ALABAMA PORT AUTHORITY

PROJECT NARRATIVE

Project ANCHOR: America's Gulf Gateway Development FY 2026

Port of Mobile Master Plan and Infrastructure Development Project

Grant Request

Submitted to:
U.S. Department of Transportation - Maritime Administration

Submitted by:
Alabama Port Authority (APA)
250 North Water Street
Mobile, AL 36602
June 1, 2026

Advancing
Navigation &
Cargo
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Field Name	Guidance
Name of lead applicant	Alabama Port Authority
Is the applicant applying as a lead applicant with any joint applicants?	No
Does the applicant or joint applicant own the property where the grant-funded improvements will occur?	Yes
Is the applicant seeking funding under the small project at a small port set-aside?	No
Project name	Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development
Project description	This Project will advance the Port of Mobile through the planning, design, and construction phases by integrating a Port-wide Master Plan with the container terminal backlands redevelopment. The work builds on ongoing preliminary efforts and includes development of a 20-30 year strategic framework, roller compacted concrete container terminal paving, utility and site infrastructure upgrades, dock-adjacent improvements, and expanded laydown capacity to support terminal operations.
Is this a planning project?	No
Is this a project at a coastal or Great Lakes port?	Yes
Is this project located in a non-contiguous State or U.S. territory?	No
Geographic Coordinates (in Latitude and Longitude format)	Latitude: 30.716927 Longitude: -88.043981
Is this project in an urban or rural area?	Urban
Project Zip Code	36603
Has the same project been previously submitted for PIDP funding?	No
Is the applicant applying for other Federal discretionary grant programs (managed by DOT or separate agency) in 2026 for the same work or related scopes of work?	No

Field Name	Guidance
Has the applicant previously received DOT funding for the same work or related scope of work?	No
Has the applicant previously received TIGER/BUILD/RAISE, FASTLANE/INFRA, Mega, USMHP, or PIDP funding?	Yes, TIGER 2012 & TIGER 2017, Community Project Funding (CPF) PIDP FY24 and FY26
PIDP Grant Amount Requested	$54,263,858
Total Project Cost	$72,351,810
Total Federal Funding	$54,263,858
Total Non-Federal Funding	$18,087,952
Will the applicant be seeking approval to expend funds prior to grant agreement execution?	No
Will RRIF or TFIA funds be used as part of the project financing?	No
Private Corporation Involvement	No
Private Corporation Names	No
Does the applicant use LOGINK or a similar logistics platform provided or sponsored by the People's Republic of China or Chinese state-affiliated entities?	No

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[1] Supporting Documents are available at https://alports.com/docs/pidp-grant-2026

I. Project Description

Statement of Work

Figure 1: Port of Mobile, Alabama along the Mobile River

Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project (Project) is located across the Port of Mobile in Mobile, Alabama, encompassing all major terminal areas, intermodal connections, and supporting infrastructure. The Alabama Port Authority[2] (APA) owns the Port of Mobile, which serves as America's Gateway to the Gulf. The Port plays a critical role in regional and national freight movement, supply chain reliability, and economic competitiveness; however, aging infrastructure, evolving cargo demands, multimodal access constraints, and increasing exposure to natural and manmade hazards necessitate a coordinated, Port-wide approach to planning and investment.

The project includes three components: (1) Master Plan - planning; (2) Backlands Design - design; (3) Backlands Construction - capital. The planning component of the Project will develop a comprehensive, data-driven Master Plan covering the entire Port of Mobile with a 20–30 year planning horizon to guide future growth, modernization, and operational integration across all facilities. The Master Plan will assess existing conditions, forecast freight demand, identify infrastructure and operational improvements, integrate resilience and sustainability strategies, and establish a prioritized capital improvement program aligned with the U.S. Maritime Administration (MARAD) Port Infrastructure Development Program (PIDP) objectives. This effort will reduce system-wide bottlenecks, improve land use and connectivity, and position the Port to advance and compete for future Federal investments.

Building on this framework, the capital component of the Project will also advance into the final design and construction of the container yard backlands redevelopment. This work includes roller compacted concrete (RCC) paving, utility and site infrastructure upgrades, dock-adjacent improvements, and expanded laydown and storage capacity to improve operational efficiency, safety, and resilience. Together, these integrated planning, design, and construction components

[2] https://alports.com/

will enhance throughput, improve system reliability, and deliver long-term, sustainable value to the Port of Mobile and the national freight network. A detailed Statement of Work can be found in Appendix A.

Transportation Challenges Addressed by the Project

Figure 2: Existing Main Dock Area

The Project addresses a range of interconnected transportation challenges affecting the Port of Mobile at both the systemwide and terminal specific levels. Across the Port, increasing cargo volumes, evolving freight demands, aging infrastructure, and constraints in multimodal connectivity are placing growing pressure on the Port's ability to efficiently and reliably move goods. Without a coordinated, Port wide strategy, these conditions can lead to fragmented investment decisions, inefficient allocation of resources, and reduced competitiveness for Federal funding, ultimately limiting the Port's role in supporting resilient national supply chains.

At the operational level, capacity limitations and infrastructure constraints continue to affect the efficiency of freight movement, particularly within high-demand areas such as the container terminal. As vessel sizes increase and cargo volumes grow, existing landside infrastructure experiences congestion, longer dwell times, and reduced throughput due to bottlenecks between dock and yard operations. Legacy infrastructure and suboptimal yard configurations further contribute to inefficiencies in equipment circulation, container handling, and truck processing.

Recent USDOT Bureau of Transportation Statistics (BTS)[3] data through 2023 indicates sustained growth in containerized throughput at the Port of Mobile, with volumes surpassing the Port of New Orleans in 2021 and continuing to increase following the expansion to six Super Post-Panamax (SPP) cranes by 2022, enhancing vessel handling capacity and berth productivity. While Mobile remains within the mid-tier U.S. port range (#16–20 by TEU volume). Its growth trajectory reflects increasing operational efficiency, crane intensity, and competitiveness within the Gulf and Southeastern port network. Continued throughput gains are currently constrained by limitations in backlands storage capacity and berth space, which components 2 and 3 of the Project will address.

[3] BTS Maritime and Ports

The Project directly addresses these challenges through a coordinated approach that combines strategic planning with targeted capital improvements. The comprehensive Port Master Plan will establish a clear, data-driven framework to guide future infrastructure investments, reduce system bottlenecks, and improve multimodal connectivity. Concurrently, the container terminal backlands development will modernize critical container yard infrastructure through improved pavement systems, upgraded utilities, optimized layouts, and expanded storage capacity. Together, these efforts will better align landside and waterside operations, reduce congestion and operational inefficiencies, and enhance the overall performance, reliability, and resilience of freight movement through the Port of Mobile.

Existing Conditions

The Port of Mobile operates as a large, diversified maritime and intermodal system consisting of multiple terminal types, including container, breakbulk, bulk, liquid bulk, roll-on/roll-off (Ro-Ro), and intermodal rail facilities. As Alabama's only deepwater seaport, the Port supports a broad range of domestic and international trade flows and serves as a key gateway for the United States. The APA owns and operates or supports more than 30 marine terminals and logistics assets across the Port system, handling a wide variety of commodities including containers, steel, forest products, coal, petroleum products, and project cargo. Collectively, these facilities are integrated with extensive rail, highway, and inland waterway connections that enable efficient distribution of freight throughout regional and national markets.

The main dock complex represents the historical core of Port operations, extending approximately 2.2 miles along the Mobile River and encompassing roughly 570 acres, with 28 berths, more than 17,000 linear feet of quay, and approximately 1.9 million square feet of warehouse space. This multipurpose terminal supports a diverse cargo mix, with an estimated 40-60% of cargo moving by rail through the Terminal Railway Alabama State Docks, which connects directly to all five Class I railroads. This rare level of Class I rail connectivity provides significant national freight mobility advantages by enabling efficient inland distribution and reducing long-haul truck dependency. While the facility remains operationally critical, much of its infrastructure is aging, with wharves, transit sheds, and storage areas requiring increasing maintenance and rehabilitation to meet evolving operational demands. Constraints such as limited covered storage, floor loading restrictions, and growing demand for staging space for steel, forest products, and project cargo reduce operational flexibility and efficiency in certain areas.

The Port's container operations, operated by the entity APM Terminals, represent a modern, high-capacity component of the system, designed to accommodate global containerized trade. The container terminal includes a deepwater berth with Super Post Panamax crane capacity and on-dock rail infrastructure that supports efficient intermodal transfers. The facility has an

existing throughput capacity of approximately 650,000 TEUs annually, with ongoing investments aimed at doubling capacity to over 1 million TEUs. Despite these capabilities, landside limitations, particularly within the terminal backland areas, constrain the full utilization of berth capacity and create inefficiencies in container stacking, equipment circulation, and truck processing as cargo volumes increase. These landside constraints limit the ability to fully leverage existing and planned waterfront investments, reducing overall system efficiency and constraining the Port's ability to accommodate projected cargo growth.

Across the broader Port system, the combination of legacy infrastructure in established terminals and capacity constraints in high growth areas creates operational challenges that affect overall performance. Navigation channel depth, ongoing dredging requirements, and landside access constraints also influence system efficiency and reliability. At the same time, increasing cargo volumes, larger vessel sizes, and more complex supply chain demands are placing additional pressure on existing facilities and infrastructure.

Collectively, these conditions reflect a Port system that is strategically located, multimodally connected, and economically significant, yet constrained by a combination of aging assets, capacity limitations, and evolving operational requirements. These factors underscore the need for a coordinated, comprehensive, Port wide approach to modernization, planning, and targeted capital investment to ensure continued efficiency, reliability, and competitiveness within the national and global freight network.

Historical Context for Project

The Alabama Port Authority (APA), pursuant to Alabama Code Title 33-1-12, has the power to engage in improvement, promotion, development, construction, maintenance and operations of the harbors, terminal railways, seaports and riverports within the State of Alabama and its jurisdiction[4]. Over its history, APA has guided the Port's evolution from a traditional bulk cargo gateway into a diversified, multimodal logistics hub supporting containerized, breakbulk, and industrial supply chains across the southeastern United States. This transformation has been achieved through phased

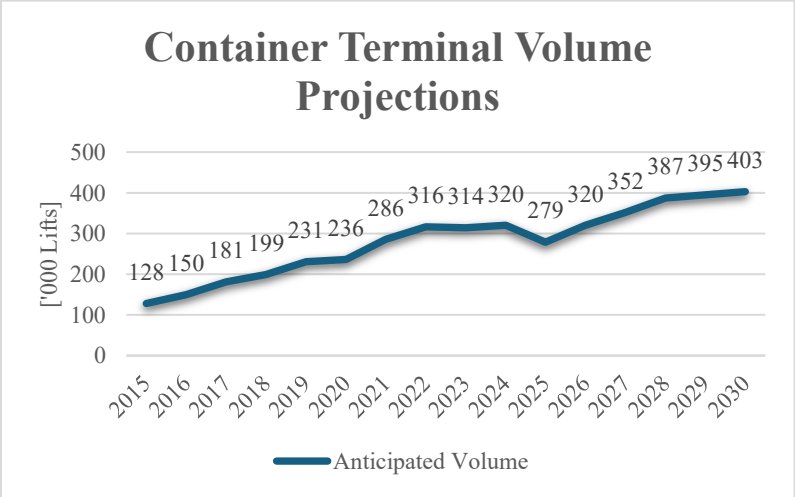

Figure 3: Container Terminal Volume Projections

[4]https://law.justia.com/codes/alabama/title-33/chapter-1/section-33-1-12/

infrastructure development, strategic reinvestment, and partnerships leveraging state, Federal, and private funding.

The Port's growth has been shaped by changing global trade patterns, vessel sizes, and industrial demands, requiring continuous adaptation of facilities and operations. This trajectory is reflected in sustained increases in cargo volumes, which have grown from approximately 128,000 lifts in 2015 to over 300,000 lifts in recent years and are projected to reach more than 770,000 lifts by 2060, which can be seen in Figure 4. Over the past two decades, APA has advanced numerous studies, master plans, and targeted capital improvements that addressed specific needs such as terminal expansion, intermodal connectivity, and navigation enhancements. While these efforts have successfully supported incremental growth, they have generally been implemented as standalone projects, reflecting specific market demands rather than a fully integrated, Port-wide strategy.

The Project will build upon these prior investments by consolidating planning and capital improvements into a coordinated, long-term framework for the entire Port of Mobile. In particular, it advances the redevelopment of strategically located backland areas that have transitioned from legacy industrial uses, such as former coal handling operations, to higher-value logistics functions supporting containerized freight growth. This transition reflects broader shifts in commodity markets and Port operations, with coal import functions discontinued and export activities consolidated at dedicated facilities, allowing underutilized areas to be repurposed for more productive uses.

As shown in Figure 4 and Appendix B, a key related investment that is currently underway from both APA and APM Terminals is the Phase 5 dock extension Project, which involves the construction of a new dock segment extending from Dock 3 (the former coal dock) to the existing container terminal dock. These plans can be found in Appendix C along with various phasing design options in Appendix D. This waterfront construction, including the creation of a new lay berth intended primarily for container operations, is outside the scope of

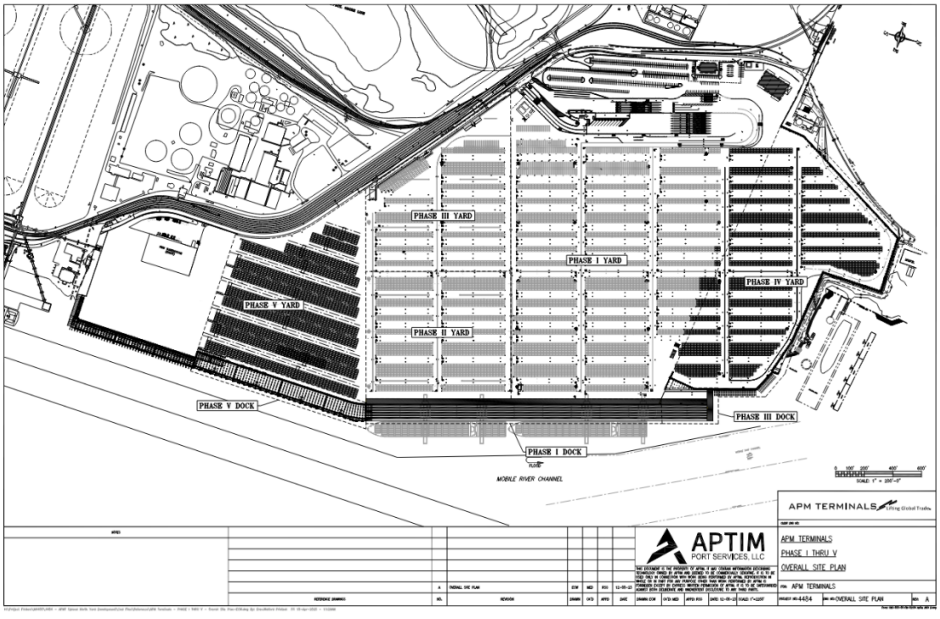

Figure 4: APM Terminal Overall Site Plan Phase 1 Through 5

the Project but will provide essential waterfront capacity that the backland improvements will support.

This Project is further supported by ongoing and complementary infrastructure investments within the Port, including waterfront and berth expansion efforts that increase overall marine capacity. However, projected growth indicates that landside constraints will emerge earlier, with yard capacity anticipated to be reached around 2044, well in advance of ultimate berth capacity, underscoring the importance of timely backland and terminal improvements to accommodate future demand. While those investments are outside the scope of this application, they provide essential context by establishing the waterside capabilities that landside improvements will support. The integration of these efforts represents a coordinated, multi-phase approach to Port modernization.

By combining a comprehensive, Port-wide master planning effort with targeted design and construction of critical infrastructure, the Project transitions from isolated development initiatives to a unified strategy that aligns long-term planning with near-term implementation. This approach ensures that future investments are prioritized, scalable, and responsive to evolving freight demands, positioning the Port of Mobile to improve freight reliability, strengthen supply chain resilience, enhance multimodal connectivity, support economic competitiveness, and deliver long-term benefits to regional and national commerce.

II. Project Location

The Project is located at the Port of Mobile in Mobile, Alabama. The City of Mobile has a population of 201,355, according to 2024 Census Data[5]. In 2023, however, the City annexed several areas, bringing the overall population of the Mobile, AL metropolitan area to 412,339, making it the 2nd largest city in the State of Alabama. The Port of Mobile is Alabama's only deep-water seaport. It is located in the southernmost part of the state (Mobile County), and its facilities are only 3-hours from open water in the Gulf of America. Figure 5 and Appendix E shows the Project Phase Location Map located at the Port of Mobile along the Mobile River.

[5] https://censusreporter.org/profiles/16000US0150000-mobile-al/

Figure 5: Project Phase Location Map

This Project resides within an urban area located on the Mobile River. All warehouses and piers in the Port's General Cargo facility have a 40-foot draft. Additionally, they are all rail served by the Port's short line railroad, Terminal Railway Alabama State Docks, (TASD), with direct connection to five (5) Class I railroads, which are BNSF Railway (BNSF), Canadian National Railway (CN), CSX Transportation (CSXT), Norfolk Southern (NS), and Canadian Pacific Kansas City (CPKC). This level of rail connectivity is uncommon among U.S. ports and provides significant national freight mobility advantages by enabling efficient inland cargo distribution and reducing dependence on long-haul trucking. The subject property can be served by all the aforementioned assets, as shown in Figure 6, which can be found on the APA website (https://alports.com/port-map/).

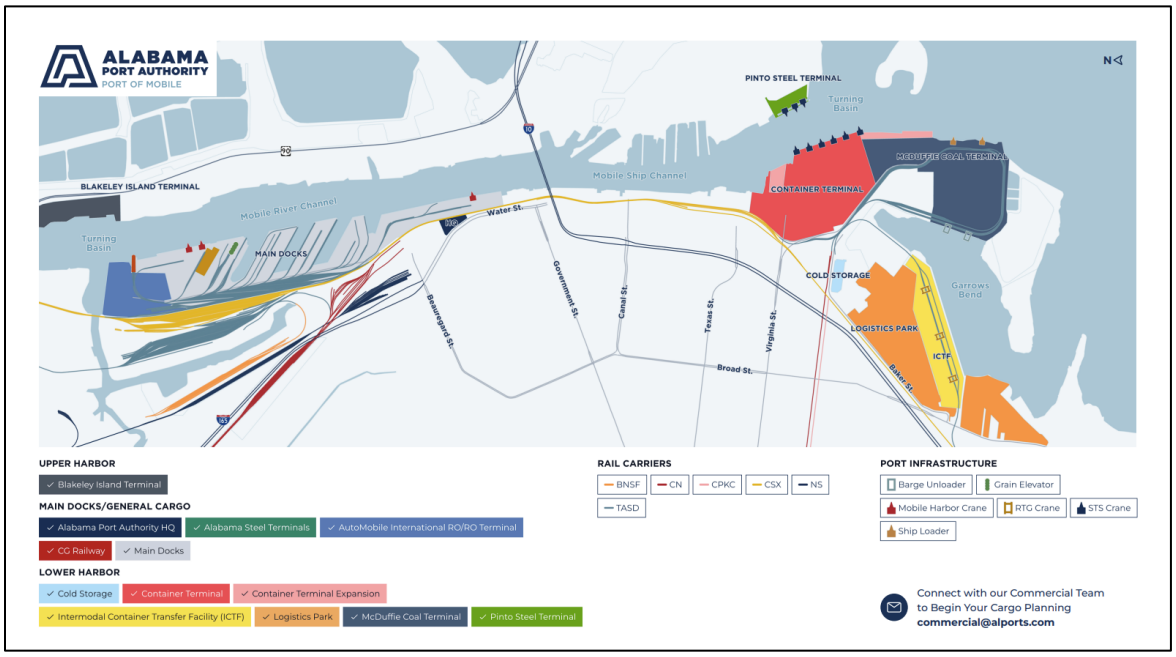

Figure 6: Existing Transportation Infrastructure and Connections

Figure 7 and Appendix F shows the Project location in Census Tract 12 and reflects its inclusion in both an Area of Persistent Poverty (APP) and a Historically Disadvantaged Community (HDC). The images below depict the Project location in Census Tract 12.

The Port of Mobile is in an area of persistent poverty and is adjacent to multiple historically disadvantaged communities. The Project is in the Federally designated Community Development Zone (CDZ) Opportunity Zone: 01097001200 and Empowerment Zone for Census Tract 001203 as an Urban Renewal Community.

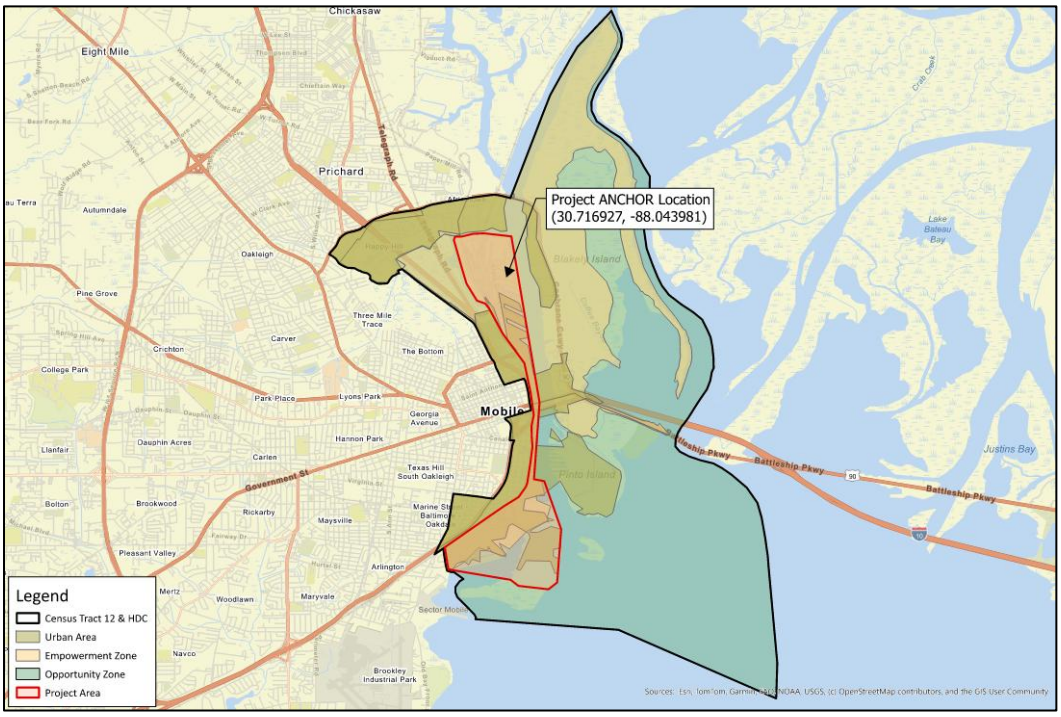

Figure 7: Project Location Identification with HDC, CDZ, and 2010 Census Urban/Rural Area

III. Grant Funds, Sources, and Use of Funds

This application is for an integrated Port of Mobile project that includes the development of a comprehensive, port-wide Master Plan, project-level design activities, and construction of the container yard backlands redevelopment, including approximately 26.42 acres of container storage and supporting infrastructure improvements. The combined total project cost is estimated at $72,351,810.

The Alabama Port Authority (APA) is requesting USDOT discretionary funding for the abovementioned Project in the amount of $54,263,858 (75%). Furthermore, the APA is committed to providing a local match of $18,087,952 (25%), exceeding the PIDP minimum match requirement of 20%. The substantial local contribution demonstrates APA's financial commitment and readiness to deliver the Project in partnership with the Federal government. The non-Federal share will be funded through APA resources and is readily available to support timely project delivery.

Grant funds will be used to support all three components of the Project, including Master Plan development, engineering and design, environmental review and permitting, and construction of modernized container yard infrastructure such as roller compacted concrete paving, utilities, and site improvements. Together, these investments establish a coordinated framework for long-term Port development while delivering near-term operational benefits.

Without Federal funding, critical infrastructure improvements would likely be deferred, prolonging operational inefficiencies, reducing system resiliency, constraining future cargo growth, and limiting the Port's ability to support reliable national freight movement and supply chain diversification. Such delays would increase overall project costs due to inflation and prolong existing capacity, efficiency, and reliability constraints, limiting the Port's ability to meet growing freight demand and support regional and national supply chains. The proposed funding profile is shown below in Table 1:

Table 1: Project Funding Breakdown

Estimated Project Budget							
Component	**Phase**	**Description**	**Federal Share**		**Local Match**		**Total Amount**
			$	**%**	**$**	**%**	**$**
1	Planning	Port of Mobile Master Plan	$750,000	75%	$250,000	25%	$1,000,000
2	Engineering	Design of Container Storage Area	$4,864,896	75%	$1,621,632	25%	$6,486,528
3	Construction	Construction of Container Storage Area	$48,648,962	75%	$16,216,321	25%	$64,865,282
Total Project Cost			***$54,263,858***	***75%***	***$18,087,952***	***25%***	***$72,351,810***

No other Federal funds are available for this Project, and all non-Federal funds will be provided by APA. The APA has executed a funding commitment letter for this Project that can be found in Appendix G, in addition to the detailed Project budget. There are no conditions on the APA funds, and the funds can be made available from the Port's general funds as soon as Federal grant funds are obligated. Additional information on leveraging Federal funding can be found in Section IV.

IV. Merit Criteria

APA's Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project directly advances the key objectives of the PIDP program of improving the safety, efficiency, or reliability of goods movement by delivering clear, direct, and data driven improvements. The Project addresses documented operational constraints, establishes a comprehensive long-term investment framework, and delivers measurable improvements to critical performance metrics such as throughput, dwell time, and safety outcomes. Consistent with MARAD priorities, the Project meets all key merit criteria objectives, including achieving safety, efficiency, and reliability improvements; supporting economic vitality at the regional/national level; leveraging federal funding to attract non-federal sources of infrastructure investment; and enhancing Port resilience.

Achieving Safety, Efficiency, or Reliability Improvements

Safety

Safety is a primary purpose of the Project and is addressed through a combined approach that integrates infrastructure improvements with a data-driven, port-wide planning framework to systematically reduce safety risks across terminal operations. The Project targets well documented hazards associated with marine terminal environments, particularly those related to vehicle and equipment interactions, deteriorated operating surfaces, and unstructured circulation patterns.

According to the U.S. Centers for Disease Control and Prevention (CDC), workers in marine terminals experience fatal injury rates of approximately 15.9 fatalities per 100,000 workers annually, a rate five times higher than the U.S. workforce average, with nearly 60% of fatal incidents linked to vehicle and equipment interactions within terminal environments[6]. OSHA and industry guidance further identify inadequate traffic controls, deteriorated or uneven driving surfaces, and poorly defined operating areas as major contributors to struck-by and equipment related incidents in marine terminals[7]. These risk factors are particularly relevant in complex, multimodal port environments such as the Port of Mobile.

These national trends are reflected in recent Port of Mobile operational data, which demonstrate persistent safety exposure associated with yard circulation and equipment interactions. Between FY2021 and FY2026 (year-to-date), the container terminal recorded an average of 35 property damage incidents, along with an average of 48 non-employee incidents, confirming that vehicle and equipment conflicts remain a recurring and material safety risk within terminal operations, as shown in Table 2. While severe injuries remain limited, the frequency of these incidents highlights the underlying exposure conditions the Project is designed to address.

Table 2: FY 2021- FY 2026 Port Accident Data

	Number of Accidents			
Fiscal Year	Lost Time	Recordable	Property Damage	Non-Employee
FY 2026	2	2	16	12
FY 2025	2	3	26	38
FY 2024	3	6	48	44
FY 2023	11	15	32	72
FY 2022	1	15	48	74
FY 2021	2	9	35	No recorded data

[6] Marine Terminals and Port Operations | Maritime Safety and Health | CDC
[7] Traffic Safety in Marine Terminals.pdf

The Project directly addresses these conditions through coordinated planning and targeted infrastructure improvements. **The Port-wide Master Plan will establish a safety-first framework that identifies high-risk operational areas across the Port and develops implementable strategies to reduce exposure, including improved circulation design, conflict point reduction, and enhanced separation between operational modes.** This planning effort will produce actionable, investment-ready recommendations that embed safety improvements into future capital projects, ensuring consistent application of modern engineering and operational best practices.

Complementing this system-wide approach, the container yard backlands development will directly mitigate safety risks within a high-activity container terminal environment by converting transitional and partially uncontrolled areas into a fully engineered container yard. Key safety improvements include:

- Segmented and channelized traffic flows, reducing conflict points between trucks and cargo handling equipment.
- Defined container storage and operational zones, minimizing unpredictable equipment movements.
- Roller compacted concrete (RCC) pavement engineered for heavy axle loads, eliminating rutting, settlement, and surface instability that contribute to loss-of-control and rollover incidents.
- Reduction in internal vehicle travel distances (approximately 1,600 ft to 1,300 ft per move), decreasing cumulative exposure hours for both equipment operators and truck drivers.

In addition, the Project reduces operational risk through improved efficiency, including decreased container rehandling (from approximately 1.5 to 1.25 moves per container) and shorter vehicle cycle times. These changes reduce congestion, idling, and the duration of worker exposure in high-risk areas, directly targeting the primary causal factors of terminal incidents: frequency of equipment interaction, travel distance, and operational density.

Consistent with guidance from the World Association for Waterborne Transport Infrastructure (PIANC), International Cargo Handling Coordination Association (ICHCA), and Federal Highway Administration (FHWA) Crash Modification Factors, reductions in conflict points, improved circulation, and enhanced infrastructure reliability are expected to significantly reduce incident risk in high-volume freight environments[8]. The combined effects of planning-led system improvements and targeted infrastructure upgrades are expected to produce measurable safety outcomes across the Port.

[8] ICHCA Severe Risks Dashboard - ICHCA International

Expected Safety Outcome Metrics

- 25-30% reduction in crash and incident risk due to improved circulation, reduced conflict points, and lower vehicle miles traveled.
- Up to 30% reduction in vehicle- and equipment-related incidents, consistent with documented effects of circulation and access management improvements.
- Reduced worker exposure time in high-risk operating zones through shorter travel distances, fewer rehandles, and decreased congestion.
- Improved safety conditions across future capital projects through implementation of Master Plan recommendations.

These outcomes reflect clear, direct, and data-driven safety benefits that target a documented operational problem by delivering significant reductions in risk across Port operations. Consistent with USDOT Benefit-Cost Analysis guidance, these reductions will be monetized using standard unit cost values, including the Value of a Statistical Life (VSL) of approximately $13.2 million (2023 USD), injury severity costs based on KABCO classifications, and average property-damage-only crash costs of approximately $5,000-$15,000 per incident. This thereby translates observed reductions of recent historical averages of 16-48 annual property damage incidents and associated exposure events observed at the terminal into quantifiable economic benefits attributable to the Project[9].

Efficiency

Improving operational efficiency and enabling measurable increases to enhance freight fluidity and terminal productivity are primary objectives of the Project, directly supporting PIDP's statutory goal of enhancing the efficiency of goods movement. The Project addresses both system-wide and terminal-level constraints that limit the Port of Mobile's ability to fully utilize existing infrastructure, particularly during peak demand conditions when congestion, dwell time, and circulation inefficiencies reduce effective capacity.

At a system level, national and global research demonstrates that port efficiency is strongly influenced by vessel berth time, terminal productivity, and landside connectivity. Even incremental increases in dwell time can significantly reduce effective capacity and increase supply chain costs. As cargo volumes continue to grow, these factors place increasing pressure on port systems to optimize operations without relying solely on footprint expansion. The Project responds to these conditions by establishing a coordinated, data-driven framework for improving circulation, reducing delays, and aligning infrastructure investments across the Port.

At the terminal level, the Project delivers targeted, quantifiable efficiency improvements by addressing landside capacity constraints and operational bottlenecks within the container

[9] Safety Benefits = (Reduction in Fatalities × VSL) + (Reduction in Injury Incidents × Injury Unit Cost) + (Reduction in Property Damage Incidents × Average Damage Cost per Incident)

terminal. The redevelopment of underutilized backland into a high-capacity, dock-adjacent container yard increases usable staging and storage space while improving the flow of cargo between berth and yard. This is an issue consistent with global port performance findings that inadequate dock adjacent yard space can reduce berth productivity by 15-30% due to congestion and rehandling inefficiencies. By better aligning landside capacity with recent and ongoing waterfront investments, the Project removes a critical constraint that limits throughput and reduces overall terminal productivity. **The Project resolves this constraint by redeveloping underutilized backland into a high-capacity, dock-adjacent container yard representing approximately 25-33% of the existing terminal footprint, as shown in Figure 8 and Appendix H.** Thereby aligning landside storage capacity with recent and ongoing waterfront and berth investments. This increase in near dock staging capacity directly supports higher throughput volumes by reducing bottlenecks in container evacuation and staging operations.

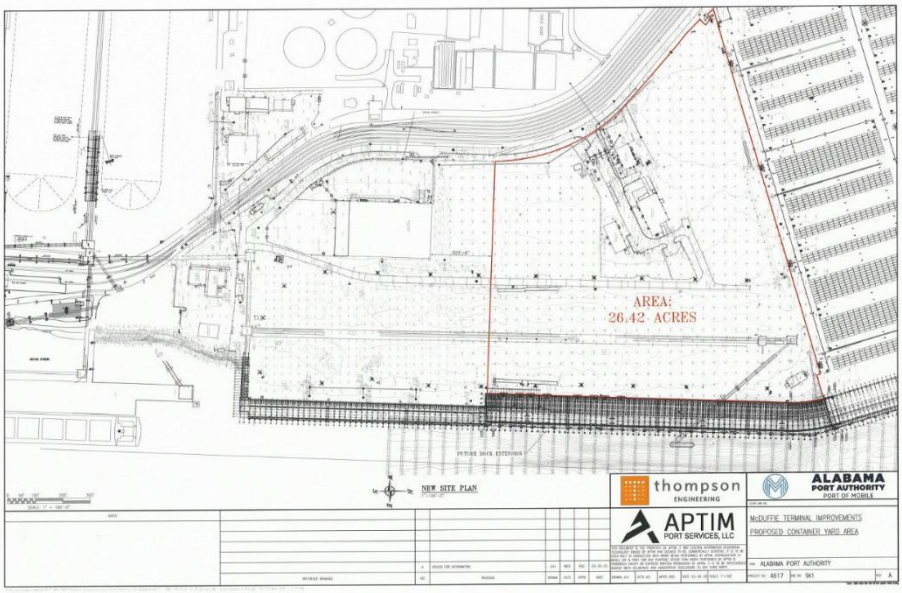

Figure 8: Proposed Container Yard Area

These improvements generate compounding efficiency gains by increasing the number of containers handled with the same equipment and labor resources, thereby improving productivity without proportional increases in congestion or operating cost. The Project is expected to support significant increases in effective container throughput capacity by optimizing yard operations and reducing delays associated with staging and transfer activities.

In parallel, the Master Plan component ensures that these operational improvements are applied systematically across the broader Port system by identifying additional opportunities to reduce dwell times, improve multimodal connectivity, and enhance cargo flow across terminal interfaces. By integrating planning with implementable infrastructure improvements, the Project strengthens overall supply chain performance and increases the Port's ability to efficiently accommodate growing demand across multiple cargo types.

Expected Efficiency Outcome Metrics

- Increase in effective container throughput capacity, enabled by expanded dock-adjacent storage and reductions in rehandling and cycle times.
- Reduction in vessel dwell times (around 2.5 hours per call), contributing to improved berth turnover and increased annual vessel capacity.
- Improvement in crane productivity (1-2 additional moves per hour), directly increasing cargo handling speed without proportional increases in labor or equipment demand.
- Reduction in container handling cycle times (around 15-20%), driven by shorter travel distances and optimized yard configuration.
- Enhanced supply chain velocity and reduced system-wide delay costs through faster, more reliable cargo movement.

These outcomes demonstrate clear, measurable efficiency benefits that directly address identified operational constraints and improve the overall performance of freight movement through the Port of Mobile.

Reliability

Enhancing the reliability and predictability of freight movement is a key objective of the Project, addressing both infrastructure performance and system-wide operational variability that can disrupt cargo flows through the Port of Mobile. Reliability challenges in port and intermodal systems are well documented, with global shipping performance showing significant variability in vessel arrival times and inland connections. These conditions create cascading delays, reduce schedule adherence, and increase uncertainty for shippers, carriers, and logistics providers.

At the system level, variability in terminal operations, vessel scheduling, and rail dwell times introduces inefficiencies that affect the consistency of cargo delivery. Unpredictable dwell times at ports and intermodal transfer points can disrupt downstream supply chains, making it difficult for carriers and customers to reliably plan vessel calls, trucking operations, and rail shipments. The Project addresses these challenges by establishing a coordinated framework through the Master Plan to identify infrastructure and operational deficiencies that contribute to variability, with a focus on improving circulation, connectivity, and operational continuity across the Port system.

At the facility level, reliability constraints are particularly evident in areas where legacy infrastructure has been repurposed or is not optimized for current operational demands. In these environments, inconsistent pavement conditions, limited drainage, and non-standardized layouts can lead to unplanned maintenance, weather-related disruptions, and variability in cargo handling performance. The Project mitigates these risks through the construction of a fully engineered container yard platform designed for continuous, all-weather operations. Key improvements include:

- Roller compacted concrete (RCC) pavement providing consistent load-bearing performance and reducing the likelihood of surface failures.
- Integrated drainage and utility systems that minimize disruptions caused by weather events and flooding.
- Standardized yard configuration to improve operational consistency and reduce variability in cargo handling.

These infrastructure improvements create a stable and predictable operating environment, significantly reducing the frequency of unplanned disruptions and enabling consistent terminal performance. In addition, improvements in circulation and operational layout reduce variability across key performance indicators, including vessel servicing, yard operations, and intermodal transfers.

The Project delivers measurable reliability benefits by improving consistency across the freight network, including:

- More consistent vessel service times, anchored by an average reduction of approximately 2.5 hours per call with reduced variability.
- Improved consistency in cargo handling cycles, supporting stable equipment utilization and operational planning.
- Reduced maintenance downtime, enabled by RCC pavement with a 30-40 year service life.
- Increased operational uptime, particularly during adverse weather conditions.
- Improved coordination with rail and truck operations through reduced variability in dwell times and transfer efficiency.

At the system level, these improvements strengthen the Port's ability to maintain dependable operations under both normal and peak conditions, reducing the risk of cascading delays across interconnected supply chains. By addressing both physical infrastructure limitations and operational variability, the Project enhances overall schedule adherence and improves reliability for all users of the Port system.

Expected Reliability Outcome Metrics

- Improved schedule adherence and reduced operational variability across vessel, terminal, and landside operations.
- Reduced variability in rail terminal dwell times, improving predictability for intermodal cargo movements.
- Increased overall dependability of cargo operations, supporting more reliable planning for vessel calls, truck dispatch, and rail connections.

These outcomes provide clear, measurable improvements in reliability by reducing uncertainty, minimizing disruptions, and improving the consistency of freight movement through the Port of Mobile.

Supporting Economic Vitality at the Regional or National Level

The Project will significantly support economic vitality at both the regional and national levels by strengthening the efficiency, capacity, and competitiveness of the Port of Mobile, a critical node in the U.S. freight transportation system. The Port has a significant economic impact on the state of Alabama, with a statewide total economic impact of $98.3 billion in 2022 alone, including nearly 351,361 direct and indirect jobs and more than $2.4 billion in direct and indirect tax impacts. Including the State of Alabama, the Port delivered $130.3 billion of total economic value and 453,253 jobs nationwide. The entire economic impact report can be found at www.alports.com/economic-impact/. Recently ranked as the second fastest-growing Port in the U.S. by Forbes, the Port is on an ambitious path of continued expansion. With over $1 billion in planned improvements, the Port is positioned to fuel Alabama's economic growth, create job opportunities, and strengthen the state's role as a global trade hub.

Figure 9: Existing Timber Transport Operations

The Project advances this economic role through a coordinated approach that combines long-term planning with targeted infrastructure investment. The Port-wide Master Plan will optimize asset utilization, improve berth and terminal productivity, and identify phased, cost-effective strategies to accommodate larger vessels, increased cargo volumes, and growing intermodal demand. By establishing data-driven performance targets and prioritizing high-return investments, the Project improves economic efficiency by reducing logistics costs, minimizing delays, and enabling more reliable cargo flows, which are critical factors in private sector location and investment decisions.

The capital component directly supports economic vitality by enhancing container terminal capacity and operational performance. Improvements in cargo handling efficiency, durability of infrastructure, and reduced congestion will allow the Port to accommodate increased freight volumes and attract additional shipping services. These changes lower operating costs for shippers and carriers while improving supply chain reliability for industries that depend on timely delivery of goods. Major companies are already located in Alabama and are vital to the regional and national economy. Hyundai, AM/NS Calvert, Outokumpu, Northrop Grumman, Mercedes Benz, Honda, Airbus, Amazon, Walmart, Bombardier, and BendPak are all companies who have selected the APM Terminals Mobile and the state of Alabama as a hub for global logistics supply and distribution as well as manufacturing. The California based company, BendPak, recently opened a new distribution center 11 miles from APM Terminals Mobile and has the ability to deliver products same-day or next-day to more customers in the eastern half of the country.

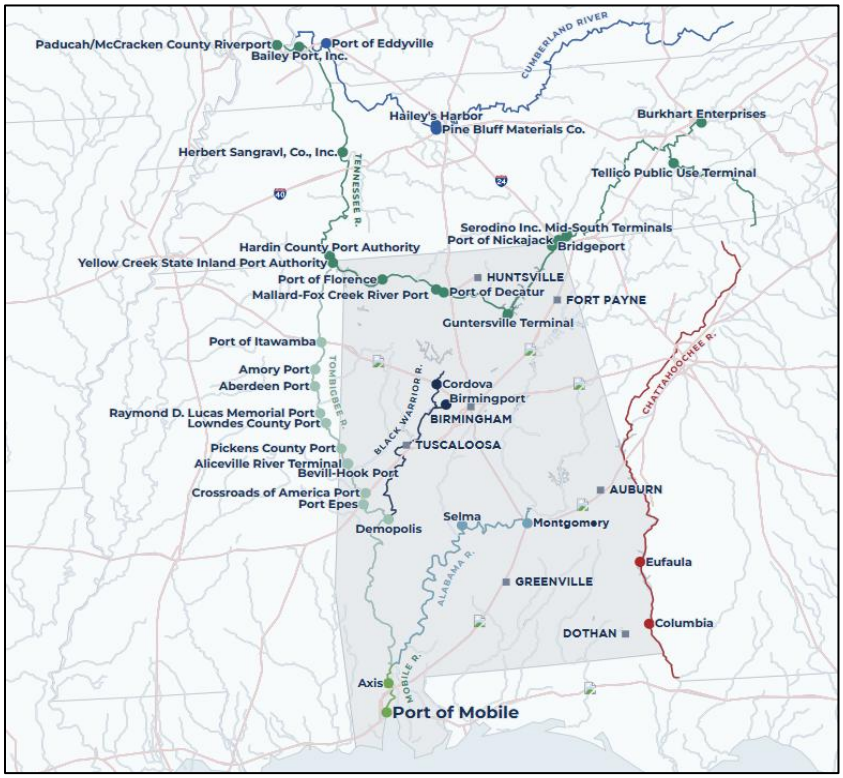

Figure 10: Port of Mobile Inland Waterway Routes

At the regional level, the Project will generate economic benefits through construction activity, job creation, and long-term employment growth associated with increased Port throughput and expanded logistics operations. At the national level, the Project strengthens supply chain resilience and competitiveness by improving the performance of a rapidly growing Gulf Coast port that supports domestic production, agricultural exports, and international trade. By reducing inefficiencies at a key freight gateway and enabling sustained growth, the Project enhances economic productivity, supports U.S. trade competitiveness, and delivers long-term value consistent with PIDP program objectives.

Benefit Cost Analysis Review

For the Project, a quantitative benefit-cost analysis (BCA) was performed using available information about current truck drayage practices and current and proposed water operations, USDOT guidance, and supported by documentable costs and industry research data. The BCA

Narrative and BCA Spreadsheets can be found in Appendix I and Appendix J, respectively. **The BCA calculated benefit cost ratio is 2.54.** The BCA was prepared aligning with current USDOT Benefit-Cost Analysis Guidance using a 7% discount rate and conservative operational assumptions. The Project benefit is calculated using the safety and efficiency that will be gained by the project on the Port of Mobile's roadway system and at the existing container yard using existing through-put tonnages. No forecasts, or future growth predictions were used. The analysis intentionally excludes speculative future growth assumptions, resulting in a conservative estimate of Project benefits.

The BCA is not a comprehensive measure of the Project's total potential economic impact as many likely regional benefits related to increased competitiveness of Mobile area and Alabama firms and products and their employment and multiplier effects are not used in this type of analysis[10].

Leveraging Federal Funding

Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project demonstrates strong leveraging of Federal funding by pairing a substantial non-Federal commitment with Federal investment to deliver both immediate infrastructure improvements and long-term strategic value. The total Project cost is estimated at $72,351,810, of which the Port is committing $18,087,952 (25%), exceeding the PIDP minimum non-Federal match requirement of 20%. The requested Federal share of $54,263,858 (75%) is essential to advance the Project through the integrated delivery of planning, design, and construction components. This cost-share structure ensures that Federal funding directly accelerates the delivery of a well-defined, high-impact freight infrastructure Project. The APA has executed a funding commitment letter for this Project that can be found in Appendix G, in addition to the detailed Project budget.

Federal participation will accelerate delivery of critical freight infrastructure improvements that would otherwise be delayed, prolonging operational bottlenecks and reducing system resiliency. Without Federal grant support, construction would likely be deferred, increasing overall Project costs due to construction cost escalation and prolonging existing capacity, safety, and operational constraints within the Port. By leveraging Federal funds at this stage, the Project can be delivered efficiently and cost-effectively, providing timely improvements to the Port. This investment maximizes the return on both Federal and Port funds by delivering near-term performance gains in terminal efficiency, reliability, and safety which are outcomes that directly support national freight movement goals and the long-term competitiveness of the maritime supply chain in the region. A detailed and itemized cost estimate can be found in Appendix K.

[10] https://www.transportation.gov/sites/dot.gov/files/2025-12/Benefit%20Cost%20Analysis%20Guidance%202026%20Update%20%28Final%29.pdf

Port Resilience

The Project will significantly increase the Port of Mobile's resilience to both natural and manmade hazards, in addition to strengthening supply chain resilience through more robust infrastructure.

Natural Hazards

Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project strengthens the Port's resilience to natural hazards such as heavy rainfall, flooding, extreme heat, and hurricanes through durable materials and modern design standards through a combined strategy of long-term planning and durable infrastructure investment. As the Port is located along the Gulf Coast, hurricanes are frequently a concern to Port operations. Additionally, the City of Mobile receives heavy, year-round precipitation with the annual rainfall average around 66 inches, making it one of the wettest metropolitan areas in the continental United States, as shown in Figure 11[11]. Improving the drainage systems at the Port will directly benefit operations during wet conditions. Drainage, grading, and utility improvements are commonly designed to manage 100-year storm events (1% annual chance), lowering the risk of yard flooding and reducing post-storm recovery time.

The Master Plan component will systematically evaluate the Port's exposure to sea level rise, storm surge, coastal erosion, and extreme weather events using forward-looking climate projections and engineering best practices. This effort will identify vulnerabilities across Port facilities and prioritize phased, resilience-focused capital improvements that strengthen critical assets, reduce risk exposure, and support continuity of operations during and after disruptive events. By embedding resilience-based design standards into future projects, the Master Plan ensures that investments are coordinated, adaptable, and aligned with evolving environmental conditions.

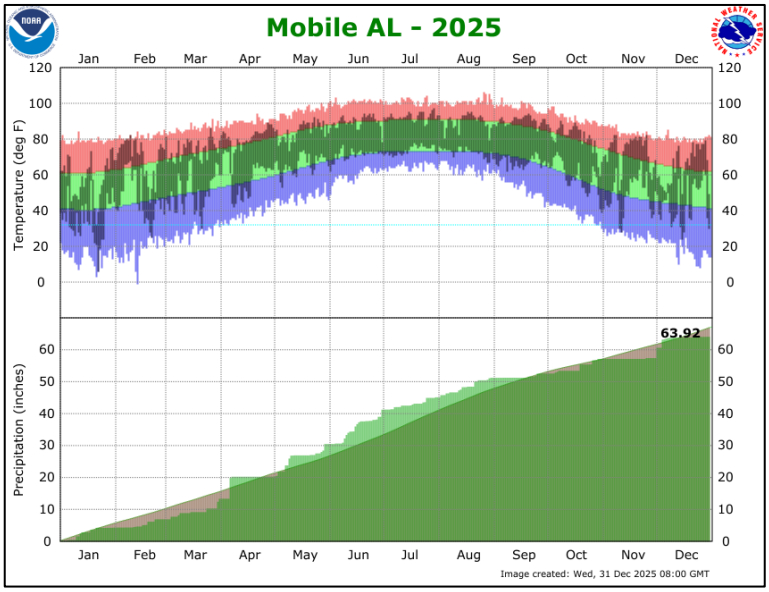

Figure 11: Mobile, AL 2025 Rainfall Totals

Complementing this planning effort, the construction component delivers immediate resilience benefits through the use of high-performance materials and improved site infrastructure within

[11] NOAA NCEI U.S. Climate Normals Quick Access

the container terminal. Roller compacted concrete pavement (RCC), with compressive strengths exceeding 4,000 psi and a service life of 40-50 years, provides significantly greater durability than conventional asphalt under heavy loads and extreme temperature fluctuations. These improvements reduce the likelihood of surface degradation, structural failure, and maintenance-related disruptions following severe weather events. In addition, upgraded drainage and site systems improve stormwater management, reducing flooding impacts and enabling faster recovery of operations.

Together, these integrated planning and construction actions enhance the Port's ability to withstand, adapt to, and rapidly recover from natural hazards. By reducing infrastructure vulnerability and improving operational continuity, the Project strengthens long-term system resilience, minimizes cargo disruptions, and supports reliable freight movement under increasingly variable environmental conditions.

Manmade Hazards

As one of the fastest growing U.S. ports, with more than 1,100 vessel calls annually and a diversified cargo mix spanning containers, steel, coal, and forest products, the Port of Mobile must also address increasing exposure to manmade hazards that could disrupt operations. The Port supports deep draft container vessels, hazardous material movements, intermodal rail connectivity, shipbuilding facilities, and critical energy and industrial supply chains, amplifying risks related to vessel collisions, fires, spills, power outages, cyber disruptions, and aging infrastructure failures. With over $1 billion in capital projects underway or planned and a target capacity exceeding $1 million TEUs annually, the consequences of operational disruptions are increasingly significant for regional and national commerce.

The Master Plan component establishes a comprehensive, risk-informed framework to identify and prioritize mitigation strategies for these hazards. The planning process will evaluate vulnerabilities related to infrastructure performance, terminal operations, emergency response capabilities, and system interdependencies, and will incorporate modern security standards, redundancy strategies, and interagency coordination into future capital planning. This approach ensures that resilience to manmade hazards is embedded in all future infrastructure investments, improving the Port's ability to prevent, respond to, and recover from disruptive events while maintaining continuity of operations.

The construction component provides immediate reliability and resilience benefits within a critical container terminal environment. Upgraded utility systems will reduce the likelihood of service interruptions that can disrupt crane, gate, and terminal operations, while high-performance roller compacted concrete pavement (RCC) supports heavy equipment loads and repeated use with significantly reduced maintenance requirements. These improvements decrease the frequency and duration of maintenance-related disruptions and enhance overall operational uptime. In addition, expanded laydown capacity and improved dock-adjacent configurations

provide greater operational flexibility, allowing terminal operators to adjust cargo staging and circulation in response to events such as labor disruptions, vessel bunching, security incidents, or other unforeseen operational conditions.

Together, these integrated planning and infrastructure improvements enhance the Port's ability to manage and mitigate manmade risks, reduce operational disruptions, and maintain consistent terminal performance under a wide range of conditions. By improving system redundancy, operational flexibility, and infrastructure reliability, the Project supports a more secure, adaptable, and dependable port environment.

Supply Chain Impacts

The Project advances supply chain resilience by reinforcing a high-performing freight gateway that supports a broad portfolio of globally significant industries clustered in Alabama, including Hyundai, AM/NS Calvert, Outokumpu, Northrop Grumman, Mercedes-Benz, Honda, Airbus, Amazon, Walmart, Bombardier, and BendPak. Collectively, these sectors represent billions of dollars in annual economic output and rely on predictable container capacity to support just-in-time manufacturing, defense supply chains, and nationwide distribution networks. National supply chain analyses following recent disruptions have shown that ports with additional yard capacity and operational flexibility can reduce cargo dwell times by 15-30% during demand surges and recover normal throughput days or weeks faster than capacity constrained facilities.

By expanding and modernizing infrastructure, the Project improves the Port's ability to accommodate volume spikes, vessel schedule variability, and modal shifts without cascading disruptions into downstream manufacturing and retail systems. This added redundancy diversifies freight routing options across the Gulf Coast, reduces dependency on a small number of congested gateways, and enhances continuity for critical industries whose production shutdowns can be costly. Therefore, strengthening both regional and national supply chain operations.

V. Additional Considerations

Supporting National Multimodal Freight Goals

The Port of Mobile is a designated node on the National Multimodal Freight Network, serving as a strategically located Gulf Coast freight gateway that connects marine terminals with inland waterways, rail, and interstate highway corridors. This enables efficient, high-volume export and import freight movements between inland production regions and global markets.

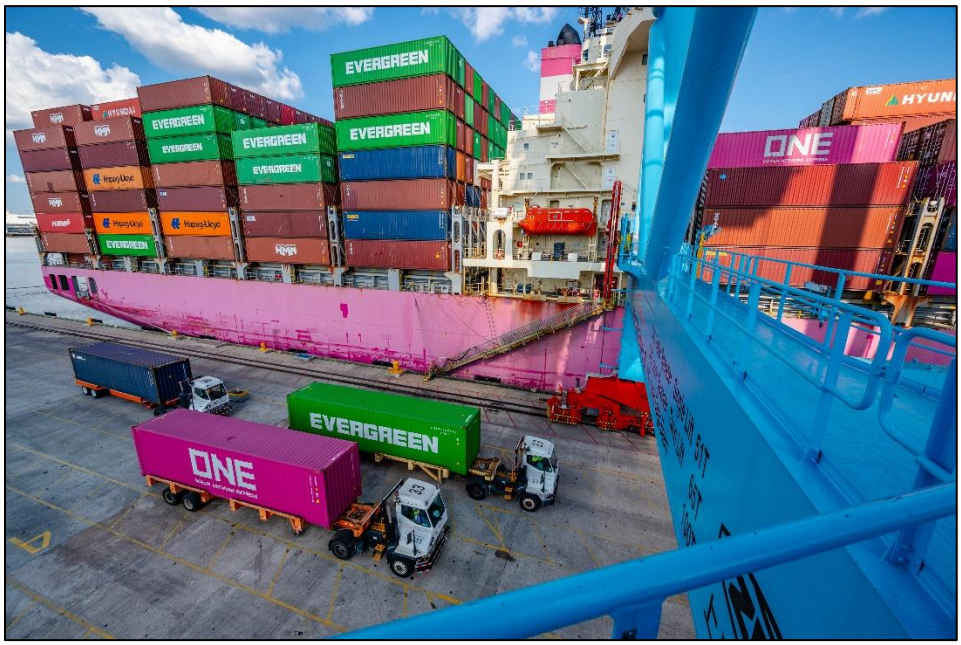

Figure 12: Freight Operations at the Container Terminal

In 2025, the Port facilitated more than $5.1 billion in export value, ranking among the top 70 U.S. export ports, with major outbound commodities including soybeans ($69 million monthly peak), wood pulp ($638 million annually), flat-rolled and stainless-steel products exceeding $700 million annually, and refined petroleum products[12]. The Port directly supports agricultural exports through its inland barge network via the Tennessee-Tombigbee Waterway, enabling cost-efficient movement of Midwest and Southeast grain and forestry products. Meanwhile steel exports are enabled by facilities such as AM/NS Calvert and Alabama Steel Terminals, which alone have capacity exceeding 650,000 tons of steel products annually[13]. These export flows underpin supply chains for major manufacturers and defense-related firms operating in Alabama including Hyundai, Mercedes-Benz, Honda, Airbus, Northrop Grumman, AM/NS Calvert, Outokumpu, Bombardier, BendPak, Amazon, and Walmart. The Port also supports strategic manufacturing and defense-related supply chains critical to U.S. industrial capacity and national security readiness. Specifically with companies including Airbus and Northrop Grumman, while supporting the shipbuilding and steel industries, impacting industrial supply chains.

Ranked the second fastest growing Port in the nation over the past decade, with export and import volumes growing more than 120%, the Port of Mobile plays a nationally significant role in strengthening U.S. export competitiveness, revitalizing the maritime industrial base, and advancing resilient domestic supply chains aligned with USDOT priorities[14]. This Project will reduce freight bottlenecks, strengthen resilient and redundant supply chains, and revitalize the maritime and industrial base critical to U.S. economic and national security.

[12] Mobile, AL (USA) Exports, Imports, and Trade Partners | The Observatory of Economic Complexity
[13] Alabama Steel Terminals – Steel Coil Terminal – Port of Mobile
[14] Port of Mobile ranked 2nd fastest growing port in the nation in the past decade: Forbes | WKRG.com

Project Readiness

Technical Capacity

Experience Working with Federal Agencies

APA has extensive experience in partnering with Federal agencies, including the U.S. Army Corps of Engineers (USACE), the Department of Homeland Security, the U.S. Coast Guard, the U.S. Department of Housing and Urban Development (HUD), the U.S. Federal Railroad Administration (FRA), and the U.S. Department of Transportation Maritime Administration (MARAD) from both a permitting and a funding perspective. APA is the project sponsor working with USACE on the $365.7 million Mobile Ship Channel Deepening and Widening project that will provide -50+ ft. draft for New Panamax ships to call on the container terminal. APA has a full-time grants coordinator who tracks and manages grant funding requirements and works with respective project managers to ensure the accurate and timely delivery of each grant program. APA is in regular compliance with all state and Federal audits of grant funding. APA's engineering and environmental planning and permitting divisions ensure that each project meets all applicable safety, construction, and environmental requirements. APA's inspectors monitor all construction projects to ensure the project's compliance with applicable requirements.

Experience with BUILD, INFRA, and PIDP Awards

APA has been the recipient of two TIGER grant awards, one for the Garrows Bend Rail Bridge Project and one for the development of a Ro-Ro Terminal at the main docks. Both projects were completed successfully. There are currently three ongoing projects that APA is progressing – the FY24 PIDP Community Project Funding (CPF) McDuffie Dust Suppression, FY26 PIDP CPF McDuffie Modernization, and FY26 PIDP CPF Dock D2 Engineering and NEPA work which utilize federal funding. APA is familiar with MARAD protocols regarding NEPA approval, progress reporting, invoicing, and project close-out.

Technical Experience and Resources

APA has an in-house engineering department that procures and manages capital projects from planning through final design, then through construction. This Project will be procured using the established APA Design-Bid-Build delivery method. APA has several professional consulting firms under contract which offer a wide range of expertise on an on-call basis. The intent is to select a consultant that is qualified and familiar with this type of work as Engineer of Record for final design and construction support services. The Gulf Coast area is served by multiple heavy construction contractors that are experienced in marine construction. Previous contracts, similar in scope, have attracted heavy bidder interest from qualified contractors.

Feasibility and Constructability

Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project is highly feasible and readily implementable, with both planning and

construction components supported by clearly defined scopes, proven methodologies, and advanced preparation efforts. The Master Plan component relies on established planning practices including data collection, stakeholder coordination, condition assessments, forecasting, alternatives analysis, and capital prioritization that can be carried out within the Port's existing operational footprint without disruption to ongoing activities. This effort will be led by experienced maritime and infrastructure professionals, ensuring timely completion within the anticipated schedule. While the planning work itself does not present constructability constraints, it will directly enhance the feasibility of future capital projects by identifying phased, realistic, and operationally compatible improvements across the Port.

The construction component is similarly well-positioned for implementation, building on completed and ongoing preliminary design efforts that define project scope, phasing, and technical requirements. The work includes widely used and well-understood construction practices such as roller compacted concrete (RCC) paving, utility and site infrastructure upgrades, and expansion of container laydown areas that are routinely delivered within active port environments. Existing site conditions and operational constraints have been evaluated to support phased construction that maintains terminal operations and minimizes disruption to cargo movement. Required permitting is achievable through standard regulatory processes for redevelopment within an established marine terminal. With no unresolved technical barriers and design advancement already underway, the Project is ready to efficiently proceed into final design, permitting, and construction upon award.

Project Schedule

Project ANCHOR: America's Gulf Gateway – Port of Mobile Master Plan and Infrastructure Development Project is supported by a well-defined and achievable implementation schedule that demonstrates a high level of project readiness and the Port's capacity to efficiently deploy Federal funds, as shown in Table 3. A more detailed project schedule can be found in Appendix L. Upon receipt of a Notice of Grant Award, which is anticipated to occur between October and December 2026. The Port will initiate Project activities immediately, with award acceptance and administrative mobilization completed by December 2026.

Table 3: Project ANCHOR Component Schedule

	Estimated Begin	Estimated Completion	Estimated Duration (Months)
Component 1 – Planning			
Grant Award Notification	Oct-26	Dec-26	3
Grant Agreement Execution	May-27	Nov-27	6
Obligation of Funds (Planning Phase)	May-28	Aug-28	3
Consultant Selection	Aug-28	Nov-28	3
Project Initiation and Kickoff	Dec-28	Feb-29	2
Public Involvement Meetings	Feb-29	Mar-29	2
Data Collection and Baseline Review	Mar-29	Jun-29	3
Technical Analysis and Scenario Development	Jun-29	Sep-29	3
Draft Master Plan Preparation	Sep-29	Nov-29	2
Agency and Stakeholder Review	Nov-29	Jan-30	2
Final Plans and Deliverables	Jan-30	Mar-30	2
Public Comment Period	Mar-30	May-30	2
Master Plan Adoption	May-30	Jun-30	1
Component 2 – Design			
Obligation of Funds (Design Phase)	May-28	Aug-28	3
Full Design	Aug-28	Aug-29	12
NEPA Clearance	Aug-28	Aug-29	12
ROW Certification	Not Applicable	-	-
PS&E	Sep-29	Dec-29	3
Component 3 – Construction			
Obligation of Funds (Construction Phase)	Dec-29	Mar-30	3
Bid and Award	Apr-30	Jul-30	3
Construction Duration	Aug-30	Aug-31	12

The Project components will be implemented in three coordinated phases, planning, design, and construction, beginning with grant award and agreement execution from late 2026 through 2027. Planning activities will advance through consultant selection and project kickoff in late 2028, followed by data collection, technical analysis, and stakeholder engagement throughout 2029. The draft Master Plan will be completed and refined through agency review, public comment, and final adoption between late 2029 and mid-2030, resulting in a fully developed, implementable long-term framework for the Port.

Concurrent with planning, design and environmental review will begin in 2028 and be completed by late 2029, positioning the Project for timely construction. Following obligation of construction funds, procurement will occur in early 2030, with construction of the container

terminal backlands development project anticipated to begin in mid-2030 and continue through mid-2031. This phased, overlapping schedule ensures efficient delivery by advancing design and planning in parallel while minimizing delays, enabling the Project to deliver both near-term operational improvements and long-term strategic benefits.

Overall, the schedule demonstrates a clear, phased path to project delivery, with early completion of design and environmental requirements, timely obligation of funds, and a defined construction window. This sequencing minimizes implementation risk and ensures that the Project can deliver near-term freight capacity and operational efficiency benefits, consistent with PIDP program priorities for project readiness and timely execution. The phased schedule reflects the integrated nature of planning, environmental review, final design, and construction activities while ensuring continuity of active terminal operations.

Compliance with Applicable Federal Requirements

The Project is designed to comply with all applicable Federal requirements and reflects a clear pathway to regulatory approval and grant compliance. The Project will be advanced in accordance with Federal environmental review requirements, including NEPA, utilizing established processes appropriate for redevelopment within an active, previously developed marine terminal. In addition, the Project will comply with all relevant Federal laws and regulations related to environmental protection, labor standards, procurement, civil rights, and Buy America requirements, as applicable to PIDP funded projects. Coordination with Federal, state, and local permitting agencies is already anticipated as part of the final design and permitting effort, helping to ensure timely approvals and adherence to all statutory and regulatory obligations. This proactive approach demonstrates that the Project can be executed in full compliance with Federal requirements without introducing undue risk to schedule or delivery.

Project Risk and Mitigation Strategies

Identifiable risks are well understood for the Project and addressable through established mitigation strategies. Potential risks include construction cost escalation, schedule impacts associated with permitting and procurement, and operational disruptions during construction within an active terminal environment. These risks are mitigated through advanced preliminary design, early coordination with permitting agencies, and the use of proven construction techniques, along with phased construction sequencing to maintain terminal operations. Cost risk is further mitigated by advancing the Project now which reduces exposure to inflation, and by applying rigorous cost estimating and contingency planning during final design. The Project budget includes a 20% contingency ($10,810,880) to the final budget to allow for any unanticipated costs due to construction delays, inflation, supply chain disruptions, etc. which can be found in Appendix K. With experienced Port leadership, a well-defined scope, and proactive risk management practices, the Project's risks are moderate and manageable and support successful and timely delivery.

NEPA Process and Permitting Risk

The Project presents manageable NEPA and permitting risks, supported by both the nature of its planning component and the advanced status of environmental understanding within the project area. The Master Plan component is a planning effort and does not involve ground disturbing activities; therefore, it does not trigger immediate NEPA review or require permits. However, it will proactively reduce future permitting risk by identifying environmental constraints, incorporating high-level screening, and coordinating with regulatory agencies early in the project development process. The Master Plan is anticipated to fall within the scope of a Categorical Exclusion (CE), indicating minimal expected environmental impact. This approach improves project scoping, sequencing, and readiness for subsequent capital investments, enabling more efficient environmental review and permitting for future projects.

For the design and construction components, NEPA risk is reduced by the previously disturbed, industrial nature of the project site and the availability of recent environmental documentation. A prior Environmental Assessment (EA) completed in April 2025 for a broader project area, resulting in a Finding of No Significant Impact (FONSI), which can be found in Appendix M, establishes baseline environmental conditions and indicates that development within the project footprint is unlikely to result in significant environmental impacts. While additional Project specific review will be required, the Project benefits from existing environmental data, prior site preparation activities, and demonstrated regulatory precedent. Remaining risks related to agency coordination, review timelines, and potential supplemental analysis will be managed through early engagement with permitting agencies, alignment of design and environmental documentation, and flexible project sequencing to maintain schedule certainty. Early identification of potential environmental constraints will be critical to minimizing downstream impacts to Project delivery.

Innovative Technology

Project ANCHOR incorporates a forward-looking, technology-enabled approach to improve operational performance and long-term infrastructure planning at the Port of Mobile while maintaining flexibility to adapt to evolving industry practices. **The Master Plan component will establish a framework to evaluate and consider innovative technologies that enhance terminal operations, cargo movement, and system coordination.** This includes assessment of advanced terminal operating systems, digital planning tools, and data-driven operational strategies that can improve visibility, coordination, and efficiency across vessel, yard, gate, and intermodal interfaces. Technologies will be evaluated during the planning process to ensure they align with operational needs, implementation feasibility, and stakeholder consideration.

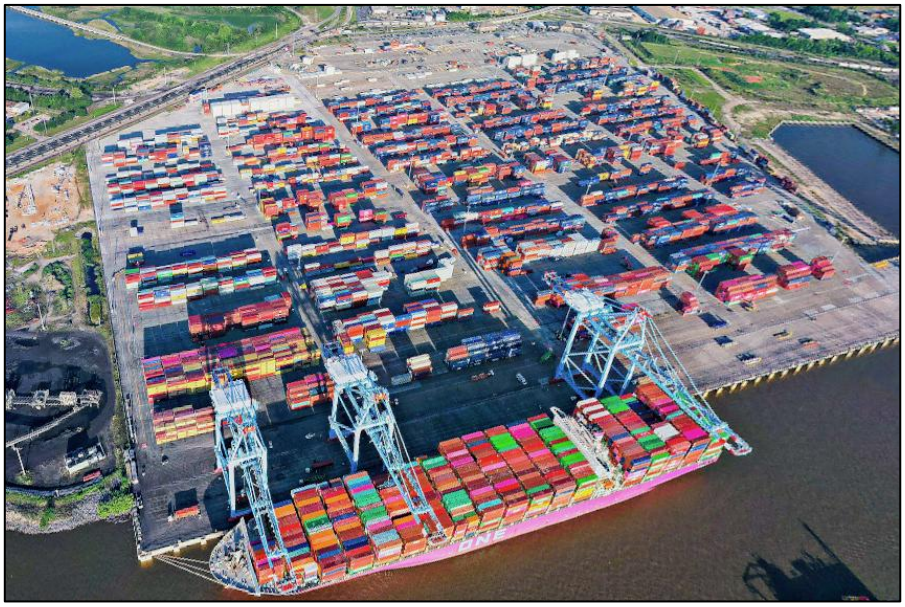

Figure 13: Container Terminal Storage Yard Optimization

Consistent with this approach, the Project emphasizes adaptability rather than prescriptive technology deployment. The Master Plan will incorporate analytical tools such as simulation modeling and scenario-based evaluation to test operational concepts, optimize facility layouts, and identify opportunities for efficiency improvements. This allows the Port to establish a scalable, performance-based roadmap for integrating innovative technologies over time as they become more widely available and operationally appropriate.

The construction component supports this technology-ready framework by delivering infrastructure designed to accommodate modern and future operational systems. Improvements to yard configuration, pavement, and site infrastructure will enhance compatibility with digital tracking, gate management systems, and evolving terminal operating platforms. These upgrades improve operational visibility and provide the necessary physical foundation for future technology integration without requiring immediate implementation of specific systems.

The Project also recognizes the importance of implementing new technologies in a manner that is operationally feasible and responsive to workforce and stakeholder considerations. As such, innovative technologies will be evaluated and introduced in accordance with established coordination processes, ensuring that deployment aligns with operational requirements and long-term system performance goals. To ensure that increased digital integration is resilient and secure, the Project will also incorporate cybersecurity and data governance measures that directly support reliable maritime operations and uninterrupted goods movement. The Project will also be designed to support segmented IT networks where applicable.

Performance of technology-enabled improvements will be assessed using measurable indicators such as throughput, equipment utilization, and operational consistency, ensuring that future technology investments are grounded in demonstrated benefits. By combining a flexible planning framework with infrastructure that supports future innovation, the Project positions the Port of Mobile to adapt to emerging technologies while maintaining reliable and efficient operations.

VI. Statutory Determinations

Statutory Determination	Guidance
The Project improves the safety, efficiency, or reliability of the movement of goods through a port or intermodal connection to the port.	As detailed in Section 4, the Project improves the safety, efficiency, and reliability of goods movement at the Port of Mobile by combining a Port-wide planning framework with targeted infrastructure upgrades. By reducing operational conflicts, improving circulation, and expanding dock-adjacent capacity, the Project lowers incident risk, increases throughput, and enhances the consistency of cargo handling. Together, these improvements enable safer, more efficient, and more reliable movement of goods through the Port.
The Project is cost effective.	The Project is cost effective because it combines planning, design, and construction to deliver immediate benefits while guiding future investments. By leveraging a 25% Port contribution to secure a 75% Federal share, it maximizes return on investment while minimizing local costs. Advancing the Project now avoids higher costs from delays and ensures Federal and non-Federal funds deliver strong, long-term performance and capacity improvements.
The eligible applicant has the authority to carry out the Project.	Authority: The Alabama Port Authority (APA), pursuant to Alabama Code Title 33-1-12, has the power to engage in improvement, promotion, development, construction, maintenance and operations of the harbors, terminal railways, seaports and river ports within the State of Alabama and its jurisdiction. Ownership: APA owns the Project site for this grant application.
The eligible applicant has sufficient funding available to meet the matching requirements.	All non-Federal funds will be provided by APA. There are no conditions on the APA funds, and the funds can be made available from the APA's general fund as soon as Federal grant funds are obligated.
The Project will be completed without unreasonable delay.	As detailed in Section V, the Project is structured with defined milestones, coordinated phase transitions, and clear decision points to support steady progression from design through construction. Proactive Project management, disciplined sequencing, and early resolution of technical and construction interfaces will help maintain schedule control and ensure timely completion consistent with statutory requirements.
The Project cannot be easily and efficiently completed without Federal funding or financial assistance available to the Project sponsor.	APA's existing capital commitments and competing infrastructure demands significantly constrain the Port's ability to advance the Project at the necessary scale and schedule without Federal assistance.