



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6h

ACTION ITEM

Date of Meeting February 11, 2020

DATE: February 4, 2020

TO: Stephen P. Metruck, Executive Director

FROM: James Schone, Director Aviation Commercial Management
Wayne Grotheer, Director Aviation Project Management

SUBJECT: Rental Car Facility (RCF) Security Improvements (CIP #C801110)

Amount of this request: \$6,000,000

Total estimated project cost: \$6,000,000

ACTION REQUESTED

Request commission authorization for the Executive Director to (1) prepare design and construction bid documents for the Rental Car Facility Security Improvements project at Seattle-Tacoma International Airport and (2) advertise and execute a major public works contract for the construction of the project, all for an estimated project cost of \$6,000,000.

EXECUTIVE SUMMARY

This project provides security enhancements to the RCF at the Airport in response to a recent security assessment of the facility. The modifications proposed would install architectural barriers along the ground level that include portions of three different levels of the facility, due to the sloped terrain of the RCF site. Egress-only doors would be installed on four of five levels in all eight external stair towers. The doors will be equipped with audible alarms that sound whenever the doors are in the open position. Due to the accelerated schedule for this project, this authorization request includes both design and construction efforts. The total estimated project cost has increased from \$1,760,000 to \$6,000,000 due to a change of scope based upon pre-design considerations.

During pre-design it was determined that the original \$1,760,000 budget would not accomplish the project objectives. The scope would not limit unauthorized access along the western edge of the facility from the ground level (levels 2 and 3). Adding barriers to these areas nearly doubled the square footage. Furthermore, the scope did not meet building code requirements for stairway landings and egress. To meet these requirements the stair towers were left open from the 1st to the 5th floor. However, to ensure security of the facility doors were added on each floor. The doors were added between the building and the stair towers, increasing the number of doors tenfold. Stair tower doors could be propped open without any notification, and so audible alarms were also added. Lastly, as part of the new \$6,000,000 budget, additional

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contingency was added to offset the risk of proceeding with a single authorization for design and construction.

JUSTIFICATION

Auto theft has been a recurring problem at the RCF, with the magnitude of the problem increasing during the past several years. The facility's stairwells were designed to be open and do not prevent unauthorized persons from entering the facility through the ground level. The proposed modifications to the open ground level areas and stairwell towers address this issue, which was one of the recommendations made in the security assessment of the facility completed, in 2018. The rental car tenants within the RCF have requested that the Port complete these improvements to ensure safe and secure operations of the facility. The Port is leading this project based on the terms of the RCF Lease Agreement. This project supports the Port's Century Agenda strategy of advancing this region as a leading tourism destination and business gateway by meeting the region's air transportation needs at the Airport for the next 25 years.

DETAILS

The RCF, which opened in 2012, houses the majority of rental car companies with operations at the Airport. During 2017 through 2018, the RCF experienced a marked increase in attempted and successful vehicle thefts.

In late 2018, the Port and the rental car companies who are tenants at the RCF jointly sponsored a security assessment. This assessment resulted in numerous recommendations aimed at reducing the incidence of significant property loss to the rental car companies, or personal injury to their patrons and employees.

The Port, through a separate project currently under construction which was approved by Commission in April 2019, is replacing the current six-foot site fencing with a new ten-foot anti-climb fence. In addition, the Port Commission approved a project in December 2019, which will replace and expand the cameras contained within the RCF, that will assist in monitoring activity. These projects are part of a larger collaborative effort between the Port and the rental car tenants, at the RCF, to implement the recommendations in the security assessment.

The current project proposal would limit the unfettered access to the ground level of the RCF building through the placement of ground level fencing at the open areas of the RCF and egress-only emergency stairwell doors on the east and west faces of the building. This will restrict and channel access to the structure through central corridors allowing for improved monitoring of activity. Materials used would be aesthetically consistent with the facility while serving a crucial security function.

This project will also undergo a majority-in-interest (MII) review by the rental car tenants, in accordance with the RCF lease agreements. The rental car tenants support the expanded effort

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to accomplish the set forth objectives of this project. The MII review is anticipated to be completed during Q1 2020.

Diversity in Contracting

The project team will work with the Diversity in Contracting Department to determine participation opportunities and set appropriate aspirational goals for women and minority business enterprises (WMBE) participation in the construction contract.

Scope of Work

The project will provide security improvements to the RCF as described below.

- Installation of anti-climb architectural barriers to fill the gaps throughout the ground level, including levels 1 through 3, that currently allow trespassers access to the facility.
- Installation of egress-only exit doors on levels 1 through 4 for all eight external stair towers. The doors will be equipped with audible alarms that sound whenever the doors are in the open position. Because the alarms will also sound during legitimate egress, they will not be as abrasive as an emergency exit siren.

Schedule

Design complete	2020 Q3
Construction start	2021 Q1
In-use date	2021 Q4

Estimated Cost Breakdown

	This Request	Total Project
Design Phase	\$1,115,000	\$1,115,000
Construction Phase	\$4,885,000	\$4,885,000
Total	\$6,000,000	\$6,000,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Port performs no security improvements.

Cost Implications: \$0

Pros:

- (1) Capital investment not required.

Cons:

- (1) This does not reduce access to the RCF via the open areas on the ground level and does not support the recommendations in the security threat assessment.
- (2) Additional security enhancements to be installed by the rental car tenants will not be as effective without these improvements.

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This is not the recommended alternative.

Alternative 2 – Install architectural barriers along the eastern edge of the first level. Install egress only doors at ground level entry points in all eight external stair towers.

Cost Implications: \$1,760,000

Pros:

- (1) Limits unauthorized access along the eastern edge of the first level.
- (2) Limits unauthorized access from the ground level into all eight stair towers.

Cons:

- (1) Does not limit unauthorized access along the western edge of the facility from the ground level (levels 2 and 3).
- (2) Does not meet building code requirements for stairway landings.
- (3) Stair tower doors can be propped open without any notification.
- (4) Requires capital investment by the Port.

This is not the recommended alternative.

Alternative 3 – Install architectural barriers along the eastern edge of the first level, and portions of the western edge of the second and third levels. Install egress-only doors at four of the five levels in all eight external stair towers with audible alarms.

Cost Implications: \$6,000,000

Pros:

- (1) Limits unauthorized access from the ground level along eastern and western edge of the facility.
- (2) Limits unauthorized pedestrian access from the ground level into all eight external stair towers
- (3) Meets building code requirements for stairway landings.

Cons:

- (1) Requires additional capital investment by the Port.

This is the recommended alternative.

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FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$1,760,000	\$0	\$1,760,000
Current change	\$4,240,000	\$0	\$4,240,000
Revised estimate	\$6,000,000	\$0	\$6,000,000
AUTHORIZATION			
Previous authorizations	\$100,000	\$0	\$100,000
Current request for authorization	\$5,900,000	\$0	\$5,900,000
Total authorizations, including this request	\$6,000,000	\$0	\$6,000,000

Annual Budget Status and Source of Funds

The RCF Security Improvements (CIP #C801110) project was included in the 2020-2024 capital budget and plan of finance with a total budget of \$1,760,000 (see Alternative 2). A budget increase of \$4,240,000 will be transferred from #C800754 Non-Aeronautical Allowance in order to complete the project with the recommended scope (Alternative 3). This project will be funded by Customer Facility Charge (CFC) revenues per the terms of the RCF Lease Agreement. While there is not a means for the rental car companies to recoup these costs, this project would also not trigger an increase to the current (CFC).

Financial Analysis and Summary

Project cost for analysis	\$6,000,000
Business Unit (BU)	Rental Cars
Effect on business performance (NOI after depreciation)	NOI after depreciation will decrease
IRR/NPV (if relevant)	N/A
CPE Impact	None

Future Revenues and Expenses (Total cost of ownership)

According to the terms of the RCF Lease Agreement, the rental car tenants are responsible for the on-going operating and maintenance costs of these improvements.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None