

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 6d

Date of Meeting September 22, 2009

DATE: September 4, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Michael Ehl, Director Airport Operations

SUBJECT: Extend the Services Agreement with Robinson Aviation to Provide Continued Ramp Control Tower Operations for 2010

REQUEST: Request authorization to execute a one-year extension to Services Agreement P-00312778 for the continued operation of the Seattle-Tacoma International Airport (Airport) Ramp Control Tower Facility, for an estimated cost of \$1,019,000.

SYNOPSIS: Operating a Ramp Control Tower at major airports increases safety, minimizes taxi times, saves fuel, reduces exhaust, and saves costs for airlines. This extension takes advantage of options built into the previous agreement while providing smooth and effective operations at reduced cost. Cost recovery will be achieved through an existing per-operations tariff so that ramp control costs will not affect the landing fee rate.

BACKGROUND

The Federal Aviation Administration (FAA) provides positive control of aircraft activity on the runways and taxiways at the Airport. This positive control does not extend to the remaining paved areas for aircraft, known as ramps and aprons. The responsibility for safe aircraft movements in these non-controlled areas rests with aircraft pilots. The FAA Air Traffic Controllers can provide an advisory service to aircraft moving on the ramp, however, this is not part of their core mission.

Utilization of a Ramp Control Facility provides advisory control of aircraft movements because it more effectively choreographs aircraft movement to and from the airport runways and taxiways, provides impartial sequencing of aircraft, and avoids "gridlock." Ramp Control Facilities at large airports are essential services in daily operations, and have demonstrated to the satisfaction of airline and airport operations that implementation of ramp control has incrementally reduced aircraft taxi times, and thus saved the airlines money.

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The National Transportation Safety Board, in its report on a 2001 runway incursion incident, recommended that the Airport implement ramp control as a means to reduce the potential for future runway incursions. The operation of a Ramp Control facility is also fully supported by the air carriers that operate at the Airport.

On December 15, 2005, the Airport entered into a Professional Services Agreement (PSA) with Robinson Aviation for the three-year operation of the Ramp Control Tower Facility. The PSA identified provisions for two one-year extensions. Robinson Aviation has provided outstanding service in their operation of the facility, and through recent negotiations, hourly personnel rates were reduced compared to previous estimates.

PREVIOUS COMMISSION ACTION

On November 22, 2005, Commission authorized execution of a three-year PSA, for an estimated cost of \$3,675,000, with provisions for two one-year extensions, for the operation of the Airport Ramp Control Tower Facility.

On November 11, 2008, Commission authorized execution of the first one-year extension to the PSA for the operation of the Airport Ramp Control Tower Facility, for an estimated cost of \$1,019,000.

SCOPE OF CONTRACT

This contract will provide for the continued safe control of aircraft movement on the Airport's ramp and apron areas, enhance gate usage and reduce aircraft emissions and noise by expediting aircraft to and from gates. This authorization request covers the cost of contract personnel, operational expenses, and equipment maintenance for the operation of the Ramp Control Tower for 2010.

STRATEGIC OBJECTIVES

Airport Vitality: This authorization provides for the control of aircraft movement to ensure efficiency and enhanced safety of ground operations. Staffing of the Ramp Control Tower facility will "Ensure Needed Safety, Security and Capacity on the Airfield."

ALTERNATIVES CONSIDERED/RECOMMENDED ACTION

Alternative one: Extend contract for staffing and operation of the Ramp Control Tower for one year. This alternative will provide the personnel to staff and operate the Ramp Control Tower facility, providing the coordinated flow of aircraft to and from the runways, increasing the safety and efficiencies for the FAA, the Airport and the airlines. The contract will be publicly

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advertised next year and a vendor will be competitively selected for operations beginning in 2011. This is the recommended alternative.

Alternative two: Do nothing. This alternative would close the Ramp Tower operation and discontinue the practice of controlling aircraft activity on the ramps and aprons at the Airport. It would further burden the FAA controllers with ‘advisory’ ramp control service, diminishing their focus on active runways and taxiways. Inefficiencies in flight operations caused by aircraft movement conflicts would increase, as would the risk of incursions. This is not the recommended alternative.

Alternative three: Recompete the contract immediately. Because the current ramp tower operator has identified operational efficiencies and continued to increase cost efficiencies for the Airport and airlines, it is unnecessary to cancel the option year and recomplete immediately. This is not the recommended alternative.

FINANCIAL IMPLICATIONS

Budget/Authorization Summary

Previous Authorizations, Original 3 Year Contract	\$3,675,000
Previous Authorizations, 1 st One Year Extension (2009)	\$1,019,000
Current Request For Authorization	\$1,019,000
Total Authorizations, including this request	\$5,713,000
Remaining budget to be authorized	\$ 0

Project Cost Breakdown

2010

Personnel/Labor Costs	\$ 963,000
Washington State B&O Tax	\$ 22,000
Other	\$ 34,000
Total	\$1,019,000

Budget Implications

The 2010 costs associated with this contract will be included in the annual operating budget. Corresponding revenue will also be included in the operating budget. Revenues are based on a per-landing fee charged for all operations, which recovers 100% of costs. This 2010 extension maintains a 0% flat line budget from the 2009 Commission authorization.

Cost Recovery

This contract for ramp services is paid for on a cost recovery per-use basis by the carriers based upon the number of operations of each carrier. While this service raises the Airport cost slightly

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(\$.07) on a cost-per-enplanement basis, it lowers the operating cost to the airlines to a greater degree by saving engine run time, fuel use, and safely quickens aircraft into and out of the terminal gates to improve efficiency and on-time performance. The carriers are very supportive of the service provided by the ramp tower.

PROJECT SCHEDULE

Continued Ramp Tower Operation: January 1, 2010 – December 31, 2010