

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5a

ACTION ITEM

Date of Meeting April 3, 2012

DATE: March 22, 2012

TO: Tay Yoshitani, Chief Executive Officer

FROM: Wayne Grotheer, Director, Aviation Project Management Group
Wendy Reiter, Director, Aviation Security and Emergency Preparedness

SUBJECT: Access Control Door Security Additions (CIP #C800414)

Amount of This Request: \$1,500,000 **Source of Funds:** Airport Development Fund

Est. State and Local Taxes: \$106,600 **Est. Jobs Created:** 10

Est. Total Project Cost: \$1,800,000

ACTION REQUESTED:

Request Commission authorization for the Chief Executive Officer to advertise and execute a construction contract for the Access Control Door Additions project at Seattle-Tacoma International Airport (Airport). This authorization is for \$1,500,000 of a total estimated project cost of \$1,800,000.

SYNOPSIS:

The Access Control Door Additions project will increase security at the Airport by adding biometric access control to 33 doors. Twenty-seven of the doors access aircraft bridges and six of the doors access terminal mechanical and service areas. The new biometric access (security card swipe plus manual code entry with optional fingerprint scan) provides improved security over the existing cipher lock system, which is a push-button locking system that permits entry using a four-to-six digit code. The biometric access system will also include intercoms and cameras. It is appropriate to upgrade aircraft bridge doors (and others) as more airlines will be sharing bridges in the future. This project was included in the 2012-2016 capital budget and plan of finance.

BACKGROUND:

The project will install new biometric card readers, and cameras and intercoms at the 33 Airport terminal doors that do not have access control treatment. These points of access are currently controlled with cipher locks, local alarms, and other various mechanical/electronic keys. The new security systems will minimize the potential for unauthorized individuals to gain access to the secure area at the Airport. This project would replace the current security and control systems

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at these doors with card readers, security cameras, and intercoms to provide more secure access control and to positively identify individuals who pass through these doors.

PROJECT JUSTIFICATION:

These 33 doors today are controlled by cipher/key locks. This project will bring the doors up to the security standards of the rest of the Airport terminal and reduce the time and costs associated with identifying and apprehending individuals who attempt to gain unauthorized access to secure areas. Additionally, as Concourse D changes to more common use gates, having a standard in place will be of significant assistance for security compliance and customer service support.

PROJECT SCOPE OF WORK AND SCHEDULE:

Scope of Work:

This project will install new biometric card readers, controllers, security cameras, intercoms, and associated wiring and conduit at 33 doors throughout the Airport terminal, on Concourses B, C, D, and A (ramp level), the South Satellite (ramp level), and the North Satellite.

Schedule:

The project schedule is as follows:

- Commission Authorization for Design September 2011
- Begin Design (In-House) October 2011
- Commission Authorization for Construction April 2012
- Construction start August 2012
- Construction complete November 2012

FINANCIAL IMPLICATIONS:

| Budget/Authorization Summary: | Capital | Expense | Total Project |
|--|----------------|----------------|----------------------|
| Original Budget | \$1,600,000 | \$0 | \$1,600,000 |
| Budget Increase (Decrease) | \$ 200,000 | \$0 | \$ 200,000 |
| Revised Budget | \$1,800,000 | \$0 | \$1,800,000 |
| Previous Authorizations | \$ 300,000 | \$0 | \$ 300,000 |
| Current request for authorization | \$1,500,000 | \$0 | \$1,500,000 |
| Total Authorizations, including this request | \$1,800,000 | \$0 | \$1,800,000 |
| Remaining budget to be authorized | \$ 0 | \$0 | \$ 0 |

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| <u>Project Cost Breakdown</u> | This Request | Total Project |
|--------------------------------------|---------------------|----------------------|
| Construction costs | \$ 957,700 | \$ 957,700 |
| Port Purchased Equipment | \$ 194,700 | \$ 194,700 |
| Sales tax | \$ 106,600 | \$ 106,600 |
| In-house design services | \$ 0 | \$ 100,000 |
| Aviation PMG and other soft costs | \$ 241,000 | \$ 441,000 |
| Total | \$1,500,000 | \$1,800,000 |

Budget Status and Source of Funds

This project (CIP #C800414) was included in the 2012-16 capital budget and plan of finance. The funding source will be the Airport Development Fund.

Financial Analysis and Summary

| | |
|---------------------------------------|---|
| CIP Category | Compliance |
| Project Type | Health, Safety and Security |
| Risk adjusted Discount rate | N/A |
| Key risk factors | N/A |
| Project cost for analysis | \$1,800,000 |
| Business Unit (BU) | Airfield |
| Effect on business performance | NOI after depreciation will increase. |
| IRR/NPV | N/A |
| CPE Impact | CPE will increase by \$.01 in 2013, but no change to business plan forecast as this project was included. |

Lifecycle Cost and Savings:

There will be annual operating and maintenance cost increases to maintain the system. However, it has been determined that the ongoing operating and maintenance costs identified for this project will be offset by eliminating existing costs associated with changing the access codes on the cipher lock equipped doors multiple times annually.

STRATEGIC OBJECTIVES:

The project ensures Airport vitality by providing enhanced security and asset renewal at access points, which benefits our passengers and airline partners. The security upgrades will support the objective of the Airport being a leader in transportation security. The biometric access controls will allow the Airport's airlines to have uniform security plans for all of their gates. This supports the Airport objective of business agility.

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BUSINESS PLAN OBJECTIVES:

This project supports the Airport's strategic goal of operating a world-class international airport by ensuring safe and secure operations.

TRIPLE BOTTOM LINE SUMMARY:

This project will increase the security and financial performance of the Airport by providing tangible benefits for increased security at the doors that currently do not have these devices and will identify individuals who pass through the secure doors and ultimately reduce time and costs involved with identifying and apprehending individuals who attempt to gain unauthorized access to secure areas. Security access will be simplified with a uniform system throughout the airport. This project helps move the airport forward towards the goal of 100% biometric security access controls. The added security also benefits the travelling public by minimizing accidental delays to flights that can be caused by inadvertent access by airport workers.

ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:

Alternative 1: Install new biometric card readers, controllers, CCTV security cameras, intercoms, and associated wiring and conduit at 33 doors throughout the airport terminal, on Concourses B, C, D, and A (ramp level), the South Satellite (ramp level), and the North Satellite. **This is the recommended alternative.**

Alternative 2: Install only the biometric card reader system, but not the CCTV cameras. This alternative would not provide the ability of security personnel to remotely observe activity at the doors. This is not the recommended alternative.

Alternative 3 (Do Nothing): This results in continued operation with the current security inconsistencies and limits our ability to adequately secure the process with the existing insufficient cipher locks/keys. This is not the recommended alternative.

OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:

None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

On September 27, 2011, the Port Commission authorized design of the Access Control Door Additions project (C800414) at the Airport in the amount of \$300,000.