

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
STAFF BRIEFING

Item No.	<u>7a attach</u>
Date of Meeting	<u>January 27, 2015</u>

DATE: January 20, 2015

TO: Ted Fick, Chief Executive Officer

FROM: Frederick Robinson, Program Leader, Aviation Project Management Group
Michael Ehl, Director, Aviation Operations
Dave Soike, Director, Aviation Facilities and Capital Programs

SUBJECT: 2014 Fourth Quarter Update on the Airport's International Arrivals Facility (IAF) Program

SYNOPSIS

Replacing Seattle-Tacoma International Airport's existing over-burdened Federal Inspection Services (FIS) facility with a modern and efficient International Arrivals Facility is a critical part of realizing the Port Commission's Century Agenda objective to improve the level of service for airport users and increase competitiveness with peer airports.

This briefing updates the Commission on fourth quarter 2014 progress made on the IAF program. The project team is also requesting, via a separate Action Item, to authorize advertisement of the Request for Proposals to shortlisted Progressive Design Build (PDB) team finalists.

BACKGROUND

The IAF program consists of a single capital improvement program (CIP) for design and construction of a new International Arrivals Facility landside of Concourse A to replace the existing facility at the South Satellite. This project will also construct a secure International Corridor at Concourse A for arriving international flights and a bridge for passengers to travel from the existing International Corridor at the South Satellite to the new facility.

Accomplishments:

- Received Statements of Qualifications (SOQ) from Design-Build teams pursuing the IAF procurement
- Set Program Budget
- Project Notebook (project definition) submitted for Aviation Division Investment Committee review/approval on 1/16/15

Progress:

- Development of target budget for Design-Builder validation

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- Proceeding to short list Design-Build Teams from SOQ's received
- Finalizing Request for Proposal, contract and agreement terms for issue
- Developing draft performance specifications section of Program Definition Document for review in January 2015
- US Customs & Border Protection (CBP) commitment to support alternative project delivery processes

Issues:

- Refining IAF execution planning based on current operational priorities – gating and airline realignment

Metrics:

- | | |
|--------------------------|---------------------------------------|
| • Q4 Cash flow | Actual \$1M Planned/Forecast \$3M |
| • Expenditures to Date | Actual \$5M Planned/Forecast \$7M |
| • Current Authorizations | Actual \$24M Planned/Forecast \$344M |
| • Budget | Actual \$344M Planned/Forecast \$608M |
| • SCS Participation | Actual 31% Planned/Forecast 21% |

Risks:

- Maintaining Federal agency support:
 - CBP adoption of alternative delivery and innovative technology deployment pilot program proposals
 - FAA approval of proposed safety risk management plan
 - TSA application of security guidelines for baggage handling systems
- Current market stability for trade labor and construction materials

Estimated Budget:	\$608M
Scheduled Facility in Use:	Q3 2019
Scheduled Project Completion:	Q2 2020

ATTACHMENTS TO THIS BRIEFING

- Attachment A – IAF Quarterly Commission Update PowerPoint

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- January 27, 2015 – IAF RFP Advertisement.
- January 13, 2015 – IAF Update.
- December 2, 2014 – IAF Scope and Budget Update.
- October 28, 2014 – IAF Q3 Quarterly Briefing.
- August 19, 2014 – IAF Q2 Quarterly Briefing.
- August 5, 2014 – IAF RFQ Advertisement.
- July 22, 2014 – IAF Progress Briefing.

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- June 10, 2014 – IAF Update and Quarterly Briefing.
- May 6, 2014 – IAF Project Delivery Briefing.
- April 22, 2014 – Capital Program Briefing.
- March 11, 2014 – IAF Master Planning authorization.
- February 25, 2014 – IAF Program Briefing.
- November 19, 2013 – International Arrivals Facility Construction Management, testing and inspection; surveying and locating and safety service agreements.
- July 23, 2013 – International Arrivals Facility Project & Program Support; and Price Factor Design Build Methodology authorization.
- July 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- July 9, 2013 – Alternative Public Works Contracting Briefing.
- April 9, 2013 – Sea-Tac Airport International Arrivals Facility Briefing.
- June 26, 2012 – Briefing on Airport Terminal Development Challenges at Seattle-Tacoma International Airport.
- June 14, 2011 – International Air Service Growth and Future Facility briefing.
- February 2, 2010 – Briefing on South Satellite Passenger Growth and Facility Considerations, Delta's Proposed Airline Lounge and Other Possible Future Aviation Projects.