

Item No. 7c Supp

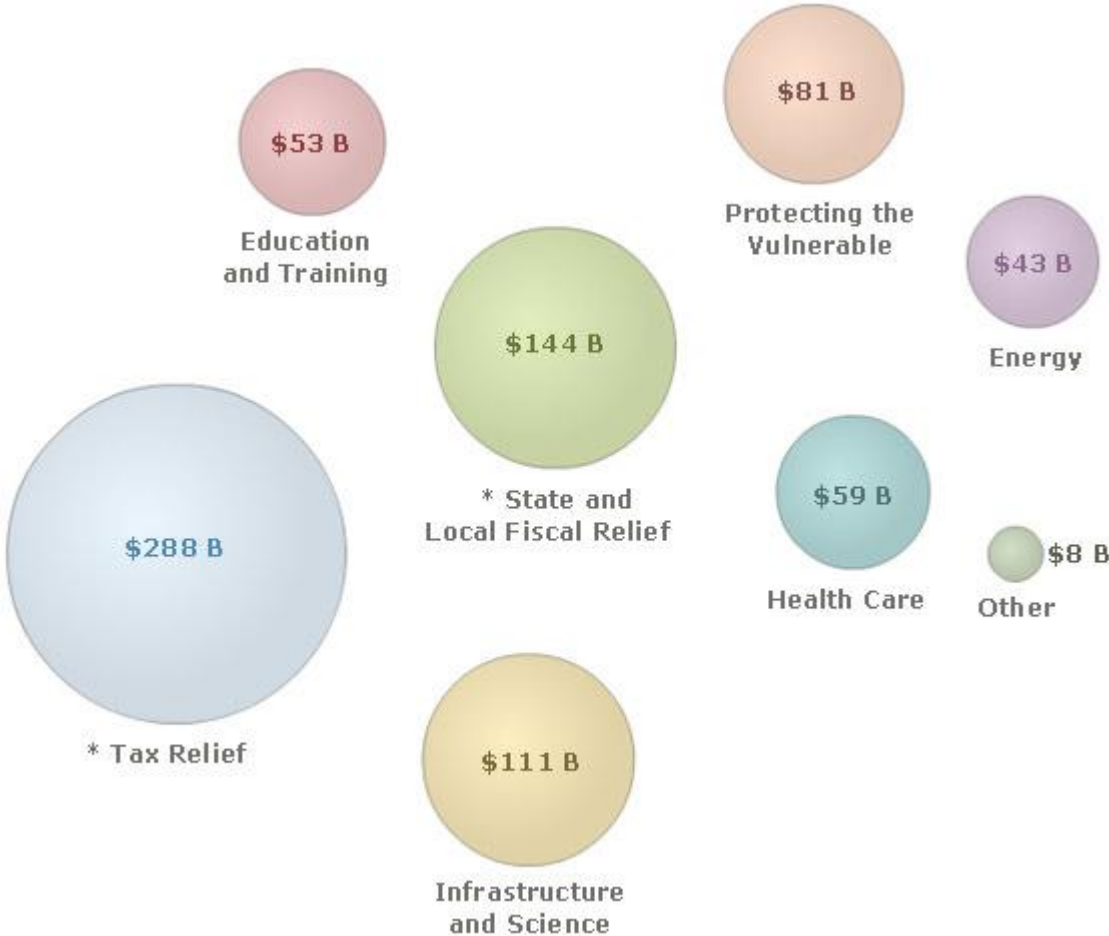
Meeting 4/14/09

American Recovery and Reinvestment Act (ARRA)

Port of Seattle Investment Opportunities

Kurt Beckett, Director
External Affairs

ARRA Overview -- \$787 billion



ARRA Overview

Category	Amount (\$ Billions)
*Tax Relief	\$288
*State and Local Fiscal Relief	\$144
Infrastructure and science	\$111
Protecting the Vulnerable	\$81
Health Care	\$59
Education and Training	\$53
Energy	\$43
Other	\$8

STIMULUS BILL PROVISIONS FOR PORTS

PROGRAM	FINAL AGREEMENT
State Highway Program	\$27.5 billion
Discretionary Transportation Grants	\$1.5 billion
Port Security Grants	\$150 million
Corps of Engineers	\$4.6 billion
Electrification Grants	\$400 million
Diesel Emissions Reduction	\$300 million
NOAA	\$830 million
Alternative Minimum Tax Waiver on Bonds	AMT Waived for Calendar Years 2009 and 2010
Build America Bonds	Included

ARRA Transportation Stimulus Funds

FHWA Funds		
Federal Total		\$28 B
Washington State		\$492 M
State Discretion		\$340 M
Local Agencies		\$152 M
PSRC Distribution		\$78 M
King County Awards		\$40 M
Federal Transit Administration Funds		
Federal Total		\$8 B
Washington State		\$179 M
PSRC Distribution		\$136 M
Other Transportation Funds		
Discretionary Grants		\$1.5 B
FRA High Speed/Intercity Passenger Rail		\$8 B
Amtrak		\$1 B
Ferry Systems		\$60 M
FTA New Starts		\$724 M

Summary of Washington State FHWA Stimulus Projects

Total Washington State (185 projects)	\$492 M
WSDOT (37 projects)	\$340 M
Local Agencies (148 projects)	\$152 M
PSRC Agencies (28 projects)	\$78 M
Freight Projects with Port Benefit	
South Spokane Street Viaduct	\$15 M
Lincoln Avenue Grade Separation	\$15 M
I-90 Snoqualmie Pass	\$15 M
Puyallup: Shaw Road	\$2 M
Kent: East Valley Highway	\$2 M

FRA High Speed/Intercity Rail Funds WSDOT Submittal

Total Projects submitted to USDOT (11 projects)	\$692 M
Important Rail Projects to Port of Seattle	
Port of Vancouver (yard bypass and W. 39 th St. bridge)	\$45 M
Point Defiance Bypass	\$60 M
Kelso to Martin's Bluff	\$222M
King Street Station Track and Signal Upgrades	\$120M

Discretionary Transportation Grant Program

\$1.5 Billion

- New program managed by USDOT, which will establish guidelines who must ensure equitable geographic distribution (including urban/rural)
- Projects may include highway, bridge, transit, rail, and port
- Projects must demonstrate national, regional or metropolitan significance
- Projects must be between \$20-\$300 M, with no more than 20% allotted to one state
- Includes up to \$200 million for TIFIA (USDOT loan Program)

Schedule

- Criteria will be published 5/18/09
- Submissions have to be made by 8/16/09
- USDOT select projects by 2/17/2010
- Complete Construction by 2/17/12

Emission / Electrification Opportunities

Environmental Protection Agency (EPA)

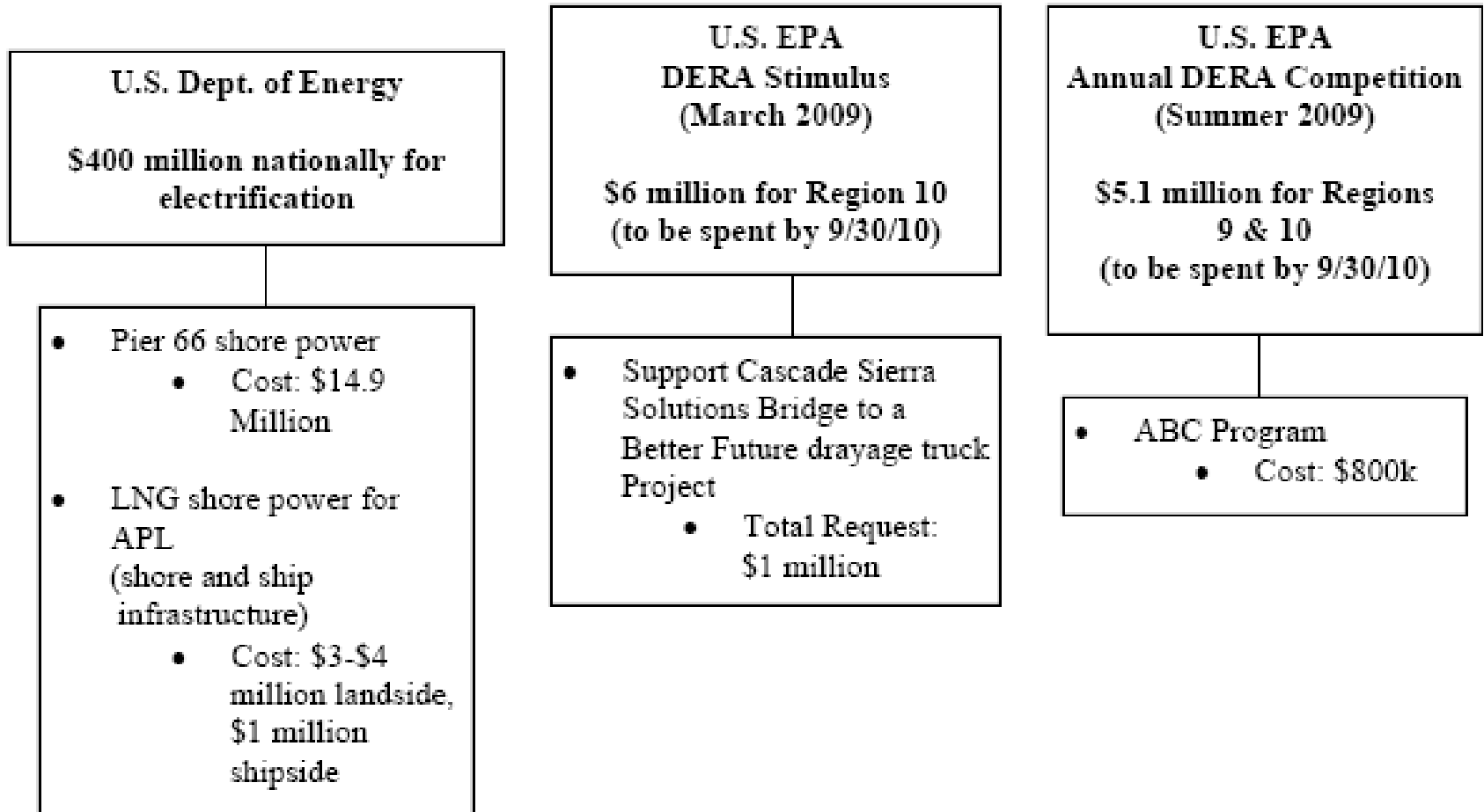
- Diesel Emission Reduction Act (DERA) - \$300 million:
- Guidelines: Region 10 has \$6.6 million, accepting applications between \$500k and \$3 million. Applications are due April 28th and projects completed by 9/30/2010

US Dept of Energy (DoE), Office of Energy Efficiency & Renewable Energy (EERE)

- National Energy Technology Laboratory (NETL) to offer grants for “Transportation Electrification” -- \$400 million:
- Projects selected shall be used to establish widespread demonstration, development, evaluation, and education projects to accelerate the market introduction and penetration of advanced electric drive vehicles.
- Guidelines: Looking for projects that are a minimum of \$10 million, require a 50% match (although you can apply for a 25% match). Applications are due May 13th and projects completed by Spring 2011.

Seaport Environmental Programs

Diesel Emission Reduction Grant Projects



Airport Environmental Programs

DoE Clean Cities grant proposals

Airline Electric Ground Support Equipment (eGSE):

- Sea-Tac Airport would like to see the airline carriers replace the ground support equipment (GSE) operated at Sea-Tac, and currently fueled by fossil fuels, with electric GSE. Approximately 1,000 pieces of motorized non-road GSE are owned and operated by Airlines (or subcontractor) at Sea-Tac Airport.
- Electricity is a viable alternative fuel for powering GSE. It is widely believed that in a full scale replacement effort, certain efficiencies would be discovered and that at most, 90% of the GSE would need replacing. Cost sharing would come from the participating airlines. Early interest has been expressed by Alaska Airlines, Horizon Airlines, United Airlines, Southwest Airlines, and Northwest Airlines.
- Of the 1,000+ pieces of GSE at Sea-Tac, roughly 11% are pushback tractors. Electric pushback tractors cost ~\$100,000; other types of eGSE (i.e. baggage loaders) cost ~\$30,000. Assuming 80% replacement efficiency, the total GSE replacement project would be approximately \$27,000,000.

Airport Environmental Programs

DoE Clean Cities grant proposals

Electric Ground Support Electrical (eGSE) charging stations: Design, procure & install an airport wide electrical charging system along all Concourses and Satellites. The CO2 emission savings that could be realized from electric ground support equipment is nearly 40,000 tonnes per year.

Estimated costs and groupings:

- C & D Concourses \$4,200,000
- North Satellite \$2,100,000
- A & B Concourses \$4,000,000
- South Satellite \$2,300,000
- Total Terminal Wide Charging System: \$12,600,000

Airport Environmental Programs

DoE Clean Cities grant proposals

Purchase New Alternative/Electric Vehicles at Sea-Tac International Airport (STIA):

- STIA would like to assist with the incremental cost of alternative fueled vehicles for its service providers (i.e. Seattle-Tacoma International Taxi Association, Shuttle Express, the airport parking lot and shuttle industry, and the hotel shuttle providers). This project will help reduce emissions at the airport and around the region.
- The average incremental cost difference for the alternatively fueled vehicles being considered is around \$10,000. A survey of the service providers to determine interest is underway; initial feedback indicates requests for at least 50 vehicles.

Other ARRA Benefits

Alternative Minimum Tax (AMT) Waiver for '09/'10

(Private Activity Bonds)

- The AMT relief provides easier and less expensive market access.
- The non-AMT market has broader investor participation, is functioning much better than the AMT market and allows us to structure debt with normal amortizations and maturities.

COPS Grant

- applying for 6 officers
- grant covers 3 years of salary
- Port must cover a 4th year of salary, equipment and any pay raises

Other ARRA Benefits

Port Security Grants -- \$150 million (Department of Homeland Security and FEMA)

- Guidelines due out on May 21, 2009
- Seaport likely will not have stimulus grant proposal, but will review guidelines and re-evaluate.
- Port is working to have cost-share waived on existing federal grants (Rounds 6, 7) where project scope and budget is viable under grant funds only
- AAPA, with the Port of Seattle, is working with FEMA to allow use of federal security grants for ongoing maintenance and security employees (FTE's)