PROJECT ACTION MEMO

Port of Tacoma Commission

Item No: 6D
Meeting Date: 11/17/26

DATE: November 17, 2026

TO: Port of Tacoma Commission

FROM: Eric Johnson, Executive Director

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

Project Manager: Rick Atkinson, Director Equipment Maintenance

SUBJECT: FY22 Project Authorization for Zero Emission Forklift & Yard Truck Purchase

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A. **ACTION REQUESTED**

Request project authorization in the amount of $800,000 for a total authorized project authorization of $800,000 to purchase a zero-emission forklift and yard truck, Master Identification No. #102067 and #102068.

Strategic Plan Initiative:

EL 2: Reduce the air and climate pollution generated by Port and tenant activities and equipment while planning for the impacts of climate change, leveraging partnerships when possible.

B. **SYNOPSIS**

Project authorization will include grant funding, WAZIP voucher funding, and Port funding. The Port has been selected to receive state DERA funding for a battery-electric forklift and yard truck based at the Port Maintenance Building. The project will accelerate replacement of two aging diesel units, reduce emissions from Port-owned equipment, and advance the Northwest Ports Clean Air Strategy and the Port's greenhouse gas reduction commitments.

C. **BACKGROUND**

The 2020 Northwest Ports Clean Air Strategy (NWPCAS) established a vision to phase out emissions from seaport-related activities by 2050. The Port also committed through its 2023 greenhouse gas resolution to eliminate Scope 1 and Scope 2 emissions under its direct control by 2040. Port-owned fleet emissions represent approximately 3% of the Port of Tacoma's total greenhouse gas emissions and a negligible share of diesel particulate matter emissions, but they account for approximately 75% of the Port's Scope 1 emissions. Within the fleet, approximately 40% of greenhouse gas emissions come from light-duty and passenger vehicles, 32% from medium-duty vehicles, and 28% from cargo-handling equipment.

Electrification is a central strategy for reducing emissions from the Port-owned fleet. Electricity supplied by Tacoma Power is nearly carbon-free and is required to reach net-zero emissions by

2045 under Washington's Clean Energy Transformation Act. In 2023, with support from a Department of Ecology Volkswagen grant, the Port purchased an Orange EV yard tractor and mobile charging unit, its first deployment of Port-owned zero-emission cargo-handling equipment in the gateway.

D. **PROJECT DETAILS**

The project will replace a 1981 diesel forklift with a 15,000-pound lift capacity and a 2003, 160-horsepower diesel yard truck. Both units will be replaced with battery-electric equipment and associated charging units located at the Port Maintenance Building.

As state DERA grants are federally funded, both pieces of equipment must comply with applicable federal Buy America requirements. These requirements will be included in the procurement documents. Staff have identified Buy America-compliant options for both equipment types.

After delivery of the new equipment, the two diesel units will be permanently scrapped at a local scrapyard. The Port will provide photographs and required documentation to the Department of Ecology to support grant reimbursement.

	Electric Forklift	**Electric Yard Truck**
State DERA grant funding	$137,250	$202,500
WAZIP voucher	$23,000	$144,500
Port Funding	$189,750	$144,500
Total	**$350,000**	**$450,000**

E. **FINANCIAL SUMMARY**

Estimated Cost of Project

The estimated total equipment acquisition cost is $800,000: $350,000 for the electric forklift and $450,000 for the electric yard truck.

Estimated Cost for This Request

This request authorizes acceptance of up to $340,000 in state DERA grant funding. The current funding plan includes $339,750 in DERA funds, $167,500 in anticipated WAZIP vouchers, and $334,250 in Port funding. Procurement authorization will be managed in accordance with applicable Port requirements.

Estimated Sales Tax

The total estimated sales tax to be paid to local and state governments for this project is $82,400.

Source of Funds

This is an unallocated project in the Capital Investment Plan (CIP).

Financial Impact

The electric forklift will be capitalized and depreciated over an estimated useful life of 20 years, resulting in estimated annual depreciation of $17,500.

The electric yard truck will be capitalized and depreciated over an estimated useful life of 10 years, resulting in estimated annual depreciation of $45,000.

Grant income will be recorded as non-operating revenue when the reimbursement is requested.

The 1981 diesel forklift and the 2003 diesel yard truck which will be scrapped have zero net book value.

F. **NEXT STEPS**

Following grant acceptance, staff will open procurement in December 2026. Equipment delivery is anticipated in Summer/Fall 2027.