PORT OF OAKLAND

11/20/2025

SUPPLEMENTAL AGENDA REPORT

<table>
<tr><td colspan="2"><u>PROPOSED ACTION</u>: Resolution: Approve and Authorize the Executive Director to Execute a Grant Agreement with the Federal Emergency Management Agency for $247,500 of Federal Fiscal Year 2025 (FFY 2025) Port Security Grant Program Funding to Offset the Cost of a Maritime Security Enhancement Project Estimated to Cost $330,000; and Find that the Proposed Action is Exempt Under the California Environmental Quality Act. (Maritime)</td></tr>
<tr><td colspan="2"><u>Submitted By</u>: Bryan Brandes, Director of Maritime; Kristi McKenney, Executive Director</td></tr>
<tr><td><u>Parties Involved</u>:
Federal Emergency Management Agency, Washington, D.C.</td><td><u>Amount</u>:
$330,000 FY2026 through FY2028, of which:
$247,500 (Federal funding)
$82,500 (Port funding)</td></tr>
<tr><td colspan="2"><u>EXECUTIVE SUMMARY</u>: In September 2025, the Federal Emergency Management Agency (FEMA) awarded the Port of Oakland (Port) a FFY 2025 Port Security Grant Program (PSGP) grant in the amount of $247,500 to enhance Port Maritime Area (Seaport) security capabilities. <u>Also in September, a U.S. District Court permanently enjoined FEMA from enforcing certain grant conditions, including a condition requiring recipients to cooperate with U.S. Immigration and Customs Enforcement (ICE). As a result, the Port would not be subject to any ICE cooperation requirements or other enjoined conditions by accepting this award.</u>

The PSGP grant would help offset the cost of portable security monitoring systems, portable security guard booths, and automated license plate readers (LPRs), which is estimated to cost $330,000.</td></tr>
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BACKGROUND & ANALYSIS

The PSGP is one of four grant programs that constitute FEMA's focus on transportation infrastructure security activities. The PSGP provides funds to maritime partners to support increased port-wide risk management and protect critical marine transportation system infrastructure from acts of terrorism, major disasters, and other emergencies.

<u>On September 24, 2025, a District Court in the District of Rhode Island permanently enjoined certain grant conditions imposed by FEMA, including a condition requiring cooperation with ICE, holding that these conditions were arbitrary and capricious and unconstitutional. *Illinois v. Federal Emergency Management Agency ("FEMA")*, No. 25-206 WES, (D. R.I. Sept. 24, 2025). The ruling applies to the Port as a subdivision of the</u>

State of California. The Court ordered FEMA to amend its grant conditions and ensure that grant agreements with plaintiff states and their subdivisions do not include the enjoined conditions or any substantially similar requirements.

Any grant agreement with FEMA should expressly exclude the conditions that were permanently enjoined by the U.S. District Court, including the previously attempted requirement to cooperate with ICE. Accordingly, the Port is not obligated to cooperate with ICE under this grant.

In September 2025, FEMA awarded the Port a FFY 2025 PSGP in the amount of $247,500 for the following key security enhancements for a period of three years (collectively, the Project):

- Purchasing two portable security guard booths;
- Leasing two portable security camera surveillance system towers (similar to those seen in many parking lots or construction sites), on a subscription-based service that may be renewed annually;
- Leasing six LPRs (similar to those currently deployed in other areas of Oakland) on a subscription-based service that may be renewed annually.

The Project is important to the continuity of Seaport operations and to reducing vulnerabilities in and around Maritime Transportation Security Act (MTSA)-regulated Seaport facilities. The Project will enable the Port to strengthen compliance with the MTSA and bolster regional preparedness, prevention, and response efforts, while reducing the financial burden on the Port.

The PSGP performance period is three years (September 1, 2025 – August 31, 2028). The total estimated Project cost is $330,000, of which $247,500 would be reimbursed by FEMA. The Port's matching contribution would be $82,500. In the event the Project costs less than $330,000, the PSGP funding would be adjusted downward such that the Port's share is always 25 percent; if the Project costs more than anticipated, the Port is solely responsible for any overruns. A breakdown of the estimated Project cost by fiscal year (FY) is provided in Table 1 below:

Table 1: Project Allocation Estimate

	FY 25-26	FY 26-27	FY 27-28	Total
(1) Automated LPRs (6)				
Federal	$15,000	$15,000	$15,000	$45,000
Port	$5,000	$5,000	$5,000	$15,000
Subtotal	$20,000	$20,000	$20,000	$60,000

(2) Portable Surveillance (2)				
Federal	$45,000	$45,000	$45,000	$135,000
Port	$15,000	$15,000	$15,000	$45,000
Subtotal	$60,000	$60,000	$60,000	$180,000
(3) Portable Guard Booths (2)				
Federal	$67,500	-	-	$67,500
Port	$22,500	-	-	$22,500
Subtotal	$90,000	-	-	$90,000
(4) Total	***$170,000***	***$80,000***	***$80,000***	**$330,000**
Federal	***$127,500***	***$60,000***	**$60,000**	**$247,500**
Port	***$42,500***	***$20,000***	**$20,000**	**$82,500**

OTHER FINDINGS AND PROVISIONS

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ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

☒ Categorically exempt under the following CEQA Guidelines Section:

15311 (Accessory Structures)

☐ "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).

☐ Other/Notes:

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BUDGET

☐ Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR

☒ Operating ☐ Non-Operating ☒ Capital

Analysis: The proposed Project was not included in the adopted Maritime Division FY 2025-26 Operating Expense Budget or Capital Budget. Project costs (both initial outlays pending reimbursement, and final net out of pocket) will be absorbed within the adopted Budgets. Project costs in FY2027 and FY 2028 will be incorporated into future Maritime Division budgets.

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STAFFING

☒ No Anticipated Staffing Impact.

☐ Anticipated Change to Budgeted Headcount.

Reason:

☐ Other Anticipated Staffing Impact (e.g., Temp Help).

Reason:

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MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

☐ Additional Notes:

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LIVING WAGE (City Charter § 728):

Applies?

No (Goods) – proposed action entails an agreement for goods, commodities, supplies, or equipment with incidental service provisions (if any) that are not covered by the Living Wage requirements.

☐ Additional Notes:

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SUSTAINABLE OPPORTUNITIES:

Applies? **Yes.**

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GENERAL PLAN (City Charter § 727):

Conformity Determination:

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<u>Reason</u>: The LPR cameras and portable security camera surveillance system will be installed with solar panels to provide clean, renewable energy for operation.	Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.

<u>STRATEGIC PLAN</u>. The proposed action would help the Port achieve the following goal(s) in the Port's Strategic Plan:

☐ Capture Our Market and Grow the Economic Base

☒ Modernize and Upgrade Infrastructure

☐ Transition to Zero-Emissions and Build Climate Resilience

☐ Maximize Land Use Value and Revenues

☐ Workforce Training and Jobs Development

☐ Create Opportunities for Local Businesses and Community Economic Development