



# **AAPA EXECUTIVE MANAGEMENT SEMINAR**

## **Port Security: A-Z**

**Napa, California**

**May 8, 2008**





# History Of U.S. Port Security

---

## **BEFORE 9/11:**

- **Ports Open: Restaurants, Marinas, Public Roadways**
- **Unchallenged Access At Many Ports**
- **Security Focused on Personnel Safety and Cargo Security**
- **Very Few Certified Port Police Forces**



# Graham-Hollings Bill

---

- Interest In Port Security Even Before 9/11
- Drug Smuggling And Cargo Theft At Ports In South Florida
- Senator Bob Graham (FL) And Fritz Hollings (SC) Asked President To Establish A Commission
- Commission Spent Months Reviewing Security At Ports Across The U.S.
- Drafted A Bill To Mandate Uniform Security At All U.S. Ports



## Events Of 9/11: Impact On Port Security

---

THE TRAGIC EVENTS OF SEPTEMBER 11, 2002 PERMANENTLY CHANGED THE WAY SECURITY WAS VIEWED AT U.S. PORTS.

IN THE DAYS IMMEDIATELY FOLLOWING 9/11, THE PRESIDENT DID TWO VERY IMPORTANT THINGS:

- **FIRST:** He remembered the work senators Graham and Hollings had done, and asked them to resurrect their bill, not as an anti-smuggling bill, but as an **ANTI-TERRORISM BILL**.
- **SECOND:** He sent for the coast guard, which is our permanent representative to the international maritime organization.



# **International Maritime Organization**

---

- **International Maritime Organization (IMO) - 164 member states**
- **Amendments to SOLAS (Convention for the Safety of Life at Sea)**
- **International Ship and Port Security Code (ISPS)**



# Maritime Transportation Security Act of 2002

---

## One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,  
the twenty-third day of January, two thousand and two*

### An Act

To amend the Merchant Marine Act, 1936, to establish a program to ensure greater security for United States seaports, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

#### **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Maritime Transportation Security Act of 2002”.



# Maritime Transportation Security Act of 2002

---

## FINDINGS:

- There Are 361 Public Ports In The United States.
- U.S. Ports Handle Over 95 Percent Of U.S. Overseas Trade.
- The Top 50 Ports Account For About 90 Percent Of All Cargo Tonnage.
- Ports Often Are A Major Locus Of Federal Crime, Including Drug Trafficking, Cargo Theft, And Smuggling Of Contraband And Aliens.
- Ports Are Often Very Open And Exposed And Are Susceptible To Large Scale Acts Of Terrorism.
- Current Inspection Levels Of Containerized Cargo Are Insufficient To Counter Potential Security Risks.





## Maritime Transportation Security Act of 2002

---

- Securing Entry Points And Other Areas Of Port Facilities And Examining Or Inspecting Containers Would Increase Security At U.S. Ports.
- Biometric Identification Procedures For Individuals Having Access To Secure Areas In Port Facilities Are Important Tools To Deter And Prevent Port Cargo Crimes, Smuggling, And Terrorist Actions.
- It Is In The Best Interests Of The United States To:
  - Formulate Requirements For Port Security, Recognizing The Different Character And Nature Of U.S. Port Facilities, And To Require The Establishment Of Security Programs At Port Facilities;
  - Provide Financial Assistance To Help The States And The Private Sector To Increase Physical Security Of United States Ports;





## **Maritime Transportation Security Act of 2002**

---

### **REQUIREMENTS:**

- **Full Compliance With ISPS Rules By July 2004.**
- **The U.S. Coast Guard Was Named The Lead Agency In Maritime Anti-terrorism Activities.**
- **The Transportation Security Agency (TSA) Was Required To Develop A Secure Biometric Credential For Use By Transportation Workers.**



# Port Security Threat Scenarios

---

**Security Experts Have Identified A Variety Of Terrorist Threat Scenarios At U.S. Ports. They Are Concerned That Terrorists Could:**

- Use commercial cargo containers to smuggle terrorists, nuclear, chemical, or biological weapons, components thereof, or other dangerous materials into the United States;
- Seize control of a large commercial cargo ship and use it as a collision weapon for destroying a bridge or refinery located on the waterfront;



# Port Security Threat Scenarios

---

- Sink a large commercial cargo ship in a major shipping channel, thereby blocking all traffic to and from the port;
- Attack a large ship carrying a volatile fuel (such as liquefied natural gas) and detonate the fuel so as to cause a massive in-port explosion;
- Attack an oil tanker in a port or at an offshore discharge facility so as to disrupt the world oil trade and cause large-scale environmental damage;



# Port Security Threat Scenarios

---

- Seize control of a ferry (with hundreds of passengers) or a cruise ship (with 3,000 or more passengers) and threaten the deaths of the passengers (about 90% are usually U.S. citizens) if a demand is not met;
- Attack U.S. Navy ships in an attempt to kill U.S. military personnel, damage or destroy a valuable U.S. military asset, and (in the case of nuclear-powered ships) cause a radiological release;
- Use land around a port to stage attacks on bridges, refineries located on the waterfront, or other port facilities.



# Coast Guard Rulemaking

---

**33 CFR 101 - 106**  
**Navigation and Navigable Waters**

## **CHAPTER I**

**COAST GUARD, DEPARTMENT OF HOMELAND SECURITY**

**SUBCHAPTER H -- MARITIME SECURITY**

**PART 105—MARITIME SECURITY: FACILITIES**

[Subpart A-General](#)

[Subpart B -- Facility Security Requirements](#)

[Subpart C -- Facility Security Assessment \(FSA\)](#)

[Subpart D -- Facility Security Plan \(FSP\)](#)



# Coast Guard Rulemaking

---

## Required Activities Under 33 CFR 105

- **Facility Security Assessment and Plan**
  - **On-scene Survey To Identify Vulnerabilities And Critical Infrastructure**
  - **Plan Developed To Mitigate Vulnerabilities Identified In The Assessment And Comply With The Requirements Of 33 CFR 105**



# Coast Guard Rulemaking

---

## Required Activities Under 33 CFR 105

- Facility Security Officer
- Perimeter Protection
- Surveillance
- Access Control
- Drills And Exercises
- Annual Audits





# Compliance

---

ASPA has established the following security measures:

- Converted From A Security Guard Force To A Sworn Officer Police Force;
- Installed Extensive CCTV Monitoring Systems And Fencing
- Closed The Port To Visitors And Restricted Access To Persons With Verifiable Business;
- Developed A Credentialing Process For Persons Desiring Access To The Port;
- Designated The Entire Port As **RESTRICTED** And Limited Vehicle Access To Piers And Warehouses, And
- Developed Designated Parking Areas And Created New Off-pier Parking Areas For Vehicles.



# Cost Of Compliance

---

➤ As A Percentage Of Total Revenues For The Past 3 Years,  
The ASPA Security Budget Has Been:

- 2005 - 3.18%
- 2006 - 3.28
- 2007 - 3.78

➤ EXPENDITURES (2002-2007):

- |                                |             |
|--------------------------------|-------------|
| ▪ Lighting, Cameras, Fencing - | \$5,745,000 |
| ▪ Equipment -                  | 500,000     |
| ▪ Buildings -                  | 500,000     |
| ▪ Personnel -                  | 8,000,000   |
| ▪ Training, etc. -             | 200,000     |

**TOTAL:** **\$14,945,000**



# Cost Of Compliance

---

## ➤ PLANNED EXPENDITURES:

■ Rail Yard CCTV -	\$3,600,000
■ Wireless Backbone -	750,000
■ Slab Terminal CCTV -	1, 000,000

**Industry Experts Generally Estimate Annual Maintenance Costs For Hi-tech Security Systems At 15-20% Of The Original Installation Costs, Which Will Eventually Add \$800,000 - \$1,000,000 To Our Security Budget Each Year.**



# Cost Of Compliance

---

The ASPA Port Police Budget Has Escalated From About **\$800,000** Pre-9/11 To More Than **\$4,000,000** In The Current Year.

About **40%** Of The Cost, On Average, Has Been Covered By The Gulf Seaports Marine Terminal Conference Security Fee.



## Gulf Seaports Marine Terminal Conference

---

- The GSMTC Is A Federal Maritime Commission Sanctioned Conference Committed To Promoting Waterborne Commerce Throughout U.S. Gulf Of Mexico Ports. FMC Rules Allow The Conference To Set Uniform Rates For Services Provided To Their Customers.
- The Conference Announced In October 2004 That It Would File Notice With The FMC To Impose A Security Fee For Vessels And Cargo Utilizing U.S. Gulf Of Mexico Ports. The Fee Structure Became Effective On January 1, 2005, And Funds The Costs Of:
  - Development Of Port Security Assessments And Plans;
  - Upgrades Or New Installations For Facilities And Equipment, And
  - Staffing To Implement And Maintain Surveillance And Access Controls.



# Gulf Seaports Marine Terminal Conference

---

**Current Fee Schedule, Effective October 1, 2007 And No Later Than January 1, 2008:**

## **Vessels & Barges:**

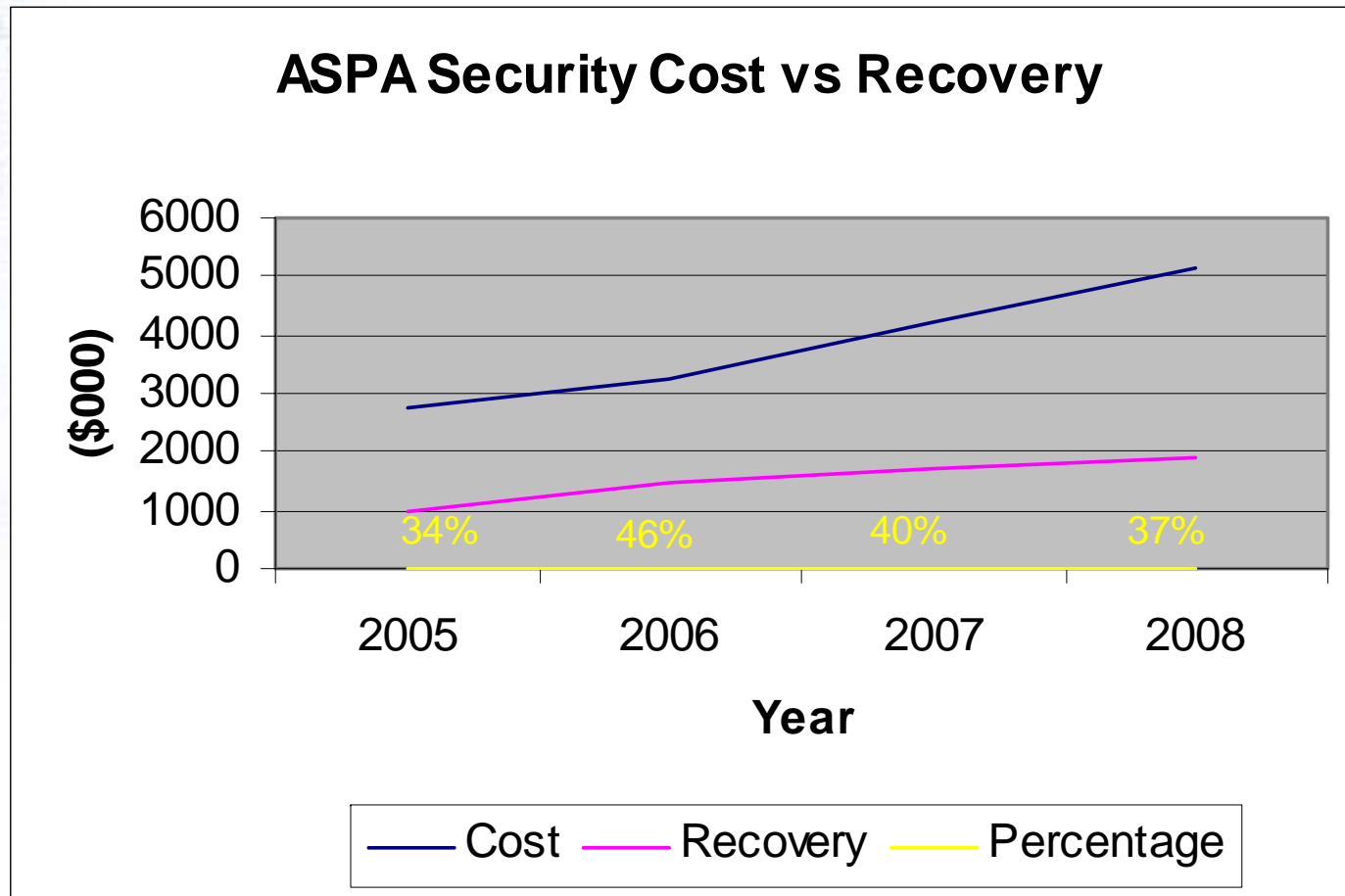
- **5.5%** of total dockage per port call

## **Cargo:**

- Break bulk: **\$0.12** cents per ton
- Dry bulk: **\$0.025** cents per ton
- Liquid bulk: **\$0.025** cents per ton
- Containers: **\$2.30** per box
- Vehicles: **\$1.00** per vehicle
- Passengers: **\$1.00** per passenger



# Paying For Port Security







# Port Security Grants

---

**Total Funding Available in FY 2008: \$388.6 million**

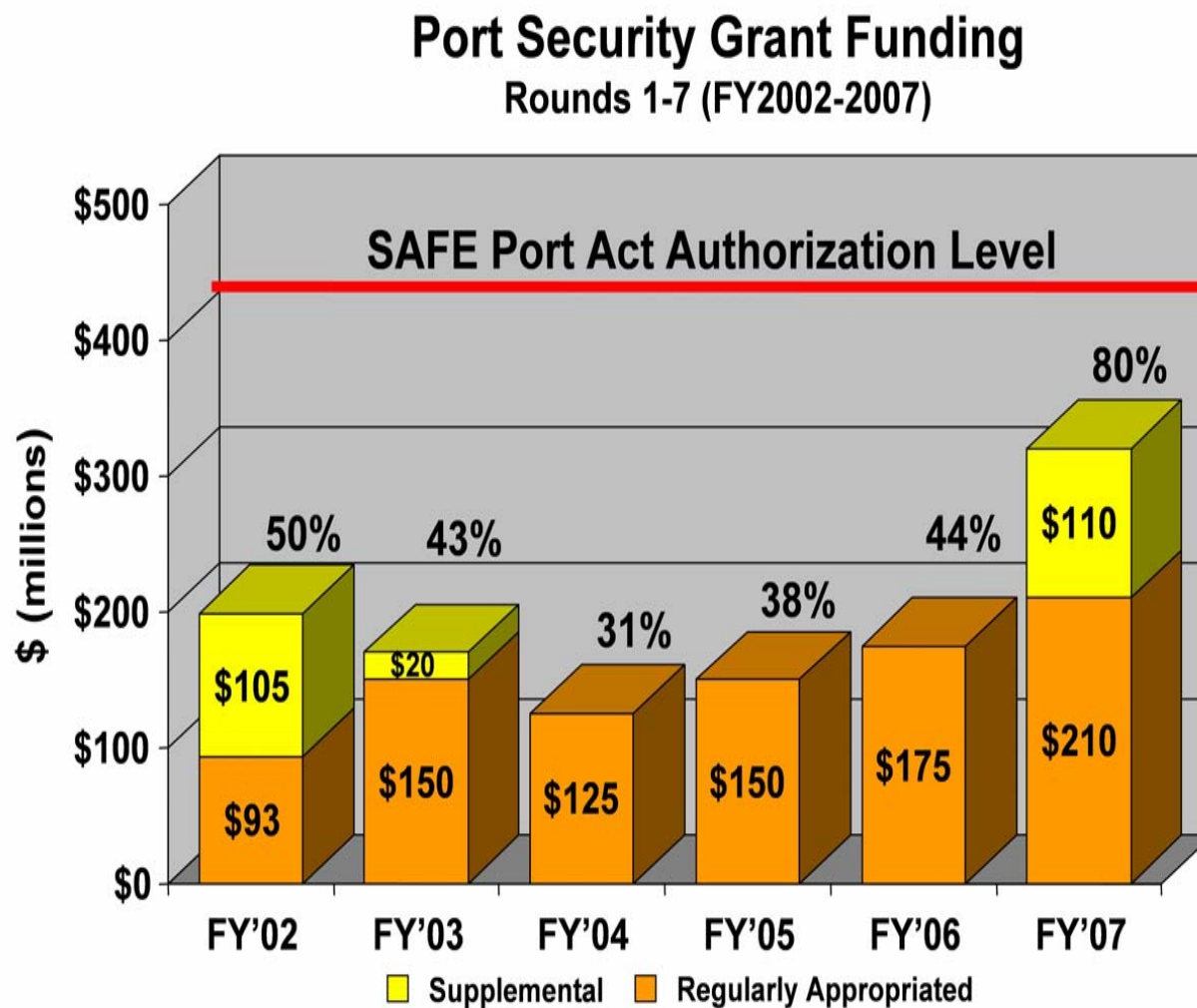
**Purpose:** The PSGP provides grant funding to port areas for the protection of critical port infrastructure from terrorism. PSGP funds help ports enhance their risk management capabilities, domain awareness, training and exercises, and capabilities to prevent, detect, respond to, and recover from attacks involving IEDs and other non-conventional weapons.

## **Eligible Applicants:**

- Owners and operators of federally regulated terminals, facilities, or passenger vessels as defined in the MTSA and 33 CFR Parts 101, 104, 105, and 106
- Port authorities or other State and local agencies that provide layered security protection to federally regulated facilities in accordance with an AMSP or FSP
- Consortia (such as river groups, ports, and terminal associations) representing federally regulated ports, terminals, passenger vessels, or ferries that provide security protection to federally regulated facilities in accordance with an AMSP or FSP
- **Group I and II Fiduciary Agents as identified in the FY 2007 PSGP Supplemental Guidelines**



# Port Security Grants





# Safe Port Act Of 2006

---

## One Hundred Ninth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,  
the third day of January, two thousand and six*

### An Act

To improve maritime and cargo security through enhanced layered defenses, and  
for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Security and  
Accountability For Every Port Act of 2006” or the “SAFE Port  
Act”.



# Safe Port Act Of 2006

---

## The Act Established Requirements For:

- **The Issuance Of Transportation Security Cards At All U.S. Ports No Later Than January 1, 2009.**
- Prohibition Of Issuance Of Cards To Persons With Convictions For Certain Felonies.
- Establishment Of Port Security Training And Exercise Programs And Facility Exercise Requirements.
- Domestic Radiation Detection And Imaging.
- Formalizing The Container Security Initiative And The Customs-Trade Partnership Against Terrorism (C-TPAT).
- Screening And Scanning Of Cargo Containers.
- Assessments Of Security At Foreign Ports.



# Transportation Worker Identification Card (TWIC)

---

## Enrollment Process

### ➤ Pre-enrollment

- Web-based
- Recommended, But Not Mandatory
- Will Reduce Time At The Enrollment Center

### ➤ Enrollment

- Enrollment Centers Located Throughout The Country During The Enrollment Period
- Applicant Provides Biographic, Biometric, And Identity Documents At The Enrollment Center And Completes The Application Process



# Transportation Worker Identification Card (TWIC)

---

## Security Threat Assessment

- Conducted By TSA
- Applicant Will Be Notified When The Credential Is Ready To Be Picked Up Or
- Applicant Will Be Notified If He/She May Be Disqualified And Of His/Her Appeal And Waiver Rights

## Credential Pick Up

- Applicant Returns To Enrollment Center To Claim Credential For Use At MTSA Regulated Vessels, Facilities, And OCS



# Transportation Worker Identification Card (TWIC)

---

## DHS Agency Responsibilities

### ➤ TSA Responsibilities

- TWIC Enrollment
- Security Threat Assessment And Adjudication
- Card Production And Issuance
- Appeal/Waiver For TWIC Denials
- Technology/TSA System Management

### ➤ USCG Responsibilities

- Enforcing Use Of TWIC In Accordance With Approved Vessel, Facility, And OCS Facility Security Plans





# **Transportation Worker Identification Card (TWIC)**

---

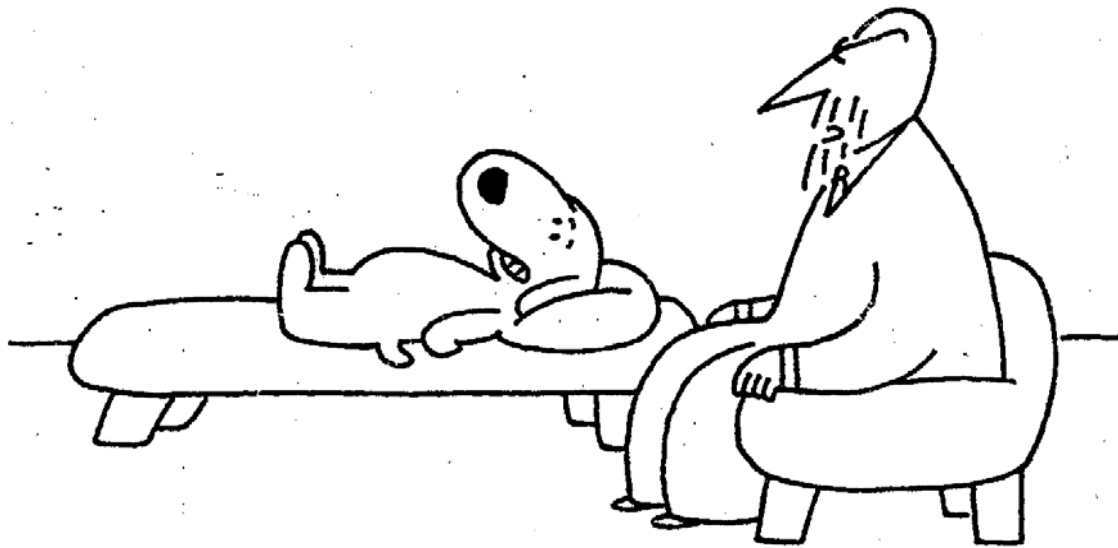
## **Who Must Get A TWIC?**

- **All Individuals Who Require Unescorted Access To Secure Areas Of MTSA Regulated Vessels And Facilities**
- **This Includes, But Is Not Limited To:**
  - Longshoremen,
  - Truck Drivers,
  - Vendors And Visitors,
  - Facility/Vessel Employees,
  - Maintenance Personnel,
  - Train Crews, Etc.
- **All USCG Credentialed Merchant Mariners**



# Port Security: A-Z

## My Favorite Security Cartoon:



*C. Barneth*

*"Protect your family, protect your yard, and  
stop obsessing about port security."*



# AAPA EXECUTIVE MANAGEMENT SEMINAR

## Port Security: A-Z

Hal Hudgins  
Vice President,  
Planning & Security  
Alabama State Port Authority  
[hhudgins@asdd.com](mailto:hhudgins@asdd.com)  
[www.asdd.com](http://www.asdd.com)



---

May 2008