Congressional Testimony By
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for the
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Subcommittee on Homeland Security
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Good morning, Mr. Chairman and members of the subcommittee. Thank you for this opportunity to speak before you on the important matter of transit security grants.

I would like to start off with just a little bit of background on my agency and how we are engaged everyday in homeland security. With nearly 490 million annual boardings, the Los Angeles County MTA is our nation's third largest public transit agency. Metro employs more than 9,200 people in a broad range of technical specialties and services ranging from Metro Bus and Metro Rail operators and mechanics to construction engineers and safety inspectors, from transportation planning professionals to customer information agents.

We are unique among the nation's transportation organizations in that we serve multiple roles as the regional transportation planner, coordinator, designer, builder and operator for the country's largest and most populous county. More than 13 million people - one-third of California's population – live and work within our 1,433-square-mile service area.

Allow me to also say that Secretary Napolitano stated much of what we would like to have happen with DHS and TSA in her first Action Directive, January 12, 2009 where she states under State, local and tribal integration: "Immediately plan for an accelerated process for soliciting and collecting input from our…local…partners on how to improve the programs and processes of DHS."

Therefore, along that line, I would like to provide you a brief overview of our transit security grant experience to date. Since 2003, Los Angeles Metro has received approximately $24.5 million of the $1 billion that has been allocated nationwide. However, we have utilized those dollars to maximum effect within the restrictive guidelines as determined by the Transportation Security Administration (TSA). The Regional Transportation Security Working Group (RTSWG) for the Greater Los Angeles Region had its initial growing pains as they attempted to shake out and shape how the group would work within a shared arrangement of grant funding. Over time, this group has developed into an extremely cohesive and cooperative organization.

We honestly feel that these funds have helped in obtaining some initial success in addressing capitol investment needs for hardening our critical infrastructure and the creation and implementation of extensive transit specific awareness and response training. Unfortunately, for the last 3 grant cycles, more and more emphasis has been placed on training and awareness and less and less on hardening our facilities. Additionally, there have been more and more conditions placed upon the RTSWG in order to obtain funding, which I will address soon.

It is important for me to point out that this grant program is considered by our group to be vital in order to better secure our systems, especially given the current economy in which most agencies are struggling to meet basic operating expenses. It has become even more critical in California when you add that the recent budget that was passed in our state completely suspended the State Transit Assistance program for local agency transit operations. This situation has been compounded by the fact that the State has, for at least the past two years, raided the fund for other purposes to meet the State's budget shortfalls.

I find that the funding for the Homeland Security grant program is critical for the protection of this nation's vital transit infrastructure, public transit agency, and their riders. I, like all other recipients, believe there should be more dollars available, but the realities are quite different. However, agencies cannot afford the amount of money required to secure an entire open system from a level of threat that could not have been foreseen in this country prior to 9/11. With the current state of our nation's economy, we may not be able to afford these capital improvements with local funds for the foreseeable future.

This grant program has allowed our agency to develop security programs we would not have been able to obtain any other way. And we believe we have spent the taxpayers' money in the best possible way within the restrictions and limitations presented to us.

However, we believe that it can and should be done better. We have run into some hurdles and some downright obstacles that make the current program difficult at best to address each agency's particular needs.

Allow me to provide a chronology of events that have developed over time that illustrate our working group's situation:

Let me first say that while I do not want to engage in attribution of areas where the process has seemed to get in the way of progress, I do believe that this subcommittee must have a clear understanding of how certain procedures impact our ability to execute the intent of Congress as we strive to deliver these homeland security grant funded projects and programs in our local areas. There is only one purpose behind my testimony before this subcommittee and that is to contribute to improving the program for the people we serve.

FY 06: There were undefined/confusing roles and responsibilities (grant staff vs. agency security staff to TSA-Grants & Training-State Administrative Agency/deadlines and guidance clarification. It was extremely difficult to understand who was responsible for what (see Concerns Regarding Homeland Security Grant Guidelines for FY 06).

Project Review and Approval is cumbersome and difficult; a two Grant Authorization Notice (GAN) system was instituted by TSA grants personnel. The 1st GAN, we were told, was only to "obligate and expend" grant funds, but it did not authorize the agency to draw down the funds. The 2nd GAN then authorized the drawdown of funds, but in many cases the 2nd GAN was issued after countless reviews and revisions that when the 2nd GAN arrived it was so far into the grant performance period that the grant period had less than 6 months left with no automatic extensions provided. This was particularly true of the 2006 grant cycle. Many of the

grants did not get the 2nd GAN until October of 2008 when the grant period of performance was to end December 31st. Additionally, this was only done after the Grant After Action Conference when, as in our case, we personally had to travel to D.C. to make our complaints in person.

During this period we still had an agency within our group that has not received its GAN to spend down on a correct project amount. It authorized an incorrect amount, they were given inconsistent information, and referred back and forth between TSA personnel and FEMA personnel (see Fiscal Year 2006 Transit Security Grant Program, Standing Issues FEMA/TSA, Southern California Regional Rail Authority).

FY 07: This base year funding did not seem to be as difficult as the previous year. Unfortunately, the supplemental funding was fraught with problems. In that year's supplemental allocation, our region received an additional $4.3 mil to the base allotment of $7 mil. Upon notice, our agency met and developed our projects and began preparations for submission of our investment justifications (IJ's) (see also FY 07 Transit Security Grant Program (TSGP)-Chronology).

By mid-year, we met with members of TSA in what initially was to be a review of our IJ's for the base amount. It ended up being an impromptu 8 hour long briefing on the region's security strategy. There was much time spent on discussing and explaining our security needs. The frustrating fact of this meeting was that the information was already contained in the Regional Transit Security Strategy document we were required to develop and that was already submitted to TSA. These TSA members admitted they had received the document but had chosen not to read it beforehand. It was at this point that TSA was well aware of our region's needs and that they were based upon the various Threat and Vulnerability Assessments TSA had paid millions of dollars to develop.

The following month, we received news from "the review panel" that our IJ's were too technical and needed simplification so an average person would understand them. We were instructed to ignore the ½ page limitation on the IJ templates. Yet we continued to receive demands for clarification and correction before we could receive our spend-down GAN's, which is the constant source of delays. When we gave them simplicity, they asked for more technical details and then vice verse. We would receive requests for clarification such as what is meant by "ongoing surveillance" for cameras, "slave over to video" or "emergency telephone" and even "multi-agency", which in this last instance was directly followed in the sentence in question with "(Fire, Urban Search and Rescue, Law Enforcement, and SWAT)".

August of 2007 was the month our region received news that we would be getting our supplemental amount. However, we received some disturbing information that a member of TSA had met with Metro's contract law enforcement agency privately and without the region's knowledge. In that meeting, it was learned that this member had directed that agency to apply for half the supplemental amount for an "Operational Package" (O-Pack) and it would automatically be approved. Additionally, we learned that ours was not the only law enforcement agency across the country to which this direct offer was made. We had strenuous objections to that action and felt that it undermined our collective regional transit security efforts and was counterproductive.

In October, TSA had scheduled a "secure" briefing to inform agencies across the country about current intelligence regarding threats to mass transit. This required all participants to fill out documents for a security clearance in order to attend. The invitations were for the CEO's/GM's of the respective agencies. However, TSA failed to realize that the date of the briefing coincided with the annual American Public Transportation Association conference. Even upon early notification of this problem, TSA did not reschedule. At TSA's briefing, participants were notified that no clearance had been granted and TSA used the meeting to promote how well TSA was doing to address security threats nationwide. When asked directly about specific threats to our systems, the response was simply a remark of "If you knew what we knew, you would understand." TSA did not even make an effort to deliver an unclassified, sanitized version of threats to mass transit systems (note: the following year a member from DHS informed us that the information TSA was referring to related to concerns attached to the Madrid and London bombings and the tactics used, information which was readily available in open sources). Later on in the briefing, a TSA official answering concerns about the grant guidance stated that the grant guidance did not need to be followed and that TSA would take care of each unique situation.

In late October, the region met with TSA and FEMA grants personnel to go over our IJ for the supplemental funding. However, the following eight hours were again spent explaining what our security strategies and training levels were. This was used to somehow convince the region that we should support giving up over $2 mil of the supplemental funding for O-Packs that had already been decided in secret. TSA spent several hours attempting to convince the regional members of the benefits of O-Packs. The regional members knew that this was a foregone conclusion and did not resist, but questions did persist. A question arose about the transit agency having to cover any cost overruns of the O-packs since the funding ownership was with the transit agency and not the law enforcement agency. The TSA member simply stated that would not be a problem. However, the FEMA member stepped in and stated that in an audit, the transit agency would be accountable for the overruns per the guidance and the language of the grant needed to be changed. He further stated that only an Information Bulletin (IB) could change the grant guidance.

It must be noted here that this is a recurring problem with TSA in that they have made promises or exceptions for individual agencies but have not furnished an IB to cover their statements.

During this period, issues with another agency within our working group were again plagued with inaccurate GANs for drawing down funds. In this instance, from February 08 until October 08 the problem persisted. As part of that year's supplemental funding, the agency received a GAN for their project but it was addressed to their contracted law enforcement provider. In March of 08, the California Office of Homeland Security, our State Administrative Agency (SAA), received a GAN for over $1.6 more than this agency had requested for the project. In July, FEMA instructed our SAA to issue an award letter for that incorrect amount. Later that month, the transit agency officially refused to move forward on the incorrect amount, citing concerns about being bound to a legal document with an amount they and the Federal Government knew to be incorrect (see Fiscal Year 2007 Transit Security Grant

Program (TSGP) Supplemental Funding, Subgrantee Period of Performance, October 1, 2006 through June 30, 20010, Standing Issues FEMA/TSA, Orange County Transportation Authority).

In November, TSA had requested a meeting to go over the IJ's for the base year and supplemental grants dollars. At this meeting, TSA yet again delved into what training members of the region's agencies had received regarding terrorism awareness. The details they required, without any prior notice, were:

Name of the course(s); number of employees, including frontline and other personnel; dates; what were the future plans for training; who was teaching and planning to teach these courses; and what was the sustainment plan for this training…with or without Homeland Security Grant funding.

Once that was completed, TSA went on to indicate the need for further clarification on IJ's submitted on projects that only addressed hardening facilities and not O-Packs, training or training development. These clarifications only addressed why they were important to the agency in protecting their infrastructure.

Lastly, at this meeting it was explained to TSA that equipment for the "pre-approved" O-Packs was not eligible in the supplemental. TSA then unilaterally decided it would come from the Base FY 07 TSGP funds and wanted to reallocate funds within the previously submitted investments. The regional members wanted to discuss in a closed session how it was going to reallocate the funds, but the TSA member, as the grantor, insisted on being allowed to participate. The regional members insisted he leave and the State SAA supported our recommendation and assisted the TSA member out with them in order that the regional members discuss the project cuts in private. After the cuts were decided and the TSA and State SAA members were allowed to return, TSA unilaterally announce to the regional members that the FY 08 Grant Guidance will contain language that TSA will be a Co-Chair in the RTSWG.

FY 08: Upon receipt of the grant guidance, there was in fact a notice that not only was TSA a "Co-Chair" for the region, but that the two contracted law enforcement agencies in the region were specifically named as sitting members of the region, entitling them to direct grant funding (see TSGP Grant Guidance FY 2008, pgs. 1,2, 3 & 16). In addition, the guidance went on to include that the contracted law enforcement agency had the authority to approve the contracting agency's Security Plans and also to certify the review of their projects (see TSGP Grant Guidance FY 2008, pgs. 1, 2 & 3). Lastly, any O-Pack project submitted made the Law Enforcement Agency a Sub-Grantee/Recipient of the transit agency thus holding the agency accountable for what law enforcement does or fails to do. We officially notified our TSA grants representatives and our State SAA about the inherent conflict of interest these additions created. We also notified them that the idea of TSA being a "Co-Chair" was not acceptable in a Working Group that does not have a Chairperson to begin with, that all members sit as equals to put forth their projects within the grant funding available. They continued to insist that these agencies have a seat at the table as members. TSA went on to state that the law enforcement agencies didn't have to "approve" the agency's plans and that we could simply "line through

APPROVED and hand-write in CONCUR". We stated this was not acceptable and requested an IB to this effect, but to this day we have not received one.

This particular point coincides with a new scheme for what categories of projects were to be submitted. The new scheme established grouped categories of projects; training, public awareness, and O-Packs being in the top group (see TSGP Grant Guidance FY 2008, pgs. 7 & 8). Infrastructure hardening projects fell into lower groups, 2, 3, and 4. Then each group received a score value; group 1 getting 4 points, group 2 getting 3 points, group 3 getting 2 points, and group 4 getting only 1 point. Your project would then receive a score and if the score was too low (whatever that score was, as we have never been told) your project would be rejected and your region's project money reprogrammed to some other region. In this regard, TSA turned a dedicated Tier I Grant Funded program into a Tier II-like competitive grant type program if your agency did not choose a group 1 or 2 project. Additionally, TSA's grant guidance also states that funding is "Risk Based" by an "empirically-grounded risk analysis model" and consultation with our agency (see TSGP Grant Guidance FY 2008, pg. 6). However, we were and are not aware of any consultation about project types and when we asked TSA what our agency's risk analysis and score was, no response was ever provided nor an explanation of how it was derived except to say that it was classified.

During this grant cycle, our region decided that we would work at developing and selecting Group 1 & 2 type projects, attempting to squeeze our needs into these categories or face losing grant money. Though our projects have been given the first GAN, we continue to go through the difficult re-write process and on some projects we are on our 4th revision.

FY 09: In the middle of 2008 there was to have been an After Action Review (AAR) of the FY 08 grant cycle, whereby agencies could voice their concerns with that grant year and provide valuable input for the FY 09 Grant Guidance. The date was initially set and to be held in Florida. Unfortunately, Hurricane Ike struck and the dates were reset and given new locations. This time there were to be two AAR's; one in Seattle and one in Washington D.C. Unfortunately, the dates were set too far out (October) to have any impact on the formulation of the FY 09 Grant Guidance. Our region, though on the west coast, opted for D.C. in the hopes that "higher-ups" in TSA would be present. That did not occur. Instead, TSA staff in attendance included two people who had no authority to effect change. Our concerns were to be noted and taken to those who could effect change, yet in the FY 09 Grant Guidance, nothing had changed. To our disappointment, all issues, concerns and recommendations that were raised throughout the previous grant year were never implemented or addressed.

The FY 09 grant year was also the year that the State SAA's were removed as the Grantee. However we have determined that the relationship our working group has with the State is very cooperative and supportive. We continue to work with them in managing the grants program in an advisory capacity. Additionally, this year's grant guidance included more specific language about an agency's requirement for sustainment of an O-Pack for 5 years beyond the grant period (see TSGP Grant Guidance FY 2009, pg. 32). When requesting clarification about whether that was a requirement for just a plan or would the agency be obligated to actually maintain the project for 5 years beyond the grant, our contract law enforcement agency received an email reply stating "The expectation is that the knowledge and

capability would be sustained in some way for transit security and anti-terrorism, although not strictly required."(see email Eckles, Jack, dated December 30, 2008 4:49 PM). However, when we requested an IB, none has been forthcoming and we have since withdrawn our IJ for an O-pack in the FY 09 grant cycle.

VIPR teams: Transit Security Inspectors (TSI's) participate in VIPR exercises at Metro and throughout the region. They also provide an unannounced, high-visibility presence in a mass transit or passenger rail environment. These VIPR teams mostly act as patrollers who monitor suspicious activity and whose presence may deter terrorist activity. They are extremely useful in augmentation of existing personnel within a transit system. However, there are too few teams available for most of the events and activities for which they are most needed. This has also been pointed out by DHS's own Office of Inspector General Report, dated February of this year. Throughout a particular year, due to their limited number, they are primarily scheduled for planned major events, such as the Rose Parade/Bowl, Los Angeles Marathon, or the Academy Awards. The remainder of their appearances is infrequent and not significant enough to have a major impact on deterrence within the region or our system. More teams would of course be better with an increase in coordination and notification to the agency and not just law enforcement.

Recommendations:

-Agency Ridership #'s in Tier I, qualifications for grant funding: Agencies in Tier I do not always meet the ridership qualifiers for Tier I grant funding guidance, but are not eligible for competitive Tier II funding because they are in Tier I. The requirements need to match the membership. If you are a Tier I member, you should qualify for a Tier I project.

- Industry Peer panel for grant guidance development and roundtables annually to discuss any new DHS/TSA priorities or security emphasis-allow the transit agencies to determine the project to solve the security concern. Additionally, allow the transit agency to put forth their concerns and issues and ensure that at the completion of conference, all parties understand what the next grant guidance will be.

-Utilize Threat/Vulnerability Assessments for each Agency to determine priorities and have TSA use the assessment and use the assessment as a progress and accountability matrix of performance and progress towards identifiable and quantifiable risk reduction.

-Detection, response & recovery projects (including Chem. & Bio. Detection) should be an available project in a specific category. Due to the expensive nature of the current technology of Chemical and especially Biological detection, the project should be funded for not only installation but also on-going maintenance.

-Maintenance/Administration Costs: The current 2.5% is way too low, more like 10-15% more realistic; guidance on how it is to be calculated needs to be more clear.

-Transparency in grant allocations to regions (NY 1/3 of all national $$ vs. CA 13%)
-Grants Program Management: TSA or FEMA, one or the other

-More predictability and flexibility in implementing priorities: allow agencies to engage in more long-term projects covering multiple grant years.

-Decrease emphasis on operating initiatives due to the fact that Law Enforcement has UASI grants that can be applied to the region as well. TSGP should not be used to supplement UASI grants.

-Expedited approval process similar to the FY 2007 "Expedited Training Requests" for all projects.

-DHS/TSA should only contact the transit agency's designated representative regarding security initiatives and not a subordinate or contracted law enforcement department or agency.

-IJ's should be allowed to reference security sensitive documents instead of actually including them.

-More streamlined IJ consistent with the general guidelines of FTA's Section 5307 will provide agencies with a broader range of eligible costs and streamline the grant process (for examples see Transit Security Grant Program Improvements, December 2007).

-For additional information please reference "After-Action Confernece (AAC), Wednesday, October 15, 2008, TSA Headquarters, 601 S. 12th Street, Arlington, VA, 22202" and "Key Issues with FEMA/TSA Being Involved with the TSGP".

We all know that the 9-11 Commission Report cited the "Failure of Imagination" as one of the most significant shortcomings in security before the terrorist attacks. Also, the Office of Homeland Security's Mission Statement for the Transportation System Sector states "Continuously improve the risk posture of the Nation's transportation system." And to further this position, DHS' own Sector-Specific Plan "…describes the security framework that will *enable sector stakeholders to make effective and appropriate risk-based security and resource allocation decisions*." (Emphasis added) (Transportation Systems, Critical Infrastructure and Key Resources, National Infrastructure Protection Plan, May 2007, Executive Summary, pg. 2) Our region supports these ideals and seeks to enable them in a flexible and manageable way. We know and understand the asymmetrical threat we face and we know our systems best. As an experienced battlefield commander, having served in Iraq, I know the threat we face as do many others who work in our industry. We need to be allowed to influence our agencies' security destiny with the funds the American people have given us.

In summary, I would like to say that my agency and our region would like to see a reformed Transit Security Grant Program that encourages and supports imagination and innovation at the local level in executing the intent of Congress in securing public transit as a national critical infrastructure asset. In order to achieve this goal, we need maximum flexibility and discretion at the local level to operate within a broad but well defined program and grant guidance from TSA.

Thank you, Mr. Chairman. I would be happy to answer any questions you may have.

Concerns Regarding Homeland Security Grant Guidelines
for FY 2006

1. What other role will Transit Security Administration (TSA) have in the FY06 grant cycle after the review and approval of each project submitted in this grant cycle? According to the FY 2006 guidelines; *'the Department of Homeland Security's (DHS) Office of Grants and Training (G&T) provides design, facilitation, coordination and financial management administration for these programs'* (grants).

2. A concern regarding the statement in the guidelines stating: *'Grants will be awarded in the first tier to regions, and the regions will have 90 days afterward to submit detailed project plans to TSA for approval'*, but the application deadline was August 4, 2006 for Tier I as it was for Tier II.

    There is confusion regarding Tier I and II requirements:

    *   August 4, 2006 was the deadline for Tier II competitive concept papers submission to G&T even though none of these transit agencies have been part of the Regional Transit Security Working Groups (RTSWG) or have had critical issues identified in the Regional Transit Security Strategy (RTSS) Plan, but on September 25, 2006, DHS issued a letter announcing the dollars amounts awarded to Member of Congress. Does this now allow Tier II to start drawing down funds awarded?

        Will the RTSS in the RTSWG require update to include Tier II projects in this grant cycle?

    *   August 4, 2006 was the deadline for Tier I to submit the grant requirements to G&T without the detail of the projects.

        There is confusion to why an additional 90 days was needed to submit detailed of projects for TSA to review when the Tier I has already in place the RTSS which is part of the plan required for development of projects with detail which address the critical issues that were identified and reviewed by TSA in the FY 2005 grant guidelines to become eligible for future funding? This 90 day period ends November 3, 2006, the review begins by TSA, and deadline for final approval of projects is December 29, 2006.

    *   This adds another concern; it's assume that it will be 30 days for notifying the State Administration Agency (SAA) and then 30 days for notifying the sub-grantees with a letter announcing approval to drawdown funds around March 1, 2007?

3. There is a concern for the sub-grantees as to what are the roles and responsibilities of the offices of TSA, G&T, and SAA (office) in the grant program and the various grant cycles which have not been clearly defined in this set of grant guidelines and part ones.

- Some transit agencies grant staff deal with either G&T or SAA, with the transit agency's security dealing with TSA, how will this change?
- Who does the sub-grantee expect to receive formation from, TSA, G&T, SAA, or all? Where will the sub-grantee access grant announcements, bulletins, receive grant relative information? Who is will be responsible in providing the sub-grantee with the weekly TSA Q&A scheduled conference calls, bulletins, and grant guidelines?

- Who is will be responsible in providing the sub-grantee with the webpage link for the Q & A from the Tier I Pre-proposal Grantee Conferences that took place in Arlington, VA and San Francisco, CA on October 19, 2006?

4. Other concerns are for the FY 2007 grant guidelines clearly state the Program and Application Requirements with the exceptions of:

- Clearly defined timeline dates for required documents to include deadlines, reviews and awards (are the dates different for SAA and sub-grantee, need to be clearly stated);

- What office is in charge of; guidelines, application, reports, and closeout of the grant;

- When is the detail project due (abstract, defined vision, goals, and objectives to reduce the risk, scope of work, and a detailed budget);

- If a review is required, what is that date and does it have to be requested;

- If match will be required, what percentage will it be; and

- Will there be additional transit systems added to the Tier I Regions?

FY 2007 Transit Security Grant Program (TSGP) – Chronology

January 2007

3 - Received email announcement of FY 2007 TSGP guidance on the **third** from Chas King/Transportation Sector Network Integration (571) 227-3241 & Cell (202) 487-9131.

9 - Regional Transit Security Working Group (RTSWG) meeting on the **9th** to present draft investments for the $7,059,035 allocation from the FY 2007 TSGP, Windsor Conference Room 15th floor or Gateway Headquarters 9:00 a.m.

26 - Metro staff briefing on the **26th** for FY 2007 TSGP, draft investments review and selection of investments to submit to region, project managers to complete investment justification templates.

February 2007

6 - The **sixth**, RTSWG meeting to accept final draft in preparation for submission to Governor's Office of Homeland Security (OHS) by **February 23** deadlines.

8 - RTSWG meeting on the **eighth** with OHS and state consultant Josh Filler in Santa Ana to review template and feedback on the investment justifications for the region.

23 - On the **23rd** submitted $7,059,035 in investment for the region to OHS.

March 2007

20 - Regional Transit Security Strategy (RTSS) Plan update on the **twentieth**

June 2007

7 - The RTSWG met with TSA Jack Kalro and Lisa Brennan on the **seventh** in what initially was to be a review of the investment justifications for the region but ended up sending eight hours briefing TSA on the regional security strategies. Much time was spent determining the security needs, which were already, outline in the RTSS, which neither TSA agent had read but had received earlier in the year. Informed at a special knowledgeable review panel would be evaluating the investments and comments would be fourth coming.

July 2007

24 - On the **24th** received feedback from the special review panel with comments that the investments were written too technical and needed simplification so an average person would understand the justification. Region was directed to ignore the ½ and one-page limits of the template and explain in detail the project's goal and desired accomplishment.

The panel requested expanded detail on what by "ongoing surveillance" meant, the Emergency Telephone's "E-Tel" that allows passengers to communicate with Metro staff in the Rail Operations Center, the panel requested clarification, what did slave-to-video meant in surveillance cameras would be installed to monitor a location, etc. This was communicated verbally with no backup in writing as requested.

August 2007

7 - On the **seventh** met with TSA Lisa Brennan to review investment justifications, Ginny Morrison from OHS attended. Lisa attentively approved investments with the possibility of Grant Award Notices (GAN) issued within the next month or so.

17 - **Seventeenth** the Supplemental announced for an additional $4,300,000 for the region.

29 -Supplemental conference call on **29th** regarding fast-track training

September 2007

5 - Email correspondence dated the **fifth** with TSA Lisa Brennan regarding issues of sustaining an Operational Packs "teams" beyond the period of performance of the grant. Lisa's response "The guidance doesn't require anything in writing to guarantee sustainment of the teams after the end of the grant period." Also, informed that the region's investment had not been completely evaluated by the review panel to date.

25 - This meeting was a review of the FY 2007 Infrastructure Protection Program (IPP): Transit Security Grant Program (TSGP) Supplemental Funding investments being submitted by the region.

October 2007

5 - Secured Briefing in Monterey, California. All attendees had to complete a security clearance application to attend this secured briefing. Arrived at site to find out that no one had clearance so instead of a secured briefing of the state's security threat and that of each regions the meeting promoted how well TSA addressing the security threats nationwide. Mr. Kip Hawley so far as the say that the TSGP guidance did not need to be followed that they, TSA would take care of each unique situation as they arose.

16 - The RTSWG met with TSA Doyle Raines, Lisa Brennan, Ginny Wise and MaryAnn McNamara from FEMA on the **sixteenth** in what initially was to be a review of the Supplemental investment justifications for the region. The next eight hours were spent briefing TSA on the regional security strategies and training levels. The investment justification narrative outlined all the training each agency has received over the past several years as noted in section I.C. of template - Discuss current and required capabilities of the transit agency undertaking this investment. Mr. Raines spent several hours addressing the benefits of them proposed Operation Packages (OPack). Issue rose

regarding transit agency covering over runs of OPack, which Mr. Raines stated it would not be a problem but Ms. McNamara stated that in an audit, the transit system would be accountable for the overruns per guidance and the language of the grant needed to be changed. Ms. McNamara said only a bulletin issued could change grant language. *On October 26, 2007 an Information Bulletin # 269 announced; "Additionally, any OPack costs after the 36 month period of performance (including expenses related to the maintenance, personnel, equipment, etc.) are the responsibility of the applicable sub-grantee."* Cindy Barrett from OHS attended this meeting too.

November 2007

6 – TSA requested that regional meet for them to review the investments previously submitted for the FY 2007 TSGP and the additional investments for the Supplemental package. TSA Doyle Raines, Ginny Wise and Lisa Brennan attended with support staff. TSA wanted validation of the number of Frontline employees that have received Terrorist Awareness training in your agency during the past 2 years. Including; 1) name of training course(s); 2) number of employees; including frontline and other transit personnel; and 3) date of training. What are the future year(s) plans for Terrorist Awareness training; what are the attentive plans for scheduling frontline and other transit personnel to teach or refresher course; this is to include with or without use of Homeland Security Grant funds? This will be incorporated into the 2007 update of the Regional Transit Security Strategy (RTSS) Plan later this year.

TSA indicated a number of investments needing further clarification will be due by the 2nd review meeting on Tuesday, November 6, 2007 were:

Metro investments A) Expansion of Metro Subway Chemical Detection System – Phase II (Explain why this project reduces the security gap in the critical infrastructure, what phases have been implemented to date, how they fit together once fully implemented and the future direction of the investment);

C) Advanced Transportation Management System (ATMS) Disaster Recovery (Clarify why project is critical to operations in the event of terrorist or natural disaster, Metro's totality to the investment);

D) Installation of CCTVs at Bus Facilities – Phase II (Define the over project, identify project completion, explain live data feed to BOC); and

E) Intelligent Video Upgrade (investment will include $540K of UASI FY07 grant funds for a total of roughly $1M completing investment)

OCTA B) Live Feed – Video on Buses and at Bus Stations (Clarify/justify as Inventory Control in locating vehicle within system)

LADOT A) Digital Radio Communication System (Clarify/justify as Inventory Control in locating vehicle within system)

The Investments that TSA initially approved require an itemized budget and a final investment justification. If item includes installation and supporting equipment it should be noted and only included as cost of the equipment such as; a $150K contract to install

150 video cams– each video cam cost would be listed as $1K each with note stating installation and support equipment included in camera package.

The $4.3 million in the Supplemental Funds would be use to fund OPacks was initially approved by Mr. Raines. When the equipment to operate the OPacks were discovered not eligible in the supplemental Mr. Raines determined that the costs would come from the FY2007 TSGP funds and wanted to reallocate funds within the previously submitted investments. The region wanted to discuss in a closed session in which Mr. Raines being the grantor insisted that he be allowed to participate in but was requested to leave the conference room along with TSA staff and OHS (grantee) staff; Larry Davis and Cindy Barrett. In the closed session, the regional transit systems reached a workable agreement (consensus) for the allocations of both the FY 2007 TSGP and the Supplement and presented TSA with a spreadsheet of investments. Mr. Raines informed the working group that in the FY 2008 TSGP that TSA would be a full member of the RTSWG (FY2008 TSGP guidance states that TSA co-chairs the RTSWG).

15 – Met with David Kim 202-349-1481 work number, lobbyist out of Washington DC that represents Metro's interest in Washington, keeps Metro updated on events related to transportation. Briefed Mr. Kim on the situation since TSA started administrating the TSGP and its affecting on the transit region's ability to implement project that would reduce the region's vulnerability to terrorist attaches.

December 2007

21 – All investments were completely uploaded on the ODP Secured Portal for the FY 2007 TSGP for the second time.

Southern California Regional Rail Authority (SCRRA)

May 2006 – SCRRA submitted and received approval from the Regional Transit Security Working Group the following five concepts for a total of $1,923,436.

A. $ 200,000 - Sheriff Overtime for Critical Infrastructure Protection
B. $ 50,000 - M&A 2.5%
C. $ 500,000 - Backup Dispatcher System
D. $ 15,470 - Satellite Phones
E. $1,157,966 - Communications Deployment
   $1,923,436

August 2006- The RTSWG along with SCRRA submitted their IJ's to the OHS who in turn submitted to DHS, August 7, 2006.

October 2006- FY 06 TSGP Subgrantee Performance period began October 1st, 2006 ending on December 31st, 2008 (30 month grant). The grant management changed from DHS Grants and Training to TSA.

November 2006 - During the November RTSWG meeting, Jack Kalro and Lisa Brennan from TSA informed SCRRA of the following:

- $200K investment for overtime was disallowed,
- $15,470 investment for satellite phones were disallowed and
- $50K for Management & Administration is not an acceptable investment

SCRRA balance of disallowed funds totaled $265,470, which Ed Pederson and Joanna Capelle said would most likely rewrite the Communications Deployment to include the $265,470 and revised the investment from $1,157,966 to be increased to $1,423,436.

1. During this time, DHS incorrectly adjusted the SCRRA investment request by shorting the agency $50,000. This was caused by a DHS oversight over the original disallowed $50,000 from the Management & Administration concept. TSA did not include this amount in the total disallowed request.

December 2006 – The RTSWG received feedback on the region's investments submitted to the Governor's Office of Homeland Security (OHS).

January 2007 - SCRRA submitted the revised investments addressing the feedback questions asked by the TSA Review Panel. SCRRA did not have authorization to the TSA compartment to upload the IJ for their review. This further delayed the approval process.

April 2007 - In a letter from Doyle Raines, dated April 26, 2007, SCRRA was awarded $500K for the Backup Dispatcher System Investment, it approved $1,157,966 for the original Communications Deployment Investment, but did not reference in award letter of the missing $265,470 to the region.

June 2007- OHS received a GAN for SCRRA authorizing them to obligate and expend, June 08, 2007(but not to draw down).

June 2007- OHS issued award letter to SCRRA on the above referenced GAN on June 20, 2007.

July 2007 – SCRRA resubmitted to OHS the revised Communications Deployment Investment Justification for $1,423,436. TSA questioned and requested yet again another approval from RTSWG for SCRRA use of $265,470 increasing their investment to the amount of $1,423,436.

August through November 2007 – TSA did not include OHS in many conversations with SCRRA.

April 2008- Letter from TSA authorizing FEMA on April 16th, 2008 to issue GAN approving SCRRA for $1,423,436. This includes the outstanding $265,470 missing from SCRRA allocation.

April 2008- Letter from TSA authorizing FEMA on April 17th, 2008, states that SCRRA has been approved for a reprogram from Backup Dispatch System to Communications Deployment in the amount of $500,000. Due to the delay of the approval, the site that was originally designated was no longer available.

April through August 2008- During this five month period, FEMAs response has continued to be that the GAN is being processed.

July through August 2008- The OHS has sent a weekly document stating all standing issues with Grant Adjustment Notices (GAN) and other program issues to TSA/FEMA.

July 2008- In an e-mail on July 08, 2008, FEMA instructed the OHS to proceed with the original incorrect award ($265,470 missing from the original award) and issue an award letter. SCRRA had not received approval due to the discrepancy that has not been resolved to date. On July 9th, 2008, OHS issued the award letter based on the original incorrect amount.

August 2008- Note: FY 06 TSGP was designed as a two GAN authorization. The first GAN gives the State Administrative Agency (SAA) the authorization to allow subgrantees to **obligate and expend** grant funds. The second GAN authorizes the SAA to **draw down**. We have yet to receive this GAN.

August, 2008- OHS has not received the GAN for FY 2006 TSGP SCRRA Resubmission as off (08/29/08). The subgrantee period of performance ends on December 31, 2008, which leaves four months in the grant performance period. Even though a GAN has been issued for a portion of the money, SCRRA has been unable to begin the project without the full amount being awarded. Recently, FEMA has advised that they will not approve the full award until the Environment Historic Preservation (EHP) has been cleared through FEMA.

EXTENSION & Time

Fiscal Year 2007 Transit Security Grant Program (TSGP) Supplemental Funding
Subgrantee Period of Performance
October 1st, 2007 through June 30th, 2010
Standing Issues FEMA/TSA

Orange County Transportation Authority (OCTA)
Orange County Sheriffs Department (OCSD)

- **October 2007**- FY 07 TSGP Supplemental Funding Period of Performance begins on October 1, 2007.
- **February 2008**- OHS received a GAN on February 5, 2008, for FY 07 TSGP Supplemental Funding for OCTA and Orange County Sheriffs Department (OCSD). This GAN incorrectly allocates OCSD with the following project:

  o Exercise and Training Plan Program $150,000

  This project belongs to OCTA and is currently stalled due to lack of authority from a proper GAN. OHS requested the status of the GAN and FEMAs response was that a new GAN was being processed.

- **March, 2008** - OHS received another GAN for OCTA. The GAN received March 11, 2008, erroneously awarded OCTA with the wrong amount for the following project:

  o On Board Bus Surveillance System   **$2,076,300**
  o Correct amount   **$400,000**

  The correct amount is $400,000. On March 24th, 2008 FEMA was notifief of the error and advised they would process a new GAN.

- **July through August 2008**- OHS has sent a weekly document stating all standing issues with GAN's and other program issues to TSA/FEMA.

- **July 2008**- In an e-mail on July 08, 2008, FEMA instructed the OHS to issued an award letter to OCTA based on an incorrect GAN. The OHS had been withholding authorization from OCTA and OCSD due to the incorrect GAN in an effort to stay consistent with past practices. OHS has given authority to OCTA to obligate, expend, and draw down based on the amount listed in the GAN ($2,076,300) which is $1,676,300 more than agency's allocation.

- **July 2008**- The OCTA stated in an e-mail that they will not move forward with the authorization to expend the funds based on an incorrect GAN. They are concerned of signing required legal documents based on an amount they know is incorrect. They state;

  "I am especially concerned about having my CEO sign documents that we know are incorrect, and in essence, having my agency involved in a federal mistake."

- **August, 2008**- The OHS has not received a corrected GAN for OCTA.

EXTENSION

Transit Security Grant Program
Recommended Improvements
December 2007

The recommendations below will help ensure that the Transit Security Grant Program (TSGP) funds will be efficiently used to protect transit from terrorist acts, and mitigate the impact of potential terrorist attacks.

RECOMMENDATIONS on GRANT GUIDANCE and IMPLEMENTATION

The TSGP is intended to address the security needs of bus and rail systems including both capital projects and operating initiatives. Transit systems should be the primary decision makers on the allocation of funds towards specific security measures; they are the ones directly accountable to their employees, customers and the general public for the security of their systems and riders on a daily basis.

TSA's heavy-handed approach towards implementing the FY 2007 TSGP runs counter to the approach summarized in the Introduction section of the FY 2007 TSGP guidance which states: "We understand that individual transit systems will have unique needs and tested experience about how best to reduce risk locally. Our subject matter experts will come to the task with a sense of urgency to reduce risk, but also with an ability to listen carefully to local needs and approaches. In short, we commit to respect flexibility and local innovation as we fund national homeland security priorities."

Funding Priorities

- TSA's implementation of the FY 2007 TSGP guidance reflects an imbalance among the seven specific priorities listed in the guidance. Transit agencies are in the best position to determine the balance of funding between capital and operating initiatives. Guidance should allow transit agencies to decide how to distribute grants among capital and operating costs.

- Given the open nature and high volume of passengers associated with transit, guidance should place more emphasis on measures that mitigate the impacts of a terrorist attack and reduce recovery times (i.e., detection capability, fire suppression, emergency evacuation and decontamination), particularly where these measures are specified in agency risk assessments.

- More predictability and flexibility in implementing priorities cited in the grant guidance is needed to allow agencies to engage in long-term planning of security initiatives. This will allow agencies to more easily fund projects on a multi-year basis.

- The increased emphasis on operating initiatives and the eligibility of law enforcement has blurred the line between TSGP and the Urban Area Security Initiative grant program, which provides significant funding.

- Guidance should allow for an expedited approval process that enables transit systems to direct funds towards implementing the various new planning requirements resulting from the enactment of H.R.1.

Industry Feedback on Guidance

- Provide a formal mechanism for review and consultation with the transit industry during the drafting phase of the FY 2008 Guidance.

- DHS/TSA should hold a grants roundtable for transit properties on an annual basis to review the grant guidance/process and review new or changing priorities.

Communication with Transit Agencies

- DHS/TSA needs to include affected transit systems in discussions with law enforcement agencies that qualify for operational funding. Working separately with law enforcement is not productive to improving transit security.

- DHS/TSA should notify designated points of contact for security initiatives if they intend to contact members of transit agency governing bodies or boards.

Allocations

- In Tier 1 regions where the risk is not evenly distributed, provide funding allocations specific to each system in the region.

Investment Justifications

- Investment Justifications should be streamlined—consider using the requirements for FY 2007 expedited training requests for all project submissions.

- Investment Justifications (IJ) for TSGP should be allowed to **reference** security sensitive documents instead of actually including information.

Grant Draw-Downs

- To streamline the reimbursement process, transit agencies should be reimbursed directly from DHS rather than from the SAA. The current subgrantee status hinders timely grant draw-downs because reimbursement requests must be routed through the SAA's payment system before going to DHS and transit agencies are burdened with additional time-consuming reporting requirements mandated by the SAA.

RECOMMENDATIONS on ALLOWABLE GRANT COSTS and ADMINISTRATION

Consistency with the general guidelines of FTA's Section 5307 will provide agencies with a broader range of eligible costs and streamline the granting process.

- In order to better address top agency security priority assessments, a new allowable spending category should be created titled "Protection of Critical Transit Assets and Passengers."

- In-house project and construction management costs, such as technical support for design and implementation, contractor oversight/inspection, ensuring proper safety controls, should be eligible costs and not subject to cap on M&A spending applied to grants management expenses. Instead, it should be included as personnel and fringe costs.

- Straight time costs associated with in-house labor, such as project or construction management, design services, installation, and/or construction should be allowable. (Currently, DHS will only pay for outside consultants.)

- Straight-time for flaggers and protective services should be an allowable cost, particularly when that cost is driven by compliance with the Federal Railway Administration—Roadway Worker Protection Act, CFR Section #214. (Current guidance will only allow overtime for flagging, or use of outside contractor.)

- DHS should not cap the amount of money used for flaggers; individual agencies are best suited to determine needs for flagging, track access, etc.

- The A133 Single Audit, required by DHS (and FTA), requires appropriate controls to ensure time is charged correctly to grant-funded projects. Additional new controls are not required.

- TSA and FEMA (formally G&T) need to enhance coordination to ensure that the internal DHS review process of grant submittals properly reflects any recommended enhancements agreed to by the transit industry and TSA.

- Training costs for salaried managerial employees should be reimbursable. Managerial personnel are key resources in the event of an emergency, and costs associated with their training should be eligible for reimbursement.

Eckles, Jack

From:	Craigo, Rick W. [rwcraigo@lasd.org]
Sent:	Tuesday, December 30, 2008 4:49 PM
To:	Eckles, Jack
Cc:	Ivask, Jeffrey S.
Subject:	RE: Opack questions
Importance:	High

Jack,

Look over the below highlights. It appears Lisa is saying that the Sustainment Plan is a requirement, but not necessarily the sustainment of the OPack itself. Jeff is walking to you now...

-----Original Message-----

From: Brennan, Lisa [mailto:Lisa.Brennan@dhs.gov]

Sent: Monday, December 29, 2008 3:05 PM

To: Ivask, Jeffrey S.

Subject: Opack questions

Importance: High

Jim,

I am not sure if we met during the RTSWG meetings, but I am the dedicated liaison to the LARTSWG from TSA's Mass Transit Division. I understand you contacted Virginia Wise with some questions on Opacks and sustainability. As of 12/23/08 the FY09 Opack project for LASD through LACMTA had been withdrawn and the funds redirected to a different project due to sustainability concerns.

The guidance requires a 5-year Security Capital and Operational Sustainment Plan. This plan must include how the agency proposes to implement capital projects that will decrease the need for operational activities, and/or demonstrate how the agency will sustain the operational investments after grant funding has been expended. The guidance requires this plan, not necessarily the sustainment of the Opack in the form given through TSGP. The expectation is that the knowledge and capability would be sustained in some way for transit security and anti-terrorism, although not strictly required. Although LASD is a contract to LACMTA, LACMTA, as the grantee, would be responsible for meeting this expectation. We had initially thought that the end-recipient would be responsible for the sustainment, but recently received guidance from FEMA that the actual grantee (in this case, LA MTA) would be responsible.

There may be other options for funding of operational activities, in particular overtime for existing LASD deputies for additional hours on transit. This would be considered a contract for specific service, namely additional operational deterrence activities. LACMTA would contract with LASD for a specific number of hours of service. All hours must be spent for transit anti-terrorism activities, meaning on transit property. All deputies working on OT have to be trained in basic transit security awareness, behavior recognition, and any general transit safety/familiarization courses. Further, these types of services funded by OT would be considered a strict contract and not an Opack, there would not be a sustainment requirement beyond the period of performance of the grant as there is for the Opacks, although we would encourage sustainment due to the security benefits.

Ultimately, LACMTA as the grantee must decide which projects to request from the sub-grantee, LASD. Given the time constraints on the FY09 TSGP application period a decision needs to be made ASAP. There can be no additional projects submitted after the January 13th deadline. I have agreed to review all the draft IJs and provide feedback before that deadline. I have already completed the reviews for the LARTSWG. If additional IJs will be coming in for review I need to know immediately because I have the San Francisco draft IJs coming this week and will have to plan accordingly to complete them all.

I will not have email access Dec. 31st to January 4th, so please call me with any questions at 202-465-5762.

Sincerely,

Lisa Brennan

3/5/2009

After-Action Conference (AAC)
Wednesday, October 15, 2008
TSA Headquarters, 601 S. 12th Street, Arlington, VA 22202

TSA Staff: Ginny Wise – Moderator
Lisa Brennan - Program Analyst, Mass Transit and Passenger Rail
No Doyle Raines or Paul Lennon appearances and Jack Kalro did an about-face upon entrance. Tom Farmer, TSA Deputy General Manager for Mass Transit came in late after all the introductions but never spoke up on any issue during the day

Meeting opened with introductions from attendees present. TSA used Power Point presentations by the majority of the meeting. When questions allowed from partisans California asked for clarification on the approvals and administration activities of TSA. Many of the answers did not address the question asked and were challenged for a more defined answer other transit agency personnel began to speak up and ask questions from Florida, Ohio, New Jersey regarding problems with investment approvals in FY 06 that they were experiencing with the exception of New York Metropolitan Area. When a question was asked and the TSA responded generically it would more questions where asked for clarity at which in many incidences the chief police from NYPD (law enforcement provider) would inform the audience that their NY-RTSWG has a great working relationship with TSA. In one statement he implied that everyone working for him was accepted to do the job they were paid to do or he fired them. Finally California spoke up stating of course New York had no problems with receiving $25 million additional funding from TSA for FY 08 but California lost $3 million and that we take issue with as did several of states. The New York regional transit personnel were somewhat mum in expressing any other opinion at the conference except at break a period where one could speak one-on-one, that is when many expressed experienced similar problems in the transit agencies working with TSA.

Two GAO staff in attendance took notes during the entire conference.

Some of the questions asked by transit agencies for clarification as to why grant guidance and the direction TSA administration's directives differ:

1. Why guidance required the Regional Transit Security Working Groups (RTSWG) to develop a comprehensive list of security-related investments and the guidance list the allocations for the region but TSA then scores the investments nationwide with a priority group number which makes it competitive?

2. Why were funds allocated to transit regions but once the investments were received within the 60 day application period the award announcements moved funds from one state to another without notice or the ability file an appeal from transit regional loosing funds?

   New York's (2nd in command NYPD) stated it has no problem working with TSA but after California spoke up regarding the issue of loosing three million is FY 08 funding

and New York receiving an additional 25 million, that was to problem, other states starting saying they had similar experiences.

3. Why conflict of interest not resolved yet? Applications must be approved (signature required) by the agency's transit security provider. This first was pointed out in the kick-off grant meeting for the Los Angeles region back in March 2008, which is a conflict of interest for our contracted security to approve our projects. We were told that was not what they meant but that security was aware of what the investments were.

The transit agencies and SAA in California have requested that an Information Bulletin (IB) be issued correcting this conflict of interest. This special condition needs to be resolved or no sub-grantee will receive FY 08 TGSP funds but TSA has met the Appropriations Act deadline of awarding the funds within the 60 days after releasing the guidance. The caveat is the special conditions prevent the transit agencies from budgeting funds, executing contracts, drawing down funds or requesting reimbursements.

4. Why deals were commended to contracted security providers without the knowledge to the transit agency or RTSWG, these deals were assuring certain dollar amounts out of the FY07 Supplemental to the law enforcement agencies?

5. Question asked regarding why are there additional reviews of the investments after TSA has awarded the SAA the FY06 – 08? If investment was eligible for the award why are program analysts with no engineering or transit background reviewing investments that transit agency engineers developed and are the experts in the field?

6. Why are the FY 06 investments are still pending approval when the performance period end December 31, 2008, will there be time extension and for how long a period? Many of these investments require 24 months to implement.

7. Why is it required to generate two different budget formats for the same investment, why cannot TSA and FEMA use one format?

8. Why is TSA requiring so detailed a budget such as the exact number of an item in an investment when the engineering design or specifications will not be completed until awarded the funds which appear to take up to 24 months or longer for TSA to approve and in the process the cost will have changed for the materials and or the number pieces of equipment required once design is completed? Why does TSA require such detail when other grant program requires item by item approval but need only a short one or two page justification to approve an entire project worth million more then what homeland security is granting?

9. Question asked by California was to why is TSA doing a fifth review on the FY08 submitted back in April 2008?

10. How the FY09 grant cycle the SAA is not in the picture, will TSA handle all the transit agencies (50 Tier I & 47 Tier II) directly, are more staff be hired?

11. What is TSA's definition of "award" to the Appropriation Act 2009 that states that the grant guidance must be released within 45 days of president signing the bill and 60 day after that to award funds?

12. Why does FEMA require a separate EHP/NEPA review process when many of the existing sites have received EHP/NEPA from FHWA or other government agency?

13. Why TSA was micro-managing the Transit Security Grant Program but such grant programs as UASI, Law Enforcement were nowhere as scrutinized?

Thursday, October 16, 2008

OHS staff: Mike Dayton, Brendan Murphy, Karen??? (Washington/Calif. Rep), Matthew Hawkins-Estes, John Isaacson, Cindy Barrett, Larry, Sacramento Fire: Larry Davis & LA Metro: Jack Eckles and James Allen

9:15 am – Meeting with FEMA-TSA, 88K Street, 15th floor

DHS: Richard Swigart, Western States Coordinator, Office of Intergovernmental Programs; 202-282-8216
FEMA staff: Gary Rogers, Branch Chief, Grant Program Directorate - 202-527-5913, Steve Billings, Investigative Analyst - 202-786-9516
TSA staff: Thomas Farmer, Deputy General Manager – 571-227-3552, Ginny Wise, Program Manager – 202-, Lisa Brennan, Program Analyst, Mass Transit and Passenger Rail - 571 227-2189

Issues of Concerns Addressed:

It was pointed out that no TSA personnel higher than a program manager or a transportation sector network management were in attendance to address questions during the after-action conference held the previous day.

Question was asked what the statuses of unapproved FY 06 investment were since the performance period ended December 31, 2008 on a 30 month grant. TSA dollars figures of outstanding disagreed with figures from California. Steve Billings stated that all but one investment had been awarded except one for NEPA via email the day before (Oct 15th). Question then asked what changed in the investment that for 33 ½ month there was no approval and then yesterday there was an approval to the majority of the investments.

Tom Farmer challenged statement made that TSA is the problem; they met the Appropriation Act annually of 45 days from passing bill to issuing grant guidance and 60 days to award funds...TSA has met all conditions of the Appropriation Act BUT the nasty little secret is the Special Conditions that TSA adds to the award which keeps the funds from being used by the

transit agency until they are met. The problem is that in the FY06 TSGP performance period of 30 months many of the actual authorization to use funds have been received by the transit agencies in month 30 or later in the perform period end December 31, 2008, no problem for TSA.

Question was asked how TSA would fix late FY 06 investment fund releases, with a time extension. Asked if rumor was true that only six-month would be approved at a time, response was TSA would have to evaluate it.

Questions asked: what was the reasoning TSA's staff program managers and analysts with no experience in mass transit after the investment was eligible and awarded funding at the end of the 60 day window the Appropriation Act mandates start reviewing the investments to qualify if the investment meets TSA's transit standards. Engineers that are specialized in transit needs are used to develop and justify the investment in the application submission process. These engineers have years of experience in transit requirement, design, construction, etc? The transit agencies respect TSA expertise in matters of national security, in performing risk and threat assessments. What is the reason justifying an analyst's review and evaluates the engineering aspects of the investment that has been qualified by being awarded funding in the grant process? Why a fifth review is required the FY 08 investment?

Why has the issue of security provider not been resolved yet? FY 08 TSGP guidance required that the transit agency's security provider approve all the agency's investments as one of the conditions for receiving FY 08 funds. It was stated that it is a conflict of interest by our county counsel to have our contracted security approve Metro's investments. In the kick-off grant meeting for the Los Angeles region back in March 2008 it was pointed out; we were told that was not TSA meant but that security was to be aware of what the investments were. TSA staff, with Paul Lennon present, directed the transit agencies to cross-out the word in the FY 08 grant application "*Approval*" on the Appendix D Investment Justification, page # D-10 and write "*Concurrence*". Again in the After-Action Conference the transit agencies and SAA in California requested that an Information Bulletin (IB) be issued correcting this conflict of interest. This special condition needs to be resolved or no sub-grantee will receive FY 08 TGSP funds but TSA has met the Appropriations Act deadline of awarding the funds within the 60 days after releasing the guidance. Without this bulletin special conditions prevent the transit agencies receiving a Grant Award Notice which is the document used to authorize the Boards to do the required resolution, budget funds, execute contracts, draw-down funds or request reimbursements.

Cindy Barrett remained after the meeting adjourned and worked with Steve Billings which FY 06 investments were approved and status on the balance.

12:00 pm meeting at Rep Roybal-Allard's Office, Reyburn Building
No contact name, card or info

2:30 pm Whitehouse Homeland Security Advisor, Old Executive Office Building
 OMB: Paul Kilbride, Program Examiner – 202-395-1062
Other contact names, cards do not have (was it Matt McCabe)

Questions were asked by Advisors of what had changed since the February visit. Similar issues of concern were discussed as were in the FEMA/TSA meeting and the AAC with the still or just release investments in FY 06, the still unapproved FY 07 and FY08.

Question was asked if a peer review would be beneficial and California was in fully agreement it would benefit the transit regions and the grant program.

Friday, October 17, 2008

OHS staff: Mike Dayton, Brendan Murphy, Karen??? (Calif. Rep), Matthew Hawkins-Estes, Larry, Sacramento Fire: Larry Davis & LA Metro: Jack Eckles and James Allen

10:30 a.m. U.S. House of Representatives, Homeland Appropriations Committee, Rayburn House Office Building
Shalanda Young (no card or info)

It was recommended/requested that an amendment be made to the Appropriation Act 2009/2010. That language clearly define the 60 day period after the release of the grant guidance award to the grantee: the investment met the eligibility of the grant guidance and issue an award letter authorizing the transit agency to draw down and request reimbursements or a third deadline of a defined number of days (60) to address special conditions and issue an award letter authorizing the transit agency to draw down and request reimbursements or either or disqualify investment and explain with reasons in writing.

In discussion of where TSA seems to focus more on law enforcement, such as: Operational Packages, security training, contracted security approving investments, etc, it was noted that from Kip Hawley down it appears that they have law-in-enforcement backgrounds and not transit.

11:30 am U.S. House of Representatives, Committee on Homeland Security – Bennie Thompson, Chairman
Erin Murphy, Professional Staff – 2020-226-2616

1:30 pm U.S. House of Representatives, Committee on Homeland Security – Peter King, Ranking Member
Deron McElroy, Senior Republican Professional Staff Member – 202-226-8417
Sterling Marchand, Republican Professional Staff Member – 202-226-8417

Key Issues with FEMA/TSA Being Involved with the TSGP

- In FY 05, the Department of Homeland Security, Grants and Training (DHS G&T) and the State Administration Agencies (SAA) were the sole managers of the TSGP, but this process was changed in FY 06 to include the Transportation Security Administration (TSA). In FY 07 DHS G&T was incorporated into the Federal Emergency Management Agency (FEMA).

- The addition of TSA complicates the administration of the TSGP by adding an unnecessary layer of bureaucracy and creating a duplication of efforts.
  - Adjustments in the allocation of grant awards must be approved by TSA; however, changes in the actual scope of the investment must be approved by FEMA, resulting in unnecessary delays in funding allocation.
  - FEMA/TSA has a lengthy response time, up to several months
  - Sub-grantees have to apply to both TSA and FEMA depending on the types of allocations

- FEMA/TSA determines how the TSGP funds are to be used by the subgrantees.
  - The RTSWGs have collaborated with their local security partners (law enforcement and first responder agencies) to develop comprehensive risk assessments and identify vulnerabilities on which they base their investment justifications. However, FEMA/TSA have their own agenda regarding how TSGP funds could best be used and often reject or disallow certain investments because they feel the funds would be better allocated to other areas.
  - Subgrantees are opting not to apply for funding or are choosing not to use allocated funds because they are being told to spend it on items that are not necessary or are being asked to undergo cumbersome rewrites of their original investment justifications to satisfy FEMA/TSA's agenda.
  - Example: The Golden Gate Bridge was told that training was a priority and was directed to use their allocation for that purpose. However, they have a robust training program and felt that the funds could be better used for other purposes.

- Since FEMA/TSA can't allocate the monies in a timely manner, they have to issue extensions to the SAA for the subgrantees. This results in the subgrantees not having sufficient time to draw down funds within the specified performance period.

- If FEMA/TSA does not grant the extension and the moneys are not expended within the performance period, the money could be reallocated to other states.

- FEMA/TSA have a history of issuing GANs in the incorrect amount, and ask the SAA to authorize these obligations even though the GAN amount is inconsistent with the original allocation.

- Multiple agencies are awaiting GANs so they can spend their allocation from FY 06 and FY 07. Millions in TSGP funds remain unexpended.

Transit Security Grant Program Administration

Background:

In Fiscal Year (FY) 2005, the Office of Homeland Security (OHS) – as the State Administration Agency (SAA) - and the Department of Homeland Security, Grants and Training (DHS G&T) , were the sole managers of the Transit Security Grant Program (TSGP). This partnership was very efficient, with each agency knowing their respective roles in administering the grant program.

In 2006, the Transportation Security Administration (TSA) was brought in as an additional grant manager, making the grant more difficult to manage for the SAA, and the process more cumbersome for the subgrantees. Prior to the addition of a third grant manager, OHS had the authority to approve most requests without having to go to a secondary agency for approval. This allowed the process to be streamlined and efficient. When TSA was added as a secondary grant manager, it created a duplication of efforts and created an unnecessary additional layer of bureaucracy.

For example, in FY 05, OHS was able to approve most modifications to the grant without requiring approval from DHS G&T. This modification could be approved within two days by OHS. Now that TSA has been added to the process, subgrantees are forced to request a modification through OHS, and then, depending on the type of request, get approval from TSA or the Federal Emergency Management Agency (FEMA).. This process can take anywhere from two weeks – in the best case scenario - but more often takes months, during which time the 36-month performance period clock is running.

In addition to shortening the subgrantees performance period, this kind of delay takes away the opportunity for the State to give technical assistance on a day-to-day basis. TSA is not able to provide the customer service that is required to manage this grant because they lack the dynamic relationship with subgrantees to be able to assist them.

The following are two cases where TSA and FEMA have failed to effectively administer the TSGP:

Case #1: Fiscal Year 2006 – Subgrantee, Southern California Regional Rail Authority (SCRRA)

In 2006, the U.S. Department of Homeland Security (DHS) allocated to the Greater Los Angeles Regional Transit Security Working Group (RTSWG) Transit Security Grant Program (TSGP) funds in the amount of $4 million for the Rail System and $2.2 million for the Bus System.

SCRRA, who is only eligible for funds from the Rail System allocation ($4 million), submitted five investments totaling $1,923,436. In May 2006, the RTSWG verbally approved the five investments:

Sheriff Overtime for Critical Infrastructure Protection	$200,000
Management & Administration (2.5%)	$ 50,000
Backup Dispatcher System	$500,000
Satellite Phones	$ 15,470
Communications Deployment	$1,157,966
Total	$1,923,436

The 27-month FY 06 TSGP subgrantee performance period began on October 1, 2006. The following month TSA informed SCRRA that the requests to fund overtime, management & administration, and satellite phones were not approved, resulting in the disallowance of $265,470 from SCRRA's initial request. The subgrantees opted to rewrite the Communications Deployment to include these funds, increasing that requested amount from $1,157,966 to $1,423,436 to reflect the funds that was previously disallowed.

In April 2007, DHS issued a letter to FEMA awarding SCRRA $500,000 for the Backup Dispatcher System Investment, and $1,157,966 for Communications Deployment, the amount originally requested for this investment. TSA did not acknowledge the omission of the remaining $265,470 from the disallowed projects that was later rolled into the revised Communications Deployment investment.

In July 2007, SCRRA resubmitted, through OHS, the revised Communications Deployment investment justification with the inclusion of the remaining $265,470. From August to November 2007, repeated discussions were held on the status of this request, with TSA and FEMA providing assurances that appealed investments were being approved and the documents would be transmitted shortly.

In April 2008, TSA sent a letter to FEMA approving the revised Communications Deployment investment in the amount of $1,423,436 – the original amount requested plus the $265,470. However, FEMA did not issue the revised Grant Adjustment Notice (GAN) authorizing OHS to award SCRRA the new amount. As a result, OHS was unable to issue authorization to SCRRA to expend the funds because they did not have a GAN authorizing the correct amount.

The FY 06 TSGP was designed as a two GAN process – the first GAN gives the SAA authorization to allow subgrantees to obligate and expend grant funds; the second authorizes the SAA to reimburse the subgrantees for their expenditures. If the GAN allowing subgrantees to expend funds is incorrect, the SAA should not allow them to obligate funds based upon an authorized amount that is inconsistent with the amount that was actually allocated to them.

From April through July, OHS continued to request additional information from FEMA/TSA on this issue; and, in August, began sending a weekly document to FEMA/TSA outlining all the outstanding program issues.. TSA and FEMA still have not resolved these issues.

In July 2008, FEMA instructed the OHS to award the funds to SCRRA based on the incorrect GAN. As state previously, OHS had been withholding authorization from SCRRA due to the incorrect GAN in an effort to stay consistent with past practices. OHS did not want to authorize the subgrantees to expend the "authorized amount" even though it may not be what the region was allocated.

However, since the 27-month performance period for this grant ends on December 31, 2008, OHS on July 9, OHS went ahead and issued the award letter based upon the incorrect amount. (Note: the performance period for TSGP awards issued subsequent to 2006 is 36-months). As a result of the multiple issues surrounding authorization of this grant request, SCRRA has only 4 months to expend these funds. Furthermore, FEMA has not issued the second GAN allowing OHS to reimburse the subgrantee for these expenditures.

Case #2: Fiscal Year 2007 – Subgrantee, Orange County Transportation Authority (OCTA)

Both OCTA and the Orange County Sheriff's Department had submitted investment justifications for projects to be funded by the TSGP. In February 2008, FEMA/TSA issued a GAN for both agencies for these approved projects. However, the GAN incorrectly allocates funding to the Sheriff's Department for a project requested by OCTA. OCTA cannot implement the proposed training and exercise program because the $150,000 in TSGP funding has not been allocated to them. OHS promptly notified FEMA/TSA of the incorrect GAN and was assured that a corrected version would be forthcoming.

In March 2008, OHS received another GAN from FEMA/TSA that erroneously awarded OCTA $2,076,300 for an on-board bus surveillance system. OCTA's actual request for this project was $400,000. This new GAN also did not address the prior issue of the incorrect allocation to Orange County Sheriff's Office rather OCTA. Again, OHS promptly contacted FEMA/TSA to inform them of this error and were assured that a new GAN was being processed.

In July 2008, FEMA instructed the OHS to award the funds to SCRRA based on the incorrect GAN. As state previously, OHS had been withholding authorization from SCRRA due to the incorrect GAN in an effort to stay consistent with past practices. OHS did not want to authorize the an agency to expend money on a project that is not theirs. Additionally, OCTA does not wish to move forward with an authorization to spend funds that are not allocated to them and do not want to sign legally binding documents obligating them for amounts that are incorrect.

In July and August 2008, OHS began sending a weekly document to FEMA/TSA outlining all the outstanding program issues.. TSA and FEMA still have not resolved these issues. As of September 2008, OHS still has not received a corrected GAN from FEMA.

In addition to the above issue with OCTA, there are several other projects that have been on hold due to FEMA not issuing the GANs in a timely manner. In 2007, FEMA/TSA returned to the single GAN process. Now instead of one issuing one GAN for the subgrantees to o obligate and expend grant funds and a second authorizing the

SAA to reimburse the subgrantees for their expenditures, FEMA/TSA issues one GAN to obligate, expend and reimburse. However, this has not streamlined the process as much as one would think. To date, GANs are missing for the following agencies:

- Cal Train - $1.5 million - Station Hardening
- AC Transit - $300 thousand - Camera monitoring phase 1
- AC Transit - $400 thousand - Site Hardening phase 2
- BART - $5.1 million - Tunnel Hardening
- VTA - $400 thousand - CCTV/ LIDS
- CCCTA - $250 thousand - Perimeter Access Control
- GG Bridge - $300 thousand - Site Hardening San Rafael
- MUNI - $2.8 million - Security Enhancements for rail
- MUNI - $750 thousand - Security Enhancements for bus
- ACE Rail - $300 thousand - Security Cameras

The subgrantee performance period for FY 2007 TSGP Base funds began on June 1, 2007 and ends February 28, 2010. However, these monies cannot be expended until the GANs have been issued.

SUMMARY OF KEY CHANGES

The Transit Security Grant Program (TSGP) has changed for Fiscal <u>Year (FY) 2008</u> in some key ways from previous years. These changes are summarized below.

Available Funding
The funding for the FY 2008 TSGP has increased substantially. The funding available for intracity rail, ferry, and bus has increased from $255 million in FY 2007 (base and supplemental) to $348.6 million in FY 2008.

Ferry System Eligibility
Certain ferry systems (identified in Table 4) are eligible to participate in the FY 2008 TSGP, and receive funds under the Tier I cooperative agreement process. However, any ferry system electing to participate and receive funds under the FY 2008 TSGP **cannot participate in the FY 2008 Port Security Grant Program** (PSGP),and will not be considered for funding under the FY 2008 PSGP. Likewise, any ferry system that participates in PSGP cannot be considered for funding under TSGP.

Security Plans
Public Law (PL) 110-53, titled "Implementing Recommendations of the 9/11 Commission Act of 2007" and enacted in September 2007, requires that transit agencies have a security plan in order to be eligible for transit security grant funds, and that grant funds be used to address items in that plan[1]. Although the requirement for a security plan was included in the FY 2005 TSGP, it is now required by law.

In order to be eligible for FY 2008 TSGP grants, transit agencies must have developed and/or updated the above mentioned security plan within the last three years. Entities providing transit security (e.g., city/county police department, transit agency's own police department) for a transit agency must approve the security plan. The signature of a responsible official from the entity providing transit security serves as this approval. Certification of the existence of these documents must be provided to the Department of Homeland Security (DHS) as a part of the application. Further, security plans and associated documentation of this approval must be provided to DHS upon request.

Investment Justifications
Each Investment Justification received from Tier 1 applicants must be reviewed by the agency's transit security provider prior to the submission to the Regional Transit Security Working Group (RTSWG). Table 4 indicates the transit security providers by transit agency. Review is required whether or not the investment specifically involves the security provider. The signatures of responsible officials from both the transit agency and the agency's transit security provider (Table 4) serves as certification of agreement to submit each investment justification. See Appendix D for the appropriate form.

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[1] PL 110-53, Section 1406(a)(2)

Scoring Methodology and Criteria

The criteria used to make funding decisions within Tier I and Tier II have been refined. Each project submitted for funding will be scored based on:

- The agency's risk,
- The project effectiveness,
- The quality of the project (as written up in the Investment Justification), and
- A regional collaboration component (where appropriate).

A project's overall score will be based on all four factors above. Projects must meet a minimum eligibility threshold in order to be considered for funding.

Operational Activities

The Department feels that operational activities, including those activities provided by the transit agency's primary security providers (e.g., law enforcement agencies or transit agency police departments) can be an effective method for mitigating risk. Although law enforcement agencies are not eligible for direct grants in FY 2008, law enforcement agencies that act as the primary transit security providers for large transit agencies are eligible as sub-recipients of the transit agencies.

Regional Transit Security Working Groups (RTSWGs)

The responsibilities and membership of the RTSWGs in Tier I regions has been amended. First, DHS/Transportation Security Administration (TSA) will act as a co-chair on the RTSWGs along with any other current chairs/co-chairs established by the region. Certain law enforcement agencies that are the primary providers of transit security (eligible sub-recipients of transit agencies) must be included in the RTSWGs as active participants with full membership rights. Also, RTSWGs are encouraged to include representatives of freight rail carriers who operate in their region.

RTSWGs must develop a comprehensive list of security-related investments that the region will need to undertake in order to mitigate risk in the region, *prioritized by regional risk.*

Funding Allocations

The funding allocations included in this grant guidance represent a target funding level. The final allocations will be determined based on projects submitted. If quality applications are not submitted from one region, funds may be transferred to another region and/or between tiers to fund effective, high-priority security projects.

Project Effectiveness

DHS has identified several different project types, and grouped them into four prioritized groups based on their effectiveness to reduce risk and alignment with Departmental priorities. This identification was also made in response to requests from transit agencies to provide a methodology to prioritize projects. Scoring for both Tier I and II projects will reflect this "project effectiveness" component. These project groupings are discussed in detail within this guidance document.

Securing high-risk critical assets, such as underwater tunnels and multi-level/multi-agency underground stations, remains one of the Department's highest priorities. Prior year grant funding levels, however, limited the program's ability to fund some of the high-cost projects associated with risk mitigation of these types of critical infrastructure. With this year's substantial funding increase, these types of risk mitigation projects can now be considered. Additionally, the TSGP continues to place highest priority on projects that include the training of frontline employees; operational activities that support visible, unpredictable deterrence; exercises; and public awareness programs. Table 1 below outlines key changes to the FY 2008 TSGP from FY 2007.

Table 1: Key Changes for the FY 2008 TSGP

Change	Description	Page References
Security Plans	All agencies receiving TSGP funds are required by Public Law 110-53 to have a security plan, and that grant funds be used to address items in that plan[2]. Transit agencies must have developed and/or updated a security plan within the last three years and must have concurrence from the transit agency's security provider.	13-14, Appendix J
Investment Justification	Each investment justification must be reviewed by the agency's transit security provider(s) prior to the submission to the RTSWG.	Appendix D
Eligibility	Law Enforcement agencies are no longer eligible as direct grant recipients. However, certain Law Enforcement agencies are eligible as sub-recipients of the transit agencies they provide transit security to. A list of those law enforcement agencies is included in this guidance.	16
Funding Allocations	Funding allocations represent a target funding level. Funds may be moved among Tier I regions, and/or between tiers, based on the overall quality and effectiveness of applications, as appropriate.	16-17
Scoring Methodology and Funding Criteria	Each project submitted for funding will be given a score based on the agency's risk ranking, the project effectiveness, the quality of the project, and a regional collaboration component (where appropriate). A project's overall score will be based on all four factors. Projects must meet a minimum eligibility threshold in order to be considered for funding.	8, 19-20
Project Effectiveness	The Department has identified specific types of projects that will receive priority consideration in all awards based on their effectiveness in reducing risk. These project types have been divided into four prioritized groups, each discussed in detail within this guidance document.	7
Regional Transit Security Working Groups (RTSWGs)	• In Tier I regions, DHS/TSA will act as a co-chair on the RTSWG with any other current chairs/co-chairs established by the region. • The Tier I RTSWGs must develop a comprehensive list of security-related investments that the region will need to undertake in order to mitigate risk in the region, *prioritized by regional risk.* • Law Enforcement agencies listed herein must be included in the RTSWGs as active participants will full membership rights. • RTSWGs are encouraged to include representatives of freight rail carriers who operate in or through the region.	8-9

All entities receiving TSGP funding are required to read and conform to all requirements of this grant guidance document and must have read and accepted all program guidance as binding.

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[2] Public Law 110-53, Section 1406(a)(2)

Risk-Based Funding

Based upon ongoing intelligence analysis, extensive security reviews, consultations with the transit industry and Congressional direction, DHS once again intends to focus the bulk of its available transit grant dollars on the highest-risk systems in our country's largest metropolitan areas. Eligible agencies were identified using a comprehensive, empirically-grounded risk analysis model that was also used in FY 2007, and is described below in the section regarding eligible recipients.

DHS has also identified priority project types and placed them into groups based on their effectiveness to reduce risk. Certain types of projects that are effective at addressing risk will be given priority consideration for funding. These groups have been prioritized based upon Departmental priorities and their ability to elevate security on a system-wide level, to elevate security to critical infrastructure assets, and to reduce the risk of catastrophic events and consequences. Table 2 outlines, in detail, the groups and sample project types. While the groups are prioritized, the projects within each group are not. Note that project types not on the priority list will not be considered for funding in the FY 2008 TSGP, such as Hardening of Low-Density Stations, Redundant Control Centers/Mobile Command Centers, Back-Up Generators/Power Supplies, and Chemical/Biological Detection Systems.

Regional Security Coordination

DHS places a very high priority on ensuring that all TSGP applications reflect robust regional coordination and can show an investment strategy that institutionalizes regional security strategy integration. Many Tier I and Tier II regions have more than one transit operating agency. DHS will work with successful grantees to strengthen and support regional consultation processes. Close coordination of the Federal TSGP investments is encouraged in all applications and is reflected in the regional collaboration component of the overall project score.

The FY 2008 TSGP awards for Tier I agencies will continue to be made in the form of cooperative agreements. Under cooperative agreements, DHS will partner with each region, specifically their transit systems and security providers, to address risk in that region. In order to ensure the region addresses risk in a comprehensive and collaborative manner, DHS will engage in a dialogue with each region to discuss the regional risks and threats and then help agencies identify projects with the greatest security impact. The scoring methodology described in this grant guidance will provide the framework for how DHS will work with the regions to identify and prioritize security projects for funding. DHS will work closely with the region, transit systems and security providers, pre- and post-award, to ensure that the projects are being implemented effectively. Cooperative agreements allow greater flexibility throughout the lifecycle of the grant. For example, if situations arise where the direction of the project needs to be changed, a cooperative agreement allows DHS to work directly with the transit system to quickly adapt to that change.

Table 2: Project Effectiveness Groups Listed in Priority Order

Priority Group #	Project Effectiveness Group Score	Description	Project Types

1	4	Training, Operational Deterrence, Drills, Public Awareness Activities	• Developing Security Plans
			• Training (basic before follow-on):
			  o Security Awareness
			  o DHS-Approved Behavior Recognition Detection Courses
			  o Counter-Surveillance
			  o Immediate Actions for Security Threats/Incidents
			• Employee Security Threat Assessments (e.g. background checks)
			• Operational Deterrence
			  o Canine Teams
			  o Mobile Explosives Screening Teams
			  o VIPR Teams
			• Crowd Assessment
			• Public Awareness

2	3	Multi-User High-Density Key Infrastructure Protection	Anti-terrorism security enhancement measures, such as intrusion detection, visual surveillance with live monitoring, alarms tied to visual surveillance system, recognition software, tunnel ventilation and drainage system protection, flood gates and plugs, portal lighting, and similar hardening actions for: • Tunnel Hardening • High-Density Elevated Operations • Multi-User High-Density Stations

3	2	Single-User High-Density Key Infrastructure Protection	• Hardening of SCADA systems
			• Anti-terrorism security enhancement measures for:
			  o High-Density Stations
			  o High-Density Bridges

4	1	Key Operating Asset Protection	• Physical Hardening of Control Centers
			  o Bollards
			  o Stand off
			  o Access Control
			• Secure Parked trains, engines, and buses
			  o Bus/Rail Yards
			• Maintenance Facilities

Project types that are not in Project Effectiveness Priority Groups 1-4 will not be considered for funding under the FY 2008 TSGP (e.g., Hardening of Low-Density Stations, Redundant Control Centers/Mobile Command Centers, Back-Up Generators/Power Supplies, and Chemical/Biological Detection Systems).

As in FY 2007, DHS will conduct extensive outreach and provide continuing support to answer inquiries and to assist agencies with filing the strongest possible applications.

C. Scoring Methodology and Funding Allocations

In the effort to promote transparency and focus on effective risk-mitigating projects, a new scoring methodology has been adopted that promotes the consistent and accurate evaluation of projects. The criteria that will be used in funding decisions are as follows. Each project submitted for funding will be given a score based on the agency's risk ranking, project effectiveness (ability to elevate security and reduce risk), quality of the application (Investment Justification), and regional collaboration component (where appropriate). A project's overall score will be based on all four of these factors. Projects must meet a minimum eligibility threshold in order to be considered for funding. The determination of the eligibility threshold will be made by the Department. See Part II, Application Evaluation Process, for further details about the review criteria.

Table 4 identifies all applicants eligible for the FY 2008 TSGP, including law enforcement agencies that are eligible as sub-recipients to transit agencies. Regional allocation levels represent a target amount. Funds may and will be moved among Tier I regions, and/or between tiers as DHS deems appropriate to maximize the security benefit to the Nation based on the overall quality and effectiveness of the final projects submitted. Projects must meet a minimum scoring threshold in order to be considered for funding. If the amount of eligible projects is less than the target allocation for a given region, the remainder of funds will be moved to another region where the amount of eligible projects exceeds the target allocation. This movement will happen between regions and/or tiers, as appropriate, to ensure that all FY 2008 TSGP funding goes towards eligible projects that are effective and efficient in addressing risk mitigation efforts.

D. Regional Transit Security Working Groups (RTSWG)

Tier I

In order to support the cooperative agreement process, each Tier I region must have a RTSWG. The following entities must be invited to actively participate in the group and have full membership rights in the RTSWG: eligible transit agencies and their security providers, eligible law enforcement agencies, Amtrak (only in the National Capital Region, New York, Boston, Chicago, and Los Angeles), the State Administrative Agency (SAA), and the State Office of Homeland Security. For agencies that share assets with Amtrak, close coordination on the expenditure of funds for security enhancements at shared facilities must occur. The RTSWGs are also encouraged to involve freight railroad carriers if their operations intersect with that of the transit agencies.

DHS/TSA will act as a co-chair on the RTSWG with any other current chairs/co-chairs established by the region.

As a requirement under the FY 2008 TSGP, **the RTSWGs in Tier I regions must develop a comprehensive list of security-related investments that the region will need to undertake in order to mitigate risk in the region, *prioritized by regional risk,* that will address both near- and long-term investments regardless of cost or**

Table 4: Eligible Rail and Intracity Bus Transit Agencies and Law Enforcement Agencies*

Tier	State	Urban Area	Eligible System	Transit Security Provider*	FY 2008 Target
I	CA	Bay Area	Alameda-Contra Costa Transit District (AC Transit)	Alameda County Sheriff's Office / Contra Costa County (CA) Office of the Sheriff	$28,259,722
			Altamont Commuter Express (ACE)		
			Bay Area Rapid Transit (BART)	BART Police Department	
			Central Contra Costa Transit Authority		
			City of Alameda Ferry Services (Blue and Gold Lines Fleet)		
			City of Vallejo Transportation Program (ferry only)		
			Golden Gate Bridge, Highway and Transportation District (including Ferry)		
			Transbay Joint Powers Authority		
			Peninsula Corridor Joint Powers Board (Caltrain)		
			San Francisco Municipal Railway (MUNI)	San Francisco Police Department	
			San Mateo County Transit Authority (SamTrans)		
			Santa Clara Valley Transportation Authority (VTA)		
		Greater Los Angeles Area (Los Angeles/Long Beach and Anaheim/Santa Ana UASI Areas)	Catalina Passenger Service		$13,333,678
			City of Los Angeles Department of Transportation		
			Foothill Transit		
			Long Beach Transit		
			Los Angeles County Metropolitan Transportation Authority	Los Angeles Sheriff's Department	
			Orange County Transportation Authority (OCTA)	Orange County Sheriff's Department	
			Santa Monica's Big Blue Bus		
			Southern California Regional Rail Authority (Metrolink)		
	DC/MD/VA**	Greater National Capital Region (National Capital Region and Baltimore UASI Areas)	City of Alexandria (Alexandria Transit Company)		$38,080,340
			Fairfax County Department of Transportation		
			Maryland Transit Administration (MTA)	Maryland MTA Police Department	
			Montgomery County Department of Transportation		
			Potomac and Rappahannock Transportation Commission		
			Prince George's County Department of Public Works and Transportation		
			Virginia Railway Express (VRE)		
			Washington Metropolitan Area Transit Authority	Metro Transit Police Department	
	GA	Atlanta Area	Georgia Regional Transportation Authority		$6,399,055
			Metropolitan Atlanta Rapid Transit Authority (MARTA)	MARTA Police Department	
	IL/IN***	Chicago Area	Chicago Transit Authority (CTA)	Chicago Police Department	$24,856,829
			Northeast Illinois Commuter Railroad Corporation (METRA)	METRA Police Department	
			Northern Indiana Commuter Transportation District (NICTD)		
			PACE Suburban Bus		
	MA	Boston Area	Massachusetts Bay Transportation Authority (MBTA) (including Ferry)	MBTA Transit Police Department	$29,259,896
	NY/NJ/CT****	New York City/Northern New Jersey Area (New York City and Jersey City/Newark UASI Areas)	Connecticut Department of Transportation		$153,256,664
			Metropolitan Transportation Authority (MTA) New York City Transit (Subway)	New York City Police Department (NYPD)	
			MTA New York City Transit (Bus)	New York City Police Department (NYPD)	
			MTA Bus	MTA Police Department	
			MTA Suburban Bus Authority	MTA Police Department	
			MTA Metro-North Commuter Railroad Company	MTA Police Department	
			MTA Long Island Railroad	MTA Police Department	
			New Jersey Transit Corp. (NJT)	NJT Police Department	
			New York City Department of Transportation (Ferry)		
			Port Authority of New York and New Jersey (PANYNJ) (including Ferry)	Port Authority Police Department	
			Westchester County Department of Transportation		
	PA/NJ*****	Philadelphia Area	Delaware River Port Authority (DRPA)		$18,553,816
			Southeast Pennsylvania Transportation Authority	SEPTA Police Department	
			Pennsylvania Department of Transportation		
			New Jersey Transit	NJT Police Department	