

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**STAFF BRIEFING**

<b>Item No.</b>	7a
<b>Date of Meeting</b>	July 22, 2014

**DATE:** July 16, 2014  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Elizabeth Leavitt, Director, Aviation Planning & Environmental Services  
Wayne Grotheer, Director, Aviation Project Management  
Michael Ehl, Director, Airport Operations  
**SUBJECT:** International Arrivals Facility Project Progress Briefing (CIP #C800583)

**SYNOPSIS**

The new International Arrivals Facility (IAF) at Seattle-Tacoma International Airport will relocate Federal Inspection Services (FIS) processing of international travelers from its current location in the South Satellite to a new facility to be constructed landside of Concourse A. In order to be responsive to the growth of international travelers, reduce construction duration impacts to current operations, and take advantage of recent revisions to Washington State procurement rules, Port staff is proceeding with delivery of this project using the Progressive Design Build methodology. Success with this procurement method, and this critical project, depends on regular full-spectrum communication between staff and the Commission.

This briefing initiates that communication plan, presents an activities update, and provides advance notice of items that will be presented for Commission action on July 29, 2014. Topics include project funding authorization, request for qualifications to procure the IAF design-build team, Port crew involvement with the project, single procurement of the South Satellite to Concourse A connector (connector) and IAF, design selection of the connector, and cost validation. This briefing also advances our definition of the IAF scope, schedule, and cost.

The IAF project scope of work was still under development when the first rough order-of-magnitude cost estimate was projected to be \$316 million. As with any project, cost estimates at the start of the project are very rough. The specificity of the number \$316 million gives an impression of accuracy that is still not possible even at this later time. Rather, a range of costs is more appropriate as scope is further developed and refined to yield a single budgetary estimate. As the exact scope of work for the IAF continues to be refined, staff has initiated a scope and schedule validation phase that will yield a firmer project budgetary number, which will be finalized in October. Staff will brief the Commission on the validated scope, schedule, and costs, in October, before the request for proposals is distributed to the IAF Design-Builder finalists. Staff has noted verbally in two prior updates that the scope refinements may result in a budgetary increase. Staff

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

July 16, 2014

Page 2 of 3

currently speculates the increase for the initial IAF build-out may range from \$50 to \$100 million for the project. The Airport has sufficient capacity to absorb an increase of this magnitude within its overall capital program and its financing capabilities, as noted in the briefing materials.

## **BACKGROUND**

The Port Commission has been previously briefed on the critical need to increase FIS facility capacity for international travelers at the Airport. International travel through the Airport has increased significantly since 2004 and continues to grow. The Port welcomes and encourages this growth, but the current FIS facility is inadequate to efficiently process travelers.

In order to advance the project from the pre-design phase, staff will present four items for Commission action on July 29, 2014. The action items are: authorization of \$16 million of continuing budget, approval to advertise a request for qualifications for a design build team, authorization to use Port crews, and authorization to include the connector as part of the IAF progressive design build contract procurement. These action items will authorize staff to initiate procurement of the IAF program.

In addition to the near-term action items, this briefing will also describe why an aerial passenger walkway is a better connector between the South Satellite and the New IAF. A bridge provides the following benefits:

- It is estimated to be less expensive than a tunnel walkway, while being 20 percent wider and, therefore, offering the opportunity for traffic in both directions with modifications made in a future expansion project.
- Carries less risk associated with budget, schedule, and operational/utility impacts.
- During construction, there will be less potential for gate impacts and ramp disruptions.
- A higher quality customer experience: natural light; views of mountains and the airfield; fewer level changes during transit from the South Satellite to the IAF; and more intuitive way-finding.
- Will contribute to a unique identity for the Airport and the region.

## **ATTACHMENTS TO THIS BRIEFING**

- Introductory presentation on major project authorizations.
- IAF Progress presentation.

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- June 10, 2014 – IAF Update and Quarterly Briefing.
- May 6, 2014 – IAF Project Delivery Briefing.
- April 22, 2014 – Capital Program Briefing.
- March 11, 2014 – IAF Master Planning authorization.

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

July 16, 2014

Page 3 of 3

- February 25, 2014 – IAF Program Briefing.
- November 19, 2013 – International Arrivals Facility Construction Management, testing and inspection; surveying and locating and safety service agreements.
- July 23, 2013 – International Arrivals Facility Project & Program Support; and Price Factor Design Build Methodology authorization.
- July 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- July 9, 2013 – Alternative Public Works Contracting Briefing.
- April 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- June 26, 2012 – Briefing on Airport Terminal Development Challenges at Seattle-Tacoma International Airport.
- June 14, 2011 – International Air Service Growth and Future Facility briefing.
- February 2, 2010 – Briefing on South Satellite Passenger Growth and Facility Considerations, Delta's Proposed Airline Lounge and Other Possible Future Aviation Projects.