



THE PORT
OF LOS ANGELES

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 2, 2015

FROM: PORT POLICE

SUBJECT: RESOLUTION NO. _____ - ACCEPTANCE OF THE PORT SECURITY GRANT UNDER FISCAL YEAR 2015 FEDERAL PORT SECURITY GRANT PROGRAM, GRANT NO. EMW-2015-PU-00450

SUMMARY:

The City of Los Angeles Harbor Department (Harbor Department) is proposing to accept and enter into an Grant Award Agreement, Grant No. EMW-2015-PU-00450, with the United States Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA), for the reimbursement of funds allocated to the Harbor Department under the Fiscal Year (FY) 2015 Port Security Grant Program (PSGP). The DHS awarded a Federal grant in the amount of \$1,875,000 to the Harbor Department on September 1, 2015. The Port Police Division recommends that the Board of Harbor Commissioners (Board) approve the Grant Award Agreement with DHS.

Items approved for grant reimbursement subsequent to expenditure by the Harbor Department are as follows: Security System Maintenance, Repair, and Integration (\$750,000); Port of Los Angeles (POLA) Department Operation Center Integration (DOC) Phase I (\$750,000); and POLA Information Security Interdiction Phase I (\$350,000). The award is for a three-year period ending August 31, 2018. A 25% cost share is required under the FY 2015 PSGP, which will be funded by the Harbor Department. The Harbor Department's total cost share for these projects is \$625,000, for a total cost of \$2,500,000 for all three projects.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) and Article III Class 1(6) of the Los Angeles City CEQA Guidelines;

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2. Approve the Grant Award Agreement, Grant No. EMW-2015-PU-00450 between the City of Los Angeles Harbor Department and the United States Department of Homeland Security, Federal Emergency Management Agency for reimbursement of funds allocated to the Harbor Department under the Fiscal Year 2015 Port Security Grant Program;
3. Authorize the Executive Director to execute and the Board Secretary to attest to the Obligating Document for the Award;
4. Authorize the Harbor Department to implement the projects approved for funding by the DHS; and
5. Adopt Resolution No. _____ accepting the Award Grant Agreement No. EMW-2015-PU-00450 for FY 2015 PSGP.

DISCUSSION:

Background/Context: On April 2, 2015, FEMA announced the FY 2015 Port Security Grant Program Funding Opportunity (Transmittal 1). The FY 2015 PSGP focused on enhancing Maritime Domain Awareness; enhancing improvised explosive device, and chemical, biological, radiological, nuclear, explosive prevention, protection, mitigation, response, and recovery capabilities; cyber security; port resilience and recovery capabilities; training and exercises; and Transportation Worker Identification Credential implementation.

On May 7, 2015, the Harbor Department, through an Information Memo (Transmittal 2), advised the Board of Harbor Commissioners that the Port Police would be applying for three projects under the FY 2015 Port Security Grant Program.

The FY 2015 Department of Homeland Security Appropriations Act provides funds for a competitive grant program to address physical security enhancements for critical national seaports. The selection of projects submitted was based on the PSGP Application and Guidance package. For the purposes of the PSGP, and due to the high-frequency of Sensitive Security Information (SSI) found in Investment Justifications (IJ), all IJs shall be considered SSI and treated as such.

Request for changes, including but not limited to, extensions and change in scope, are to be submitted to the DHS Port Security Grant Program Manager for approval. The DHS PSGP Award is a reimbursement grant and includes a number of terms and conditions that must be followed in order for the grant recipient to be reimbursed. Port Police is responsible for and will comply with the conditions of the Grant Award.

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The Harbor Department may request cost reimbursement on a monthly basis. The terms and conditions for this grant are listed in full on the Assistance Award document. Some of the significant terms and conditions for this grant include cost principles, audit requirements, administrative requirements, and reporting requirements as follows:

- a) The Harbor Department, using existing staff, shall comply with the Single Audit Act Amendments of 1996, as implemented by 2 C.F.R. Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Known as Super Circular).
- b) The Harbor Department, using existing staff, shall submit a Progress Report, as per the Port Security Grant Program Guidelines and Application Kit (from the Notice of Opportunity) for biannual and final reports as well as quarterly financial reports (SF425).
- c) As required by the Super Circular, the recipient shall notify the FEMA of the developments that have significant impact on award-supported projects.

On September 11, 2015, the Harbor Department was awarded (Transmittal 3) three projects for this round of port security grants:

PROJECT	FEDERAL AMOUNT	25% HARBOR DEPARTMENT COST SHARE	TOTAL PROJECT COST FOR FY15/16
Security System Maintenance, Repair and Integration	\$750,000	\$250,000	\$1,000,000
POLA Department Operation Center Integration (DOC) Phase I	\$750,000	\$250,000	\$1,000,000
POLA Information Security Interdiction Phase I	\$375,000	\$125,000	\$500,000
Totals	\$1,875,000	\$625,000	\$2,500,000

Security System Maintenance, Repair and Integration: The project will fund a security system maintenance program in support of the various security systems implemented under previous rounds of the Port Security Grant Program. This program will facilitate the continuing maintenance, repair, replacement, and upgrades necessary to sustain these systems and ensure the continued effectiveness of the Harbor Department's security program. The funding of this sustainment program will extend the useful life of these systems for a fraction of the cost of full replacement.

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POLA Department Operation Center Integration (DOC) Phase I: The project will provide necessary capabilities to the Harbor Department's existing DOC by integrating external video feeds from the Los Angeles Fire Department, the Los Angeles Police Department, and the Los Angeles Sheriff's Department helicopters, the Automated Traffic Surveillance and Control System, Harbor Department terminals, and mobile command vehicles. This project also integrates the existing mass notification system to facilitate one-way dissemination of messages to individuals or groups of people with the details of an occurring or pending emergency situation.

POLA Information Security Interdiction Phase I: The project supports the priorities in the Area Maritime Security Plan by establishing sufficient infrastructure and assets to address the variety of cyber risks associated with port complex security. By deploying layers of prevention and protection and integrating local and federal layers of security, maritime-related population centers and critical infrastructure will be better protected against cyber incidents.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Award Agreement with DHS and FEMA for reimbursement of funds under the FY 2015 Port Security Grant Program for three projects related to Port security and authorization to proceed with the projects. As an administrative activity and an activity involving the addition of safety and security devices for use in conjunction with an existing facility, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2(f) and Article III Class 1(6) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Items covered under this Grant Award Agreement are to be partially reimbursed by DHS under FY 2015 PSGP through FEMA. Total grant award is \$1,875,000, for a three-year period ending August 31, 2018.

Funds for all three projects under the FY 2015 Port Security Grant Program are currently budgeted in Account 54286 in Division 0412, Program 640. A 25% cost share for these projects in the amount of \$625,000 is required under the FY 2015 PSGP and will be funded by the Harbor Department.

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PROJECT	FEDERAL AMOUNT	25% HARBOR DEPARTMENT COST SHARE	TOTAL PROJECT COST FOR FY15/16	TOTAL PROJECT COST SPREAD OVER 3 FISCAL YEARS (2016, 2017, and 2018)
Security System Maintenance, Repair and Integration	\$750,000	\$250,000	\$1,000,000	\$1,000,000 over 3 years = \$3,000,000
POLA Department Operation Center Integration (DOC) Phase I	\$750,000	\$250,000	\$1,000,000	\$1,000,000 over 3 years = \$3,000,000
POLA Information Security Interdiction Phase I	\$375,000	\$125,000	\$500,000	\$500,000 over 3 years = \$1,500,000
Totals	\$1,875,000	\$625,000	\$2,500,000	\$7,500,000

Grant recipients are mandated by the United States Department of Homeland Security to maintain all equipment and systems purchased through the PSGP. Failure to properly maintain equipment and systems may result in a denial of future grant requests.

Beyond installation, there are numerous ongoing costs associated with running and maintaining the Harbor Department's Waterside Security System, therefore the Security System Maintenance, Repair, and Integration, the Department Operation Center Integration, and the Information Security Interdiction projects will have recurring costs not to exceed their total annual project amounts. Port Police will budget an annual \$2.5 million dollars, post project completion, for future maintenance, integration, and system enhancement costs. Port Police will continue to request annual grant funding for the ongoing sustainability of these projects.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Grant Award Agreement as to form and legality.

TRANSMITTALS:

1. PSGP FY 2015 Notice of Funding Opportunity
2. Information Memo to the Board of Harbor Commissioners
3. PSGP FY 2015 Award Letter/Package

FIS Approval:  (initials)
CA Approval:  (initials)



MICHAEL R. HILLMANN
Assistant Chief of Police



THOMAS E. GAZSI
Acting Chief of Public Safety and
Emergency Management

APPROVED:



EUGENE D. SEROKA
Executive Director

TEG:JT:rkg
Author: R. Grant