

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation

Notice of Funding Opportunity for Department of Transportation's Port Infrastructure Development Program under the Consolidated Appropriations Act, 2019

AGENCY: Office of the Secretary of Transportation, DOT

ACTION: Notice of Funding Opportunity

SUMMARY: The Consolidated Appropriations Act, 2019 ("FY 2019 Appropriations Act"), appropriated \$292,730,000 for the Port Infrastructure Development Program to make grants to improve port facilities at coastal seaports. This notice announces the availability of funding for grants under this program and establishes selection criteria and application requirements. The Act directed that \$92,730,000 of the appropriated funds shall be for grants to the 15 coastal seaports that handled the greatest number of loaded foreign and domestic twenty-foot equivalent units of containerized cargo in 2016, as identified by the U.S. Army Corps of Engineers. Funds for the Port Infrastructure Development Program are to be awarded as discretionary grants on a competitive basis for projects that will improve the safety, efficiency, or reliability of the movement of goods into, out of, around, or within a coastal seaport, as well as the unloading and loading of cargo at a coastal seaport. All Port Infrastructure Development Program funding grant recipients must meet all applicable Federal requirements, including the Buy American Act. The purpose of this notice is to solicit applications for Port Infrastructure Development Program.

DATES: Applications must be submitted by 8:00 p.m. E.D.T. on September 16, 2019.

ADDRESSES: Applications must be submitted through *Grants.gov*.

FOR FURTHER INFORMATION CONTACT: For further information concerning this notice, please contact the Port Infrastructure Development Program staff via email at *Ports@dot.gov*, or call Bob Bouchard, Director, Office of Port Infrastructure Development, at 202-366-5076. A TDD is available for individuals who are deaf or hard of hearing at 202-366-3993. In addition, the Department of Transportation (DOT) will regularly post answers to questions and requests for clarifications as well as information about webinars for further information at www.transportation.gov/Portgrants.

SUPPLEMENTARY INFORMATION: Each section of this notice contains information and instructions relevant to the application process for the Port Infrastructure Development Program discretionary grants, and all applicants should read this notice in its entirety so that they have the information they need to submit eligible and competitive applications.

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A. Program Description

The Port Infrastructure Development Program was established under 46 U.S.C. 50302. The statute authorizes the Department of Transportation (“Department” or “DOT”) to establish a port infrastructure development program for the improvement of port facilities. To carry out a project under this program, the Department may provide financial assistance, including grants, to port authorities or commissions or their subdivisions and agents for port and intermodal infrastructure-related projects. The Consolidated Appropriations Act, 2019 (Pub. L. 116-6, February 15, 2019) appropriated \$292,730,000 to the Port Infrastructure Development Program, to make discretionary grants to improve port facilities at coastal seaports. The Act directed that \$92,730,000 of this amount be reserved for grants to the 15 coastal seaports that handled the greatest number of loaded foreign and domestic twenty-foot equivalent units of containerized cargo in 2016, as identified by the U.S. Army Corps of Engineers. Through this program, the Department seeks projects that will improve facilities at coastal seaports. Among possible project outcomes, the Department seeks projects that will: (1) advance technology-supported safety and design efficiency improvements; (2) bring facilities to a state of good repair and improve resiliency; (3) promote efficient trade in energy resources; (4) promote exports of manufacturing, agriculture, or other goods; and (5) for only the top 15 coastal ports, support the safe flow of agricultural and food products, free of pests and disease, domestically and internationally. Accordingly, the Department expects to award at least one project that advances each of the aforementioned project outcomes, but a project does not need to address one or more of these outcomes to be awarded.

B. Federal Award Information

1. Amount Available

DOT intends to award up to \$292,730,000 to projects that improve port facilities at or near coastal seaports. The FY 2019 Appropriations Act allows up to 2 percent of the funds appropriated be available for necessary costs of grant administration.

If the DOT does not receive sufficient qualified applications, it will award less than the amount available.

2. Award Size

The minimum Port Infrastructure Development Program award size is \$10 million. Except as limited by the amount of available funding, there is no maximum award size.

3. Availability of Funds

To ensure the funds are responsibly expended in a timely manner, the Department, to the greatest extent possible, seeks to obligate Port Infrastructure Development Program funds by September 30, 2022. Obligation occurs when a selected applicant and DOT enter into a written grant agreement after the applicant has satisfied applicable administrative requirements, including transportation planning and environmental review requirements. Unless authorized by the Department in writing after the Department's announcement of Port Infrastructure Development Program awards, any costs incurred prior to the Department's obligation of funds for a project are ineligible for reimbursement. The Department will determine the period of performance for each award based on the specific project that was evaluated and selected. As part of the review and selection process described in Section E.2., DOT will consider a project's likelihood of being ready to proceed with an obligation of Port Infrastructure Development Program funds by September 30, 2022 and complete liquidation of these obligations within a reasonable timeline.

4. *Awarded Funding Allocations*

i. Top 15 Coastal Seaports

Of the appropriated amount available, \$92,730,000 is reserved for the 15 coastal seaports that handled the greatest number of loaded foreign and domestic twenty-foot equivalent units of containerized cargo in 2016, as identified by the U.S. Army Corps of Engineers.¹ A listing of these top container ports can be found at:

<https://usace.contentdm.oclc.org/digital/collection/p16021coll2/id/1431>. The 15 coastal seaports may also be awarded funding from the \$200,000,000 that is not reserved.

ii. Project Outcomes

The Department anticipates awarding at least one project that advances each of the project outcomes described in Section E.1.iii of this notice. However, a project does not need to address one or more of these outcomes to be awarded.

C. Eligibility Information

To be selected for a Port Infrastructure Development Program discretionary grant, an applicant must be an Eligible Applicant and the project must be an Eligible Project.

1. *Eligible Applicants*

An eligible applicant for a Port Infrastructure Development Program discretionary grants is a port authority, a commission or its subdivision or agent under existing authority, as well as a State or political subdivision of a State or local government, a Tribal government, a public agency or publicly chartered authority established by one or more States, a special purpose

¹ These 15 ports are: Los Angeles, Long Beach, New York (NY and NJ), Savannah, Port of Virginia, Houston, Oakland, Tacoma, Charleston, Seattle, Jacksonville, Miami, Port Everglades, San Juan (PR), and Honolulu.

district with a transportation function, a multistate or multijurisdictional group of entities, or a lead entity described above jointly with a private entity or group of private entities.

If multiple States or jurisdictions submit a joint application, that application must identify a lead applicant as the primary point of contact and identify the primary recipient of the award. Joint applications must include a description of the roles and responsibilities of each applicant and must be signed by each applicant.

2. Cost Sharing or Matching

This section of the notice describes cost share requirements for Port Infrastructure Development Program Grant award.

The Federal share of the costs for which an expenditure is made under a Port Infrastructure Development Program grant may not exceed 80 percent. Non-Federal sources include State funds originating from programs funded by State revenue, local funds originating from State or local revenue funded programs, or private funds. The application should demonstrate, such as through a commitment letter or other documentation, the sources of the non-Federal funds.

Unless otherwise authorized by statute, State or local cost-share may not be counted as the non-Federal share for both the Port Infrastructure Development Program Grant award and another Federal grant program. Preference will be given to those projects that require a lower percentage Federal share of costs (see Section E. iv. for information on how the Department will evaluate leverage).

The Department will not consider previously incurred costs or previously expended or encumbered funds towards the matching requirement for any project. Matching funds are subject to the same Federal requirements described in Section F.2. as awarded funds.

As directed by statute, for the purpose of eligibility, the proceeds of Federal assistance under chapter 6 of Title 23, United States Code or sections 501 through 504 of the Railroad and Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, shall be considered to be part of the non-Federal share of project costs if the loan is repayable from non-Federal funds, unless otherwise requested by the project sponsor.

Cost share will also be evaluated according to the “Leveraging of Federal Funding” evaluation criterion described in Section E. iv. That section explains that the Department seeks applications for projects that maximize the non-Federal share, and clarifies consideration of Federal assistance as part of the selection criterion.

3. *Other*

iii. Eligible Projects

For the purposes of these grants, a “coastal seaport” is a seaport capable of receiving deep-draft vessels (drafting greater or equal to 20 feet) from a foreign or domestic port.

Eligible projects for Port Infrastructure Development Program grants shall be located either within the boundary of a coastal seaport, or outside the boundary of a coastal seaport and directly related to port operations or to an intermodal connection to a port. Eligible projects should improve the safety, efficiency, or reliability of the movement of goods into, out of, around, or within a port, as well as the unloading and loading of cargo at a coastal seaport including phytosanitary facilities. Examples of potential projects include, but are not limited to: highway or rail infrastructure that develops or extends intermodal connectivity, intermodal facilities, marine terminal equipment, wharf construction or redevelopment, vessel alternative fueling access and distribution, fuel efficient cargo handling equipment, freight intelligent transportation systems, digital infrastructure systems, and berth dredging incidental to construction.

This program will not fund vessel construction.

iv. Project Components

An application may describe a project that contains more than one component and may describe components that may be carried out by parties other than the applicant. The Department may award funds for a component, instead of the larger project, if that component (1) independently meets minimum award amounts described in Section B and all eligibility requirements described in Section C; (2) independently aligns well with the selection criteria specified in Section E; and (3) meets National Environmental Policy Act (NEPA) requirements with respect to independent utility. Independent utility means that the component will represent a transportation improvement that is usable even if no other improvement is made in the area, and will be ready for intended use upon completion of that component's construction. All project components that are presented together in a single application must demonstrate a relationship or connection between them. (See Section D.2. iv. for Required Approvals).

Applicants should be aware that, depending upon the relationship between project components and applicable Federal law, Federal funding of some project components may make other project components subject to Federal requirements as described in Section F.2.

The Department strongly encourages applicants to identify in their applications the project components that have independent utility and separately detail costs and requested Port Infrastructure Development Program funding for those components. If the application identifies one or more independent project components, the application should clearly identify how each independent component addresses selection criteria and produces benefits on its own, in addition

to describing how the full proposal of which the independent component is a part addresses selection criteria.

v. Application Limit

Each lead applicant may submit no more than one application.

D. Application and Submission Information

1. *Address*

Applications must be submitted to *Grants.gov*. Instructions for submitting applications can be found at www.transportation.gov/Portgrants along with specific instructions for the forms and attachments required for submission.

2. *Content and Form of Application Submission*

The application must include the Standard Form 424 (Application for Federal Assistance), cover page, and the Project Narrative. More detailed information about the Project Narrative follows. Applicants should also complete and attach to their application the “2019 Project Information” form available at www.transportation.gov/Portgrants. The Department recommends that the project narrative follow the basic outline below to address the program requirements and assist evaluators in locating relevant information.

- I. Project Description See D.2.i.
- II. Project Location See D.2.ii.
- III. Grant Funds, Sources and Uses of all Project Funding See D.2.iii.
- IV. Leveraging of Federal FundsSee D.2.iv.
- V. Project Costs and Benefits.....See D.2.v.
- VI. Project OutcomesSee D.2.vi.

- VII. Demonstrate Project ReadinessSee D.2.vii.
- VIII. Domestic PreferenceSee D.2.viii.

The project narrative should include the information necessary for the Department to determine that the project satisfies project requirements described in Sections B and C and to assess the selection criteria specified in Section E.1. To the extent practicable, applicants should provide supporting data and documentation in a form that is directly verifiable by the Department. The Department may ask any applicant to supplement data in its application, but expects applications to be complete upon submission. The Department may seek clarifying or additional information from applicants according to circumstances described in Section E.2.

In addition to a detailed statement of work, detailed project schedule, and detailed project budget, the project narrative should include a table of contents, maps and graphics, as appropriate, to make the information easier to review. The Department recommends that the project narrative be prepared with standard formatting preferences (a single-spaced document, using a standard 12-point font such as Times New Roman, with 1-inch margins, and the narrative text in one column only). The project narrative may not exceed 30 pages in length, excluding cover pages and table of contents. The only substantive portions that may exceed the 30-page limit are documents supporting assertions or conclusions made in the 30-page project narrative. Except for the benefit cost analysis, the Department does not consider support documentation or websites an essential part of the application and may not review supplemental materials as part of the application. If possible, website links to supporting documentation should be provided rather than copies of these supporting materials. If supporting documents are submitted, applicants should clearly identify within the project narrative the relevant portion of the project

narrative that each supporting document supports. The Department recommends applications include the following sections:

i. Project Description

The first section of the application should provide a concise description of the project, the port-related transportation challenges that it is intended to address, and how it will address those challenges. The project description should provide both a high-level overview of the overall project and a clear itemization of its major components. This section may discuss the project's history, including a description of any previously completed components. The applicant may use this section to place the project into a broader context of other transportation infrastructure investments being pursued by the project sponsor. This section should not address any selection criteria or project outcomes advanced by the project.

ii. Project Location

This section of the application should describe the project location, including a detailed geographical description of the proposed project, a map of the project's location and connections to existing transportation infrastructure, and geospatial data describing the project location. This section should also identify whether the project is located in a qualified opportunity zone² designated pursuant to 26 U.S.C. § 1400Z-1.

iii. Grant Funds, Sources, and Uses of Project Funds

This section of the application should describe the project's budget. This budget should not include any previously incurred expenses.

At a minimum, this section should include:

(A) Project costs;

² See <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx> for more information on opportunity zones.

- (B) For all funds to be used for eligible project costs, the source and amount of those funds;
- (C) Documentation of funding commitments for non-Federal funds to be used for eligible project costs (documentation may be referenced and submitted as an appendix);
- (D) For Federal funds to be used for eligible project costs, the amount, nature, and source of any required non-Federal match for those funds;
- (E) A budget showing how each source of funds will be spent. The budget should show how each funding source will share in each major construction activity, and present that data in dollars and percentages. Funding sources should be grouped into three categories: non-Federal; Ports Program; and other Federal. If the project contains individual components, the budget should separate the costs of each project component. If the project will be completed in phases, the budget should separate the costs of each phase. The budget detail should sufficiently demonstrate that the project satisfies the statutory cost-sharing requirements described in Section C.2.

In addition to the information enumerated above, this section should provide complete information on how all project funds may be used. For example, if a particular source of funds is available only after a condition is satisfied, the application should identify that condition and describe the applicant's control over whether it is satisfied. Similarly, if a particular source of funds is available for expenditure only during a fixed time period, the application should describe that restriction. Complete information about project funds will ensure that the Department's expectations for award execution align with any funding restrictions unrelated to the Department, even if an award differs from the applicant's request.

iv. Leveraging of Federal Funds

The Department calculates leverage as the ratio of non-Federal share of the project's future eligible project costs to total future eligible project costs. This section of the application should include:

- (A) A description of the applicant's activities to maximize the non-Federal share of the project funding;
- (B) A description of all evaluations of the project for private funding, the outcome of those evaluations, and all activities undertaken to pursue private funding for the project;
- (C) A description of any fiscal constraints that affect the applicant's ability to increase the amount of non-Federal revenue dedicated for transportation infrastructure.
- (D) If applicable, the amount of non-Federal investment the port has undertaken for related projects in the recent past as well as going forward.

v. Project Costs and Benefits

This section describes the recommended approach for the completion and submission of a benefit cost analysis (BCA) as an appendix to the Project Narrative. The results of the analysis should also be summarized in the Project Narrative directly.

The appendix should provide present value estimates of a project's benefits and costs relative to a no-build baseline. To calculate present values, applicants should apply a real discount rate (i.e., the discount rate net of the inflation rate) of 7 percent per year to the project's streams of benefits and costs. The purpose of the BCA is to enable the Department to evaluate the project's cost-effectiveness by estimating a benefit-cost ratio and calculating the magnitude of net benefits for the project.

The primary economic benefits from projects eligible for Port Infrastructure Development Program grants are likely to include savings in travel time costs, vehicle and port operating costs, and safety costs for both existing users of the improved facility and new users who may be attracted to it because of the project. Savings in infrastructure maintenance costs may also be quantified. Applicants may describe other categories of benefits in the BCA that are more difficult to quantify and value in economic terms, such as improving the reliability of travel times, while also providing numerical estimates of the magnitude and timing of each of these additional impacts wherever possible. Any benefits claimed for the project, both quantified and unquantified, should be clearly tied to the expected outcomes of the project.

The BCA should include the full costs of developing, constructing, operating, and maintaining the proposed project, as well as the expected timing or schedule for costs in each of these categories. The BCA may also consider the present discounted value of any remaining service life of the asset at the end of the analysis period. The costs and benefits that are compared in the BCA should also cover the same project scope, including the costs of other related projects on which the benefits of the Port Infrastructure Development Program project depend.

The BCA should carefully document the assumptions and methodology used to produce the analysis, including a description of the baseline, the sources of data used to project the outcomes of the project, and the values of key input parameters. Applicants should provide all relevant files used for their BCA, including any spreadsheet files and technical memos describing the analysis (whether created in-house or by a contractor). The spreadsheets and technical memos should present the calculations in sufficient detail and transparency to allow the analysis to be reproduced by DOT evaluators. Detailed guidance for estimating some types of quantitative benefits and costs, together with recommended economic values for converting them to dollar

terms and discounting to their present values, are available in the Department's guidance for conducting BCAs for projects seeking funding under the Port Infrastructure Development Program (www.transportation.gov/Portgrants).

vi. Project Outcomes

If the project advances one or more of the five project outcomes described in section A of this notice, this section of the application should address those outcomes. The applicant should provide information demonstrating advancement of a particular outcome, consistent with the information described below, only if the project reasonably addresses that outcome. Applicants should avoid addressing a particular outcome if it is unrelated to the project. The Department recognizes that projects might address several outcomes but encourages applicants to describe only those outcome(s) the project most advances. The Department does not expect each project will address each outcome, so it is permissible not to address outcomes that do not apply to the project. An applicant does not need to address one more of these outcomes to be awarded.

- (a) Advance technology-supported safety, and design efficiency improvements by incorporating technology or innovative approaches to port safety, design, or efficiency.

If a project advances this outcome, this section of the application should describe technology and additional features that the applicant will incorporate into the project. The application should also include a discussion of any benefits of the proposed innovative technology beyond improving efficiency. Indicators of efficiency could also include vessel and/or truck turn times, capacity increases or enhancements, modal diversion, or improved connectivity.

If the project incorporates fully-automated cargo-handling equipment, the applicant should provide information demonstrating the job change that will result from the project, including supporting evidence that the project will not directly result in a net job loss as described in Section E.1.vi.

- (b) Bring facilities to a state of good repair and improve resiliency by addressing current or projected vulnerabilities in the condition of port transportation facilities.

If a project advances this outcome, this section of the application should describe how the project will contribute to a state of good repair by improving the condition or resilience of existing transportation facilities and intermodal connectors including the project's current condition and how the proposed project will improve it, and any estimates of impacts on long-term cost structures or impacts on overall life-cycle costs.

- (c) Promote efficient energy trade by supporting the efficient movement of energy products and/or increasing national energy production capacity.

If a project advances this outcome, this section should describe energy commodities that the port handles and how the project improves the efficiency of domestically-produced energy movements. For the purpose of this notice, energy commodities means: 1) petroleum products; 2) natural gas (including LNG); 3) coal; and 4) biofuels. Applicants are expected to quantify current and projected volumes of those commodities through the port in the application, both by tonnage and value.

- (d) Promote manufacturing, agriculture, or other forms of exports by increasing the efficient movement of goods for exports and/or increasing national export capacity.

If a project advances this outcome, this section should include a description of the applicant's current export initiatives, including the volume of imports and exports by tonnage and value and export to import ratio, as well as a description of how the project would improve port capacity to handle exports or improve the efficiency of export flows.

- (e) For only the top 15 coastal ports, support the safe flow of agricultural and food products, free of pests and disease, domestically and internationally.

If a project advances this outcome, this section should describe how the project will further the phytosanitary treatment requirements of 7 CFR 305.5–305.8, including improving facilities to prevent the inadvertent introduction of harmful organisms and diseases into the United States

vii. Demonstrated Project Readiness

This section of the application should include information that, when considered with the project budget information presented elsewhere in the application, is sufficient for the Department to evaluate whether the project is reasonably expected to begin construction in a timely manner. To assist the Department's project readiness assessment, the applicant should provide information on technical feasibility, project schedule, project approvals, and project risk, each of which is described in greater detail in the following sections. To minimize redundant information in the application, the Department encourages applicants to cross-reference from this section of their application to relevant substantive information in other sections of the application.

The guidance here is about what information applicants should provide and how the applicant should organize their application. Guidance describing how the Department will evaluate a project's readiness is described in Section E.1.iv of this notice. Applicants also should review that section when considering how to organize their application.

Applicants are not required to follow the specific format described here, but this organization, which addresses each relevant aspect of project readiness, promotes a clear discussion that assists project evaluators.

(a) Technical Feasibility

The applicant should demonstrate the technical feasibility of the project with engineering and design studies and activities; the development of design criteria and/or a basis of design; the basis for the cost estimate presented in the application, including the identification of contingency levels appropriate to its level of design; and any scope, schedule, and budget risk mitigation measures. Applicants should include a detailed statement of work that focuses on the technical and engineering aspects of the project and describes in detail the project to be constructed.

(b) Project Schedule

The applicant should include a detailed project schedule that identifies all major project milestones. Examples of such milestones include State and local planning approvals; start and completion of NEPA and other Federal environmental reviews and approvals including permitting; design completion; right of way acquisition; approval of plans, specifications and estimates; procurement; State and local approvals; project partnership and implementation agreements, including agreements with railroads; and construction. The project schedule should be sufficiently detailed to demonstrate that the project can begin construction quickly upon obligation of Port Infrastructure Development Program funds, and that the grant funds will be spent expeditiously once construction starts.

(c) Required Approvals

(1) Environmental Permits and Reviews.

(a) Information about the NEPA status of the project. The applicant should indicate the anticipated NEPA level of review for the project and describe any environmental analysis in progress or completed. This includes Categorical Exclusion, Environmental Assessment/Finding of No Significant Impact, or Environmental Impact Statement/Record of Decision. The applicant should review Maritime Administration Manual of Orders MAO 600-1 prior to submission. The application should detail the type of NEPA review underway, where the project is in the process, and indicate the anticipated date of completion of all milestones and of the final NEPA determination. If the last agency action with respect to NEPA documents occurred more than three years before the application date, the applicant should describe why the project has been delayed and include a proposed approach for verifying and, if necessary, updating this material in accordance with applicable NEPA requirements.

(b) Environmental Permits and Reviews. The application should demonstrate receipt (or reasonably anticipated receipt) of all environmental permits and approvals necessary, including Section 106 of the National Historical Preservation Act, 54 U.S.C. § 306108, and Section 7 of the Endangered Species Act, 16 U.S.C. § 1531, for the project to proceed to construction on the timeline specified in the project schedule and necessary to meet the statutory obligation deadline, including satisfaction of all Federal, State, and local requirements and completion of the NEPA process.

(c) Additional information.

The application should also include:

(i) Information on reviews, approvals, and permits by other agencies. An application should indicate whether the proposed project requires reviews or approval actions by other agencies,³ indicate the status of such actions, and provide detailed information about the status of those reviews or approvals and should demonstrate compliance with any other applicable Federal, State, or local requirements, and when such approvals are expected. Applicants should provide a website link or other reference to copies of any reviews, approvals, and permits prepared.

(ii) A description of whether the project is dependent on, or affected by, U.S. Army Corps of Engineers investment and the U.S. Army Corps of Engineers planned activities as it relates to the project.

(iii) Environmental studies or other documents, preferably through a website link, that describe in detail known project impacts, and possible mitigation for those impacts. This could include State NEPA analysis information as applicable.

(iv) A description of discussions with the appropriate Maritime Administration NEPA Coordinator in the Maritime Administration Office of Environment regarding the project's compliance with NEPA and other applicable Federal environmental reviews and approvals.

(v) A description of public engagement about the project that has occurred, including details on the degree to which public comments and commitments have been integrated into project development and design.

³ Projects that may impact protected resources such as wetlands, species habitat, cultural or historic resources require review and approval by Federal and State agencies with jurisdiction over those resources.

(2) State and Local Approvals. The applicant should demonstrate receipt of State and local approvals on which the project depends, such as State and local environmental and planning. Additional support from relevant State and local officials is not required; however, an applicant should demonstrate that the project has broad public support.

(d) Assessment of Project Risks and Mitigation Strategies

Project risks, such as procurement delays, environmental uncertainties, increases in real estate acquisition costs, uncommitted local match, or lack of legislative approval, affect the likelihood of successful project start and completion. The applicant should identify all material risks to the project and the strategies that the lead applicant and any project partners have undertaken or will undertake in order to mitigate those risks. The applicant should assess the greatest risks to the project and identify how the project parties will mitigate those risks.

To the extent the applicant is unfamiliar with the requirements for receiving and expending Federal grant funds administered by the Maritime Administration, the applicant should contact the Ports Program staff for information on the pre-requisite steps to obligate Federal funds in order to ensure that their project schedule is reasonable and there are no risks of delays in satisfying Federal requirements.

viii. Domestic Preference

This section should include a description of whether materials and manufactured products to be used in the project are produced or manufactured domestically. This section should also include an assessment of what, if any, materials or manufactured products would require an exception or waiver of the Buy American provisions described in section F.2 of this notice and the applicant's current efforts and planned future efforts to maximize domestic content. The content of this

section of the application is particularly important for projects that propose the acquisition of heavy equipment, including cranes, that are often procured from foreign manufacturers. If the project may, or is likely to, need a waiver or exception, the applicant should describe a plan to maximize domestic content.

3. *Unique Entity Identifier and System for Award Management (SAM)*

Each applicant must: (1) Be registered in SAM before submitting its application; (2) provide a valid unique entity identifier in its application; and (3) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

The Department may not make a Port Infrastructure Development Program Grant award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time Department is ready to make a Port Infrastructure Development Program grant award, the Department may determine that the applicant is not qualified to receive a Port Infrastructure Development Program grant award and use that determination as a basis for making a Port Infrastructure Development Program grant award to another applicant.

4. *Submission Dates and Times*

i. *Deadline*

Applications must be submitted by 8:00 p.m. E.D.T. on September 16, 2019. The funding opportunity on Grants.gov will open by August 1, 2019.

To submit an application through *Grants.gov*, applicants must:

- (1) Obtain a Data Universal Numbering System (DUNS) number;
- (2) Register with the System for Award Management (SAM) at *www.SAM.gov*;

- (3) Create a *Grants.gov* username and password; and
- (4) The E-Business Point of Contact (POC) at the applicant's organization must respond to the registration email from *Grants.gov* and login at *Grants.gov* to authorize the applicant as the Authorized Organization Representative (AOR). Please note that there can be more than one AOR for an organization.

Please note that the *Grants.gov* registration process usually takes 2–4 weeks to complete and that the Department will not consider late applications that are the result of failure to register or comply with *Grants.gov* applicant requirements in a timely manner. For information and instruction on each of these processes, please see instructions at <http://www.grants.gov/web/grants/applicants/applicantfaqs.html>. If applicants experience difficulties at any point during the registration or application process, please call the *Grants.gov* Customer Service Support Hotline at 1(800) 518–4726, Monday–Friday from 7:00 a.m. to 9:00 p.m. EST.

- ii. Consideration of Applications

Only applicants who comply with all submission deadlines described in this notice and electronically submit valid applications through *Grants.gov* will be eligible for award. Applicants are strongly encouraged to make submissions in advance of the deadline.

- iii. Late Applications

Applicants experiencing technical issues with *Grants.gov* that are beyond the applicant's control must contact Ports@dot.gov prior to the application deadline with the user name of the registrant and details of the technical issue experienced. The applicant must provide:

- (1) Details of the technical issue experienced;

- (2) Screen capture(s) of the technical issues experienced along with corresponding *Grants.gov* “Grant tracking number”;
- (3) The “Legal Business Name” for the applicant that was provided in the SF-424;
- (4) The AOR name submitted in the SF-424;
- (5) The DUNS number associated with the application; and
- (6) The *Grants.gov* Help Desk Tracking Number.

To ensure a fair competition of limited discretionary funds, the following conditions are not valid reasons to permit late submissions: (1) Failure to complete the registration process before the deadline; (2) failure to follow *Grants.gov* instructions on how to register and apply as posted on its website; (3) failure to follow all instructions in this notice of funding opportunity; and (4) technical issues experienced with the applicant’s computer or information technology environment. After the Department reviews all information submitted and contacts the *Grants.gov* Help Desk to validate reported technical issues, DOT staff will contact late applicants to approve or deny a request to submit a late application through *Grants.gov*. If the reported technical issues cannot be validated, late applications will be rejected as untimely.

E. Application Review Information

1. *Criteria*

This section specifies the criteria that the Department will use to evaluate and award applications for Port Infrastructure Development Program Grants.

i. Leveraging of Federal Funding

To maximize the impact of Port Infrastructure Development Program grant awards, the Department seeks to leverage Port Infrastructure Development Program funding with non-Federal contributions. To evaluate this criterion, the Department will assign a rating to each

project based on how the calculated non-Federal share of the project's future eligible project costs compares with other projects proposed for Port Infrastructure Development Program Grant funding. The Department will sort project applications' non-Federal leverage percentage from high to low, and the assigned ratings will be based on quintile: Projects in the 80th percentile and above receive the highest rating; the 60th-79th percentile receive the second highest rating; 40th-59th, the third highest; 20-39th, the fourth highest; and 0-19th, the lowest rating.

The project's non-Federal leverage percentage will be calculated based on the best available information provided by the applicant. In cases where the source of the funding is unclear, the funding will be treated as Federal for the purposes of this calculation.

Unlike how the Department evaluates cost share for eligibility purposes (as described in section C.2 of this notice), for the purposes of evaluating leverage as a competitive selection criterion, proceeds of Federal assistance under chapter 6 of Title 23, United States Code or sections 501 through 504 of the Railroad and Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, shall be considered to be part of the Federal share of project costs.

Applications that require other discretionary funding from the Department to complete the project's funding package will be considered less competitive.

This evaluation criterion is separate from the statutory cost share requirements for Port Infrastructure Development Program Grants, which are described in Section C.2. Those statutory requirements establish the minimum permissible non-Federal share; they do not define a competitive Port Infrastructure Development Program Grant project.

ii. Project Costs and Benefits

The Department will consider the costs and benefits of projects seeking Port Infrastructure Development Program funding. To the extent possible, the Department will rely on quantitative, data-supported analysis to assess how well a project addresses this criterion, including an assessment of the project's estimated benefit-cost ratio and net benefits based on the applicant-supplied BCA described in Section D.2.v.

Based on the Department's assessment, the Department will group projects into ranges based on their estimated benefit costs ratio (BCR) and net present value (NPV), and assign a level of confidence associated with each project's assigned BCR and NPV ratings. The Department will use these ranges for BCR: less than 1; 1–1.5; 1.5–3; and greater than 3. The Department will use these ranges for NPV: less than \$0; \$0–\$50,000,000; \$50,000,000–\$250,000,000; and greater than \$250,000,000. The confidence levels are high, medium, and low.

iii. Project Outcomes

The Department will evaluate information described in Section D.2.vi to determine whether the project advances each of the following five project outcomes. Among otherwise comparable applications, one that advances at least one of these outcomes will be more competitive than one that does not.

- (a) Advance technology supported safety, and design efficiency improvements by incorporating technology or innovative approaches to port safety, design, or efficiency.
- (b) Improve state of good repair and resiliency by addressing current or projected vulnerabilities in the condition of port transportation facilities.
- (c) Promote efficient energy trade by supporting the efficient movement of domestically-produced energy products and/or increasing national energy capacity.

(d) Promote manufacturing, agriculture, or other forms of exports by increasing the efficient movement of exports and/or increasing national export capacity.

(e) For only the top 15 coastal ports, support the safe flow of agricultural and food products, free of pests and disease, domestically and internationally.

iv. Demonstrated Project Readiness

The Department will consider project readiness to assess the likelihood of a successful project. In that analysis, the Department will consider significant risks to successful completion of a project, including risks associated with environmental review, permitting, technical feasibility, funding, and the applicant's capacity to manage project delivery. Risks do not disqualify projects from award, but competitive applications clearly and directly describe achievable risk mitigation strategies. The Department will assign one of three risk ratings based on the likelihood that the project will be successfully delivered within a reasonable timeframe: high risk means that there is a high likelihood that the project will not be successfully delivered; moderate risk means there is some possibility that the project will not be successfully delivery; and low risk means that it is highly likely that the project will be successfully delivered.

v. Domestic Preference

The Department will consider whether an exception/waiver of the Buy American provisions will be necessary to complete the project. Among otherwise comparable applications, projects that depend on materials or manufactured products that do not comply with domestic preference requirements will be less competitive than projects that comply with those requirements. Among otherwise comparable applications that require exceptions or waivers, an application that presents an effective plan to maximize domestic content will be more competitive than one that

does not. The Department will not award projects that likely need a waiver but present no plan to maximize domestic content.

vi. Additional Considerations

The Department will consider the geographic diversity among applicants when selecting Port Infrastructure Development Program Grant awards, including whether the project is located in a qualified opportunity zone designated pursuant to 26 U.S.C. § 1400Z-1. A project located in a qualified opportunity zone is more competitive than a similar project that is not located in a qualified opportunity zone.

In awarding grants from funds for the 15 coastal seaports that handled the greatest number of loaded foreign and domestic twenty-foot equivalent units of containerized cargo in 2016, as identified by the U.S. Army Corps of Engineers, the Department will give priority consideration for proposed projects that construct treatment facilities defined in section 305.1 of title 7, Code of Federal Regulations, to meet the phytosanitary treatment requirements of sections 305.5 through 305.8 of title 7, Code of Federal Regulations

The Joint Explanatory Statement that accompanied the Consolidated Appropriations Act, 2019, directed the Department “to ensure that any fully-automated cargo-handling equipment procured under [the Program] will not directly result in a net job loss or directly reduce the overall safety, reliability and efficiency of the port.” For projects that incorporate fully automated cargo-handling equipment, the Department will consider job change that will result from the project, including whether the project will directly result in a net job loss.

2. Review and Selection Process

The Ports Program evaluation consists of Intake, a Technical Review Phase, and a Senior Review phase, each of which are described below. During the Technical Review Phase, Department staff analyze applications and provide ratings for the selection criteria, consistent with the descriptions in this NOFO. Based on this analysis, the Senior Review Team assembles a list of Projects for Consideration for selection by the Secretary based on the selection criteria described in Section E. The Secretary makes final selections based on the criteria described in Section E.

Throughout the review and selection process, the Department may seek additional information from an applicant related to project eligibility, whether the project can be completed with a reduced award, or data needed to complete project analysis.

3. Additional Information

Prior to award, each selected applicant will be subject to a risk assessment as required by 2 CFR § 200.205. The Department must review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). An applicant may review information in FAPIIS and comment on any information about itself. The Department will consider comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants.

F. Federal Award Administration Information

1. Federal Award Notice

Following the evaluation outlined in Section E, the Department will announce awarded projects by posting a list of selected projects at www.transportation.gov/Portgrants. Notice of selection is not authorization to begin performance. Following that announcement, the Department will contact the point of contact listed in the SF 424 to initiate negotiation of the grant agreement for authorization.

2. Administrative and National Policy Requirements

The Department will determine the period of performance for each award based on the specific project that was evaluated and selected. DOT will administer each Port Infrastructure Development Program Grant pursuant to a grant agreement with the grant recipient. Amounts awarded as a grant under this notice that are not expended by the grant recipient shall remain available to DOT for use for grants under this program, either in the same or different fiscal year as this notice.

All awards will be administered pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards found in 2 CFR part 200, as adopted by the Department of Transportation at 2 CFR part 1201. Additionally, applicable Federal laws, Executive Orders, and any rules, regulations, and requirements of the Maritime Administration will apply to the projects that receive Port Infrastructure Development Program Grants awards. As expressed in Executive Orders 13788 of April 18, 2017 and 13858 of January 31, 2019, it is the policy of the executive branch to maximize, consistent with law, the use of goods, products, and materials produced in the United States in the terms and conditions of Federal financial assistance awards. Consistent with the requirements of Section 410 of the Transportation,

Housing and Urban Development, and Related Agencies Appropriations Act, 2019 (Pub. L. 116-6, div. G, February 15, 2019), the Buy American requirements of 41 U.S.C. 8301–8305 apply to funds made available under this notice and other expenditures within the scope of the award, and all grant recipients must apply, comply with, and implement all provisions of the Buy American Act and related provisions in the grant agreement when implementing Port Infrastructure Development Program Grant projects. If selected for an award, grant recipients will be required to obtain approval from the Department before applying any Buy American Act exception. To obtain that approval, grant recipients must be prepared to demonstrate how they will maximize the use of domestic goods, products, and materials in constructing their project.

In connection with any program or activity conducted with or benefiting from funds awarded under this notice, recipients of funds must comply with all applicable requirements of Federal law, including, without limitation, the Constitution of the United States; the conditions of performance, nondiscrimination requirements, and other assurances made applicable to the award of funds in accordance with regulations of the Department of Transportation; and applicable Federal financial assistance and contracting principles promulgated by the Office of Management and Budget. In complying with these requirements, recipients, in particular, must ensure that no concession agreements are denied or other contracting decisions made on the basis of speech or other activities protected by the First Amendment. If the Department determines that a recipient has failed to comply with applicable Federal requirements, the Department may terminate the award of funds and disallow previously incurred costs, requiring the recipient to reimburse any expended award funds.

Additionally, Federal wage rate requirements included in subchapter IV of chapter 31 of title 40, U.S.C., apply to all projects receiving funds under this program, and apply to all parts of the project, whether funded with Port Infrastructure Development Program grant funds, other Federal funds, or non-Federal funds.

Port Infrastructure Development Program projects involving vehicle acquisition must involve only vehicles that comply with applicable Federal Motor Vehicle Safety Standards and Federal Motor Vehicle Safety Regulations, or vehicles that are exempt from Federal Motor Carrier Safety Standards or Federal Motor Carrier Safety Regulations in a manner that allows for the legal acquisition and deployment of the vehicle or vehicles.

3. Reporting

This section of the notice provides general information about the reporting requirements that accompany Port Infrastructure Development Program Grant funding. Potential applicants should review these requirements to ensure that they can satisfy them if they receive an award. A recipient's failure to timely submit required reports may result in termination of an award and a legal requirement for the recipient to return funding to the Department.

i. Progress Reporting on Grant Activities

Each applicant selected for Port Infrastructure Development Program Grants funding must submit quarterly progress reports and Federal Financial Reports (SF-425) to monitor project progress and ensure accountability and financial transparency in the Port Infrastructure Development Program.

ii. Outcome Performance Reporting.

Each applicant selected for Port Infrastructure Development Program Grant funding must collect information and report on the project's observed performance with respect to the relevant long-

term outcomes that are expected to be achieved through construction of the project. Performance indicators will include formal goals or targets for a period determined by the Department. They will be used to evaluate and compare projects and monitor the results that grant funds achieve to the intended long-term outcomes of the Port Infrastructure Development Program. To the extent possible, performance indicators used in the reporting will align with the measures included in the application and will relate to at least one of the selection criteria defined in Section E and to a benefit estimated in the BCA. The Department expects that the level of performance will be consistent with estimates used in the applicant's BCA. Performance reporting continues for several years after project construction is completed, and the Department does not provide Port Infrastructure Development Program grant funding specifically for performance reporting. For each project selected for award, the Department, with input from the grant recipients, will identify the measures to be collected. Those measures and the reporting requirements will be formalized in the agreement obligating award funds for the project.

iii. Port Performance Reporting

The Department is required to report annually on port performance (see Sec. 6314 of the FAST Act). To help the Department more accurately assess port performance, Port Infrastructure Development Program grant recipients will be required to enter a data sharing agreement to submit to the Department information where consistent data related to the project, particularly on cargo throughput, is not publicly available and difficult to collect from Ports and port terminals. Data, which must originate from the port, that could be required as a condition of award includes the following:

- Total capacity of inbound and outbound cargo
- Total volume of inbound and outbound cargo

- Average number of lifts per hour of containers by crane
- Average vessel turn time by vessel type
- Average cargo or container dwell time
- Port storage capacity and utilization
- Modal throughput statistics, including rail and truck turn times
- Types of cargo moved
- Presences and location of intermodal connectors
- Physical size of the terminals within the port boundaries
- Maximum authorized channel depth and maximum actual/current channel depth
- Schedule vessel arrivals (for use in determining vessel on-time performance)
- Berth utilization

Details and definitions on the data elements described above will be provided in the data sharing agreement with the Department.

iv. Asset Management Report

A Port Infrastructure Development Program grant recipient that does not currently have an asset management plan in place will be required to include a post-construction reporting requirement utilizing the Asset Management Tool currently under development by the Maritime Administration. The reporting requirement should include both changes in operating cost and performance.

v. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of a selected applicant's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the applicant during that

period of time must maintain the currency of information reported to the SAM that is made available in the designated integrity and performance system (currently FAPIIS) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110–417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111–212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

G. Federal Awarding Agency Contacts

For further information concerning this notice please contact the Port Infrastructure Development Program staff via email at *Ports@dot.gov*, or call or call Bob Bouchard, Director, Office of Port Infrastructure Development, at 202–366–5076. A TDD is available for individuals who are deaf or hard of hearing at 202–366–3993. In addition, the Department will post answers to questions and requests for clarifications at www.transportation.gov/Portgrants. To ensure applicants receive accurate information about eligibility or the program, the applicant is encouraged to contact DOT directly, rather than through intermediaries or third parties, with questions. DOT may also conduct briefings on the Port Infrastructure Development Program Grants selection and award process upon request.

H. Other information

1. Protection of Confidential Business Information

All information submitted as part of or in support of any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the applicant submits information that the applicant considers to be a trade secret or confidential commercial or financial information, the applicant

must provide that information in a separate document, which the applicant may cross-reference from the application narrative or other portions of the application. For the separate document containing confidential information, the applicant must do the following: (1) state on the cover of that document that it “Contains Confidential Business Information (CBI)”; (2) mark each page that contains confidential information with “CBI”; (3) highlight or otherwise denote the confidential content on each page; and (4) at the end of the document, explain how disclosure of the confidential information would cause substantial competitive harm. DOT will protect confidential information complying with these requirements to the extent required under applicable law. If DOT receives a Freedom of Information Act (FOIA) request for the information that the applicant has marked in accordance with this section, DOT will follow the procedures described in its FOIA regulations at 49 C.F.R. § 7.29. Only information that is in the separate document, marked in accordance with this section, and ultimately determined to be confidential under § 7.29 will be exempt from disclosure under FOIA.

2. Publication/Sharing of Application Information

Following the completion of the selection process and announcement of awards, the Department intends to publish a list of all applications received along with the names of the applicant organizations and funding amounts requested. Except for the information properly marked as described in Section H.1., the Department may make application narratives publicly available or share application information within the Department or with other Federal agencies if the Department determines that sharing is relevant to the respective program’s objectives.

Issued in Washington D.C. on June 11, 2019. Elaine L. Chao, **Secretary**.

