



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6e

**ACTION ITEM**

**Date of Meeting** January 30, 2018

**DATE:** January 22, 2017

**TO:** Dave Soike, Interim Executive Director

**FROM:** Wendy Reiter, Director Aviation Security  
Wayne Grotheer, Director Aviation Project Management

**SUBJECT:** Airport Terminal Safety and Security Enhancements (CIP #C800862)

**Amount of this request:** \$1,481,000

**Total estimated project cost:** \$12,941,000

**ACTION REQUESTED**

Request Commission authorizations for the Executive Director to (1) proceed with the design and preparation of contract bid documents for Phase II of the Airport Terminal Safety and Security Enhancements (TSE) project for \$1,481,000 for a revised total project authorization of \$7,789,000 for both phases.

**EXECUTIVE SUMMARY**

Phase II will install: 1) additional security and safety features in the Main Terminal and Parking Garage; and 2) access ramps along both curbsides to meet current Americans with Disabilities Act (ADA) standards. An existing Architect Services Indefinite Delivery/ Indefinite Quantity (IDIQ) service agreement will be utilized to direct the design services. Staff will return later in 2018 for authorization to advertise, award and execute the construction contract for Phase II.

Phase I of the TSE project was previously authorized by the Commission on October 24, 2017.

**JUSTIFICATION**

Proceeding with Phase II of the TSE program will continue to keep the occupants of the Main Terminal safe. Installing ADA compliant access improvements for disabled travelers on both the Arrivals and Departures curbsides as part of the security work ensures that the design is compatible. These improvements support the Port's goal of making SeaTac the most accessible airport in the nation for people with disabilities.

**DETAILS**

Current ADA standards require the provision of one accessible loading zone for every continuous 100 linear feet, or fraction thereof, of curbside. Each accessible loading zone shall be designated with signage along both curbsides. Accessible loading areas on the drives are

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critical, as confirmed by staff, who recommend that ADA accessible ramps be added and incorporated into the security project, especially since the installation of both are so closely tied together.

**Scope of Work**

The project will install security and ADA access improvements at the entrances to the Main Terminal from the Arrivals and Departures curbsides. The number of accessible loading zones will increase from two to twelve on the Arrivals curbside, and from three to twelve on the Departures curbside. Security improvements will also be installed in the Main Garage at the entrance to each of the six sky bridges.

This scope of work entails opportunities for small and disadvantaged businesses. Project staff is working with the Economic Development Division – Small Business Group, to help identify and promote those opportunities within the scope of work.

**Preliminary Schedule (TSE Phase II only)**

Commission design authorization	2018 Quarter 1
Design start	2018 Quarter 1

**Cost Breakdown**

	This Request	Total Project
Design	\$1,481,000	\$2,087,000
Construction	\$0	\$10,854,000
Total	\$1,481,000	\$12,941,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

Three options were considered as follows:

**Alternative 1** – Status Quo –Do not proceed with security or ADA access improvements

Cost Implications: \$ 0

Pros:

- (1) No capital investment

Cons:

- (1) Does not increase the safety and security of the Main Terminal.
- (2) Does not enhance ADA accessibility.

This is not the recommended alternative.

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**Alternative 2** – Proceed with the security improvements only

Cost Implications: \$5,559,000

Pros:

- (1) Proceeding with the security improvements will increase the safety and security of the Main Terminal.

Cons:

- (1) Requires a capital Investment of \$5,559,000.
- (2) Does not take advantage of an opportunity to install ADA access ramps with the installation of security improvements in order to reduce the total costs of both projects, avoid removing and reinstalling recently complete work if work is done separately, and minimize construction impacts on the traveling public

This is not the recommended alternative.

**Alternative 3** Proceed with security and ADA access improvements

Cost Implications: \$6,653,000

Pros:

- (1) Proceeding with security and ADA access improvements under one project saves approximately \$260,000 and reduces the overall construction impacts to the traveling public.
- (2) Proceeding with security improvements will increase the safety and security of the Main Terminal.
- (3) The Arrivals and Departures curbsides will become compliant with current ADA standards sooner than currently planned and helps expedite achieving the Port goal of making the Airport the most accessible airport for people with disabilities in the nation.

Cons:

- (1) Requires a greater capital investment of \$6,653,000

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

***Cost Estimate/Authorization Summary***

	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate	\$9,854,000	\$0	\$9,854,000
Previous change (Phase I)	\$714,000	\$0	\$714,000
Current change (Phase II)	\$2,373,000	\$0	\$2,373,000
Revised estimate	\$12,941,000	\$0	\$12,941,000

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**Cost Estimate/Authorization Summary**

Capital

Expense

Total

<b>AUTHORIZATION</b>			
Previous authorizations	\$6,298,000	\$0	\$6,298,000
Current request for authorization	\$1,481,000	\$0	\$1,481,000
Total authorizations, including this request	\$7,779,000	\$0	\$7,779,000
Remaining amount to be authorized	\$5,162,000	\$0	\$5,162,000

**Annual Budget Status and Source of Funds**

This project was included in the 2018 – 2022 capital budget and plan of finance with a budget of \$9,854,000 million. The cost increase is due to adding scope for the sky bridges (Phase I), and adding the ADA access improvements (Phase II). The budget increase will be transferred from the Aeronautical Allowance CIP (C800753) resulting in no net change to the Aviation capital budget. The funding source will be the Airport Development Fund and future short-term revenue bonds. This project was approved by the airlines via the November 2017 Majority-in-Interest vote.

**Financial Analysis and Summary**

Project cost for analysis	\$12,941,000
Business Unit (BU)	Terminal Building
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.07 in 2019

**Future Revenues and Expenses (Total cost of ownership)**

Port staff does not anticipate a significant change in the on-going operation and maintenance costs associated with these improvements since preventative maintenance is not performed on the security and ADA access improvements. Additional costs will be incurred if the improvements are damaged and need to be replaced.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

October 24, 2017 – The Commission authorized Design and Construction of Phase I of Airport Terminal Safety Enhancements and Security Improvements