

## The JAXPORT EXPRESS Project EXemplifying Potential to Reduce Emissions with Sustainable Solutions

US Department of Transportation

Maritime Administration
Port Infrastructure Development Program (PIDP)

**Appendix C: Letters of Commitment** 

Per the instructions in the official Notice of Funding Opportunity: "If possible, website links to supporting documentation should be provided rather than copies of these supporting materials." Please find all supporting documentation at this link: <a href="https://www.jaxport.com/grants">https://www.jaxport.com/grants</a>



May 16, 2022

The Honorable Pete Buttigieg Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Ave, SE Washington, DC 20590

**Subject**: Letter of Commitment, JAXPORT EXemplifying Potential to Reduce Emissions with Sustainable Solutions (JAXPORT EXPRESS)

Dear Mr. Secretary,

Jacksonville Port Authority (JAXPORT) is excited to propose a powerful public-private partnership with Crowley Logistics, Inc. (Crowley) and SSA Jacksonville LLC (SSA) with this application to the 2022 Port Infrastructure Development Program (PIDP).

JAXPORT has recently begun evaluating pathways to increase its sustainability and support reductions in emissions from cargo handling and goods movement operations throughout the Port. This proposal seeks to accelerate these evaluation activities by partnering with Crowley and SSA to reduce the emissions and environmental impacts of port cargo handling operations across two marine terminals along the St. Johns River—the Talleyrand Marine Terminal and the Jacksonville International Gateway Terminal—and develop a replicable strategy for transitioning the port and its supporting maritime operations to zero-emission and electric technologies.

The equipment, infrastructure, and port sustainability planning investments proposed for JAXPORT EXPRESS will support each of the PIDP program objectives. First, the project will directly improve the safety, efficiency, and reliability of the loading and unloading of goods, the movement of goods, operational improvements, and includes industry-leading environmental and emissions mitigation measures. Second, JAXPORT EXPRESS will generate economic vitality at the national and regional levels through procurement of only Buy America-compliant equipment and materials alongside investment in workforce development activities enabling a zero-emission future. Third, the project addresses climate change and environmental justice impacts of goods movement by achieving immediate emissions reductions in Historically Disadvantaged Communities and areas of persistent poverty. Fourth, the project advances equity and opportunity for all through expansive workforce development, planning, and community engagement activities. Lastly, JAXPORT EXPRESS will leverage the requested Federal funding to attract local and private investment that will set exemplify how ports can transition to sustainable and zero-emission technologies and infrastructure. This potent combination of improvements—leveraging innovative technologies, methods of project delivery, and financing—will in turn reduce emissions, energy demand, shipping costs, and speed time to market while generating a positive return for U.S. businesses and the U.S. economy overall.



As a sign of the strength of this public-private partnership and our collective commitment to the success of the proposed \$47,036,000 project, each of the project partners have agreed in a Memorandum of Understanding that together they will guarantee the committed cost share of \$23,518,000, a figure representing 50% of total eligible project costs. If the project is awarded funding, JAXPORT, SSA, and Crowley will work closely together to ensure full and complete funding of the project components described in the project narrative.

The proposed cost share of \$575,000.00, a figure representing 2.46% of the non-federal share, by JAXPORT will come from the Port's Operating Reserve Fund and is available immediately upon MARAD's announcement of awardees. Likewise, if the JAXPORT EXPRESS Project is awarded funding under the PIDP, JAXPORT guarantees the availability of the staff and resources necessary to complete the activities described in the application, including ensuring timely reporting and compliance with the Build America, Buy America Act and all local, state, and federal laws and regulations.

In partnering with SSA and Crowley, JAXPORT is committing to support their continued industry-leading efforts to decarbonize the engine of global trade and our national supply chain: the ports and maritime industries. Together, we form a powerful team capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner

For these reasons and more, I urge you to fund the JAXPORT EXPRESS Project. If you have any questions at all, please do not hesitate to contact me.

Sincerely,

Eric B. Green (May 6, 2022 20:03 EDT)

Eric. B Green Chief Executive Officer Jacksonville Port Authority 2831 Talleyrand Avenue Jacksonville, Florida 32206

cc: Rudy Leming, Vice President, Puerto Rico and Latin America, Crowley Logistics Lauren Offenbecher, President, SSA Conventional



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May 16, 2022

The Honorable Pete Buttigieg Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Ave, SE Washington, DC 20590

**Subject**: Letter of Commitment, JAXPORT EXemplifying Potential to Reduce Emissions with Sustainable Solutions (JAXPORT EXPRESS)

Dear Mr. Secretary,

SSA Jacksonville LLC (SSA) is excited to collaborate on a powerful public-private partnership with the Jacksonville Port Authority (JAXPORT) and Crowley Logistics, Inc. (Crowley) with this application to the 2022 Port Infrastructure Development Program (PIDP).

SSA Jacksonville LLC, an affiliate of SSA Marine and Carrix, Inc., is the largest port terminal operator in the Americas. In 2019, SSA signed a 25-year agreement with JAXPORT to lease, develop, and operate the 80-acre Jacksonville International Gateway Terminal at Blount Island. Since then, the two organizations have been coordinating on terminal improvements that will revolutionize the Port, enabling the world's largest container ships to call in Jacksonville beginning in January 2024. Elsewhere, SSA has been leading the charge on demonstrating zero-and near-zero-emission cargo handling equipment and is continuing to transition its cargo handling fleet to advance its corporate sustainability goals and support reductions in Scope 2 and 3 emissions for all who rely upon SSA's terminal operations in their businesses and everyday lives. This proposal seeks to accelerate these activities by partnering with JAXPORT and Crowley to reduce the emissions and environmental impacts of port cargo handling operations across two marine terminals along the St. Johns River—the Talleyrand Marine Terminal and the Jacksonville International Gateway Terminal—and develop a replicable strategy for transitioning the port and its supporting maritime operations to zero-emission and electric technologies.

The equipment, infrastructure, and port sustainability planning investments proposed for JAXPORT EXPRESS will support each of the PIDP program objectives. First, the project will directly improve the safety, efficiency, and reliability of the loading and unloading of goods, the movement of goods, operational improvements, and includes industry-leading environmental and emissions mitigation measures. Second, JAXPORT EXPRESS will generate economic vitality at the national and regional levels through procurement of only Buy America-compliant equipment and materials alongside investment in workforce development activities enabling a zero-emission future. Third, the project addresses climate change and environmental justice impacts of goods movement by achieving immediate emissions reductions in Historically Disadvantaged Communities and areas of persistent poverty. Fourth, the project advances equity and opportunity for all through expansive workforce development, planning, and community engagement activities. Lastly, JAXPORT EXPRESS will leverage the requested Federal funding

to attract local and private investment that will set exemplify how ports can transition to sustainable and zero-emission technologies and infrastructure. This potent combination of improvements—leveraging innovative technologies, methods of project delivery, and financing—will in turn reduce emissions, energy demand, shipping costs, and speed time to market while generating a positive return for U.S. businesses and the U.S. economy overall.

As a sign of the strength of this public-private partnership and our collective commitment to the success of the proposed \$47,036,000 project, each of the project partners have agreed in a Memorandum of Understanding that together they will guarantee the committed cost share of \$23,518,000, a figure representing 50% of total eligible project costs. If the project is awarded funding, JAXPORT, SSA, and Crowley will work closely together to ensure full and complete funding of the project components described in the project narrative.

The proposed cost share of \$15,600,500 by SSA will come from existing capital reserves and is available immediately upon MARAD's announcement of awardees. Likewise, if the JAXPORT EXPRESS Project is awarded funding under the PIDP, SSA guarantees the availability of the staff and resources necessary to complete the activities described in the application, including ensuring timely reporting and compliance with the Build America, Buy America Act and all local, state, and federal laws and regulations.

In partnering with JAXPORT and Crowley, SSA is committing to continuing its industry-leading efforts to decarbonize the engine of global trade and our national supply chain: the ports and maritime industries. Together, we form a powerful team capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner

For these reasons and more, I urge you to fund the JAXPORT EXPRESS Project. If you have any questions at all, please do not hesitate to contact me.

Sincerely,

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Lauren Offenbecher President, SSA Conventional SSA Jacksonville LLC 5800 William Mills Street

Jacksonville, FL 32226

cc: Eric Green, CEO, Jacksonville Port Authority
Rudy Leming, Vice President, Puerto Rico and Latin America, Crowley Logistics



May 16, 2022

The Honorable Pete Buttigieg Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Ave, SE Washington, DC 20590

**Subject**: Letter of Commitment, JAXPORT EXemplifying Potential to Reduce Emissions with Sustainable Solutions (JAXPORT EXPRESS)

Dear Mr. Secretary,

Crowley Logistics, Inc. (Crowley) is excited to collaborate on a powerful public-private partnership with the Jacksonville Port Authority (JAXPORT) and SSA Jacksonville LLC (SSA) with this application to the 2022 Port Infrastructure Development Program (PIDP).

Crowley Logistics, Inc., an affiliate of Jacksonville-based Crowley Maritime, is one of the nation's leading diversified logistics, government, marine, and energy solutions companies and Jones Act vessel owner-operators. In 2015, Crowley signed a 20-year agreement with JAXPORT to lease, develop, and operate the 50-acre Talleyrand Marine Terminal. With this agreement, Crowley has centralized its Puerto Rico service at Talleyrand and established the terminal as a major LNG bunkering hub for the company's Jones Act LNG-powered Commitment-Class ships. Critically, in December 2021, Crowley committed to net-zero- greenhouse gas emissions across all scopes by 2050, reducing annual greenhouse gas emissions by 4.2 million metric tons per year. This commitment to sustainability will directly support reductions in Scope 2 and 3 emissions for all who rely upon Crowley's diverse logistics operations in their businesses and everyday lives. This proposal seeks to accelerate these activities by partnering with JAXPORT and SSA to reduce the emissions and environmental impacts of port cargo handling operations across two marine terminals along the St. Johns River—the Talleyrand Marine Terminal and the Jacksonville International Gateway Terminal—and develop a replicable strategy for transitioning the port and its supporting maritime operations to zero-emission and electric technologies.

The equipment, infrastructure, and port sustainability planning investments proposed for JAXPORT EXPRESS will support each of the PIDP program objectives. First, the project will directly improve the safety, efficiency, and reliability of the loading and unloading of goods, the movement of goods, operational improvements, and includes industry-leading environmental and emissions mitigation measures. Second, JAXPORT EXPRESS will generate economic vitality at the national and regional levels through procurement of only Buy America-compliant equipment and materials alongside investment in workforce development activities enabling a zero-emission future. Third, the project addresses climate change and environmental justice impacts of goods movement by achieving immediate emissions reductions in Historically Disadvantaged Communities and areas of persistent poverty. Fourth, the project advances equity and opportunity for all through expansive workforce development, planning, and community engagement activities. Lastly, JAXPORT EXPRESS will

leverage the requested Federal funding to attract local and private investment that will set exemplify how ports can transition to sustainable and zero-emission technologies and infrastructure. This potent combination of improvements—leveraging innovative technologies, methods of project delivery, and financing—will in turn reduce emissions, energy demand, shipping costs, and speed time to market while generating a positive return for U.S. businesses and the U.S. economy overall.

As a sign of the strength of this public-private partnership and our collective commitment to the success of the proposed \$47,036,000 project, each of the project partners have agreed in a Memorandum of Understanding that together they will guarantee the committed cost share of \$23,518,000, a figure representing 50% of total eligible project costs. If the project is awarded funding, JAXPORT, SSA, and Crowley will work closely together to ensure full and complete funding of the project components described in the project narrative.

The proposed cost share of \$7,342,500 by Crowley will come from existing capital reserves and is available immediately upon MARAD's announcement of awardees. Likewise, if the JAXPORT EXPRESS Project is awarded funding under the PIDP, Crowley guarantees the availability of the staff and resources necessary to complete the activities described in the application, including ensuring timely reporting and compliance with the Build America, Buy America Act and all local, state, and federal laws and regulations.

In partnering with JAXPORT and SSA, Crowley is committing to continuing its industry-leading efforts to decarbonize the engine of global trade and our national supply chain: the ports and maritime industries. Together, we form a powerful team capable not only of planning such an ambitious and important project, but also of executing it in a timely, cost-effective manner

For these reasons and more, I urge you to fund the JAXPORT EXPRESS Project. If you have any questions at all, please do not hesitate to contact me.

Sincerely,

Rudy Leming

Rudy Leming

Vice President, Puerto Rico and Latin America Crowley Logistics, Inc.

9487 Regency Square Blvd.

Jacksonville, FL 32225

cc: Eric Green, CEO, Jacksonville Port Authority Lauren Offenbecher, President, SSA Conventional