



Department of Homeland Security, FEMA
Grant Programs Directorate

August 13, 2010

Washington, D.C. 20531

Mr. Richard B. McKenna
Marine Exchange of Los Angeles Long Beach Harbor, Inc
PO Box 1949
San Pedro, CA 90733

Dear Mr. McKenna:

I am pleased to inform you that the Grant Programs Directorate has approved the application for funding under the FY 2010 Port Security Grant Program in the amount of \$31,453,287 for Marine Exchange of Los Angeles Long Beach Harbor, Inc. The FY 2010 Port Security Grant Program is an important component of a coordinated, national effort to strengthen the security of America's critical infrastructure.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:

- Program Questions, Kathleen Baker, Program Manager at (202) 746-5652;
- Financial and Payment Questions, Grants Management Division (GMD) at (866) 927-5646, or send an email to ask-GMD@dhs.gov.

Congratulations, and we look forward to working with you.

Sincerely,

Elizabeth M. Harman
Assistant Administrator Grant Programs Directorate

Enclosures



Department of Homeland Security
FEMA
Grant Programs Directorate

**GRANT MANAGER'S MEMORANDUM, PT. I:
PROJECT SUMMARY**
Cooperative Agreement

PROJECT NUMBER

2010-PU-T0-K004

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This project is supported under Department of Homeland Security Appropriations Act, 2010 (Public Law 111-083)

1. STAFF CONTACT (Name & telephone number)

Kathleen Baker
(202) 746-5652

2. PROJECT DIRECTOR (Name, address & telephone number)

Richard B. McKenna
Executive Director
PO Box 1949
San Pedro, CA 90733
(310) 519-3216

3a. TITLE OF THE PROGRAM

FY 2010 Port Security Grant Program

3b. POMS CODE (SEE INSTRUCTIONS
ON REVERSE)

4. TITLE OF PROJECT

FY 2010 Port Security Grant Program

5. NAME & ADDRESS OF GRANTEE

Marine Exchange of Los Angeles Long Beach Harbor, Inc
PO Box 1949
San Pedro, CA 90733

6. NAME & ADDRESS OF SUBGRANTEE

7. PROGRAM PERIOD

FROM: 06/01/2010 TO: 05/31/2013

8. BUDGET PERIOD

FROM: 06/01/2010 TO: 05/31/2013

9. AMOUNT OF AWARD

\$ 31,453,287

10. DATE OF AWARD

08/13/2010

11. SECOND YEAR'S BUDGET

12. SECOND YEAR'S BUDGET AMOUNT

13. THIRD YEAR'S BUDGET PERIOD

14. THIRD YEAR'S BUDGET AMOUNT

15. SUMMARY DESCRIPTION OF PROJECT (See instruction on reverse)

Through this accord, the Marine Exchange of Los Angeles Long Beach Harbor, Inc will use grant funding in the amount of \$31,453,287 from the Fiscal Year 2010 Port Security Grant Program (PSGP) for security investments. Projects will be determined by the cooperative agreement process. These funds will enhance the ability of the nation's port infrastructure to prevent, protect, respond to, and recover from threats or acts of terrorism.

Project 1 consists of the implementation of projects supporting the approved Port Wide Risk Management/Mitigation Plan with a federal award amount of \$31,453,287.



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1. RECIPIENT NAME AND ADDRESS (Including Zip Code) Marine Exchange of Los Angeles Long Beach Harbor, Inc PO Box 1949 San Pedro, CA 90733		4. AWARD NUMBER: 2010-PU-T0-K004	
		5. PROJECT PERIOD: FROM 06/01/2010 TO 05/31/2013 BUDGET PERIOD: FROM 06/01/2010 TO 05/31/2013	
1A. GRANTEE IRS/VENDOR NO. VG0003388		6. AWARD DATE 08/13/2010	7. ACTION Initial
		8. SUPPLEMENT NUMBER 00	
3. PROJECT TITLE FY 2010 Port Security Grant Program		9. PREVIOUS AWARD AMOUNT \$ 0	
		10. AMOUNT OF THIS AWARD \$ 31,453,287	
		11. TOTAL AWARD \$ 31,453,287	
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).			
13. STATUTORY AUTHORITY FOR GRANT This project is supported under Department of Homeland Security Appropriations Act, 2010 (Public Law 111-083)			
15. METHOD OF PAYMENT PARS			
AGENCY APPROVAL		GRANTEE ACCEPTANCE	
16. TYPED NAME AND TITLE OF APPROVING DHS OFFICIAL Elizabeth M. Harman Assistant Administrator Grant Programs Directorate		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Richard B. McKenna Executive Director	
17. SIGNATURE OF APPROVING DHS OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL	19A. DATE
AGENCY USE ONLY			
20. ACCOUNTING CLASSIFICATION CODES FISCAL YEAR FUND CODE BUD. ACT. OFC. DIV. REG. SUB. POMS AMOUNT 0 T PU 10 00 00 31453287		21. PU10V40014	

OJP FORM 4000/2 (REV. 5-87) PREVIOUS EDITIONS ARE OBSOLETE.

OJP FORM 4000/2 (REV. 4-88)



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AWARD DATE 08/13/2010

SPECIAL CONDITIONS

1. The grantee and any subgrantee shall comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit Requirements. A non-exclusive list of regulations commonly applicable to DHS grants are listed below:

A. Administrative Requirements

1. 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

2. 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)

B. Cost Principles

1. 2 CFR Part 225, Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87)

2. 2 CFR Part 220, Cost Principles for Educational Institutions (OMB Circular A-21)

3. 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122)

4. Federal Acquisition Regulations (FAR), Part 31.2 Contract Cost Principles and Procedures, Contracts with Commercial Organizations

C. Audit Requirements

1. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

2. Recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of FEMA.

3. The recipient agrees that all allocations and use of funds under this grant will be in accordance with the FY 2010 Port Security Grant Program guidance and application kit.

4. Program authority and responsibility under this cooperative agreement resides with FEMA. FEMA will work with the recipient to review and refine work plans to ensure program goals and objectives can be effectively accomplished.

The recipient shall not develop or engage in the development of tasks not approved in recipient's application without post-award approval from the program office, and the issuance of a Grant Amendment from FEMA. FEMA will monitor the project on a continual basis by maintaining ongoing contact with the recipient and will provide input to the program's direction, in consultation with the recipient, as needed.

5. The grantee is prohibited from obligating, expending or drawing down funds provided through this award until a Budget Review is completed and approved by the Grants Management Division (GMD) and an official notice has been issued removing this special condition.

6. The grantee is prohibited from obligating, expending or drawing down funds provided through this award that are associated with activities involving ground disturbance, construction, modification of structures, and purchase and use of sonar equipment until all applicable environmental and historic preservation documentation is provided to GPD for review and approval and an official notice has been issued by GPD in removing this special condition.



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SPECIAL CONDITIONS

7. The recipient shall submit the Federal Financial Report (FFR, SF-425) within 30 days of the end of the first Federal quarter following the initial grant award. The recipient shall submit quarterly FFRs thereafter until the grant ends. Reports are due on January 30, April 30, July 30, and October 30. A report must be submitted for every quarter of the period of performance, including partial calendar quarters, as well as for periods where no grant activity occurs. Future awards and fund draw downs may be withheld if these reports are delinquent. The final FFR is due 90 days after the end date of the performance period.
8. In the event FEMA determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, recipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate recipient acceptance of the changes to the award. Please call the FEMA/GMD Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov if you have any questions.
9. A. Provisions applicable to a recipient that is a private entity.
 1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not:
 - a. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - b. Procure a commercial sex act during the period of time that the award is in effect; or
 - c. Use forced labor in the performance of the award or subawards under the award.
 2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity:
 - a. Is determined to have violated a prohibition in paragraph A.1 of this award term; or
 - b. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph A.1 of this award term through conduct that is either:
 - i. Associated with performance under this award; or
 - ii. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement)," as implemented by our agency at 2 CFR Part 3000.



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10. B. Provisions applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity:

1. Is determined to have violated an applicable prohibition in paragraph A.1 of this award term; or
2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph A.1 of this award term through conduct that is either:
 - a. Associated with performance under this award; or
 - b. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement)," as implemented by our agency at 2 CFR part 3000.

C. Provisions applicable to any recipient.

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph A.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph A.2 or B of this section:
 - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - b. Is in addition to all other remedies for noncompliance that are available to us under this award.
3. You must include the requirements of paragraph A.1 of this award term in any subaward you make to a private entity.

D. Definitions. For purposes of this award term:

1. "Employee" means either:

- a. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
- b. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity" means:

- a. Any entity other than a State, local government, Indian Tribe, or foreign public entity, as those terms are, defined in 2 CFR 175.25.
- b. Includes:
 - i. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian Tribe at 2 CFR 175.25(b).
 - ii. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).



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11. A. "Classified national security information," as defined in Executive Order (EO) 12958, as amended, means information that has been determined pursuant to EO 12958 or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form.

B. No funding under this award shall be used to support a contract, subaward, or other agreement for goods or services that will include access to classified national security information if the award recipient has not been approved for and has access to such information.

C. Where an award recipient has been approved for and has access to classified national security information, no funding under this award shall be used to support a contract, subaward, or other agreement for goods or services that will include access to classified national security information by the contractor, subawardee, or other entity without prior written approval from the DHS Office of Security, Industrial Security Program Branch (ISPB), or, an appropriate official within the Federal department or agency with whom the classified effort will be performed.

D. Such contracts, subawards, or other agreements shall be processed and administered in accordance with the DHS "Standard Operating Procedures, Classified Contracting by States and Local Entities," dated July 7, 2008; EOs 12829, 12958, 12968, as amended; the National Industrial Security Program Operating Manual (NISPOM); and/or other applicable implementing directives or instructions. All security requirement documents are located at: <http://www.dhs.gov/xopnbiz/grants/index.shtm>

E. Immediately upon determination by the award recipient that funding under this award will be used to support such a contract, subaward, or other agreement, and prior to execution of any actions to facilitate the acquisition of such a contract, subaward, or other agreement, the award recipient shall contact ISPB, or the applicable Federal department or agency, for approval and processing instructions.

DHS Office of Security ISPB contact information:

Telephone: 202-447-5346

Email: DD254AdministrativeSecurity@dhs.gov

Mail: Department of Homeland Security
Office of the Chief Security Officer
ATTN: ASD/Industrial Security Program Branch
Washington, D.C. 20528



Department of Homeland Security, FEMA

Grant Programs Directorate

Washington, D.C. 20531

Memorandum To: Official Grant File

From: Adria Martinez, GPD NEPA Liaison

Subject: Incorporates NEPA Compliance in Further Developmental Stages for Marine Exchange of Los Angeles Long Beach Harbor, Inc

The recipient must provide information to FEMA to assist with the legally-required environmental planning and historic preservation (EHP) review and to ensure compliance with applicable EHP laws and Executive Orders (EO). These EHP requirements include but are not limited to National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, EO 11988-Floodplain Management, EO 11990-Protection of Wetlands, and EO 12898-Environmental Justice. The recipient must comply with all Federal, State, and local EHP requirements and obtain applicable permits and clearances.

Recipient shall not undertake any activity from the project that would result in ground disturbance, facility modification, or relates to the use of sonar equipment without the prior approval of FEMA. These include but are not limited to communications towers, physical security enhancements involving ground disturbance, new construction, and modifications to buildings that are 50 years old or older. Recipient must comply with all mitigation or treatment measures required for the project as the result of FEMA's EHP review. Any change to an approved project description will require re-evaluation for compliance with EHP requirements before the project can proceed. If ground disturbing activities occur during project implementation, the recipient must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, the recipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Initiation of these activities prior to completion of FEMA's EHP review will result in a non-compliance finding and may not be eligible for grant funding.