

Maritime Administration

Docket No. MARAD -2010-0035

America's Marine Highway Grant Notice of Funding Availability

AGENCY: Maritime Administration, Department of Transportation

ACTION: Grant Notice of Funding Availability

SUMMARY: On October 28, 2009, the President of the United States signed the 2010 National Defense Authorization Act (NDAA). Section 3515 of the NDAA, titled America's Short Sea Transportation Grants for the Development of Marine Highways, amended Section 55601 of the 2007 Energy Independence and Security Act, titled Short Sea Transportation Program. Section 3515 of the NDAA directs the Secretary of Transportation (Secretary) to establish and implement a short sea transportation grant program to implement projects or components of a project designated under subsection (d) of Section 55601.

Marine Highway Projects are new waterborne transportation services, or expansions of existing services operating between U.S. ports or between U.S. ports and ports in Canada in the Great Lakes Saint Lawrence Seaway. Projects are proposed by a project sponsor and formally designated by the Secretary under the America's Marine Highway Program. Projects that reduce external cost and provide public benefit by transporting passengers and/or freight (container or wheeled) in support of all or a portion of a Marine Highway Corridor, Connector, or Crossing may receive support from DOT and are eligible to compete for Marine Highway grants under the program described in this notice. Marine Highway projects and their designation are described in detail in the final rule published on April 9, 2010, at 75 Fed.Reg 18095.

It is neither the purpose nor the intent of these grants to shift passengers or freight currently moving by water to another water service, but rather to expand the use of marine transportation where landside transportation is currently being utilized and when the water option represents the best overall option. Therefore a project that directly competes with another, existing Marine Highway service will not be considered for a grant award.

In order to receive a grant under the program, applicants are required to: (a) submit an application to the Secretary in such form and manner, at such time, and containing such information as the Secretary may require, and (b) demonstrate to the satisfaction of the Secretary that the project is financially viable, the funds received will be spent efficiently and effectively, and a market exists for the services of the proposed project as evidenced by contracts or written statements of intent from potential customers. Applicants are required to provide at least 20 percent of the project costs from non-Federal sources. In awarding grants under the program, the Secretary shall give preference to those projects or components that present the most financially viable transportation services and require the lowest percentage Federal share of the costs. A plan is financially viable upon demonstration to the Secretary of Transportation that the project will be sustainable in a specified and reasonable timeframe. The Maritime Administration's Fiscal Year 2010 appropriations, signed by the President of the United States on December 16, 2009, included \$7,000,000 to "designate and support specific projects that will create new or expanded services along designated Marine Highway Corridors." Funds for this purpose will be allocated through the Marine Highway Grant Program established in the NDAA and set forth in this notice.

This notice announces the availability of funding for Marine Highway grants, and establishes selection criteria and application requirements.

Marine Highway Grants will be awarded to applicants to implement projects or components of projects designated under America's Marine Highway Program as outlined in the final rule published on April 9, 2010. Eligible applicants must be sponsors of Marine Highway Projects formally designated by the Secretary.

Sponsors of designated Marine Highway Projects are eligible to apply for a Marine Highway Grant as described in this notice.

DATES: Grant applications must be received by 5:00 PM ET, August 27, 2010. The Department of Transportation (DOT) will evaluate all applications and announce the projects that have been selected to receive grant funds as soon as possible after the Application Deadline.

ADDRESSES: Grant applications must be submitted electronically through Grants.gov. Only applications received through Grants.gov will be deemed properly filed. Instructions for submitting applications through Grants.gov are included in Section IV (Submission of Applications).

PAPERWORK REDUCTION ACT: In accordance with the Paperwork Reduction Act of 1995, (44 U.S.C. Chapter 35), the America's Marine Highway (AMH) information collection was previously approved by the Office of Management and Budget (OMB) and was assigned the OMB control number 2133-0541.

FURTHER INFORMATION: Please contact the Marine Highway Grants program manager via e-mail at MH.Projects@dot.gov, or contact Michael Gordon at (202) 366-5468.

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I. Background

Three legislative actions in combination require implementation of a Marine Highway Program, including the designation of Marine Highway Projects, the authorization of Marine Highway grants, and the appropriation of funds for such grants. These are described below.

The Energy Independence and Security Act of 2007, Sections 1121, 1122, and 1123 of Public Law 110-140, enacted on December 19, 2007 (121 STAT. 1492), calls for the Secretary of Transportation to establish a short sea transportation (Marine Highway) program and designate short sea transportation projects to mitigate landside congestion. It encourages the development and expansion of the use of documented vessels, increased shipper utilization, port and landside infrastructure improvement, and development of marine transportation strategies by State and local governments.

As required by the Energy Independence and Security Act of 2007, the Maritime Administration published a final rule on April 9, 2010, establishing America's Marine Highway Program, 75 Fed.Reg. 18095 (April 9, 2010), including the designation of Marine Highway Projects (Section 393.4). The intent of Section 393.4 is to designate and provide support to projects that lead to Marine Highway services which, if successfully implemented, expanded, or otherwise enhanced, would reduce external costs and provide the greatest benefit to the public. In addition to reduced transportation delays, public benefits can include, but are not limited to, reduced emissions

including greenhouse gases, reduced energy consumption, road or rail infrastructure maintenance savings, and improved safety. Additional consideration will be given to Marine Highway Projects that represent the most cost-effective option among other modal improvements or reduce border congestion. Some Marine Highway Projects can also provide public benefit by offering routes that are more resilient to incidents that interrupt surface transportation, or provide additional, redundant surface transportation options. Designation can help focus public and private investment on pre-identified projects that offer the maximum potential public benefit, may receive support from DOT, and are eligible to compete for Marine Highway grants under the program described in this notice. Enactment of section 3515 of the 2010 National Defense Authorization Act (P.L. 111-84) (NDAA) directs the Secretary to establish and implement a Marine Highway grant program to implement projects or components of projects designated as a Marine Highway Project. In order to receive a grant under this program, applicants must submit an application to DOT and demonstrate that the project is financially viable, the funds will be spent efficiently and effectively, and that a market exists for the services of the proposed project as evidenced by contracts or written statements of intent from potential customers. It also requires that applicants provide at least 20 percent of the project costs from non-Federal sources. It calls for DOT to give preference to projects that represent the most financially viable transportation services and require the lowest Federal cost share.

The 2010 NDAA directs DOT to establish and implement a short sea transportation grant program to implement projects or components of projects designated as a Marine Highway Project

The Fiscal Year 2010 DOT Appropriation includes \$7,000,000 from the O&T funds for the Secure and Efficient Ports Initiative, which seeks to develop the Nation's intermodal freight infrastructure

by linking coastal and inland ports to the highway and rail networks. It recognizes the important role that our ports and waterways can play in easing congestion and increasing mobility by moving both freight and passengers from our roads to waterways. The funding provided as part of this initiative will allow DOT to designate and support specific projects that will create new or expanded services along designated Marine Highway Corridors. In addition, the funding will allow for the collection of data to support the expanded use of a secure national marine highway. The intent of this grant program is to expand the use of water transportation.

II. Eligibility

Applicants eligible for Marine Highway Grants are project sponsors that have received designation by DOT for a specific Marine Highway Project under the America's Marine Highway Program.

Project sponsors are public entities, including but not limited to, Metropolitan Planning Organizations, State governments (including State Departments of Transportation), and port authorities. Project sponsors are encouraged to develop coalitions and public/private partnerships that can include vessel owners and operators, third party logistics providers, trucking companies, shippers, railroads, port authorities, State, regional, and local transportation planners, environmental interests or any combination of entities working in collaboration under a single application.

Components of projects that are eligible for grant funding include, but are not limited to, the following items, generally in order of priority:

- Port and terminal infrastructure (wharves, docks, terminals, paving, etc.),
- Cargo, passenger and/or vessel handling equipment,
- Efficiency or capacity improvements in ports, terminals, aboard vessels, intermodal connectors, etc.,
- Investments that improve environmental sustainability,

- New or used vessel purchase or vessel modifications, and
- Research, planning, or environmental analysis or review.

III. Selection Criteria

This section specifies the criteria that DOT will use to evaluate applications. Three criteria will be considered in the evaluation process, which were established in the final rule. This information will have been provided by applicants during the project designation process. No additional applicant input is required to address these criteria. These criteria establish the degree to which projects are expected to:

1. Reduce external cost and provide public benefit,
2. Offer a lower-cost alternative to increasing land-based capacity in the Corridor, and
3. Demonstrate the likelihood of financial viability.

Applicants may, however, opt to provide additional information specific to the above criteria if they desire. In evaluating this option, applicants should consider paragraph (g)(2)(B) of Section 3515 of NDAA of 2010, which requires that, in order to receive a grant under the program, the following factors must be taken into consideration:

1. Applicants demonstrate to the satisfaction of DOT that the funds received will be spent efficiently and effectively,
2. Applicants demonstrate to the satisfaction of DOT that a market exists for the services of the proposed project as evidenced by contracts or written statements of intent from potential customers,
3. Applicants provide at least 20 percent of the costs from non-Federal sources, and,

4. In awarding grants under the program, DOT give preference to those projects or components that present the most financially viable transportation services and require the lowest percentage Federal share of the costs.

While the criteria above were generally addressed in the original Marine Highway Project application requirements (Section 393.4(e)1(F)(vi), and Business Planning (vii); Proposed Project Timeline), these more specific requirements may warrant submission of additional information in response to this Notice of Funding Availability. It is important that this information is available to DOT during the grant evaluation process.

All grant applications will be reviewed pursuant to the requirements of the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, *et seq.*

IV. Submission of Applications

Applications must be submitted through <http://www.grants.gov> (grants.gov). To apply for funding through Grants.gov, applicants must be properly registered. Complete instructions on how to register and submit applications can be found on the Web site; registration must be completed before an application can be submitted. If interested parties experience difficulties at any point during the registration or application process, they should call the Grants.gov Customer Support Hotline at 1-800-518-4726, Monday-Friday from 7 a.m. to 9 p.m. Eastern Time. The Catalog of Federal Domestic Assistance (CFDA) number for this solicitation is 20.816, titled America's Marine Highway Grants. Additional information on applying through Grants.gov is available in *Appendix A*, attached hereto.

V. Evaluation Process

DOT will use the evaluation, weighting, and selection processes as set forth in Section 393.4(e)6 contained in the final rule implementing the Marine Highway Program (MARAD-2010-0035) to

review and select Marine Highway Grant applications. In addition, an assessment of the overall project risk factors will be conducted and considered during the evaluation process.

VI. Contents of Application

An applicant for a Marine Highway Grant should include all of the information requested below in the application. DOT reserves the right to ask any applicant to supplement the data in its application, but expects applications to be complete upon submission. To the extent practical, DOT encourages applicants to provide data and evidence of project merits in a form that is verifiable.

A. *Length of application.* The narrative portion of an application should not exceed 10 pages.

Documentation supporting assertions made in the narrative portion may also be provided, but should be limited to relevant information. If possible, Web site links to supporting documentation should be provided instead of copies of these materials. At the applicant's discretion, relevant materials provided previously in support of a Marine Highway Project application may be referenced and described as unchanged. To the extent referenced, this information need not be resubmitted for the Marine Highway grant application.

B. *First page of application:* The first page of the application should provide the following items of information:

1. Marine Highway Project name (as stated in the Department's Letter of Designation).
2. Primary point of contact for applicant.
3. Amount in dollars, of Grant Funds the applicant is seeking, along with sources, and share of other matching funds.
4. Summary statement of how the grant funding will be applied.
5. Project parties.

6. Data Universal Numbering System (DUNS) number. Recipients of Marine Highway grants and their first-tier sub-awardees will be required to have DUNS numbers (<http://www.dnb.com>) and current registrations in the Central Contractor Registration (<http://www.ccr.gov>). While these items do not need to be provided as part of the application, a Marine Highway grant will not be awarded if a recipient or first-tier sub-awardee does not have these items.

C. *Contact Information.* An application should include the name, phone number, e-mail address, and organization address of the primary point of contact for the applicant. DOT will use this information to inform applicants of DOT's decision regarding selection of grantees, as well as to contact them in the event that DOT needs additional information about applications.

D. *Grant Funds and Sources and Uses of Project Funds.* An application should include specific information about the amount of grant funding requested, sources and uses of all project funds, total project costs, percentage of project costs that would be paid for with Marine Highway grant funds and the identity and percentage shares of all parties providing funds for the project (including Federal funds provided under other programs).

E. *Selection Criteria.* In general, applications will be evaluated based on the information provided in the original application for designation as a Marine Highway Project as set forth in the final rule implementing the Marine Highway Program (MARAD-2010-0035). However, as addressed in Section III (Selection Criteria) of this notice, applicants may provide additional information. This information should be provided in the order it was solicited in the final rule.

F. *National Environmental Policy Act (NEPA) Requirement.* An application must detail whether the project will significantly affect the human environment. Applicants should consult the Maritime Administration's Manual of Orders, MAO-600-1, Procedures for Considering

Environmental Impacts, available at http://www.marad.dot.gov/documents/mao_600-001-0.pdf and 40 CFR Part 1500 to ensure that the proper environmental impact information is included with the grant application. If the NEPA, or comparable state NEPA, process has already been completed, an applicant must indicate the date of, and provide a Web site link or other reference to, the final environmental document(s). If the NEPA process is underway but not complete, the application must detail where the project is in the process, indicate the anticipated date of completion, and provide a Web site link or other reference to copies of any environmental documents prepared.

G. *Environmentally Related Federal, State, and Local Actions.* An application must indicate whether the proposed project is likely to require actions by other agencies (*e.g.*, permits), indicate the status of such actions, and provide a Web site link or other reference to materials submitted to the other agencies, and/or demonstrate compliance with other Federal, state, and local regulations and permits as applicable.

H. *Certification Requirements.* In order for an application to be considered for a grant award, the Chief Executive Officer of the applicant is required to certify, in writing, the following:

1. That, except as noted in this grant application, nothing has changed from the original application for formal designation as a Marine Highway Project.
2. The project sponsor will administer the project and any funds received will be spent efficiently and effectively.
3. Applicants will provide information, data, and reports as required by the grantor.

I. *Protection of Confidential Business Information.* All information submitted as part of or in support of an 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

application includes information that the applicant considers to be a trade secret or confidential commercial or financial information, the applicant should do the following: (1) Note on the front cover that the submission “Contains Confidential Business Information (CBI);” (2) mark each affected page “CBI;” and (3) highlight or otherwise denote the CBI portions. DOT protects such information from disclosure to the extent allowed under applicable law. In the event DOT receives a Freedom of Information Act (FOIA) request for the information, DOT will follow the procedures described in its FOIA regulations at 49 CFR § 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

VII. Grant Administration

All applicable Federal laws, rules, and regulations will apply to projects that receive Marine Highway grants. How soon after award a project is expected to expend grant funds and start construction, acquisition, or procurement will be considered on a case-by case basis and will be specified in the project-specific grant agreement. DOT reserves the right to revoke any award of Marine Highway grant funds and to award such funds to another project to the extent that such funds are not expended in a timely manner and in accordance with the project schedule. DOT’s ability to obligate funds for Marine Highway grants expires on September 30, 2010.

Appendix A:

Additional Information on Applying Through Grants.gov Applications for Marine Highway grants must be submitted through Grants.gov. To apply for funding through Grants.gov, applicants must be properly registered. Complete instructions on how to register and apply can be found at <http://www.grants.gov>. If interested parties experience difficulties at any point during the registration or application process, please call the Grants.gov Customer Support Hotline at 1-800-

518–4726, Monday–Friday from 7 a.m. to 9 p.m. Eastern Time. Registering with Grants.gov is a one-time process; processing delays may occur for first-time registrants to receive confirmation and a user password. It is highly recommended that applicants start the registration process as early as possible to avoid delays that may preclude submitting an application by the deadline specified. Applications will not be accepted after the relevant due date; delayed registration is not an acceptable reason for extensions. In order to apply for a Marine Highway grant under this announcement and to apply for funding through Grants.gov, all applicants are required to complete the following:

1. *Acquire a Data Universal Numbering System Number.* A Data Universal Numbering System (DUNS) number is required for Grants.gov registration. The Office of Management and Budget requires that all businesses and nonprofit applicants for Federal funds include a DUNS number in their applications for a new award or renewal of an existing award. A DUNS number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of entities receiving Federal funds. The identifier is used for tracking purposes and to validate address and point of contact information for Federal assistance applicants, recipients, and sub-recipients. The DUNS number will be used throughout the grant life-cycle. Obtaining a DUNS number is a free, one-time activity. Obtain a DUNS number by calling 1–866–705–5711 or by applying online at <http://www.dnb.com>.

2. *Acquire or Renew Registration with the Central Contractor Registration (CCR) Database.* All applicants for Federal financial assistance maintain current registrations in the Central Contractor Registration (CCR) database. An applicant must be registered in the CCR to successfully register in Grants.gov. The CCR database is the repository for standard information about Federal financial assistance applicants, recipients, and sub-recipients. Organizations that have previously submitted

applications via Grants.gov are already registered with CCR, as it is a requirement for Grants.gov registration. Please note, however, that applicants must update or renew their CCR registration at least once per year to maintain an active status, so it is critical to check registration status well in advance of relevant application deadlines. Information about CCR registration procedures can be accessed at <http://www.ccr.gov>.

3. *Acquire an Authorized Organization Representative (AOR) and a Grants.gov Username and Password.* Complete your AOR profile on Grants.gov and create your username and password.

You will need to use your organization's DUNS number to complete this step. For more information about the registration process, go to

http://www.grants.gov/applicants/get_registered.jsp.

4. *Acquire Authorization for your AOR from the E-Business Point of Contact (E-Biz POC).* The E-Biz POC at your organization must log into Grants.gov to confirm your AOR. Please note that there can be more than one AOR for your organization.

5. *Search for the Funding Opportunity on Grants.gov.* Please use the following identifying information when searching for the Marine Highway grant opportunity on Grants.gov. The Catalog of Federal Domestic Assistance (CFDA) number for this solicitation is 20.816, which is titled America's Marine Highway Grants.

6. *Submit an Application Addressing All of the Requirements Outlined in this Funding Availability Announcement.* Within 24–48 hours after submitting your electronic application, you should receive an email validation message from Grants.gov. The validation message will tell you whether the application has been received and validated or rejected, with an explanation. You are urged to submit your application at least 72 hours prior to the due date of the application to allow time to receive the validation message and to correct any problems that may have caused a rejection

notification. **Note:** When uploading attachments please use generally accepted formats such as .pdf, .doc, and .xls. While you may imbed picture files such as .jpg, .gif, or .bmp, in your files, please do not save and submit attachments in these formats. Additionally, the following formats will not be accepted: .com, .bat, .exe, .vbs, .cfg, .dat, .db, .dbf, .dll, .ini, .log, .ora, .sys, and .zip.

Unforeseen Grants.gov Technical Issues. If you experience unforeseen Grants.gov technical issues beyond your control that prevent you from submitting your application by the deadline, you must contact Michael Gordon at 202-366-5468 or *Michael.Gordon@dot.gov* within 24 hours after the deadline and request approval to submit your application by alternate means. In that circumstance, Department staff will request that you email the complete grant application along with your DUNS number, and provide a Grants.gov Help Desk tracking number(s) obtained prior to the deadline. After Department staff review all of the information submitted as well as contact the Grants.gov Help Desk to validate the technical issues you reported, Department staff will contact you to either approve or deny your request to submit a late application. If the technical issues you reported cannot be validated, your application will be rejected as untimely. To ensure a fair competition for limited funds, the following conditions are not valid reasons to permit late submissions: (1) failure to complete the registration process before the deadline date; (2) failure to follow Grants.gov instructions on how to register and apply as posted on its Web site; (3) failure to follow all of the instructions in the funding availability notice; and (4) technical issues experienced with the applicant's computer or information technology environment.

By Order of the Maritime Administrator.

Christine Gurland
Secretary
Maritime Administrator

Date: August 10, 2010