



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: OCTOBER 12, 2016

FROM: PORT POLICE

SUBJECT: RESOLUTION NO. _____ - ACCEPTANCE OF THE PORT SECURITY GRANT UNDER FISCAL YEAR 2016 FEDERAL PORT SECURITY GRANT PROGRAM, GRANT NO. EMU-2016-PU-00474

SUMMARY:

Staff requests the Board of Harbor Commissioners accept and enter into a Grant Award, EMU-2016-PU-00474, with the United States Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA), for the reimbursement of funds allocated to the Los Angeles Harbor Department (Harbor Department) under the Fiscal Year (FY) 2016 Port Security Grant Program (PSGP). If approved, the proposed Federal grant will be in the amount of \$1,875,000 with an award date of September 1, 2016.

Items approved for grant reimbursement subsequent to expenditure by the Harbor Department are as follows: Port of Los Angeles (POLA) Information Security Management System Integration and Maintenance \$750,000; POLA Department Operation Center (DOC) Phase II \$375,000; and POLA Security System Maintenance \$750,000. The award is for a three year period ending August 31, 2019. A 25% cost share is required under this FY 2016 PSGP, which will be funded by the Harbor Department. The Harbor Department's total cost share for the 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:

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;
2. Approve the Grant Award Agreement, Grant No. EMU-2016-PU-00474 for FY 2016 PSGP 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 2016 Port Security Grant Program;
3. Authorize the Executive Director to execute and the Board Secretary to attest to the Obligor Document for the Award;

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4. Authorize the Harbor Department to implement the projects approved for funding by the DHS; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background/Context: On February 29, 2016, FEMA announced the FY 2016 Grant Program Funding Opportunity (Transmittal 1). The FY 2016 PSGP focused on enhancing Maritime Domain Awareness; enhancing IED and Chemical, Biological, Radiological, Nuclear, Explosive prevention, protection, mitigation, response, and recovery capabilities; Cybersecurity; port resilience and recovery capabilities; training and exercises; and Transportation Worker Identification Credential Implementation.

On April 6, 2016, 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 2016 Port Security Grant Program.

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.

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 (Transmittal 3). 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" (also known as Super Circular).
- b) The Harbor Department, using existing staff, shall submit Progress Reports, as per the Port Security Grant Program Guidelines for biannual and final reports as well as quarterly financial reports.
- c) As required by the Super Circular, the recipient shall notify FEMA of developments that have significant impact on award-supported projects.

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On August 22, 2016, the Harbor Department was awarded three projects for this round of port security grants:

PROJECT	FEDERAL AMOUNT	25% HARBOR DEPARTMENT COST SHARE	TOTAL PROJECT COST FOR FY 16/17
POLA Security System Integration and Maintenance	\$750,000	\$250,000	\$1,000,000
POLA Department Operation Center (DOC) Phase II	\$375,000	\$125,000	\$500,000
POLA Security System Maintenance	\$750,000	\$250,000	\$1,000,000
Totals	\$1,875,000	\$625,000	\$2,500,000

POLA Security System Integration and Maintenance: 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 Port'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.

POLA Department Operation Center (DOC) Phase II: This is a continuation of the Port Security Grant Program FY 15 project the Harbor Department was awarded to further integrate the DOC. The original project (Phase I) provided necessary capabilities to the POLA's existing DOC by integrating external video feeds from Los Angeles Fire Department, Los Angeles Police Department, and Los Angeles Sheriff's Department helicopters, the Automated Traffic Surveillance and Control System, terminals, mobile command vehicles, external audio frequencies used by the City of Los Angeles, Los Angeles Port Police, mariners, broadcasters, port terminal operators, and amateur radio operators. This project continues the integration of the existing system by providing a physical security information management software platform solution that is designed to provide the DOC with an efficient means to integrate all the physical security assets and to quickly identify and resolve real-time security situations. This system will enhance the surveillance and management of the port and its surrounding areas, unmanned remote locations, valued assets, buildings, and terminals.

POLA Security System Maintenance: Under the Port Security Grant Program FY 2015, the Harbor Department was awarded funding to develop and promulgate written policies and procedures for governing the appropriate minimum security requirements for the Waterside Surveillance Security (WSS) system environment as part of a fully implementable security program. This project will implement, update, and maintain the policies for the management and review of responding to any network security incidents or malfunctions.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is to approve the Grant Award Agreement to fund various port security systems. As an administrative activity involving the installation of security and protection devices, 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.

FINANCIAL IMPACT:

Items covered under this Grant Award Agreement are to be partially reimbursed by DHS under FY 2016 PSGP through FEMA. The total grant award is \$1,875,000, for a three-year period ending August 31, 2019.

Funds for all three projects under the FY 2016 Port Security Grant Program will be requested to be budgeted in future fiscal years upon Board approval. A 25% cost share for these projects in the amount of \$625,000 is required under the FY 2016 PSGP and will be funded by the Harbor Department.

PROJECT	FEDERAL AMOUNT	25% NON-FEDERAL AMOUNT (POLA Cost Share)	TOTAL PROJECT COST (FY 16/17)	TOTAL PROJECT COST OVER THREE FISCAL YEARS 2017, 2018, AND 2019
POLA Security System Integration and Maintenance	\$750,000	\$250,000	\$1,000,000	\$1,000,000 over 3 years = \$3,000,000
POLA Department Operation Center (DOC) Phase II	\$375,000	\$125,000	\$500,000	\$500,000 over 3 years = \$1,500,000
POLA Security System Maintenance	\$750,000	\$250,000	\$1,000,000	\$1,000,000 over 3 years = \$3,000,000
Totals	\$1,875,000	\$625,000	\$2,500,000	\$7,500,000

The Harbor Department must front-fund all expenses before requesting reimbursement. Funds for FY 16/17 in the amount of \$2,500,000 are available in Account 54286 in Division 0412, Program 640.

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.

After project installation, there will be ongoing costs associated with running and maintaining the Department's Waterside Security System, therefore the projects will have recurring costs estimated not to exceed each of their total annual project amounts. Port Police will request to budget \$2.5 million dollars annually, post project completion, for future

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maintenance, repair and system enhancement costs. Port Police will continue to request annual grant funding for the ongoing sustainability of these projects although there is no guarantee the Harbor Department will be awarded grants.

CITY ATTORNEY:

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

TRANSMITTAL(S):

1. PSGP FY 2016 Notice of Funding Opportunity
2. Information Memo to the Board of Harbor Commissioners
3. PSGP FY 2016 Award Letter/Package

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


MICHAEL GRAYCHIK
Deputy Chief of Police


THOMAS E. GAZSI
Acting Chief of Public Safety and
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APPROVED:


EUGENE D. SEROKA
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