified in the assistance agreement work plan. If the significant developments negatively impact the award, the recipient must include information on their plan for corrective action and any assistance needed to resolve the situation.

The final project report will include all categories of information required for semi-annual reporting, including a final description of all climate and air quality planning activities completed for each port, and how the documents were shared publicly. The final project report will also include a narrative summary of the project, the successes and lessons learned for the entire project.

## **B2. Performance Reports - Frequency**

Throughout the 3-year performance period of the grant, the recipient agrees to submit **semi-annual** performance reports electronically to the EPA Project Officer by the due date following the conclusion of each semi-annual reporting period. The reporting periods are:

January 1 – June 30: Report due date July 30.

July 1 – December 31: Report due date January 30.

The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance. Per the reporting form guidance, additional reporting may be required if the grant is extended or at the discretion of the EPA Project Officer.

## **C. Cybersecurity Condition**

### **Cybersecurity Grant Condition for Other Recipients, Including Intertribal Consortia**

1. The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

2.a. The EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled

connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or the EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet the EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by the EPA's regulatory programs for the submission of reporting and/or compliance data.

b. The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in 2.a if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or the EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.332(e), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and the EPA.

#### **D. Procurement Procedures**

As provided in 2 CFR 200.317, with limited exceptions, states and Indian Tribes must follow the same policies and procedures they follow for procurements financed with non-Federal funds. If such policies and procedures do not exist, States and Indian Tribes must follow the procurement standards in §§ [200.318](#) through [200.327](#). In addition to its own policies and procedures, a State or Indian Tribe must also comply with the following procurement standards: §§ [200.321](#), [200.322](#), [200.323](#), and [200.327](#). All other recipients and subrecipients, including subrecipients of a State or Indian Tribe, must follow the procurement standards in §§ [200.318](#) through [200.327](#).

The recipient must follow applicable procurement procedures. The EPA will not be a party to these transactions. If EPA funds will be used to purchase goods or services, recipient agrees to compete the contracts for those goods and services and conduct cost and price analyses to the extent required by the fair and open competition for procurement provisions of 2 CFR 200.318 through 2 CFR 200.327. Approval of a funding application does not relieve recipients of their obligations to compete service contracts and conduct cost and price analyses.

#### **E. Project Transparency**

The recipient agrees to engage with near-port communities about the project during the performance period and provide documentation that a detailed written summary of the results of the project (e.g., emissions inventory, emissions reduction targets or other planning activities) have been made available to the public, such as via a webpage, for all activities included in the final workplan. Examples of appropriate community engagement during the project period are outlined on pg. 34 of the Notice of Funding Opportunity. Community engagement activities conducted as part of the final approved workplan should be reported in performance reporting described in Programmatic Term and Condition B (Performance Reporting and Final Performance Report).

#### **F. Program Audit**

In addition to audit requirements listed in the [EPA General Terms and Conditions](#) which relate to audits and access to records, the recipient agrees to comply with random EPA reviews of the recipient to protect against waste, fraud, and abuse. As part of this process, the EPA, or its authorized representatives, may request copies of grant documents from prior recipients who have received grants, or may request documentation from current recipients and subrecipients, to verify statements made on the application and reporting documents. Recipients may be selected for advanced monitoring, including a potential site visit to confirm project details. Recipients are expected to comply with site visit requests and recordkeeping requirements and must supply the EPA with any requested documents for as long as the records are retained, or risk cancellation of an active grant application or other enforcement action.

## **G. Record Retention**

As required by 2 CFR 200.334-338, the recipient must keep all financial records, supporting documents, accounting books and other evidence of Grant Program activities for three years from the date of submission of the final financial report. If any litigation, claim, or audit is started before the expiration of the three-year period, the recipient must maintain all appropriate records until these actions are completed and all issues resolved.

## **H. Public or Media Events**

The recipient agrees to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

## **I. Emissions Inventories**

Emissions inventories must follow the EPA's Port Emissions Inventory Guidance. This guidance may be found at: <https://www.epa.gov/ports-initiative/port-and-goods-movement-emission-inventories>.

## **J. Quality Assurance**

Authority: Quality Assurance applies to all assistance agreements involving environmentally related data operations, including environmental data collection, production, or use as defined in [2 CFR. 1500.12](#) Quality Assurance.

The recipient shall ensure that subawards involving environmental information that are issued under this agreement include appropriate quality requirements for the work. The recipient shall ensure sub-award recipients develop and implement a Quality Assurance (QA) planning document[s] in accordance with this term and condition; and/or ensure sub-award recipients implement all applicable approved QA planning documents.

### **1. Quality Management Plan (QMP)**

a. Prior to beginning environmental information operations, the recipient must:

i. Develop a QMP. This requirement can also be satisfied by integrating QMP elements into the QAPP developed under subsection 2.

- ii. Prepare the QMP in accordance with the current version of EPA's [Quality Management Plan \(QMP\) Standard](#). Submit the document for EPA review, and
  - iii. Obtain EPA Quality Assurance Manager or designee (hereafter referred to as QAM) approval.
- b. The recipient must submit the QMP 30 days before beginning environmental information operations and no more than 180 days after grant award.
- c. The recipient must review their approved QMP at least annually. These documented reviews shall be made available to the sponsoring EPA organization if requested. When necessary, the recipient shall revise its QMP to incorporate minor changes and notify the EPA PO and QAM of the changes. If significant changes have been made to the Quality Program that affect the performance of environmental information operations, it may be necessary to re-submit the entire QMP for re-approval. In general, a copy of any QMP revision(s) made during the year should be submitted to the EPA PO and QAM in writing when such changes occur. Conditions requiring the revision and resubmittal of an approved QMP can be found in section 6 of EPA's [Quality Management Plan \(QMP\) Standard](#).

## 2. Quality Assurance Project Plan (QAPP)

- a. Prior to beginning environmental information operations, the recipient must:
  - i. Develop a QAPP,
  - ii. Prepare QAPP in accordance with the current version of EPA's [Quality Assurance Project Plan \(QAPP\) Standard](#),
  - iii. Submit the document for EPA review, and
  - iv. Obtain EPA Quality Assurance Manager or designee (hereafter referred to as QAM) approval.
- b. The recipient must submit the QAPP 30 days before beginning environmental information operations and no more than 180 days after grant award.
- c. The recipient shall notify the PO and QAM when substantive changes are needed to the QAPP. EPA may require the QAPP be updated and re-submitted for approval.
- d. The recipient must review their approved QAPP at least annually. The results of the QAPP review and any revisions must be submitted to the PO and the QAM at least annually and may also be submitted when changes occur.

### For Reference:

- [Quality Management Plan \(QMP\) Standard and EPA's Quality Assurance Project Plan \(QAPP\) Standard](#); contain quality specifications for the EPA and non-EPA organizations and definitions applicable to these terms and conditions.
- [EPA QA/G-5: Guidance for Quality Assurance Project Plans: https://www.epa.gov/sites/default/files/2015-06/documents/g5-final.pdf](https://www.epa.gov/sites/default/files/2015-06/documents/g5-final.pdf)



- The [EPA's Quality Program](#) website has a [list of QA managers](#), and [specifications for EPA and Non-EPA Organizations](#).
- The Office of Grants and Debarment [Implementation of Quality Assurance Requirements for Organizations Receiving EPA Financial Assistance](#).

## **K. Use of Logos**

If the EPA logo is appearing along with logos from other participating entities on websites, outreach materials, or reports, the EPA logo must **not** be prominently displayed in a way that may imply that any of the recipient or subrecipient's activities are being conducted by the EPA. Instead, the EPA logo should be accompanied with a statement indicating that the Northwest Seaport Alliance received financial support from the EPA under an Assistance Agreement. More information is available at: <https://www.epa.gov/stylebook/using-epa-seal-and-logo#policy>

## **L. Automated Standard Application Payments (ASAP) and Proper Payment Draw Down**

The recipient is subject to the Automated Standard Application Payments (ASAP) and Proper Payment Draw Down General Term and Condition. See the "Financial Information" section of the [General Terms and Conditions](#).

The recipient is required to notify the EPA Project Officer of draws from ASAP in excess of 50% of the award within a 24-hour period. The recipient is required to provide such notification within 3 business days of the draw amount being surpassed.

The recipient is subject to the Management Fees General Term and Condition, which includes the following requirements that prohibit profit on the part of the grantee:

1. Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable.
2. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work. [See the "Selected Items of Cost" section of the General Terms and Conditions.](#)

## **M. Ineligible Project Costs**

The recipient must not include the following activities or costs in the project:

1. Activities that are not focused on one or more ports. For purposes of this assistance program, a port is either a water port or a dry port, as defined below:
  - a. Water port: places on land alongside navigable water (e.g., oceans, rivers, or lakes) with one or more facilities in close proximity for the loading and unloading of passengers or cargo from ships, ferries, and other commercial vessels. This includes facilities that support non-commercial Tribal fishing operations.
  - b. Dry port: an intermodal truck-rail facility that is included in the 2024 Federal Highway Administration's (FHWA) Intermodal Connector Database based on meeting the criteria set in 23 CFR 470. These criteria include having more than 50,000 TEUs (20-foot equivalent units) per year or other units measured that

would convert to more than 100 trucks per day, or comprising more than 20 percent of freight volumes handled by any mode within a State.

2. Planning exercises related to emissions or emissions reductions where vehicles, vessels, and other mobile source port equipment are not included.
3. Development of an EJ mapping tool (applicants should instead rely on existing tools) Revised April 10, 2024
4. Vulnerability assessments not related to impacts from extreme weather and other climate-related events and conditions
5. Resiliency measure implementation (construction, equipment, purchase, information systems, etc.)
6. Emissions reduction strategy implementation (e.g., the purchase of ZE mobile source equipment, which is eligible for funding under Funding Opportunity Number EPA-R-OAR-CPP-24-04).
7. As proscribed in Section 825 of the National Defense Authorization Act, the EPA may not award funds to an entity that uses in part or in whole: the national transportation logistics public information platform (commonly referred to as 'LOGINK'); any national transportation logistics information platform provided by or sponsored by the People's Republic of China, or a controlled commercial entity; or a similar system provided by Chinese state-affiliated entities.

## **N. Competency Policy**

### **Competency of Organizations Generating Environmental Measurement Data**

In accordance with Agency Policy Directive Number FEM-2012-02, Policy to Assure the Competency of Organizations Generating Environmental Measurement Data under Agency-Funded Assistance Agreements.

Recipient agrees, by entering into this agreement, that it has demonstrated competency prior to award, or alternatively, where a pre-award demonstration of competency is not practicable, Recipient agrees to demonstrate competency prior to carrying out any activities under the award involving the generation or use of environmental data. Recipient shall maintain competency for the duration of the project period of this agreement and this will be documented during the annual reporting process. A copy of this policy is available online at <https://www.epa.gov/sites/production/files/2015-03/documents/competency-policy-aaia-new.pdf> or a copy may also be requested by contacting the EPA Project Officer for this award.

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