

COMMISSION AGENDA

Item No: 5D

Meeting: 10/17/19

DATE: October 4, 2019

TO: Port Commission

FROM: Eric D. Johnson, Executive Director
Sponsors: Don Esterbrook, Chief Operating Officer
Louis P. Cooper, Jr., Senior Director, Security and Corporate Social Responsibility

SUBJECT: Department of Homeland Security, Port Security Grant Program 2019 – Award Acceptance in the amount of \$686,483.00.

A. ACTION REQUESTED

Request authorization for the Port of Tacoma Executive Director or his designee to establish acceptance of \$686,483.00 in grant award funding with the Department of Homeland Security (DHS), for Port Security Grant Program (PSGP) 2019, which includes a 25% or \$228,828.00 Port match for a total authorization amount of \$915,311.00.

B. BACKGROUND

In an effort to increase security at the nation's strategic ports, the Department of Homeland Security (DHS) established a Port Security Grant Program (PSGP). The PSGP provides grant funding to state, local, and private sector partners to support increased port-wide risk management and protect critical surface transportation infrastructure from acts of terrorism, major disasters, and other emergencies. The PSGP is currently administered by the Federal Emergency Management Agency (FEMA). Since inception (2002) the Port of Tacoma has received an accumulative amount of approximately \$32M in federal funding through the Port Security Grant Program.

PSGP 2019 Priorities:

1. Enhancing the Protection of Soft Targets/Crowded Places
2. Enhancing IED (Improvised Explosive Device) and WMD (Weapons of Mass Destruction) prevention, protection, response and supporting recovery capabilities
3. Enhancing Cybersecurity
4. Addressing Emergent Threats, such as Unmanned Ariel Systems

FEMA announced the 2019 program awards in early August. The Port received the formal grant approval letter in September.

POT received funding approval for three proposed projects:

Physical Security Enhancements for the interior and exterior areas of the Port Administrative Building – Award Amount \$253,926: An internal security assessment of the building was completed in April 2019. The assessment concluded that in its current state the administrative building has limited security or protective measures in place

making it vulnerable to an attack. The proposed project will include the purchase of reinforced doors; and installation of additional cameras and lighting to the interior and exterior building area (parking lot, shoreline and waterway). In addition, cameras will be equipped with alarm notification and motion detection.

Firewall Replacement – Award Amount \$237,626: The current firewalls that are used to protect the Port networks from cybersecurity threats are reaching end of life and are needing to be replaced in early 2020. The current hardware can no longer support new software releases. For this reason, the Port is not able to install and benefit from the latest software versions due to incompatibility with our current hardware. This investment will provide partial funding needed to replace the existing Firewalls which will ensure protection against outside attackers by shielding the Port's network from malicious or unnecessary network traffic.

Expansion of the Port's Closed-Circuit Television Cameras (CCTV) – Award Amount \$194,930: In general, this project investment will provide the funding needed for purchase and installation of Cameras including associated hardware and software that will tie into the Port's security network. The location of the cameras will be strategically installed on the Tide Flats along the port's vital corridors and areas in which we have seen a heightened level of activity such as demonstrations and security breaches. In addition, the Port is leveraging existing resources that were previously funded through the PSGP by expanding upon our capabilities.

C. SOURCE OF FUNDS

Source of funds will be grant awards of \$686,483.00 from Department of Homeland Security, Port Security Grant Program Fiscal Year 2019. The remaining \$228,828.00 will be included in the 2020–2024 Capital Investment Plan.

D. FINANCIAL IMPACT

<u>Project Description</u>	<u>Federal (75%)</u>	<u>Port Share (25%)</u>	<u>Total</u>
POT Admin. Bldg. Security Enhancements	253,926	84,642	338,568
Firewall Replacement**	237,626	79,209	316,835
Closed Circuit Television Cameras (CCTV)	194,930	64,976	259,908
TOTALS	\$686,483	\$228,828	\$915,311

***The grant awarded funds for the replacement of one firewall, with a 25% Port match, is shown above. The replacement will require purchase of two firewalls, with the second firewall to be purchased with Port funds. Total project costs for replacement of two firewalls is \$633,670.*

Project costs will be capitalized and depreciated over a 4-5-year period depending on the type of fixed asset purchased. Some project costs associated with the security enhancements at the POT admin building may be expensed when incurred. There will be no depreciation expense in 2019.

Projects will follow the Ports contracting and procurement policies, as set forth in Resolution 2018-02-PT, and federal requirements related to the management and administration of federal funds. Final project costs associated with new systems and infrastructure will be determined upon design completion. Grant income will be recognized as costs are incurred and reimbursement is requested.

E. NEXT STEPS

Request authorization for the Port of Tacoma Executive Director or his designee to accept the grant award amount \$686,483.00 from the Department of Homeland Security (DHS), for Port Security Grant Program (PSGP) 2019, which includes a 25% or \$228,828.00 Port match for a total authorization of \$915,311.00.