

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA – STAFF BRIEFING**

**Item No.** 7a  
**Date of Meeting** January 24, 2012

**DATE:** January 12, 2012

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Michael Ehl, Director Aviation Operations

**SUBJECT:** Quarterly Briefing on the Airline Realignment Program at Seattle-Tacoma International Airport (Airport)

**BACKGROUND:**

The need to accommodate airline mergers, and the general desire to streamline and consolidate airline operations, has led to the need to realign air carriers in order to better balance the utilization of the Airport facility. The realignment program aims to meet the various needs at an estimated cost of \$190 million, including directly-related projects as well as linked capital projects.

The attached PowerPoint presentation identifies the three categories of projects representing the program. First, the seven directly-related capital improvement realignment projects will provide assets for the airlines to function as required in their new locations. For example, the addition of fuel pits will be provided to support the new aircraft layouts on the concourses. Second, the tenant improvement expense projects will modify existing spaces and relocate the airline tenants. Expense relocations include areas such as airline ticket offices, ramp offices, baggage service offices, club space, ticket counters, and equipment relocations. Third are the linked capital projects that are future improvements considered for post-realignment renovations, such as the north satellite heating/ventilation/air-conditioning (HVAC) project.

On December 9, 2010, the Airport issued intent to exercise the One-Time Reallocation provision in the current Signatory Lease and Operating Agreement (SLOA) to pursue this work with the airlines. The intent is that a relocated airline will be equally functional in its new location as compared to its existing location.

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### **BRIEFING OUTLINE:**

1. Purpose
2. Airline Realignment Scope
3. Airline Move Schedule
4. Airline Realignment Costs
5. Related Projects

### **OTHER DOCUMENTS ASSOCIATED WITH THIS BRIEFING:**

Airline Realignment Program PowerPoint.

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:**

On December 6, 2011, the Port Commission authorized construction of Baggage Handling System (BHS) Improvements – C22 BHS Connection to C1/C1-MK1 Replacement (C800382) at the Airport in the amount of \$3,604,000.

On December 6, 2011, the Port Commission authorized design of the Miscellaneous Building Improvements – Airline Realignment (C800475) at the Airport in the amount of \$1,721,000.

On December 6, 2011, the Port Commission authorized design of the Airline Tenant Improvements – Airline Realignment (expense) at the Airport in the amount of \$3,776,000.

On November 22, 2011, the Port Commission was provided with a verbal preliminary briefing of December 6, 2011, items with a diagram.

On September 27, 2011, the Port Commission authorized execution of an IDIQ contract for Airline Realignment Tenant Improvements and Ticket Counter Design services totaling \$10,000,000.

On September 12, 2011, the Port Commission received a summary briefing on the Airport Realignment Program at the Airport.

On June 14, 2011, the Port Commission authorized design of the Exterior Gate Improvements – Airline Realignment project (C800472) at the Airport in the amount of \$499,000.

On June 14, 2011, the Port Commission authorized design of the Airport Signage – Airline Realignment project (C800474) at the Airport in the amount of \$238,000.

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On March 1, 2011, the Port Commission authorized design and some construction of the Baggage Handling System (BHS) Improvements - C22 BHS connection to C1/C1-MK1 Replacement /TC3 Replacement (C800382) in the amount of \$1,731,000.

On February 22, 2011, the Port Commission authorized design and some construction for the Passenger Loading Bridge Replacement Project - Airline Realignment (C800467) in the amount of \$6,700,000.

On February 22, 2011, the Port Commission was shown a summary listing of realignment projects and authorized Planning for Terminal Realignment in the amount of \$713,000.

On January 25, 2011, the Port Commission authorized design and construction of the Concourse D Common Use Expansion Project (C800455) in the amount of \$4,250,000. The Commission was also briefed on the Airline Realignment Program as part of this item.

On September 28, 2010, the Port Commission was given a summary briefing of the upcoming 2011 capital improvement plan that included the airline realignment program elements.

On June 8, 2010, the Port Commission authorized execution of an IDIQ contract for the Terminal Development Strategy Campus Planning Services IDIQ in the amount of \$1,300,000.