

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No. 4d
Date of Meeting September 11, 2014

DATE: September 3, 2014
TO: Tay Yoshitani, Chief Executive Officer
FROM: Wendy Reiter, Director, Aviation Security and Emergency Preparedness
Wayne Grotheer, Director, Aviation Project Management Group
SUBJECT: Closed Circuit Television (CCTV) Improvements Phase 2 (CIP #C800642)

Amount of This Request:	\$1,078,000	Source of Funds:	TSA Grant and Airport Development Fund
Est. Total Project Cost:	\$11,000,000		

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a design contract and prepare design and construction bid documents for the Closed Circuit Television (CCTV) Improvements Phase 2 Project at Seattle-Tacoma International Airport for an estimated cost of \$1,078,000.

SYNOPSIS

The CCTV Phase 2 Project will upgrade existing surveillance cameras, add additional cameras to the network and provide an upgraded Video Management System (VMS) at the Airport. The proposed upgrades will support security enhancements desired by the Transportation Security Administration (TSA) as well as Port of Seattle Security, Port Police, and Operations.

This project enhances and updates the CCTV upgrades authorized by Commission in 2007 (Phase 1). Port staff has collaborated with the TSA to identify and prioritize previously planned upgrades to the Airport CCTV surveillance system including camera placements, views and video management system software and hardware enhancements based on planning work completed under that initial project. TSA has now executed a \$7.4 million first grant with the Port of Seattle to fund this phase of the project and anticipates up to \$10 million in total grant funding. Proposed improvements include upgrades or replacement of the Video Management System (VMS) with a mapped graphical user interface, additional cameras and data storage capabilities. The work would be designed and constructed by the Port, and eligible costs would be reimbursed by the TSA. Staff expects to seek Commission authorization for construction in early 2015.

BACKGROUND

In 2007 the Commission authorized improvements to the Airport's surveillance camera system

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funded through a TSA grant. That work included integration of five separate camera networks, procurement of a digital VMS and installation of new cameras at security screening locations. That project also funded planning for future camera placements, which has served as the basis for the current authorization request.

Port staff, working in conjunction with the TSA, has identified added locations that would benefit from upgraded surveillance camera coverage, focused primarily on security and safety in and around the terminal, adjacent buildings, and roadways. Some of these areas are currently served by limited views and/or lower resolution cameras that may not provide desired functionality. In addition, the current VMS will benefit from additional data storage capacity and significant improvements to the user interface to adequately serve future TSA and Airport surveillance needs.

PROJECT JUSTIFICATION AND DETAILS

An enhanced CCTV system will better support the Port and TSA in responding to security incidents in the Airport by providing additional camera views, easier and faster access to video streams and increased video archive capacity. This Project will include installation of new cameras, upgrade of older lower resolution cameras to higher definition cameras, and associated network (cable) connections throughout the Airport. Areas identified for upgrades include: checkpoints, ticketing areas, internal (gate lobbies and passenger hold areas) and external (ramp area) of each concourse, baggage screening areas and bag claim areas including carousels. Escalators and elevators, key points of the parking garage, airport drives, sky bridges, fuel farm, and cargo facilities will also be evaluated for inclusion.

The number of new cameras installed is limited by the availability of TSA funding and the cost of the new VMS. A new, or upgraded, VMS system will be included with this project. The VMS will include increased data storage capacity to allow more video feed storage for a longer duration and upgraded user interface for quicker and more efficient access to live and archived video streams.

Phase 1 authorized in 2007 integrated the airport's CCTV systems with a digital VMS. This Phase 2 will upgrade the VMS and add or upgrade cameras. As additional coverage needs are identified, a further Phase 3 could emerge in the future, though likely dependent on the availability of additional grant funding.

Project Objectives

Project objectives focus primarily on increased surveillance capabilities including availability and quality of views and user access to video information, as well as video data storage at Sea-Tac Airport. More specifically:

- Additional surveillance cameras would aid in increasing safety, security and provide better information to law enforcement agencies at the Airport.
- Enhanced coverage would provide risk management tools to aid in responding to claims due to accidents or incidents at the Airport.

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- A new or upgraded VMS will provide enhanced storage capacity and a new graphical user interface system. This will allow storage of video feed to meet TSA requirements and allow easier access to surveillance views by security agencies.

Scope of Work

The scope of work includes planning, site investigations, evaluation of scope elements, development of design documents, selection of consultants, execution of consultant contracts, application for permits and preparation of construction documents as part of the Closed Circuit Television (CCTV) Improvements Project. Key elements of the project include execution of an Other Transaction Agreement with the TSA, selection and design of a new VMS and design of new CCTV camera installations.

Schedule

Commission Authorization for Design	August 2014
Commission Authorization for Construction	March 2015
Issue Notice to Proceed	June 2015
Construction Complete	November 2016

FINANCIAL IMPLICATIONS

<i>Budget/Authorization Summary</i>	Capital	Expense	Total Project
Original Budget	\$11,000,000	\$0	\$11,000,000
Previous Authorizations	\$60,000	\$0	\$60,000
Current request for authorization	\$1,078,000	\$0	\$1,078,000
Total Authorizations, including this request	\$1,138,000	\$0	\$1,138,000
Remaining budget to be authorized	\$9,862,000	\$0	\$9,862,000
Total Estimated Project Cost	\$11,000,000	\$0	\$11,000,000

<i>Project Cost Breakdown</i>	This Authorization	Total Project
Design Phase	\$1,078,000	\$1,138,000
Construction Phase	\$0	\$9,331,000
State & Local Taxes (estimated)	\$0	\$531,000
Total	\$1,078,000	\$11,000,000

Budget Status and Source of Funds

The CCTV Upgrade Project (CIP C800642) is included in the 2014-2018 capital budget and plan of finance with a capital budget of \$11,000,000. The funding source is the Airport Development Fund and a TSA grants. TSA has executed an Other Transaction Agreement grant in the amount of \$7,387,790 to fund eligible costs. Another TSA grant is anticipated in the future to bring the total grant funded portion to \$10,000,000.

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Financial Analysis and Summary

CIP Category	Renewal and Replacement
Project Type	Infrastructure Upgrade
Risk adjusted discount rate	N/A
Key risk factors	N/A
Project cost for analysis	\$11,000,000
Business Unit (BU)	Terminal Building
Effect on business performance	NOI will decrease
IRR/NPV	N/A
CPE Impact	\$.01 in 2017

Lifecycle Cost and Savings

The existing surveillance camera and video management systems will benefit significantly from the proposed upgrades. Current camera systems have areas of compromised coverage and low resolution in certain areas of the Airport. The existing video management system has limited storage capacity and an outdated user interface. This project will increase the video surveillance coverage with higher definition cameras which will reduce staff time and cost associated with security monitoring and investigations. Similarly, a new video management system will be easier for end users to access which will reduce the time needed for real time video monitoring and retrieval of video data archive information.

STRATEGIES AND OBJECTIVES

This project supports the Aviation Strategy of Operating a World Class Airport by ensuring safe and secure operations. Additional high definition surveillance cameras and an upgraded video management system will provide increased security at the Airport for passengers and Airport tenants.

TRIPLE BOTTOM LINE

Economic Development

This CCTV project represents an investment in our current facilities and supports the long term vitality of the Airport, airlines and Airport tenants.

Environmental Responsibility

This is a system internal to the Airport and will have a negligible effect on the environment.

Community Benefits

Enhanced CCTV coverage will provide increased security for passengers and traveling public.

The Project Manager and the Office of Social Responsibility will work together to determine small business participation opportunities, in accordance with small business Resolution No. 3618.

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1) – Do nothing. Continue to rely on the existing CCTV coverage and video management system. This alternative will not address areas of compromised coverage and highly desired upgrades to the video management system. It would not improve the user interface making the system easier to use. It would also forgo the Port's opportunity to participate in funding provided by the TSA for this project. This is not the recommended alternative.

Alternative 2) – Rely solely on Airport funding for CCTV improvements. This alternative would require the Port to decline the TSA grant funding, which would amount to \$11,000,000 in current and future amounts. This project would need to be evaluated against other airport capital project priorities. It is likely that the scope would become smaller and less comprehensive. This is not the recommended alternative.

Alternative 3) – Utilize TSA grant funding to upgrade the airport VMS and install new cameras to improve safety and security. The TSA will provide significant funding in the FY 2014 authorization which when combined with Port funding will provide a significant upgrade to the VMS and CCTV camera system and cover critical upgrades. When additional funding becomes available, a further phase of this project will be considered. **This is the recommended alternative.**

ATTACHMENTS TO THIS REQUEST

- None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- September 11, 2007 – The Commission authorized \$2,000,000 for improvements to the Airport CCTV system.