

This Open Source report is provided as a guide to Industry and Law Enforcement to stay informed of Homeland Security issues and items of interest to the Bay Area Maritime Community. It is For the Official Use Only of the Maritime Transportation Community of Northern California

The Maritime Security Level is MarSec 1 (New Normalcy)

The Homeland Security Advisory Level is YELLOW (Elevated)

The attached information information is unclassified, however, it may be sensitive in nature. This information is not meant for dissemination outside of your department(s) and any media inquiries or reference to the attached information should be forwarded to the Port Intelligence Coordinator, CDR Jeff Saine; 510-437-3139.

U.S. (National) Information

1. MONEY FREED UP TO TEST CARGO-CONTAINER SECURITY

LOCATION: USA

SOURCE CODE: SEATTLE POST-INTELLIGENCER STAFF

DATE POSTED: JUNE 10, 2003

The federal government has released more than half the money allocated for demonstrations of cargo-container security, including five projects at Seattle and Tacoma ports, U.S. Sen. Patty Murray's spokesman said yesterday. The Transportation Security Administration will spend \$13.3 million in those two ports on the five projects.

Federal and local officials have become concerned about the possibility of terrorists using containers since the Sept. 11, 2001, attacks on New York. Only about 2 percent of the 6 million containers shipped to the United States are opened and checked at the ports.

Murray, who wrote the bill to spend money on the demonstration projects, said she's proud the two ports will get the funds and that the tests, part of a program called "Operation Safe Commerce," will make our ports and our communities safer, because it will allow us to know exactly what is in the containers coming to our ports."

The money allocated to Seattle and Tacoma is from \$30 million of a \$58 million appropriation approved by Congress in February, Murray spokesman Todd Webster said. With Seattle and Tacoma ports getting 44 percent of that total, the balance will be divided among the ports of Los Angeles/Long Beach and New York/New Jersey.

Murray, a Washington Democrat, had expressed concerns that all of the \$58 million might not be spent on the demonstrations. The security agency's director, James Loy, said that some of it might be diverted

to other needs, chiefly aviation security. Murray pressed the agency to send all \$58 million for cargo research. With the release of the \$30 million, the agency is still considering what to do with the other \$28 million. Murray has placed a hold on a Bush administration nominee to the Office of Management and Budget until the \$28 million is released for the demonstration work.

The first batch of money is expected to be released for use by the ports in the next few days. It is not clear when the demonstration work will start. Webster, the security agency and the Port of Seattle could not provide details about the projects that will get money.

2. USCG PORT PLAN TO BALANCE SECURITY, ECONOMICS

LOCATION: USA

SOURCE CODE: DOW JONES NEWSWIRES

DATE POSTED: JUNE 10, 2003

The main mission of tightening security along U.S. waterways is to catch the "bad guys," but also to minimize the financial impact on companies operating in U.S. ports, Coast Guard Rear Admiral Larry Hereth said Tuesday.

Hereth, the director of port security for the Coast Guard, told attendees of an Independent Liquid Terminals Association conference the economic impact of any added security is a main concern. "The only truly secure waterfront is one that doesn't operate, and that's not acceptable to either (the government or businesses)," he said.

Oil terminals and other commercial enterprises along ports in the U.S. will have to submit a security assessment and a detailed security plan to the Coast Guard by Jan. 1, 2004, so that enforcement of the new Maritime Transportation Security Act can begin July 1, 2004. The Coast Guard will publish new regulations by July 1, 2003, Hereth said.

Hereth said Tuesday that costs to private enterprises could total \$1.4 billion in the first year of the act, but added that the costs of a terrorist attack could have much deeper economic impact. "Usually, it's regulator versus regulatee," He said at the conference. "We try to suggest that it's all of us in this room against the bad guys."

Along with the oil terminals, refineries and ships in U.S. ports, Hereth said the Coast Guard will also impose similar regulations on the 50 largest offshore oil platforms in the Gulf of Mexico. "It'll be very similar to facility regulations: they'll have to come up with a security assessment and a security plan," Hereth said.

One of the main drivers behind the new security plan will be to develop a consistency in regulations among U.S. ports. "We don't need a patchwork of regulations," Hereth said. "We need consistency among business on the waterfront and consistency from jurisdiction to jurisdiction."

In one glimpse of the new rules, Hereth said workers in all areas of transportation - including shipping and terminal operations - will use a "smart card" method of identification. The Maritime Transportation Security Act will cover 361 ports, 5,000 waterfront facilities and 10,000 U.S. vessels representing about \$750 billion in U.S. commerce, the admiral said. "This act is going to have a tremendous impact on how business is conducted on the waterfront," Hereth said. "We have to have this culture of security built up. "But," he told terminal operators, "we're looking for you to figure out the most cost-effective way to protect your facilities."

3. MURRAY WINS FIGHT TO FUND PORT MEASURE

LOCATION: USA

SOURCE CODE: SEATTLE TIMES

DATE POSTED: JUNE 12, 2003

The Homeland Security Department announced yesterday that it would fully fund a port-protection measure authored by Sen. Patty Murray, D-Wash., ending a months-long spat between the Bush administration and the state's senior senator.

In a one-sentence letter to Murray, Secretary Tom Ridge said his department will "obligate, in the near future, the entire \$58 million in appropriated funds for the 'Operation Safe Commerce' port-security initiative."

Earlier this month, the department indicated it might redirect \$28 million of the \$58 million Congress dedicated to Operation Safe Commerce, which would track containers entering ports in Seattle; Tacoma; Los Angeles; Long Beach, Calif.; New York; and New Jersey.

Yesterday's letter prompted Murray to declare legislative victory after six months of hounding the Bush administration to release all the money for Operation Safe Commerce. Last month she hijacked a presidential nomination in the U.S. Senate to bring attention to the issue. "We went to full battle and I think they realized they could not win," said Murray.

The money will fund various pilot projects to track individual cargo containers from foreign ports to their final destinations in the United States. The goal is to test different technologies that would prevent terrorists from tampering with containers. More than 1.4 million containers came through the Port of Seattle last year. Ridge's letter came a day before he is scheduled to travel to Newark, N.J., to discuss port security.

During a congressional hearing May 13, Adm. James Loy, head of the Transportation Security Administration, which is part of Homeland Security, told Murray that some of the money for Operation Safe Commerce may be used to cover other administrative costs. In response, Murray placed a "hold" on the nomination of Clay Johnson, the president's choice for deputy director for management at the Office of Management and Budget. A hold is an obscure Senate procedure whereby lawmakers indicate they will fight a proposed bill or nomination.

Murray credits the hold with forcing the Homeland Security Department to fund port protection. "I think they realized that I would go to whatever lengths to make this happen," she said.

The Homeland Security Department notified Murray's office on Monday that it had awarded the ports of Seattle and Tacoma \$13.3 million for Operation Safe Commerce. The other ports shared the balance of \$30 million. Yesterday, Ridge committed to releasing the remaining \$28 million that Congress had set aside.

Secretary of Transportation Norman Mineta and others have identified port security and cargo containers as a major challenge against terrorism. Seattle has the fifth-busiest port on the West Coast.

"We're glad Sen. Murray fought for this," said Mick Schultz, spokesman for the Port of Seattle. "We're grateful she was able to convince the powers that be to deliver this funding." Schultz said the grants will fund teams composed of ocean carriers, railroads, shippers such as Target and Home Depot, and engineering companies. He did not know which projects had been selected by the Homeland Security Department, or whether such information will remain classified.

4. ADT WINS \$4.7 MILLION OAKLAND PORT WORK

LOCATION: OAKLAND, CALIFORNIA

SOURCE CODE: BUSINESS WIRE

DATE POSTED: JUNE 12, 2003

ADT Security Services, Inc., Boca Raton, Fla., has won a \$4.7 million contract from the Port of Oakland, Calif., to install a maritime security system. The contract is funded through a 2002 seaport security grant from the Transportation Security Administration.

For this system, ADT will deploy up to \$350,000 worth of digital surveillance products from SmartSight Networks Inc. of Laval PQ, Quebec, SmartSight announced June 11.

For this contract, ADT will provide more than 100 wirelessly networked video cameras, along with wireless bridges and supporting infrastructure, to help the port detect intruders. The port encompasses more than 900 acres of maritime terminal facilities and 19 miles of waterfront.

ADT, originally called American District Telegraph, was acquired by Tyco International Ltd., Exeter, N.H., in 1974 and is run as a subsidiary of its fire and security business unit.

SmartSight is a vendor of digital surveillance equipment for closed circuit and Internet protocol-based networks. It was acquired by digital video security firm Verint Systems Inc., Melville, N.Y., in May, for \$7 million in cash and stock. SmartSight will continue to operate under its own name for the immediate future, according to Christine Hamon, marketing coordinator for the company.

5. INDIVIDUAL TRY'S TO GAIN ACCESS TO SHORE FACILITIES

June 8, Port of Sacramento, Agrium Facility. An individual trying to gain access to the facility was challenged by facility security. The individual produced a military I.D. identifying him as a CG petty officer. He had no other identification available. Search of the CG address book shows no CG members listed under the name given. CG Investigative Service is researching the case.

June 10 and 11. SSA Terminal in Oakland notes a blue Toyota Camry loitering outside of their gate 2 days in a row. Each day the vehicle had a different driver, both of apparent Arabic ethnicity. When questioned, the driver stated he worked for a trucking company and checking things out. The Marine Safety Office issued a Field Intelligence report and CGIS is following up.

6. SECURITY GRANTS TO PORTS

Secretary Ridge announced the Department's commitment to enhancing security at our nation's key ports and facilities through \$170 million dollars in port security grants.

The Port Security Grant Program funds security planning and projects to improve dockside and perimeter security. The latest round of Transportation Security Administration (TSA) grants have been awarded to 199 state and local governments, and private companies for \$170 million (Attachment A). These new awards will contribute to important security upgrades like new patrol boats in the harbor, surveillance equipment at roads and bridges, and the construction of new command and control facilities. TSA, the United States Coast Guard and the Department of Transportation's Maritime Administration evaluated the Port Security Grant applications and selected grant award recipients. In 2002, \$92 million was awarded in the first round of Port Security grants.

In addition to the \$170 million, the Department of Homeland Security also provided \$75 million in port security grants for specific projects from the FY '03 supplemental budget. The funds will be distributed by the Office for Domestic Preparedness to cover recent infrastructure security protective measures, security enhancements, training, exercises, equipment, planning, and information sharing.

7. License docking pilots as anti-terrorism measure.

June 15, Newsday.com — License docking pilots as anti-terrorism measure. A terrorist could get hired to captain a tugboat and run amok with a ship laden with dangerous cargo because of a loophole that allows local dock pilots to operate tugs without a license, a New York assemblyman warned yesterday. Assemblyman Jeffrey Klein (D-Bronx) said 35 docking pilots are hauling huge ships in and out of the Port of New York-New Jersey without even

minimal background checks. "Security is an issue post-September 11," Klein said at a press conference in Battery Park. "The weapon of choice was a plane. Let's make sure if there's a next time we don't allow terrorists to use a ship as a weapon of mass destruction." Docking pilots are charged with taking control of ships in New York metropolitan waters. Ship captains turn over control of the vessel to licensed state pilots about 15 miles from shore, and the unlicensed tug pilot guides the vessel to the dock within the final mile. Klein has introduced legislation that calls for all docking pilots to be licensed. They would be subject to medical exams, background checks and a license renewal hearing, he said. Klein has the support of Bob Pouch, the executive director of the six-person Board of Commissioners of Pilots, which oversees state navigation laws.

Source: <http://www.newsday.com/news/local/newyork/nyc-safe0616,0,2528318.story?coll=ny-nynews-headlines>

8. Self-described anarchist arrested after threatening to bomb Coast Guard Station, National Guard armory in WA

A Western Washington University student has been arrested on federal charges of threatening to bomb several local military facilities, including a Coast Guard station and a National Guard armory. Documents filed in U.S. District Court in Seattle allege that Paul Revak is a self-described anarchist who admires Osama bin Laden and asked an undercover FBI agent about obtaining military-grade explosives for assaults on the Bellingham facilities. Revak, 20, was arrested Monday as he left a Fred Meyer store in Bellingham, carrying a pellet gun he had just purchased. After the arrest, federal agents obtained a warrant to search Revak's

Mathes Hall dormitory room. Agents said that in a gym bag under Revak's bed, they found two camouflage hats, camouflage face paint, two pairs of black gloves, a black ski mask, a walkie-talkie and bolt cutters.

Revak was being held last night at the Federal Detention Center in SeaTac, charged with solicitation to commit a crime of violence and threats to use a weapon of mass destruction. Assistant U.S. Attorney Andrew Hamilton said the first charge carries a maximum penalty of 20 years in prison and the second carries a maximum of life in prison. If convicted, Revak also could face fines of \$250,000 on each count.

Revak did not enter a plea. His attorney, Brian Tsuchida, was not immediately available for comment. FBI agent James Powers, in charging papers, said the FBI had been monitoring Revak's activities for nearly three weeks after being tipped by a fellow student who said Revak had attempted to recruit him. Agents arranged to have meetings between Revak and the other student recorded on audio and videotape.

The court papers say Revak did not have any explosives or other weapons but had hatched detailed plans to infiltrate a local Coast Guard station, blow it up and shoot survivors. Revak had performed detailed reconnaissance of the station, accurately reporting the number of boats at the facility, the government said.

On June 5, an undercover agent met with Revak and the other student. According to the court documents, Revak asked the agent about acquiring explosives and hand grenades. He told the agent he had been planning to buy an AK-47 assault rifle at a Bellingham pawnshop until the gun was sold to another customer.

According to the court documents, Revak told the undercover agent he had decided against attacking the Coast Guard facility because he was worried there would be too many casualties. He said he was considering other targets such as a Whatcom County industrial complex known as Cherry Point, or a Washington National Guard facility next to Bellingham International Airport. The Cherry Point complex is home to an oil refinery as well as natural-gas and liquid-propane storage tanks.

According to court documents, Revak asked the undercover agent if he knew the story of John Brown, who helped start the Civil War with a raid on a U.S. armory in Harper's Ferry, Va., in 1857. Revak told the agent he hoped his attack would have a similar effect on the country. On Monday, according to the court documents, Revak was telephoned by the student who was cooperating with federal agents. Revak told the student he was beginning to distrust the undercover agent and was going to purchase a pellet gun to protect himself.

Information from The Associated Press is included in this story. Jesse Tarbert: jtarbert@seattletimes.com <<mailto:jtarbert@seattletimes.com>>

9. SIX OAKLAND-BOUND STOWAWAYS CAPTURED

LOCATION: OAKLAND, CALIFORNIA

SOURCE CODE: LA TIMES

DATE POSTED: JUNE 16, 2003

Six men -- four Panamanians and two Colombians -- were captured Thursday night while attempting to illegally enter the country on a container ship headed for the Port of Oakland, authorities said.

One of the six stowaways, a Colombian national, is being held on undisclosed charges, while the other five will be deported back to their countries of origin, said Sharon Rummery, spokeswoman for the Bureau of Customs and Border Protection in San Francisco.

About 15 people are apprehended each year as they try to enter the country on ships headed for Oakland, Rummery said. It's not a common, or "hospitable" way for illegal immigrants to try to get into the United States, Rummery said.

The six men, ages 27 to 48, were stowaways aboard the MOL Ingenuity, a 958-foot ship that came from the East Coast through the Panama Canal. The ship's last stop was Mandanillo, Panama, Rummery said.

10. Ways to Deter Stowaways and Protect Vessels

Secure-Ship is a system using an electrified fence around a facility or on a vessel to deter people from unwanted entry or boarding. The system will also set off alarms and floodlights. More information at www.secure-marine.com.

ShipLoc is a way to keep track of ships that are at sea via satellites. More information at www.shiploc.com.

WorldNews_____

1. TRAVEL WARNING: INDONESIA

June 12, 2003

This Travel Warning alerts U.S. citizens to new security threats in Indonesia related to the outbreak of active hostilities in Aceh province between the Indonesian military and the Free Aceh Movement (GAM), and it reminds U.S. citizens of ongoing terrorist threats in Indonesia. U.S. citizens should defer all non-essential travel to Indonesia. This supersedes the April 25, 2003, Travel Warning for Indonesia.

On May 19, 2003, the Indonesian government declared martial law in Aceh and launched significant military operations in response to the ongoing separatist conflict between the Indonesian military and the GAM. The Indonesian government has warned all foreigners to leave Aceh and gave notice that this conflict could result in terrorist attacks throughout Indonesia, particularly in urban areas where security forces are on a higher state of alert. Because of the hostilities, at least one foreigner was killed and one wounded by security forces. American citizens are strongly urged to avoid traveling to Aceh and those already present should leave immediately.

Bali, Indonesia, was the scene of a major terrorist attack in October 2002, and the potential remains for violence and terrorist actions against U.S. citizens and interests. The Jemaah Islamiyah organization, designated as a Foreign Terrorist Organization, is an extremist group known to have cells operating in

Southeast Asia, including Indonesia and is known to have connections with Al-Qaeda. The terrorist attack in Bali, which took place in an area with a large number of foreign tourists, clearly indicates that a security threat extends to private American citizens. The U.S. Government believes extremist elements may be planning additional attacks targeting U.S. interests in Indonesia, particularly U.S. Government officials and facilities. As security is increased at official U.S. facilities, terrorists will seek softer targets. These may include facilities where Americans and Westerners are known to live, congregate, shop, or visit, especially hotels, clubs, restaurants, shopping centers, housing compounds, transportation systems, places of worship, schools, or outdoor recreation events. Throughout Indonesia, bombings have been an ongoing problem over the past two and a half years, and have struck religious, political, and business targets. In April 2003, the Jakarta international airport was bombed. Americans should avoid political demonstrations, which have the potential to turn violent. In the border areas near Malaysia and the Philippines, there is a risk of kidnappings by the Abu Sayyaf terrorist group.

There is potential for violence and unrest; both can erupt without warning. There are threats, including the possibility of terrorist activity, throughout Indonesia. Sectarian, ethnic, communal (inter/intra group) and separatist strife, and violence are ongoing threats to personal safety and security in various areas, including Maluku, North Maluku, Sulawesi, Papua and West Timor. Papua's separatist conflict can become violent. In August 2002, two U.S. citizens were killed near Timika in circumstances that have raised suspicions of official involvement.

Americans who travel to or reside in Indonesia despite this Travel Warning should keep a low profile, varying times and routes for all required travel, remaining acutely aware of their immediate environment. The U.S. Mission in Indonesia may occasionally suspend service to the public, or close, because of security concerns. In these situations, the Embassy and Consulate will continue to provide emergency services to American citizens.

Information on travel and security in Indonesia may be obtained from the Department of State by calling 1-888-407-4747 within the United States; from overseas, call 1-317-472-2328. The U.S. Embassy in Jakarta can be contacted by phone at (62)(21) 3435-9000, the Consulate General in Surabaya's number is (62) (31) 568-2287, and the Consular Agency in Bali's number is (62) (361) 233-605.

U.S. citizens should also read the Department of State's Consular Information Sheet for Indonesia and the Worldwide Caution Public Announcement. All are available at any U.S. Embassy or Consulate abroad and on the Department of State, Bureau of Consular Affairs' web site, <http://travel.state.gov>.

2. US FEARS TERRORIST ATTACK IN STRAITS OF MALACCA

LOCATION: STRAITS OF MALACCA

SOURCE CODE: THE WALL STREET JOURNAL

DATE POSTED: JUNE 16, 2003

Security has been tightened around the world since September 11, 2001, and the wars in Afghanistan and Iraq. But in the Strait of Malacca, which carries one-third of global trade and most of the oil that

powers Asia's economies, attacks on shipping are common as countries squabble over what can be done.

American officials are set to introduce new proposals to tighten security in the strait at a meeting with South-East Asian officials on Friday in Hanoi, Vietnam. But security experts hold out scant hope of a quick solution to the problems in the narrow channel, which slices an opening between Malaysia and Indonesia into the heart of Asian waters.

Accurate statistics are hard to come by because many shipping incidents are believed to go unreported. But according to the International Maritime Bureau, a United Nations affiliate that works with Interpol to combat seaborne crime, in two weeks in March alone there were four attacks in the strait, resulting in at least one death, two injuries and three sailors being reported missing. Just last week, pirates boarded a fishing trawler in the strait, shot the captain and kidnapped two sailors, the bureau says. Attacks on chemical tankers and other big ships have taken place in recent months in the waterway that the US government calls a "vital choke point" for global trade.

With piracy in the strait already so common, some experts studying global security issues fear that a terrorist attack on a ship could cripple international trade. "The nightmare for the United States is that a supertanker will be hijacked and driven into Singapore port, or some other large port, or sunk in the Malacca Straits, thus seriously disrupting the flow of oil to East Asia, and potentially blocking US naval mobility and flexibility as well," says a yet-to-be published study by researchers at the East-West Centre, a US government think tank.

Evidence that terrorists have already targeted shipping in the strait led Singapore and Malaysia to increase their supervision in the months after September 11, 2001, over the parts of the 970 kilometer waterway where they have jurisdiction. The Indian government is sharing patrols with US Navy ships in the northern end of the strait. The US ships have also been escorting some merchant vessels through the passage, which at some points is just 2.5 kilometers wide.

Despite these efforts to protect shipping, when it comes to the potential for a terrorist attack, authors of the East-West Centre report, Adam Young and Mark Valencia, say: "The United States has little confidence in the capacity and will of the South-East Asian countries to prevent such a disaster."

The channel is used by hundreds of ships every day. Three times as much oil passes through it as transits the Suez Canal - oil that powers the economies of Japan, China, South Korea and most of the rest of Asia.

Now that al-Qaeda or al-Qaeda-inspired terrorists are once again stepping up attacks, some officials worry that the strait will seem an easy target. It is a target terrorists have already identified. Surveillance videos recovered from an al-Qaeda cache found in Afghanistan showed Malaysian Navy ships on patrol in the strait.

Singapore authorities say they uncovered a plot to attack US military ships in the strait when they arrested alleged terrorists in 2001. A senior US security official says: "It is increasingly obvious to all concerned that there are connections between piracy and other transnational problems such as terrorism, the narcotics trade, illegal immigration, money transfers etc."

He says the US believes that the key to the solution is multinational co-operation under Asian leadership. But that co-operation isn't likely to come easy. "Indonesia still remains the problem, as their waters are the most pirate-infested of anywhere on the globe," a South-East Asia specialist and associate director at the Asia Foundation, John Brandon, says.

_____Upcoming Bay Area Maritime Security Meetings_____

Date Time Meeting Location

June 18th 08:30 - 11:30 am State Lands Commission Shell Clubhouse

_____Northern California Maritime Event Calendar For March_____

Date Start End Event Type Location Type

That's all the news for this week. Please remember to pass on any maritime security information to CDR Jeff Saine, 510-437-3139, jsaine@d11.uscg.mil , LCDR Lawrence Henderson at LHenderson@d11.uscg.mil , or Jeff Wasserman at JWAsserman@D11.uscg.mil . For maritime emergencies dial 9-1-1.