

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>6b</u>
Date of Meeting	<u>April 12, 2016</u>

DATE: March 18, 2016
TO: Ted Fick, Chief Executive Officer
FROM: Wendy Reiter, Director, Aviation Security
Christian Samlaska, Senior Manager, Aviation Security
SUBJECT: Airport Total Queue Line Management Contract

Amount of This Request:	Estimated \$3.3 million	Source of Funds:	Airport Development Fund
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ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute a contract to provide queue management services for Transportation Security Administration (TSA) checkpoints at Seattle-Tacoma International Airport. The total estimated value of this request is \$3.3 million for duration of May 1, 2016, through January 7, 2017, with the option to extend if needed.

SYNOPSIS

All passengers traveling out of commercial airports are required by law, to be screened through TSA checkpoints as part of security measures. Anomalies during the process of screening can drastically slow down the process, impacting other passengers and ultimately airline operations. Long lines have occurred at the TSA checkpoints for two primary reasons: the extreme growth in passenger traffic driven by Seattle's regional economic growth, and local TSA staffing has been constricted by the federal budget gridlock and their operational protocols are driven by nationwide models that meet the average airport demand rather than rapid growing airports. The purpose of this authorization is to contract additional staff to handle the various non-security customer service tasks within queueing management to reduce confusion and speed processing. This contracted staffing will allow the TSA staff to focus solely on security and thereby open more checkpoint lanes in order to gain higher passenger through put.

It is necessary to authorize and execute a contract expeditiously in order to enable hiring and training so that the added contract staff can be deployed before wait times and queue lengths increase with the peak summer travel season again.

The cost for this contract is not included in the 2016 approved budget. Staff will strive to absorb as much as possible within the existing budget and will provide an updated report with Q1 2016 results.

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The Port is processing a sole source competition waiver to contract with HSS, the only firm currently certified and designated through the Safety Act to perform these functions. In order to meet May 1, 2016 service date, HSS will need to retain, train, and secure badges for the service providers.

BACKGROUND

Wait times for the TSA checkpoints at the Airport continue to grow. The impact at SEA has been significant with security checkpoint wait times of 40-90 minutes and up to two hours. Airlines continue to see a rise in customers missing flights. Delta has reported that as many as 500 people missed flights. The airport is partnering with TSA to help process passengers through the checkpoints as efficiently as possible. Historically, TSA has provided queue management, divesting and re-vesting assistance, and ensuring that bins are available at the checkpoints. In an effort to increase throughput at the screening lanes, TSA will pull staff from these functions and focus them on the screening process. The line management contract will provide those valuable functions previously provided by TSA that help prepare passengers for the screening process. This will allow as many screening lanes to be open as possible, while still maintaining essential queue management functions. The contract for total queue line management control will return normal wait times of 20-30 minutes. This partnership will allow the Airport to process people through the security checkpoints as efficiently as possible in an effort to reduce passenger wait times and the impact on airline operations.

PROJECT JUSTIFICATION AND DETAILS

Scope of Work

Provide customer assistance in queue line management at TSA checkpoints. The contractor will assist with divesting and re-vesting, provide direction and customer service by ensuring customers are in the correct place and ensure service tools are available for customers.

Schedule

If approved the Airport Total Queue Management program is planned to be in place from May 1, 2016 through January 7, 2017.

FINANCIAL IMPLICATIONS

Budget Status and Source of Funds

The cost of this contract was not included in the 2016 operating budget. The costs will, however, be included in the airline rate base and recovered through terminal rents. As such, the funding source will be the Airport Development Fund.

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STRATEGIES AND OBJECTIVES

The primary purpose of this request is to improve customer service. Furthermore, per our Century Agenda this advances the region as a leading tourism and business gateway into the West Coast “Gateway of Choice” by providing a seamless process through the checkpoints.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Allow customers to find their own way through the checkpoint process without any assistance.

Cost Implications: Zero cost for Port. The passengers lose the cost of the ticket on the flight which can vary from \$100 to over \$5,000 depending upon the destination and class of ticket. The Port, TSA, and airlines all lose credibility in the eyes of the missed customer and even those passengers who find long lines unacceptable. In March the airlines estimated that 100 to 200 passengers were missing flights

Pros:

- (1) Does not require expending \$3.3million.

Cons:

- (1) This alternative continues extremely long lines, confusion, and dissatisfaction.
 - a. A fire code and life safety can become an issue as the lines grow.
- (2) A large number of passengers will miss their flights while waiting in lines.

This is not the recommended alternative.

Alternative 2 – Use Port of Seattle staff.

Cost Implications: Estimated cost of hiring 90 internal positions is \$3.8 million. This cost is payroll only and does not include training, uniforms and other costs.

Pros:

- (1) Provides valuable customer assistance to help process passengers through the checkpoints as efficiently as possible.

Cons:

- (1) There are not currently enough Port employees to do this work.
- (2) Hiring for this temporary (peak season) job would have to be repeated and that would consume the majority of Human Resources and during the peak hiring periods.

This is not the recommended alternative.

Alternative 3 – Hire a contractor that has employees who are trained and fully covered by the contractor.

Cost Implications: \$3.3 million

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Pros:

- (1) Provides valuable customer assistance to help process passengers through the checkpoints as efficiently as possible.
- (2) Utilizing a contractor that is Safety Act Designated and Certified and meets all DHS security standards is the preferred plan. HSS meets this desired standard.
- (3) Job creation for community

Cons:

- (1) Requires spending \$3.3 million of Port funds.

This is the recommended alternative.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None