PORT OF GALVESTON
REQUEST FOR DISCUSSION AND TRUSTEES ACTION

BUSINESS ITEM

PREPARED BY: Laura Camcioglu  Director of Administration  January 16, 2020

SUBJECT: Consider and Approve Memorandum of Understanding between the Galveston Wharves Board and Customs and Border Patrol for IT upgrades to Terminal 1 & 2.

BACKGROUND: Memorandum of Agreement outlines the agreement between the Port and CBP in regards to the Port’s responsibility to reimburse CBP for costs related to providing the equipment required for the performance of Federal Inspection Services (FIS) facility in Terminal 1 & 2.

RECOMMENDATIONS: The Board of Trustees is respectfully requested to approve a the Memorandum of Understanding between the Port and CBP committing to reimburse the cost for IT upgrades to Terminal 1 & 2 for CBP operation.

Respectfully Submitted By:

Rodger Rees, Port Director /CEO

DATE ACTION TAKEN:

Approved:  
Disapproved:  
Deferred To:  
Incorporated into Minutes:

Motion By:  
Seconded By:

Unanimous:  Yes  No
PORT OF GALVESTON
Briefing

CONSIDER AND APPROVE MEMORANDUM OF UNDERSTANDING BETWEEN THE
GALVESTON WHARVES BOARD AND CUSTOMS AND BORDER PATROL FOR
IT UPGRADES TO TERMINAL 1 & 2.

Background

An upgrade is required for both Terminal 1 and 2 for the Federal Inspection Services Facility of Customs and Border Patrol (CBP). This Memorandum of Understanding outlines the agreement between the Port and CBP in regards to the Port’s responsibility to reimburse CBP for costs related to providing this equipment.

The upgrade that CBP is requesting will increase the CBP’s internet bandwidth from its current level to 50M circuits, along with upgraded routers that are needed to support the 50M circuits. This increased bandwidth will significantly improve their computer’s connection speed and reliability when accessing their national database for the passenger clearing process.

Current Situation

Terminal 1

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### U.S. Customs and Border Protection
Office of Information & Technology
Cost Sign-Off Document*  
(*Actual costs will be derived from actual quotations)
This is a Rough Order of Magnitude Estimate.
Final costs will be determined once the network designs are completed.

<table>
<thead>
<tr>
<th>Site:</th>
<th>Galveston Cruise Terminal 1 (site code GLU00A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addr:</td>
<td>2902 Harbour Drive, Pier 26, Galveston, TX 77550</td>
</tr>
<tr>
<td>Date Prepared:</td>
<td>11/19</td>
</tr>
<tr>
<td>Preparer:</td>
<td>TRACIE MARBURY</td>
</tr>
</tbody>
</table>

#### Line Item

<table>
<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
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</thead>
</table>

#### Data/Voice Equipment Costs (OCC-31)

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 NA</td>
<td>Total Equipment Cost</td>
<td></td>
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<td>$0.00</td>
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#### Circuit Upgrade Costs (OCC-23):

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
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</thead>
<tbody>
<tr>
<td>2 Non-recurring Cost for Router (Comcast ICP 50M Circuit)</td>
<td>1</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td></td>
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<tr>
<td>3 Non-recurring Cost Comcast ICP 904 Circuit</td>
<td>1</td>
<td>$500.00</td>
<td>$500.00</td>
<td></td>
</tr>
<tr>
<td>4 Non-recurring Potential Special Construction</td>
<td>1</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Recurring Monthly Cost plus 10% Router Cost</td>
<td>12</td>
<td>$516.75</td>
<td>$6,201.00</td>
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</tr>
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</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
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<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
</table>

#### Total Annual Circuit Costs: $12,904.00

#### Travel Costs (OCC-21):

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 None</td>
<td>Total Travel Costs</td>
<td></td>
<td></td>
<td>$0.00</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
</table>

#### TOTAL ESTIMATED INITIAL EQUIPMENT AND SERVICES COSTS: $12,904.00

#### Out Year Recurring Circuit Costs:

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Recurring Monthly Cost plus 10% Router Cost</td>
<td>12</td>
<td>$10.75</td>
<td>$129.00</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
</table>

#### Total Estimated Annual Maintenance and Service Costs: $7,401.00
Terminal 2

U.S. Customs and Border Protection
Office of Information & Technology
Cost Sign-Off Document

*Actual costs will be derived from actual obligations*
This is a Rough Order of Magnitude Estimate.
Final costs will be determined once the network designs are completed

Site: Galveston Cruise Terminal 2 (site code GL.V901A)
Add: 2762 Harborside Drive, Galveston, TX 77550
Date Prepared: 11/6/19
Preparer: TRACIE MARBURG

<table>
<thead>
<tr>
<th>Line Item</th>
<th>Description</th>
<th>Qty</th>
<th>Unit Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>NA</td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Data/Voice Equipment Costs (OCC-31):**

2: Non-recurring Cost for Router (Comcast ECP SDM Circuit)
1: $2,000.00
   Total: $2,000.00

3: Non-recurring Cost for Comcast ECP SDM Circuit
1: $600.00
   Total: $600.00

4: Non-recurring Potential Special Construction
1: $3,000.00
   Total: $3,000.00

5: Recurring Monthly Cost plus 10% Router Cost
12: $206.75
   Total: $2,500.00

Total Annual Circuit Costs: $15,424.00

**Travel Costs (OCC-21):**

None
Total Travel Costs: $0.00

TOTAL ESTIMATED INITIAL EQUIPMENT AND SERVICES COSTS: $15,424.00

**Out Year Recurring Circuit Costs:**

7: Recurring Monthly Cost plus 10% Router Cost
12: $206.75
   Total: $2,500.00

Total Estimated Annual Maintenance and Service Costs: $2,500.00

Fiscal Impact

$45,650 first year – Equipment & Charges. Each year after - Annual Network Circuit charges for Terminal 1 and 2 total $17,322.

Staff Recommendation

The Board of Trustees is respectfully requested to approve a the Memorandum of Understanding between the Port and CBP committing to reimburse the cost for IT upgrades to Terminal 1 & 2 for CBP operation.
U.S. CUSTOMS AND BORDER PROTECTION (CBP)
MEMORANDUM OF AGREEMENT TO REIMBURSE CBP

This Memorandum of Agreement ("MOA") outlines the agreement between the Board of Trustees of the Galveston Wharves, also known as the Port of Galveston ("POG") (Sponsor) and CBP in regards to the sponsor's responsibility to reimburse CBP for costs related to providing the equipment required for the performance of Federal Inspection Services (FIS) facility at the below named location. The legal authority for CBP to enter into and to require such an agreement is found at 8 U.S.C. § 1223(b), and 19 U.S.C. §§ 1433(a), 1459(b), and 1467.

Port Authority: Board of Trustees of the Galveston Wharves
Location: 123 25th Street, 8th Floor
Galveston, TX 77550

POG RESPONSIBILITIES

Data and Cabling
POG will be responsible for the procurement and installation of all data cabling and electrical components required for connectivity of the Automated Data Processing (ADP) LAN, Circuit, Data, Information Technology (IT), and any Voice and Tactical Communications (TacCom) Systems and equipment according to CBP Office of Information Technology (OIT) provided specifications. POG must give CBP two weeks, 14 days' advance notice of all cable pulls so that CBP can be present and observe their installation.

Reimbursement of ADP LAN, Circuit, Data, IT, Voice and TacCom Equipment Costs
POG agrees to reimburse CBP for all ADP LAN, Circuit, Data, IT, Voice and TacCom Systems equipment and connectivity costs, including equipment ordering, installation, maintenance, and ADP LAN, Circuit, Data, IT, Voice and TacCom connectivity and recurring costs relative to standing-up and maintaining continuous CBP operations at the POG Federal Inspection Services (FIS), located at 2502 Harborside Drive, Pier 25, Galveston, TX 77550. Estimated ADP LAN, Circuit, Data, IT, Voice and TacCom equipment costs total $12,904.00. Attached is CBP OIT's Cost Estimate for site code GLV004A that identifies the ADP LAN, Circuit, Data, IT, Voice and TacCom equipment requirements and recurring costs for the CBP FIS. POG will reimburse CBP all ADP LAN, Circuit, Data, IT, Voice and TacComm equipment and recurring costs.

POG will be billed for the actual costs of the ADP LAN, Circuit, Data, IT, Voice and TacCom equipment, and the one-time and recurring charges for the network, and any required replacement equipment. Recurring out-year network Circuit charges are estimated at $7,401.00 for a total of $7,401.00 per year.

ADP LAN, Circuit, Data, IT, Voice and TacCom Equipment Upgrades
Upgrades to the ADP LAN, Circuit, Data, IT, Voice and TacCom Systems and equipment may be required on a schedule determined by CBP (approximately every 3-5 years, as needed). POG also agrees to reimburse CBP costs to upgrade ADP LAN, Circuit, Data, IT, Voice and TacCom equipment. CBP will provide POG at minimum a 180-day notice advance of required upgrades.
POG Accounts Payable Information

Tax Identification Number: ____________________________
Bill To Representative: ______________________________
Phone Number: ________________________________
Email Address: _________________________________
Address: ________________
123 Rosenberg, Eighth Floor
Galveston, TX 77550

POG Voice Communications Services
POG shall be responsible for funding the telephone services line(s) required to establish and maintain continuous voice connectivity for CBP OIT procurement, installation and maintenance of the [POG] reimbursed Voice Communications Systems equipment costs required at 2502 Harborside Drive, Pier 25, Galveston, TX 77550, as identified in CBP OIT Cost Estimate GLV004A. CBP will retain possession and custody of the Voice Communications Systems equipment ordered by CBP and reimbursed by POG until CBP vacates the premises. POG will ensure the continued connectivity of the telephone line(s) at no cost to CBP.

Payment Process
Upon execution of this MOA, CBP OIT will forward a signed original copy to the CBP National Finance Center (NFC). Upon receipt, the NFC will issue POG a bill for the actual ADP LAN, Circuit, Data, IT, Voice and TacCom equipment, and any travel costs totaling not more that $12,904.00. The CBP NFC will also bill POG 90-days prior to the due date for at most $7,401.00 in recurring out-year network and connectivity charges owed, and any sums owed for future ADP LAN, Circuit, Data, IT, Voice and TacCom equipment upgrades and replacements.

Pursuant to 19 C.F.R. § 24.3a, any amounts due CBP under the terms of this agreement not reimbursed within 30 days of billing will begin accruing interest charges based on current U.S. Treasury borrowing rates and may ultimately be referred for collection against the POG.

Equipment Ownership
CBP will retain possessory ownership of all ADP LAN, Circuit, Data, IT, Voice and TacCom Systems and equipment ordered by CBP and reimbursed by the POG until CBP vacates the premises. CBP will transfer ownership rights of all ADP LAN, Circuit, Data, IT, Voice and TacCom equipment used in CBP operations and reimbursed by the POG for the Galveston Cruise Terminal 1 located at 2502 Harborside Drive, Pier 25, Galveston, TX 77550 when CBP vacates the premises. Within 60-days following installation and reimbursement, CBP OIT will deliver a list of Serial Numbers and/or other identification and warranty information for the POG reimbursed ADP LAN, Circuit, Data, IT, Voice and TacCom equipment to the POG as instructed below.

POG Equipment Administrator:
Email Address: ________________________________
Phone Number: ______________________________
Ship to Address: ______________________________
123 Rosenberg, Eighth Floor, Galveston, TX 77550

U.S. CUSTOMS AND BORDER PROTECTION (CBP) RESPONSIBILITIES

Equipment Connectivity and Maintenance
The CBP OIT will be responsible for ordering and installing required data equipment connection(s) from the CBP FIS to the CBP National Data Center, and imaging, maintaining,
and controlling all of the ADP LAN, Circuit, Data, IT, Voice, and TacCom equipment listed in
the attached CBP OIT Cost Estimate Site code GLV004A for the CBP FIS as required by CBP,
the costs of which POG shall reimburse CBP. POG will incur no additional costs or CBP OIT
charged service fees for any required ADP LAN, Circuit, Data, IT, Voice and TacCom
equipment maintenance/repair/replacement covered by CBP procured equipment warranties.

Data Ownership
All data entered and/or stored in any manner on the equipment covered by this MOA shall
belong to the United States and is confidential and protected information. It shall be CBP’s
responsibility to properly remove said data before possession of any equipment is transferred to
POG. In the event data inadvertently remains on any of the equipment upon transfer, POG shall
keep the information confidential and immediately notify CBP so that CBP can remove the data.

**AUTHORIZATION** (TWO ORIGINALS WITH SIGNATURES ARE REQUIRED)

Authorized Representative
The POG signatory to this MOA represents and warrants that he or she is a duly authorized
representative of the POG, with full power and authority to enter into this MOA and to bind the
POG with regard to all matters relating to this agreement.

Agreement to these terms is attested by the signatures below.

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**Rodger E. Rees**  
Port Director/CEO  
Board of Trustees of the Galveston Wharves, a/k/a  
The Port of Galveston

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**Roderick W. Hudson**  
Port Director  
Area Port of Houston/Galveston  
Customs and Border Protection

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Approved as to Form:

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**Anthony P. Brown,**  
Legal Counsel to the Board of Trustees  
Of the Galveston Wharves
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POG will be billed for the actual costs of the ADP LAN, Circuit, Data, IT, Voice and TacCom equipment, and the one-time and recurring charges for the network, and any required replacement equipment. Recurring out-year network Circuit charges are estimated at $9,921.00 for a total of $9,921.00 per year.

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Pursuant to 19 C.F.R. § 24.3a, any amounts due CBP under the terms of this agreement not reimbursed within 30 days of billing will begin accruing interest charges based on current U.S. Treasury borrowing rates and may ultimately be referred for collection against the POG.

Equipment Ownership
CBP will retain possessor ownership of all ADP LAN, Circuit, Data, IT, Voice and TacCom Systems and equipment ordered by CBP and reimbursed by the POG until CBP vacates the premises. CBP will transfer ownership rights of all ADP LAN, Circuit, Data, IT, Voice and TacCom equipment used in CBP operations and reimbursed by the POG for the Galveston Cruise Terminal 2 located at 2702 Harborside Drive, Galveston, TX 77550 when CBP vacates the premises. Within 60-days following installation and reimbursement, CBP OIT will deliver a list of Serial Numbers and/or other identification and warranty information for the POG reimbursed ADP LAN, Circuit, Data, IT, Voice and TacCom equipment to the POG as instructed below.

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POG with regard to all matters relating to this agreement.

Agreement to these terms is attested by the signatures below.

Rodger E. Rees
Port Director/CEO
Board of Trustees of the Galveston Wharves, a/k/a
The Port of Galveston

Roderick W. Hudson
Port Director, Field Operations
Customs and Border Protection

Approved as to Form:

Anthony P. Brown,
Legal Counsel to the Board of Trustees
Of the Galveston Wharves