



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8d

ACTION ITEM

Date of Meeting December 15, 2020

DATE: November 02, 2020
TO: Stephen P. Metruck, Executive Director
FROM: Wendy Reiter, Director AV Security
Matt Breed, Chief Information Officer
Wayne Grotheer, Director Aviation Project Management
SUBJECT: SEA Perimeter Intrusion Detection System (PIDS) (CIP#800844)

Amount of this request: \$6,625,000
Total estimated project cost: \$28,645,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) increase the Perimeter Intrusion Detection System (PIDS) project at Seattle-Tacoma International Airport (SEA) funding by \$18,645,000 for a total estimated project cost of \$28,645,000; (2) expand the PIDS coverage area; (3) execute contracts for required hardware, software, and technical vendor services, license(s) and maintenance; (4) complete design (5) enter into reimbursable agreements with the Federal Aviation Administration (FAA); and (6) execute contract(s) for up to ten years for licenses, service, and maintenance fees estimated not-to-exceed \$4,500,000, which will be paid from the Aviation annual operating budget. The amount requested under this authorization is \$6,625,000 with an estimated total program cost of \$28,645,000.

EXECUTIVE SUMMARY

Enhancements to our perimeter security have been identified as critical in ensuring public safety and improving operational efficiencies through automation. Evolving the people, processes and technology to detect, analyze and enable rapid, coordinated responses to intrusion(s) is a key objective of the AV Security Master Plan.

In 2019, \$3.5 million was authorized to deploy a technology-based solution for partial airfield perimeter detection with minimal infrastructure. It included, under separate authorization, a phase 2 using the remaining \$6.5 million funded in the capital plan to increase perimeter coverage with additional technology. Additional funding is requested under this authorization for added scope to increase the coverage area and allow for a technical solution that extends communication infrastructure along the perimeter footprint.

This authorization includes funding for implementation of the PIDS technology solution and design for power and communication infrastructure required for the initial perimeter security

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coverage area. Authorization for construction will follow in a future Commission authorization request anticipated for Q3 2022.

Aviation Security, Information and Communication Technology (ICT), Aviation Maintenance (AVM), and the Aviation Project Management Group (AV PMG) will collaborate to complete this project. Funding for this project was included in the 2020-2024 capital budget and Plan of Finance in the amount of \$10,000,000 under CIP #C800844, Perimeter Intrusion Detection. The capital budget increase of \$18,500,000 will be transferred from the Aeronautical Allowance #C800753, resulting in zero net change to the Aviation capital budget.

JUSTIFICATION

Diversity in Contracting

Through the Diversity in Contracting (DC) program, a Women and Minority Business Enterprises (WMBE) goal will be included in the professional services contract and any major works contracting.

DETAILS

Enhancements to our perimeter security have been identified as critical in ensuring public safety and improving operational efficiencies through automation. This project will deliver a new system that will be part of a layered protection strategy which incorporates people, processes, and technology to decrease security risk and increase situational awareness. When integrated with existing security systems, it will provide a comprehensive picture to security and safety personnel and facilitate coordinated responses.

Scope of Work

The total project scope includes:

- (1) Procure and implement the chosen technology solution that is capable of monitoring 100% of the SEA Security perimeter.
- (2) Design, procure and construct electrical and communication infrastructure which supports the technical solution around the initial airport perimeter coverage area.
- (3) Integrate the solution with existing security systems to provide a comprehensive picture and operational efficiencies.
- (4) Provide licenses, professional and maintenance services.

Schedule

Commission Authorization	2020 Quarter 4
Product Selection	2020 Quarter 4
Implementation	2024 Quarter 4

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Activity

Commission design authorization	2020 Quarter 4
Technical start	2021 Quarter 1
Design start	2021 Quarter 1
Commission construction authorization	2022 Quarter 3
Construction start	2022 Quarter 3
In-use date	2024 Quarter 4

Cost Breakdown

	This Request	Total Project
Technical Implementation	\$3,500,000	\$7,000,000
Design	\$3,000,000	\$3,000,000
Construction	\$0	\$18,500,000
Training	\$125,000	\$145,000
Total	\$6,625,000	\$28,645,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Implement and construct a Perimeter Intrusion Detection System for the proposed coverage areas.

Cost Implications: \$28,500,000

This is the recommended solution.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$10,000,000	\$0	\$10,000,000
Current change	\$18,500,000	\$145,000	\$18,645,000
Revised estimate	\$28,500,000	\$145,000	\$28,645,000
AUTHORIZATION			
Previous authorizations	\$3,500,000	\$20,000	\$3,520,000
Current request for authorization	\$6,500,000	\$125,000	\$6,625,000
Total authorizations, including this request	\$10,000,000	\$145,000	\$10,145,000
Remaining amount to be authorized	\$18,500,000	\$0	\$18,500,000

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Annual Budget Status and Source of Funds

This project was included in the 2021-2025 capital budget and Plan of Finance for \$28,645,000 under CIP #800844, Perimeter Intrusion Detection System. The capital budget increase of \$18,500,00 was transferred from the Aeronautical Allowance #C800753 resulting in resulting in zero net change to the Aviation capital budget. The additional \$145,000 expense budget increase for training will be budgeted in 2022.

Financial Analysis and Summary

Project cost for analysis	\$28,645,000
Business Unit (BU)	Airfield Movement Area
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.
IRR/NPV (if relevant)	N/A
CPE Impact	\$.11 in 2025

Future Revenues and Expenses (Total cost of ownership)

Annual recurring maintenance and license costs for this system, estimated at \$140,000, will be budgeted in the Aviation Maintenance operating budget. Port support and spare parts are estimated at \$230,000 annually and will be budgeted in the Aviation Maintenance operating budget.

ATTACHMENTS TO THIS REQUEST

- (1) PIDS presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

January 22, 2019 – The Commission authorized \$3,500,000 of a \$10,000,000 CIP to procure and implement a Perimeter Intrusion Detection system with a specific coverage scope.