



Maryland Department of Transportation
The Secretary's Office

Martin O'Malley
Governor

Anthony G. Brown
Lt. Governor

James T. Smith, Jr.
Secretary

December 13, 2013

The Honorable Thomas V. "Mike" Miller, Jr.
President, Maryland Senate
State House, H-107
Annapolis MD 21401-1991

The Honorable Michael E. Busch
Speaker, Maryland House of Delegates
State House, H-101
Annapolis MD 21401-1991

Dear President Miller and Speaker Busch:

Please see the attached annual report concerning *Funding to Address Vulnerability Concerns*, which was prepared by the Maryland Port Administration (MPA) in response to SB 18, Chapter 78, Acts of 2004. The language directs:

"...on or before December 1 of each year, the Administration, in accordance with §2-1246 of the State Government Article, shall provide an annual report to the General Assembly based on the vulnerability assessment information concerning public terminals submitted by the Administration to the United States Coast Guard under the Federal Maritime Transportation Security Act of 2002.

(b) with respect to any vulnerability concerns reported by the Administration to the United States Coast Guard, the report to the General Assembly required under this section:

- (1) shall provide an estimate of the costs of addressing the vulnerability concerns;*
- (2) shall state the amount of any grants or other federal funds received or required by the Administration to address the vulnerability concerns and shall include information on the status of any pending requests for federal funds; and*
- (3) may not include the specific details of any vulnerability concerns the disclosure of which could compromise, in any way, transportation security."*

The Honorable Thomas V. "Mike" Miller, Jr.
The Honorable Michael E. Busch
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If you have any questions or concerns, please do not hesitate to contact Mr. James J. White, Executive Director, MPA, at 410-385-4400. Of course, you should always feel free to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Smith, Jr.", written in a cursive style.

James T. Smith, Jr.
Secretary

Attachment

cc: The Honorable Norman Conway, Chair, House Appropriations Committee
The Honorable Edward J. Kasemeyer, Chair, Senate Budget and Taxation Committee
Mr. James J. White, Executive Director, MPA

A Report to the Maryland General Assembly

Senate Budget and Taxation Committee

and

House Appropriations Committee

regarding

Funding to Address Vulnerability Concerns
(SB 18, Ch. 78, Acts of 2004,
Transportation Article, § 6-210 (a))

December 2013

The Maryland Port Administration
The Maryland Department of Transportation

**Funding to Address Vulnerability Concerns at the Port of Baltimore
(SB 18, Ch. 78, Acts of 2004, Transportation Article, §6-210 (a))**

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Background

The Port of Baltimore (POB) consists of both the MPA’s public terminals and a large variety of private terminals. International cargo tonnage for the entire POB including public and private terminals in 2012 (36.7 million tons) continued to show a recovery from the economic recession of 2009 (22.4 million tons). Compared to 2011 (37.6 million tons), general cargoes were up eight percent, led by containers, autos, and roll on – roll off (RoRo); however, bulk commodities such as iron ore, salt and gypsum dropped 5.4 percent for a total decline of 2.5 percent. Despite this slight decrease, the value of the POB’s international cargo increased 5.1 percent in 2012 to \$53.9 million. This gave the POB a national ranking of ninth for value of foreign cargo and eleventh for foreign cargo tonnage. Also, the POB was tenth in the nation and fifth on the U.S. East Coast for the number of cruise passengers or embarks in 2012.

MPA’s general cargo tonnage for FY 2013 was 9.6 million tons, an increase of 2.3 percent over FY 2012. Containers, imported pulp, and autos showed positive trends. This set a new fiscal year record for MPA general cargo.

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Maryland Port Administration Security Measures

The MPA remains in a constant evaluation mode incorporating modern technology and physical security measures to meet those challenges and requirements outlined in the Federal Maritime Transportation Security Act (MTSA) and the Security and Accountability for Every Port Act of 2006 (SAFE Ports Act). The U.S. Coast Guard's 2013 annual security inspection of the MPA yielded a perfect evaluation; overall, the MPA has received six straight "Excellent" evaluations by the U.S. Coast Guard. In addition, as one of the Modal Administrations within the Maryland Department of Transportation (MDOT), the MPA works with other transportation sectors to meet the coordinated goals for transportation security. This is accomplished through the Secretary of Transportation's Security Council monthly meetings.

In 2013, the MPA continued to streamline procedures, identify and incorporate new technologies, and improve upon its ongoing security measures. Significant physical security improvements during 2013 include the following:

- A Remote Control Submersible Vehicle was introduced as a means to further secure the berths of MPA terminals. This technology also has the capability to detect Improvised Explosive Devices (IED) placed upon the surfaces of vessels.
- An Underwater Intrusion Detection System was installed in an effort to detect underwater/sub-surface attempts to attack vessels or negatively impact the flow of commerce and/or injure or kill human life.
- Closed Circuit Television (CCTV) systems of all MPA terminals were significantly enhanced. In addition, the MPA was an active participant in Governor Martin O'Malley's CCTV Interoperability Initiative involving all MDOT Modal Administrations and other relevant State and local agencies.
- Annual credentials are issued for all MPA Terminal employees. The MPA credentials are color coded to signify employee status on MPA terminals that store data that can be read by the access control system. Although Transportation Worker Identification Credentials (TWICs) are federally required for identification, they do not establish a purpose for coming into the terminal as required by the Federal MTSA. The MPA credential establishes this purpose and creates a back-up manual process for access in the event of total electronic system failure. The annual renewal of credentials meets current U.S. Department of Homeland Security recommendations for security procedures. Additionally, annual Security Awareness Training and TWIC Escort Training ensure employees are informed of current policies, procedures, and potential threats. An Escort Policy Information Card was developed for attachment to the identification credential to serve as a means for policy reference.

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- The MPA visitor access system, known as *mVisitor*, continues to be refined and improved. This internally developed computer system accounts for visitors and vendors entering the MPA marine terminals and the World Trade Center. The *mVisitor* system also includes vessel crew lists, tours, and other events that allow the access process to be a paperless system. Additionally, the ability to conduct audits of the system by MPA Security ensures compliance with the regulations and mandates.
- The MPA continues its fence line enhancement and repair program on a regular basis ensuring industry standards are implemented and requirements of the U.S. Coast Guard are met.
- The MPA continues to update and computerize all orders for access control points, procedures, and forms to ensure continuity with our Facility Security Plan. This process enables consistent and validated security processes to occur with the ability to make continuous refinements as needed.
- The use of eModal Trucker Check for all cargo is incorporated at both Dundalk and Seagirt Marine Terminals. This system requires all companies and drivers transporting cargo to pre-register in the system prior to coming to the terminals. This adds another layer of security by verifying the driver/company is approved to conduct business at MPA terminals.
- Active Shooter Response Training was conducted in coordination with the Baltimore Field Office of the Federal Bureau of Investigation.

Coordination of Security Measures

The Maryland Area Maritime Security Council (AMSC), formed after the terrorist attacks of September 11, 2001, coordinates security efforts among its members consisting of the MPA, U.S. Coast Guard, Maryland Transportation Authority Police, Customs and Border Protection, Federal Bureau of Investigation, municipal law enforcement agencies, and maritime personnel from the private and public sectors. This Committee oversees area Maritime Vulnerability Assessments and Security Plans for the POB, plans annual security exercises to evaluate POB security measures, and addresses “lessons learned” for POB security improvement. This coordination is used to develop security strategies that the MPA uses to identify security goals and justify requests for Federal Port Security Grants. The MPA continues to remain an active participant on the Council.

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Funded MPA Security Improvements

Since the creation of the Federal Department of Homeland Security (DHS) in 2002, Congress has appropriated funds for projects related to securing the nation's ports. Since 2002, the MPA has been successful in receiving grants, including an American Recovery and Reinvestment Act (ARRA) Port Security Grant in 2009 and several grants under the Federal Port Security Grant Program, which is administered by the Federal Emergency Management Agency (FEMA). These grants enable the MPA to address federal regulations and initiatives that have helped to further secure MPA public terminals.

In addition, through an internal MPA review and planning process with guidance from DHS and the U.S. Coast Guard, security needs have been identified and a phase-in approach has been implemented. This allows the MPA to take logical steps and identify funding needs/resources particularly through federal grants. This also enables security plan modifications when new or improved technology is identified or becomes affordable.

The MPA Office of Security continues to identify funding sources to achieve the goal of improving security and safety at all MPA terminals and facilities.

New and Current Security Projects in FY 2013:	\$ Millions	Status
South Locust Point (SLP) Gate Improvements	\$0.70	Complete
Dundalk-Seagirt Access Control Center	\$1.00	Complete
SLP Entrance Gate Canopy & Access Control/Gate Pass System	\$0.37	Complete
Mobile Video Vehicles	\$.772	Complete
Handheld Explosives Detector	\$0.164	Complete
NLP Entrance Gate Modernization	\$0.26	8/31/2014
TWIC Implementation/Expansion	\$0.93	Complete
CCTV Expansion –Dundalk Marine Terminal (DMT) and the World Trade Center	\$1.54	Complete
Interoperable Communications	\$2.89	Complete
Vehicle Intrusion Barriers-SLP	\$0.24	8/31/2014
Portable TWIC Readers	\$0.134	Complete
CCTV Expansion & Sharing- DMT	\$0.64	Complete
Fixed TWIC Readers	\$0.482	Complete
Underwater Sonar Intrusion Detection System - SLP	\$0.10	Complete
Total MPA Security Projects	\$10.22M	

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Unfunded MPA Security Initiatives

As technology improves, the costs of some systems decrease. Security systems once thought to be cost prohibitive may soon be available to the MPA. Access Control Systems that improve security while increasing productivity are an innovation that many system developers would like to employ. Enhanced CCTV systems to including biometric software such as fingerprint reading capabilities, facial recognition, and iris scanning could lead to improved security. Also, new under and above water surveillance and detection systems could further improve port-wide security. The MPA will continue to work with port partners and the Area Maritime Security Committee –United States Coast Guard Sector Baltimore to achieve these goals.

Future Grant Awards

The Port Security Grant Program (PSGP) divides eligible ports into three tiers based on DHS perceived risk assessments. The Port of Baltimore (POB) is a Tier II Port. As part of DHS's plan to make the grants more regionally based, future grant funding provided for ports will be proportionally based on a risk analysis. However, in August 2012, the MPA was awarded \$299,376 in federal grant money for the following projects: Vehicle Bourne Improvised Explosive Device barriers (August 2014); Portable Under-Vehicle Improvised Explosive Device System (Complete); and Handheld Explosive Vapor Trace Detectors (Complete).

MPA Operational Budget for Security

For FY 2013, the MPA Office of Security was appropriated \$8,530,934. Of this amount, \$5,832,000 is budgeted for Maryland Transportation Authority Police services and \$2,246,412 is budgeted for the existing Securitas guard service contract.

In 2006, due to inflation and increased security requirements, the MPA established security fees to generate revenues to help offset security costs. MPA's security fee is currently set at \$1.50 per passenger on cruise vessels for embarking, debarking, or "in transit" passengers; \$6.50 per loaded containers handled on container ships; and \$2.50 per foot overall for non-containerized cargo vessels.

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Summary

The aforementioned projects and initiatives are improving security at MPA facilities. The funding is obtained based on a high priority risk-assessment, which was conducted by Maritime and Port Security Consultants in 2008 and CACI, a U.S. Coast Guard contractor in 2012. The Area Maritime Security Committee works closely with the Governor's Office of Homeland Security to address the overall maritime needs of the POB. As a member of the Executive Committee, the MPA works in collaboration with each entity to address MPA security concerns. Additionally, the MPA continues to work with all MDOT Modal Administrations to ensure a coordinated security effort to protect all transportation systems.

The security of MPA facilities is constantly evolving based on needs, threat, vulnerability, risks, intelligence, and technology. The MPA continues to focus on improving security at MPA facilities in order to maintain Maryland's Port as among the most secure in the nation.