



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.**

6d

**ACTION ITEM**

**Date of Meeting**

May 28, 2019

**DATE:** May 20, 2019

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Wayne Grotheer, Director, Aviation Project Management  
Wendy Reiter, Director, Aviation Security, Airfield

**SUBJECT:** Employee Security Screening Phase 2 (C800984)

**Amount of this request:** \$1,425,000

**Total estimated project cost:** \$7,900,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to proceed with design of the Employee Security Screening Phase 2 project at Seattle-Tacoma International Airport. The amount requested under this authorization is \$1,425,000, out of a total estimated budget of \$7,900,000.

**EXECUTIVE SUMMARY**

This project will add vehicle and personnel security screening systems to airfield Gates E125 and E190. The project will construct facilities and procure equipment to provide screening of airport personnel consistent with the employee screening program in the Terminal. The project will also include screening of vehicles, by adding an under-vehicle screening system that will detect any alterations to the vehicle used to hide weapons. Currently, these external gates only conduct visual inspections of vehicles and people; this project will improve security. References to employees in this memo refer to airport tenant employees and/or airport vendors, and their authorized vehicles used to conduct business Airside.

An initial project budget, in the amount of \$550,000, was included in the 2019 – 2023 capital budget and plan of finance, utilizing the remaining balance of the Employee Security Screening Phase 1 project in the Terminal. The remaining balance was transferred for continued utilization by the Employee Security Screening Program to be applied towards Phase 2 of the project. A 15%-level of design has now been completed for the Employee Security Screening Phase 2 project and the total estimated cost is \$7,900,000.

**DIVERSITY IN CONTRACTING**

The project manager will work with the Diversity in Contracting department to determine participation opportunities and set goals for women and minority business enterprises (WMBE)

Meeting Date: May 28, 2019

attainment. These affirmative efforts are in accordance with the Policy Directive on Diversity in Contracting.

**JUSTIFICATION**

This action satisfies the business plan to operate a world-class international airport by ensuring safe and secure operations. The project will improve security operations and invest in new facilities to remain in compliance with evolving federal directives and Transportation Security Administration (TSA) requirements related to employee screening. Changes in federal security requirements, resulting from events at other airports, have required increased attention to screening operations.

**DETAILS**

- Employee Security Screening Phase 2 will provide employee and vehicle screening to the Airfield
- Employee screening equipment will be equal to screening technologies currently utilized in the terminal
- Vehicle screening technology will be installed as part of this project
- This will lead us closer to 100% employee screening
- This project will enhance safe and secure operations inside and out of the airport

***Scope of Work***

The project will provide facilities with weather protection, and include discrete screening space for employees, as well as security screening equipment to add screening at existing Airfield Gates E125 and E190. Excluded from the scope of work is Gate E45 for the reason that there is not sufficient room to construct a facility in that area and the Gate may be relocated in the future due to the lack of space for queuing vehicles. This gate has limited use in comparison to the other gates.

- (1) Build, or procure facilities complete with power, communications, and HVAC to screen employees at the gates
- (2) Provide security screening equipment, comparable to what is used in the terminal, to screen employees at the gates
- (3) Provide security screening equipment to screen under vehicles entering the Airfield

***Schedule***

<i>Activity</i>	
Design start	2019 Quarter 2
Commission construction authorization	2020 Quarter 1
Construction start	2020 Quarter 2
In-use date	2021 Quarter 2

Meeting Date: May 28, 2019

**Cost Breakdown**

	This Request	Total Project
Design	\$1,425,000	\$1,425,000
Construction	\$0	\$6,475,000
Total	\$1,425,000	\$7,900,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Continue operations as they are today at the external gates. This only provides visual screening inside the vehicles and no use of screening technologies for employees.

Cost Implications: Expense for preliminary work \$160,000

Pros:

- (1) No additional funding needed for the project
- (2) No additional staffing needed

Cons:

- (1) This option fails to enhance safety and security
- (2) This will not meet the Port of Seattle business plan to provide a safe environment for our employees and customers

This is not the recommended alternative.

**Alternative 2** – Proceed with this project to screen employees without adding the under-vehicle screening technology.

Cost Implications: \$7,210,000

Pros:

- (1) Reduction of cost for the program
- (2) Minimal reduction of construction time and impacts

Cons:

- (1) Does not provide full screening of the vehicles
- (2) Does not meet the Port of Seattle business plan to provide a safe environment for our employees and customers
- (3) Increases the time to get through the exterior gates
- (4) Closing a gate during construction of the new facilities may have temporary impacts by decreasing the entrances to the airfield
- (5) Additional screening personnel (estimated 19 FTE)
- (6) Additional cost for Aviation Maintenance to provide ongoing upkeep of new facility

This is not the recommended alternative.

Meeting Date: May 28, 2019

**Alternative 3** – Install facilities to provide employee and under vehicle screening system at exterior Gates E125 and E190 to secure the entrances to the airfield.

Cost Implications: \$7,900,000

Pros:

- (1) Provides secure access to the airfield and areas of the terminal
- (2) Provides a safe environment for passengers and employees
- (3) Meets the Port of Seattle values to provide a safe environment for our employees and customers
- (4) Provides compliance with evolving Federal requirements related to employee screening

Cons:

- (1) Increases the time to get through the exterior gates
- (2) Closing a gate during construction of the new facilities may have temporary impacts by decreasing the entrances to the airfield
- (3) Additional screening personnel (estimated 19 FTE)
- (4) Additional cost for Aviation Maintenance to provide ongoing upkeep of new facility

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

***Cost Estimate/Authorization Summary***

	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate (under CIP C800880)	\$3,500,000	\$0	\$3,500,000
Previous Change (CIP C800880 was used by Employee Security Screening Ph1 for terminal installs and remaining balance of \$550,000 transferred to this CIP C800984 on 7/14/17)	(\$2,950,000)	0	(\$2,950,000)
Current budget increase (Based on 15% preliminary design drawings)	\$7,350,000	0	\$7,350,000
Revised estimate	\$7,900,000	0	\$7,900,000
<b>AUTHORIZATION</b>			
Previous authorizations	\$295,000	0	\$295,000
Current request for authorization	\$1,425,000	0	\$1,425,000
Total authorizations, including this request	\$1,720,000	0	\$1,720,000
Remaining amount to be authorized	\$6,180,000	\$0	\$6,180,000

***Annual Budget Status and Source of Funds***

The initial project budget in the amount of \$550,000 is included in the 2019 – 2023 capital budget and plan of finance. This budget was established utilizing the remaining balance of the Phase 1

Meeting Date: May 28, 2019

employee security screening project in the Terminal and transferred for utilization by the Phase 2 employee security screening program (C800984) at the exterior gates. At this time, a 15%-level of design has been completed and the Employee Security Screening Phase 2 project estimate is \$7,900,000. The budget increase in the amount of \$7,350,000 will be transferred from the Aeronautical Allowance CIP (C800753) resulting in no net change to the Aviation capital budget. The funding source will be the Airport Development Fund and future revenue bonds.

***Financial Analysis and Summary***

Project cost for analysis	\$7,900,000
Business Unit (BU)	Airfield Movement Area
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.03 in 2022

***Future Revenues and Expenses (Total cost of ownership)***

This project will have impacts on Aviation Maintenance operating and maintenance (AVM O&M) costs, but to what extent is unknown at this time. Impacts will be related to the mechanical systems for cooling of the screening rooms, electronic systems, Electronic Technicians for the duress, cameras, access controls, and the under the vehicle inspection equipment (outside contracted service agreement or done in-house). The full impacts on AVM O&M can be better evaluated during the design phase of this project.

Operational staff resources are estimated at 19 FTEs for represented full employee screeners

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

November 28, 2017 – The Commission authorized advertisement and execution of a major public works contract, procurement of additional security equipment and use of Port forces for Phase 1 of employee security screening in the terminal.

March 28, 2017 – The Commission authorized design for a third screening room, purchase of security equipment and the use of Port forces to complete the build out of three employee screening rooms for Phase 1 of employee security screening in the terminal.

September 13, 2016 – The Commission authorized the purchase of equipment and buildout of space for future security for Phase 1 of employee security screening in the terminal.