

# North Main Terminal Redevelopment (NMTR) Program

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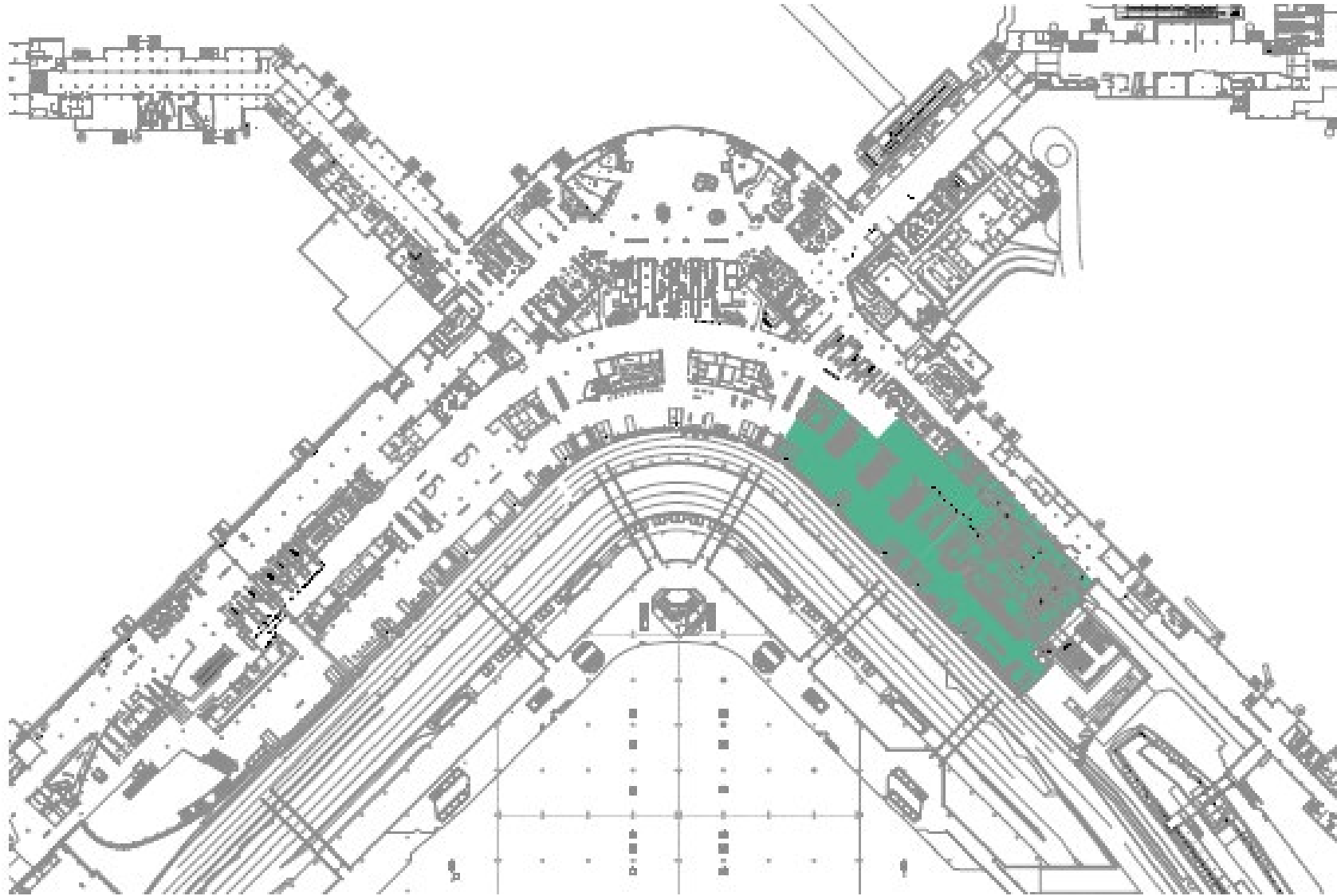


# Program Background

- Alaska and the Port have been working together on the planning of the North Main Terminal Redevelopment Program (NMTR) scope for a couple of years
- Alaska will design and construct the NMTR Project through a multi-phased Tenant Reimbursement Agreement (TRA)
- The Port anticipates designing and constructing similar improvements in the remaining areas of the Ticketing Level in the coming years



# Area of Work Overview



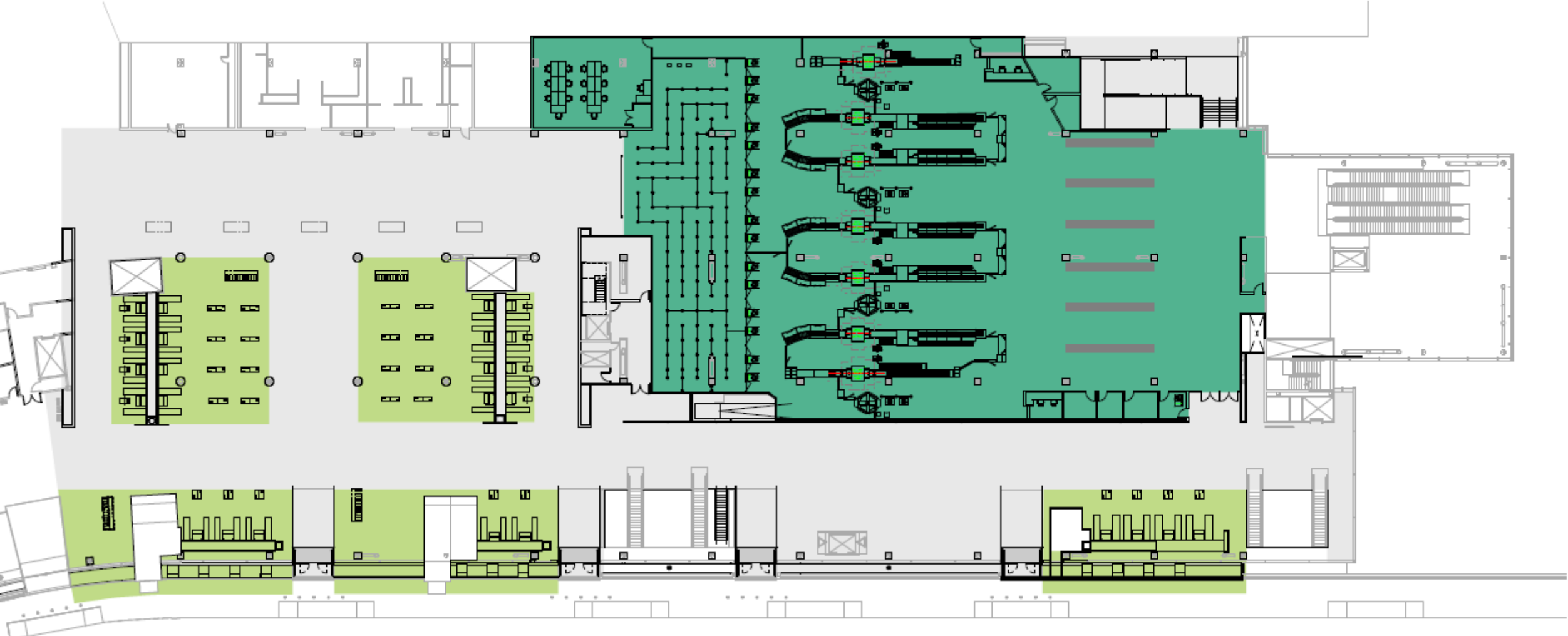
# NMTR Program Drivers

- Needed renewal and replacement (1980s era)
  - Infrastructure systems
  - Architectural finishes
- Capacity enhancements
  - Security checkpoint expansion and reconfiguration
  - Promenade buildout for relocated ticketing and office space
- Safety enhancements
  - Code upgrades
  - Safety enhancements (smoke control)
- Customer service enhancements
  - Open and airy
  - Technology enhancements

# High-Level Scope Summary

- Build out currently undeveloped space on the Bridge/Promenade Level
  - Create new ticketing and bag drop for Alaska and new space for tenants
- Reconfigure Alaska's existing Ticketing Level space in the Main Terminal
  - Remove part of the Mezzanine above Alaska Ticketing and relocate displaced tenants
  - Increase passenger processing and bag drop capacity
  - Provide technology and other updates to improve the passenger experience
- Enlarge Security Screening Checkpoint #5 from five to seven lanes
  - Increase passenger security screening capacity
- Upgrade/provide new building systems to meet code requirements
- Develop building system and architectural solutions for use in the rest of the Main Terminal

# Ticketing & Security Screening Checkpoint #5 Plan View



# Proposed Alaska Ticketing



# Proposed Security Screening Checkpoint #5





# Proposed Promenade Ticketing and Bag Drop



# Tenant Reimbursement Agreement (TRA) Plan

TRA #	Scope	Value	Execution
#1	Project Definition Document & 30% Design	\$10 million	10/15/21
#2	Post 30% full program design	\$21.5 million	Q4 2021
#3	Phase 1 construction	\$TBD	Q4 2021 – Q1 2022
#4	Phase 2 construction	\$TBD	Q3 2022

# Cost Breakdown

## ***Cost Breakdown***

Previous Requests

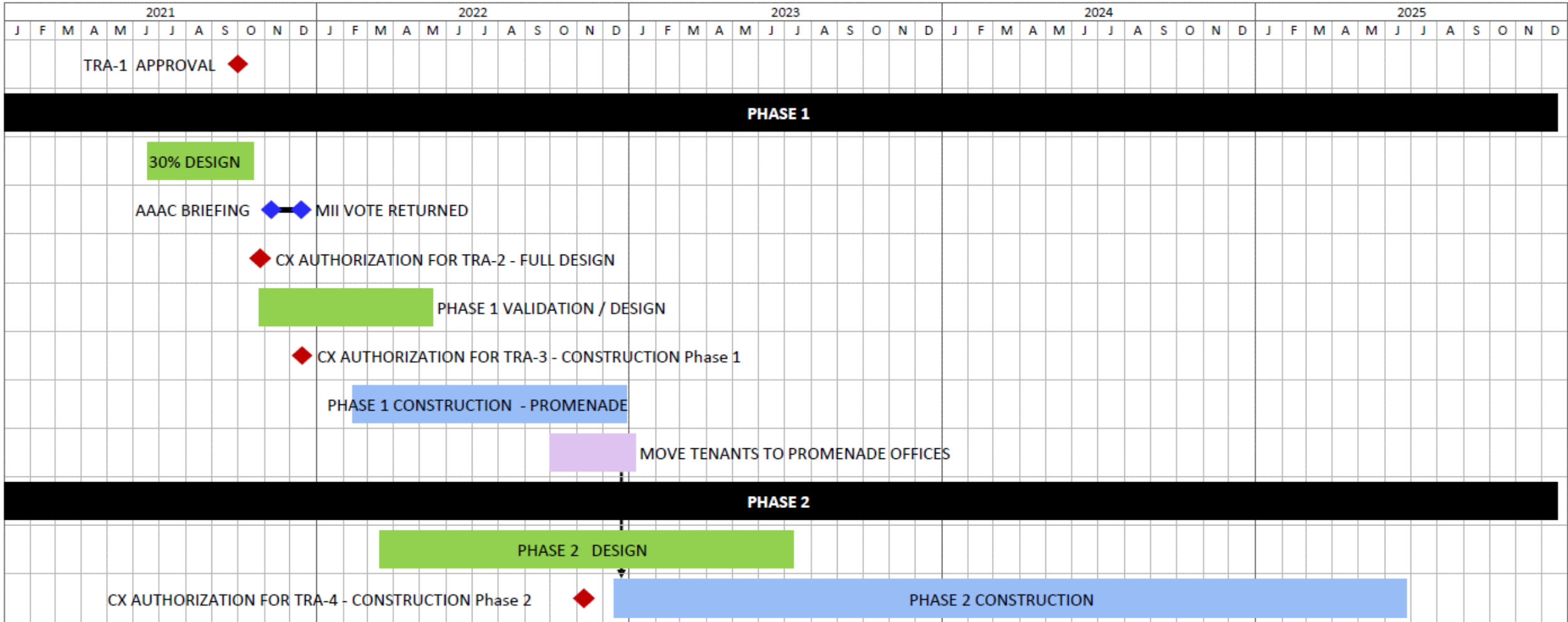
This Request

Total to Date

<b><i>Cost Breakdown</i></b>	Previous Requests	This Request	Total to Date
Complete PDD and 30% Design	\$9,000,000	\$0	\$9,000,000
Design – Phases 1 and 2	\$0	\$16,900,000	\$16,900,000
Port Soft Cost	\$1,000,000	\$1,300,000	\$2,300,000
Alaska Soft Cost	\$0	\$3,300,000	\$3,300,000
Total	\$10,000,000	\$21,500,000	\$31,500,000

# High Level Schedule

## North Main Terminal Reconfiguration TIMELINE



# Program Phasing

## ■ Phase 1

Construct previously undeveloped Promenade Level space including:

- New space on the Promenade Level for Alaska passenger check-in, bag drop and operations as well as spaces to accommodate tenants displaced during Phase 2 work
- Reconfiguration of existing Main Terminal space to accommodate other tenant displacements
- Modifications/upgrades to existing building systems to support the newly built Promenade spaces

## ■ Phase 2

- Abatement and demolition of a section of the Mezzanine Level above Alaska ticketing
- Abatement, demolition, and reconfiguration of the north Main Terminal Ticketing
- Reconfiguration of the northern-most section of the Mezzanine
- Expand Security Screening Checkpoint # 5 from 5 to 7 screening lanes
- Installation of new building systems, upgrades/modifications to existing building systems, and building code updates to support the reconfigured spaces on the Mezzanine, Ticketing and Baggage Claim levels (i.e. smoke control, fire sprinklers)



# Questions

# Alternatives Considered

<p style="text-align: center;"><u>Alternative 1</u></p> <p style="text-align: center;"><b>Authorize Phase 1 design for Alaska’s Program only</b></p>	<p style="text-align: center;"><u>Alternative 2</u></p> <p style="text-align: center;"><b>Delay design for Alaska’s Program and align with the Port’s Main Terminal Upgrade</b></p>	<p style="text-align: center;"><u>Alternative 3 *</u></p> <p style="text-align: center;"><b>Proceed with full design of Phases 1 and 2 of Alaska’s Program</b></p>
<p>Cost: ~\$13 million (Phase 1 design only)</p>	<p>Cost: ~\$1.2 - \$1.5 billion (combined Alaska/Port Program)</p>	<p>Cost: \$21.5 million (full design cost, Alaska constructed)</p>
<p>Pros:</p> <ul style="list-style-type: none"> <li>• Delays Port commitment to full design until 30% design is reviewed and independent cost estimate is developed, providing more cost certainty</li> <li>• Allows for a better defined offramp between Phase 1 and Phase 2</li> </ul>	<p>Pros:</p> <ul style="list-style-type: none"> <li>• Delays capital investment for another 12-14 months, allowing for a single project for the entire Main Terminal</li> <li>• Potentially allows for improved cost certainty</li> <li>• Reduces technical challenges of system integration and schedule coordination between adjacent projects</li> </ul>	<p>Pros:</p> <ul style="list-style-type: none"> <li>• Allows Alaska to manage their own operational impacts</li> <li>• More closely aligns with Alaska’s target completion date and avoids the cost escalation penalty with Alternatives #1 &amp; #2</li> <li>• Provides congestion relief sooner</li> <li>• Retains advantages of PDB project delivery</li> </ul>
<p>Cons:</p> <ul style="list-style-type: none"> <li>• Delays congestion relief</li> <li>• Significantly reduces the advantages of PDB</li> <li>• Does not meet Alaska’s target completion date</li> <li>• Costs will continue to escalate</li> </ul>	<p>Cons:</p> <ul style="list-style-type: none"> <li>• Does not allow Alaska to manage their own operational impacts</li> <li>• Delays congestion relief</li> <li>• Does not meet Alaska’s target completion date and costs will continue to escalate</li> <li>• Coordinating Alaska TRA and Port Capital work would be challenging</li> <li>• Significantly reduces the advantages of PDB</li> </ul>	<p>Cons:</p> <ul style="list-style-type: none"> <li>• Commits to full design prior to Port’s commitment to complete Phase 2 of Alaska’s Program</li> <li>• Does not provide optimal cost certainty for Phase 1 work</li> </ul>

\* Recommended Alternative

# Phasing & Authorization Plan

Description	Value	Commission Authorization
Project Definition Document & 30% Design	\$10 M	04/27/21
Post 30% Full Program Design	\$21.5 M	11/09/21
Phase 1 Construction (Off Ramp)	~\$150 M	01/11/22
Phase 2 Construction (FGMP)	~\$225 M	Q3 2022