Maryland Department of Transportation
The Secretary's Office

Martin O'Malley
Governor

Anthony G. Brown
Lt. Governor

James T. Smith, Jr.
Secretary

October 30, 2014

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 that:

> "...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
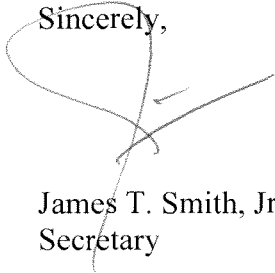> section:

> (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."

If you have any questions or concerns, please do not hesitate to contact Mr. James J. White, MPA Executive Director, at 410-385-4400. Of course, you should always feel free to contact me directly.

Sincerely,

James T. Smith, Jr.
Secretary

Attachment

cc: The Honorable Edward J. Kasemeyer, Chair, Senate Budget and Taxation Committee
        The Honorable Norman Conway, Chair, House Appropriations 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))

November 2014

The Maryland Department of Transportation

This report was prepared by the Maryland Port Administration (MPA) in response to SB 18, Ch. 78, Acts of 2004. The language directs:

> *"(a)...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."*

Background

The Port of Baltimore (POB) consists of both the MPA's public terminals and a large variety of private terminals. In 2013, international cargo tonnage for the entire POB fell to 30.3 million tons, as coal exports dropped 23 percent. The total value of foreign cargo passing through the POB was $52.6 billion. The POB ranks 14th in the nation in terms of foreign cargo tonnage and 9th in terms of foreign cargo value. MPA's general cargo tonnage for FY 2014 was 9.6 million tons, equal to FY 2013. Containers and automobiles continue to grow at the MPA's terminals.

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. Since the Safe Ports Act was implemented, the MPA has received "Excellent" evaluations by the U.S. Coast Guard. In addition, Government Security News Magazine identified the POB as the 2014 Most Notable Port Security Program in the country.

In 2014, the MPA continued to streamline procedures, identify and incorporate new technologies, and improve upon its ongoing security measures. Significant security enhancements and activities in 2014 include the following:

- A Vehicle Intrusion Barrier was installed at the South Locust Point Cruise Terminal.

- Opened the new South Locust Point Marine Terminal Access Control Booth/Gate.

- Installed new North Locust Point Marine Terminal Access Control Booth/Gate.

- Purchased four Mobile Access Control Booths to be utilized during the course of special events such as the 1812 "Sailabration."

- Purchased Closed Circuit Television (CCTV) camera maintenance and a CCTV camera.

- Awarded a $750,000 Federal Port Security Grant by the Federal Emergency Management Agency (FEMA) to develop a Video Analytic CCTV system at the Dundalk Marine Terminal and to conduct a cyber vulnerability assessment of the MPA's Access Control and CCTV systems.

- Became an active participant within the Governor's statewide CCTV interoperability program called M-view.

- 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 regulations and mandates.

- The MPA continues its fence line enhancement and repair program 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 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.

Coordination of Security Measures

The Maryland Area Maritime Security Council, formed after the terrorist attacks of September 11, 2001, coordinates security efforts among its members: 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.

Funded MPA Security Improvements

The MPA Office of Security continues to identify funding sources such as FEMA's Federal Port Security Program and capitol allocations to achieve the goal of improving security and safety at all MPA terminals and facilities.

New and Current Security Projects in FY 2014:	Funding	Status
South Locust Point (SLP) Entrance Gate Canopy & Access Control/Gate Pass System	$370,000 (2013 Grant Funds: 80% Federal-20% State)	Complete
North Locust Point Entrance Gate Modernization	$490,000 (2013 Grant Funds: $200,000 Federal- $290,000 MPA Capital)	Complete
Vehicle Intrusion Barriers-SLP	$240,000 (2013 Grant Funds: $180,000 Federal- $60,000 State Match)	Complete
Mobile Access Control Booths	$100,000 (2013 Grant Funds: $80,000 Federal- $20,000 State Match)	Complete

MPA Operational Budget for Security

For FY 2014, the MPA Office of Security was appropriated $9,474,702. Of this amount, $6,103,196 is budgeted for Maryland Transportation Authority Police services and $2,905,490 is budgeted for the existing Allied Barton guard service contract.

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.