Prop: PSGP 2007 - Supplemental

Port of Honolulu
Hawaii State Department of Transportation – Harbors Division
IED Threat Prevention Program and
TWIC Implementation in the Maritime Sector
Investment Amount: $1,019,500.00

I. BACKGROUND

COTP Zone: Port of Honolulu
Eligible Port, as listed in Table 2 (Eligible Port Areas Systems): Honolulu, HI.

Although smaller in population than the majority of states in the nation, the unique geography and the heavy reliance on harbor operations as a primary source of transportation for people and goods underline the need for a strong security infrastructure in the State of Hawaii. The State of Hawaii is comprised of seven main islands with ten state commercial harbors covering six of those islands (Oahu, Maui, Kauai, Molokai, Lanai, and Hawaii) (*Diagram 1: Port of Honolulu Harbors*). The Port of Honolulu includes all ten of the state commercial harbors (*Diagram 2: Hawaii State Commercial Harbors by District and Island*). Each of these harbors experience significant daily cargo handling operations and are critical components of the economies of each respective island as well as that of the entire state.

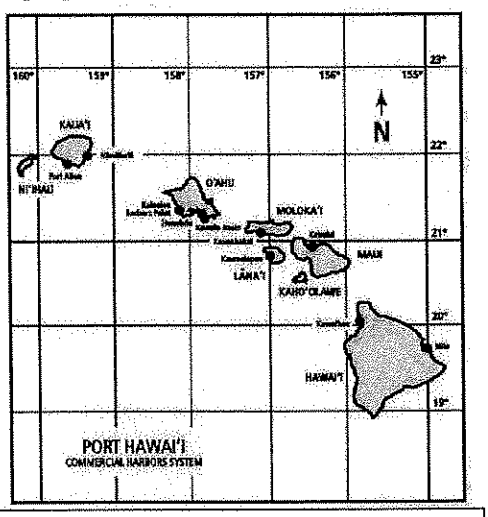

Diagram 1: Port of Honolulu Harbors

The State of Hawaii is also plays a key role as a link to Pacific Rim economies. Currently, while the Harbors Division has received monies for development and initial installation for Honolulu Harbor (Oahu), Kahului Harbor (Maui), Kawaihae Harbor (Hawaii) and Nawiliwili Harbor (Kauai), a complete and cohesive credentialing system is clearly needed to complete the system in Honolulu as well as protect the additional harbors essential to the State of Hawaii.

District	Island	Harbor(s)
Oahu	Oahu	Honolulu Harbor, Kalaeloa Barbers Point Harbor, Kewalo Basin
Maui	Maui	Kahului Harbor
Maui	Molokai	Kaunakakai Harbor
Maui	Lanai	Kaumalapau Harbor
Hawaii	Hawaii	Hilo Harbor, Kawaihae Harbor
Kauai	Kauai	Nawiliwili Harbor, Port Allen Harbor

Diagram 2: Hawaii State Commercial Harbors by District and Island

Organization's authorizing official for entering into grant agreement:
Mr. Glenn Okimoto, Harbors Administrator, (808) 587-1927, Glenn.Okimoto@hawaii.gov
Organization's primary point of contact for management of the project(s):
Mr. Kelvin Ogata, Authorized Organizational Representative, (808) 587-2100 (Ph) (808) 587-2065 (fax)
Kelvin.Ogata@hawaii.gov

Ownership or Operation:

The Hawaii State Department of Transportation (DOT) - Harbors Division is responsible for the statewide commercial harbor system. DOT - Harbors Division administers harbor facilities, and is responsible for the overall security of harbor areas.

Role in Providing Layered Protection of Regulated Entities
Basic landside protection of our regulated facilities is provided by Harbors Enforcement Officers and Contract Security. The State Law Enforcement Coalition (SLEC), comprised of the Department of Transportation Harbors Division (DOT-HAR), Department of Public Safety – Sheriffs Division (DPS), Department of Land and Natural Resources – Conservation Enforcement (DLNR), State Attorney General Enforcement Office, State Department of Defense (National Guard) and State Civil Defense (SCD), will provide law enforcement support during times of special events at MARSEC Level 1 and heightened security (MARSEC Level 2 & 3) through an MOU that has been in effect for three years. When not deployed throughout the Pacific, the US Coast Guard (USCG) provides direct enforcement support through its Maritime Security Safety Teams. Additional dry-side support comes from the County of Honolulu Police, Fire, EMS, PACOM, USARPAC and the JTTF (FBI, US Attorney, Secret Service). DLNR provides additional waterside enforcement through a separate MOA established over 4 years ago.

Hawaii Department of Transportation Harbors Division (DOT-HAR) along with SLEC is charged with protection of all areas within the Port of Honolulu, which encompasses all ten of the state commercial harbors. This responsibility necessitates the requirement to provide surveillance and access control from water entry points and major thoroughfares with access to port facility and piers.

Infrastructure:
Critical infrastructure includes the Harbors' passenger ship facilities and all major cargo facilities located throughout the state. The State of Hawaii imports 80% of its food and merchandise, with 98% of those good shipped by sea – in essence, 78.4% of all food and merchandise consumed in the state are imported via cargo shipping. An island by island breakdown is described below:

Oahu District, Island of Oahu. The island of Oahu is the busiest of all of the Islands and is the first point of entry in to the state. Three of the state's ten commercial harbors reside on Oahu – Honolulu Harbor, Kaleloaa Barbers Point Harbor and Kewalo Basin. Barbers Point Harbor is on the westerly side of the island in the vicinity of the developing city of Kapolei and contains a number of specialized facilities not found at Honolulu Harbor such as a coal bulk unloader system and pneumatic cement pump system. Honolulu Harbor and Kewalo Basin are located near Honolulu's urban base including the central business district, industrial district, principal government facilities, major tourist attractions (Waikiki beach and hotels), Pearl Harbor Naval Base, and the Honolulu International Airport. This area is dominated by intensive harbor and waterfront activities.
Maui District, Island of Maui. The island of Maui has become the second busiest harbor as the tourist and residential populations continue to dramatically grow. As a result, passenger and cargo hold handling has also substantially increased.
Maui District, Island of Molokai. Kaunakakai Harbor is located on the southern coast of the island of Molokai and is the only point of embarkation/debarkation of good produced on the island or cargo and good destined for the Molokai market.
Maui District, Island of Lanai. Kaumalapau Harbor is the main harbor for the island and is home to the Lanai fishing fleet, Lanai Oil Company, and used fro cargo handling of domestic goods to re-supply the Lanai population.
Hawaii District, Island of Hawaii. The Island of Hawaii is known for its rugged beauty and isolation but has paid for this isolation with a necessary dependence on ocean shipping to supply everyday needs.
Kauai District, Island of Kauai. Kauai passenger volume has risen with the interest in Kauai as a tourist destination. Nawiliwili Harbor serves Lihue, the main town and home to the Lihue International Airport, and is in close proximity to the largest tourist population on the island. Port Allen Harbor is a commercial harbor serving the entire island including key Department of Defense facilities.

Nature of Operations:
The ports are of significant economic importance, serving as the State's primary infrastructure for everyday goods sold through shopping centers, warehouses, tourist attractions, and restaurants. In addition to daily cargo operations, four of the Port of Honolulu facilities receive passenger cruise ships on a weekly basis. A new ferry passenger system is slated to begin in the summer of 2007 and is anticipated to significantly increase water traffic through daily trips.

Statewide cargo total for FY2006 was 20,664,738 tons, an increase of approximately 486,000 tons from FY2005. Hawaii depends almost entirely on the ocean shipping industry to import essential commodities (food, clothing, fuel, building materials, automobiles, etc) and export local products (pineapple, sugar, molasses, diversified agriculture, etc). Honolulu Harbor, which serves as a distribution hub for neighbor islands and as a primary link between the Far East, Pacific Rim and the mainland United States, saw close to half of the statewide cargo total and was ranked by the American Association of Port Authorities as the tenth busiest of all 75 North American container ports.

Passenger totals for FY2006 were 1,968,710 which represent a significant increase from last years total of approximately 250,000 passengers. The substantial increase can be attributed to the arrival of an additional cruise liner fleet and an increase in foreign passenger cruise ship stops in Hawaii. With the arrival of a new inter-island ferry with daily service anticipated for May 2007, DOT- Harbors Division expects to see an even more dramatic increase in passenger totals for the upcoming year. As cargo and passenger statistics continue to climb, the commercial harbor cargo yards have been transformed in to the State's "warehouses" which have complicated the orchestration of cargo movements. Thus, security of these facilities has been more complex and much more difficult.

DOT-Harbors is responsible for administration of harbor facilities used by commercial cargo, passenger and fishing operations. Current access control for the 17 regulated facilities is decentralized although the neighbor islands districts are provided with specific guidance and directives. All credentialing is done by the Oahu District office using the Identi-Card system and integrates scanners, biometric readers, smart cards, etc. All harbors employees have picture ids that meet the standards stet forth in the 33 CFR, as well as tenant activities and primary users of the facilities. A stand alone emergency management command and control center is in the building process; in the interim an EMCC will be collocated with the security office. The Harbor's contract security company provides active access control at our cargo facilities control points and are adequately trained in pat down procedures, use of hand held metal detectors, vehicles searches, etc.

Hawaii State Civil Defense provides the only detection and surveillance equipment, beyond pier cameras, as part of the H2S CIS program. This program is also interoperable with WebEOC, the communications/information system being implemented throughout the State of Hawaii.

Describe the applicant's current and required capabilities:
Currently, DOT-Harbors Division has no significant intelligence and deterrence operations with respect to IED capabilities, including no capacity for chemical/biological deterrence. Inspection capabilities include x-ray machines and metal detector hand-wands for passenger baggage screening and authorized personnel as they enter the facility. Metal detector wands are also used at each passenger access control point for secondary screening of passengers. Explosive sniffing canines are used for all of ship's stores and pier side deliveries. Radiological Portal Monitoring (RPM) system has been installed at our Foreign Freight Container Cargo Facility and is operational.

DOT-Harbors has identified vulnerabilities in the security plan with regards to access from landside during MARSEC 1, access from waterside during MARSEC 1, 2, and 3, access into each commercial harbor by anyone by sea (small watercraft or by divers) under pier and vessel hull inspection, strategic monitoring, CBRNE capabilities and significant vulnerability for manpower for Harbors law enforcement and security.

Provide a brief abstract for this Investment.

The Port of Honolulu requires significant technological improvements to address the requirements and vulnerabilities of harbors in the State of Hawaii. Due to the geographic isolation of the state, nearly all imported goods arrive via island ports and all island ports are significant lifelines for each of the Hawaiian Islands. Honolulu Harbor serves as the hub for inter-island distribution; however, each individual harbor serves as a hub for the island and island economy itself. As a result, safe and secure ports are of critical importance to protect the economic backbone of the state.

Within the Port of Honolulu, DOT- Harbors division controls seventeen regulated facilities and five public access facilities. This critical infrastructure does not currently have access control, although the implementation of a baseline program is underway. While the baseline program covers 4 harbors, the remaining harbors are crucial hubs in the economic viability of the islands and the remaining equipment requests are necessary to complete security measures at each harbor.

A continuing problem of blue force identification and our ability to ensure positive control of all personnel within sensitive harbor facilities, passenger ships and ferries is contingent upon robust and reliable personnel identification systems. Without this basic capability, the ability to identify persons with hostile intent and/or carrying IEDs is significantly reduced. This credentialing project will enhance harbors personnel identification system by funding implementation of TWIC requirements, compliment our baseline program regarding access control and standardization of credentialing systems, and enhance capabilities to ensure only authorized personnel have access and control of sensitive areas and facilities.

This investment will install a credentialing system for Kawaihae Harbor and complete the systems at Nawiliwili Harbor, Kahului Harbor, Hilo Harbor, and Honolulu piers. The completion of the system consists of 123 bio-metric proximity readers, 17 controllers, 75 mobile TWIC readers, 6000 ID cards with "Smart Card Technology", CCTV, control stations, and network equipment (see Diagram 3: System Architecture).

This investment represents the highest potential for risk reduction for the lowest cost, satisfies TWIC requirements, and fulfills strategic priorities and goal around port security.

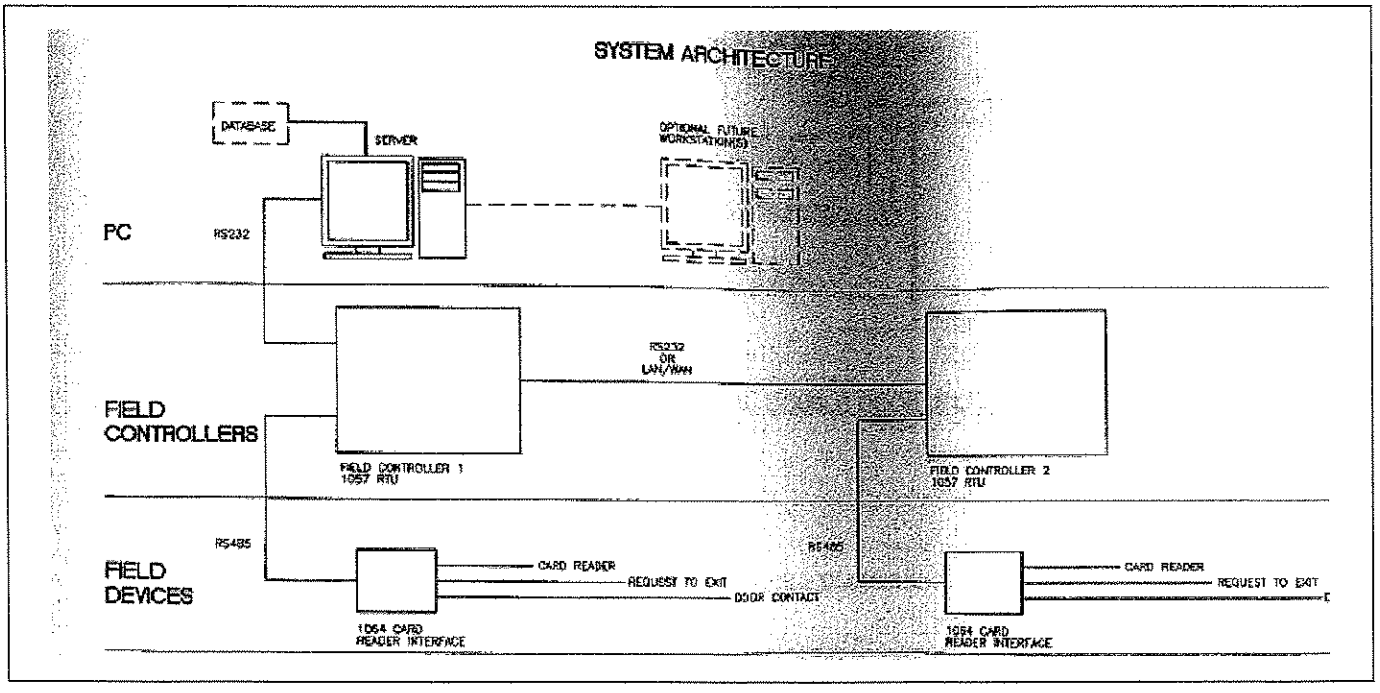

Diagram 3: System Architecture

II. STRATEGIC AND PROGRAM PRIORITIES

This investment supports many of the national port security priorities through access control and standardization of credentialing systems. Credentialing allows DOT-Harbors Division to vet and identify the identities and backgrounds of people who have access to cargo and sensitive areas on boats and pier side cargo handling facilities. With this information, harbor security will be able to take accurate first steps in detection of potential IED attacks involving small crafts or underwater swimmers, terrorist attacks and other security threats. Access can be denied to individuals who pose a security threat eliminating that vulnerability. Harbors and their vicinities will become transparent with this ability to track the movements and flow of people in the port of entries in order to identify blue forces versus white, unknown or red forces.

The addition of the credentialing systems allows for a more comprehensive training program for harbors employees. Instruction in the use of the credentialing system, handheld devices and communications system will amplify existing security training programs in that employees will learn new techniques in the identification of suspicious people and behaviors.

This proposed investment is a TWIC implementation project.

Credentialing will allow the DOT- Harbors Division to implement the increased levels of security, access control, perimeter surveillance, IED detection, and other security measures commensurate with the increased requirements dictated by the individual MARSEC levels. The credentialing system will be able to verify crucial information regarding an individual's background and identity, allowing harbors security to deny physical access to the facilities. The threat of an IED is substantially lowered if the movements of people in the vicinity and in sensitive access areas can be controlled.

Describe how the investment supports any COTP Port-specific security priorities:
As part of a larger security plan that also includes training and exercises for individual harbor personnel, credentialing supports the overall goal to reduce vulnerabilities at our ports as mandated by the COTP zone for the Port of Honolulu (all ten commercial ports that are the responsibility of the DOT-Harbors).

Describe how this Investment will support one or more of the Priorities of the National Preparedness Goal:
The proposed investment creates new capacities to identify and prioritize protection of critical infrastructure and key resources. The tamper proof bio-metric card allows the ports to physically secure areas by denying access to potential terrorists and persons carrying an IED, protecting the economic lifelines of the State of Hawaii.

III. IMPACT

Through the verification of an individual's information, new training techniques for harbors employees, and implementation of this crucial portion of maritime security, DOT-Harbors division will be able to accurately track movements of people around vital maritime infrastructure. A large part of this system has already been integrated; hence this proposal represents the greatest risk reduction for the least cost. Switching to another system at this point would be detrimental to the mitigation of the vulnerabilities regarding access control, protection of critical infrastructure and detection of IEDs.

DOT-Harbors division has identified vulnerabilities in the security plan with regards to access from landside during MARSEC 1, access from waterside during MARSEC 1, 2, and 3, access into each commercial harbor by anyone by sea (small watercraft or by divers) under pier and vessel hull inspection, strategic monitoring,

CBRNE capabilities and significant vulnerability for manpower for Harbors law enforcement and security. There is great risk for unknown individuals to gain access to sensitive facility areas and/or boats.

Without this investment, DOT-Harbors division will not capable with adequate protection of the ports within the State of Hawaii. Harbors employees will not have the information needed for access control and protection of sensitive areas. These vulnerabilities could lead to potential IED attacks or terrorist activity, threatening the security of the facilities, harbors personnel and vicinity.

IV. FUNDING AND IMPLEMENTATION PLAN

	FY07 PSGP Request Total	Cash Match	Grand Total
Maritime Domain Awareness	**$573,468.75**	**$191,156.25**	**$764,625.00**
Prevention, Protection, Response and Recovery Capabilities	**$152,925.00**	**$50,975.00**	**$203,900.00**
Training	**$38,231.25**	**$12,743.75**	**$50,975.00**
Exercises			
TWIC Implementation			
National Preparedness Architecture			
M&A			
Total	**$764,625.00**	**$254,875.00**	**$1,019,500.00**

We started an enhanced employee identification system three years ago as a result of the TSA round three Port Security Grant in which we received $750,000 (of a requested $2 million). The actual funding required to implement this technology is $2 million to build our access control infrastructure. Therefore, we require an additional $1,019,500 to complete our access control project. This project meets the criteria for projects that address priorities outlined in the Area Maritime Security Plan as mandated under MTSA and for projects that offer the highest potential for risk reduction for the least cost. This vulnerability is listed in all of our USCG approved facility security plans in the required assessment section. It states that we require tamperproof picture ID capability in place for the infrastructure to accept the National Transportation Worker Identification System. This requirement was also indicated in this grant program in the COTP Zone for the Port of Honolulu (encompassing all ten commercial harbors that is the responsibility of the State Department of Transportation, Harbors Division).

The intent is to procure through this grant program, with an additional $1,019,500, to purchase an additional 123 bio-metric proximity readers (some hard wired, but most wireless and powered with battery packs), 17 controllers, 75 mobile TWIC readers and 6,000 ID cards with the "Smart Card Technology (integrated circuit chip).

Final TWIC Program manning will be determined once it is implemented nationally with initial administrative requirements conducted by harbors personnel, with anticipated consolidation of manpower requirements shared with our Airports and Highways Division and our Harbors Division staff in order to fully implement the credentialing program for all of our employees, tenants, major users, contractors, etc.

Material Cost

Item	Computation	Cost
Biometric Proximity Card readers with installation	$5,000 x 123	$ 615,000

Controllers with installation	$5,000 x 17	$ 85,000
TWIC Mobile Readers (wireless)	$3,000 x 75	$ 225,000
Smart Cards with ICC	6,000 cards	$ 94,500

TOTAL $1,019,500

Potential implementation challenges:
We do not foresee any significant technical challenges during the implementation of this technology. The only challenge is obtaining the funding required to implement this capability.

Management team:
This project will be managed by the Hawaii Department of Transportation, Mr. Kelvin Ogata. This is a material purchase program with minimal installations which should not require significant program oversight. The management team will procure the system in accordance with the State Procurement Laws.

Other funding resources:
Beyond this investment request, no additional funding resources have yet to be identified for additional funding. The State of Hawaii is looking into a long term maintenance contract for the system once all the systems have been installed.

Timeline and Milestones:
All milestones and dates for the implementation of this investment will begin with once the award is posted. If approved, the project will include full procurement of the systems, additional training, and implementation of the credentialing access control systems. This project will not exceed 36 months with an anticipated start date of October 1, 2007 and completion date of June 30, 2009 (A total of 21 months)

Month 1	Procurement of Credentialing Equipment
Month 4	Start Integration of Credentialing Equipment
Month 19	Complete Integration of Credentialing Equipment
Month 21	Complete Training

Planned duration:
If approved, the project will include full procurement of the systems, additional training, and implementation of the credentialing access control systems. This project will not exceed 36 months with an anticipated start date of October 1, 2007 and completion date of June 30, 2009.

Technical implementation plan:
The success of this project depends on the procurement of additional readers, controllers and smart cards in order to fully exploit our preparedness for access control into all of our regulated FSP's facilities. This system is complimented by our CCTV systems currently installed and operational in all of our three passenger ship facilities. The credentialing system will be integrated with our CCTV system, sensors as they are added to each facility, and our communications system currently being updated. With this essential added layer of access control, protection against terrorists, criminals, and other authorized personnel will be greatly enhanced within our major passenger cruise ship and cargo facilities.

The State procurement system will be used whereby a request for proposal (RFP) will be issued. A minimum of three bids is required.

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Budget Category: Equipment

Item	Computation	Cost
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If approved, the project will include full procurement of the systems, additional training, and implementation of the credentialing access control systems. The additional training needed will be covered as part of the standard training process for Harbors personnel. This project will not exceed 36 months with an anticipated start date of October 1, 2007 and completion date of June 30, 2009.

Final TWIC Program manning will be determined once it is implemented nationally with initial administrative requirements conducted by harbors personnel, with anticipated consolidation of manpower requirements shared with our Airports and Highways Division and our Harbors Division staff in order to fully implement the credentialing program for all of our employees, tenants, major users, contractors, etc.

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