



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8c

ACTION ITEM

Date of Meeting August 10, 2021

DATE: July 30, 2021

TO: Stephen P. Metruck, Executive Director

FROM: Matt Breed, Chief Information Officer, Information & Communication Technology
Jim Dawson, Dir. Infrastructure Services, Information & Communication Technology

SUBJECT: Port Headquarters WIFI Replacement (CIP #C801063)

Amount of this request: \$820,000

Total estimated project cost: \$2,500,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) proceed with the Wireless Network (WIFI) Replacement project; (2) prepare design and construction bid documents for the replacement of WIFI technology and supporting equipment at the Port of Seattle Headquarters (P69); and (3) procure required hardware, vendor services, licensing, and maintenance services in support of WIFI and network services at P69. The amount of this request is \$820,000. The total estimated project cost is \$2,500,000.

EXECUTIVE SUMMARY

This project will replace the current P69 wireless network to ensure continuity of WIFI service, deploy technology that adheres to Port security protocols, and provide full coverage of work and public spaces. The Port WIFI is used extensively throughout P69 by employees, customers, and visitors to access internal Port systems or external internet. The network, deployed over a decade ago, is at end-of-life, no longer receives security updates, and doesn't provide the coverage or bandwidth needed to meet modern connectivity requirements.

This authorization includes the design of electrical and communication infrastructure to support new wireless access points and the procurement of equipment to minimize schedule risks from long-lead time items that will be installed by the construction contractor as well as Port labor respectively. Authorization for construction will be sought in a subsequent request.

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The capital project is included in the 2021-2025 capital budget and plan of finance for \$2,500,000. Recurring costs estimated at \$11,600 per year will be budgeted in the ICT operating budget beginning in 2022.

JUSTIFICATION

Replacing end-of-life hardware supports the Century Agenda goal of being a highly effective public agency by proactively maintaining technology critical for Port operations.

- (1) The current wireless infrastructure is old, at risk of failure, and most components no longer receive security updates.
- (2) Requirements for wireless access have changed over the last decade and the current wireless infrastructure is not able to accommodate the number and types of devices used by employees and visitors, as well as the bandwidth required for more sophisticated applications.
- (3) As our workforce becomes more mobile, expectations for connectivity throughout P69 increase. The upgraded WIFI will include better coverage in areas without adequate connectivity.

Diversity in Contracting

Design work is being performed in-house. Project staff will work with the Diversity in Contracting Department to identify WMBE opportunities.

DETAILS

This project will replace the current WIFI at P69 with better coverage and bandwidth to meet requirements for modern and emerging technology, install equipment that adheres to the Port's security protocols, and minimize the risk of failure due to age. Following is the scope of work for this authorization.

Scope of Work

- (1) Utilize existing IDIQ for a site survey to determine best wireless access point locations to provide full coverage at P69.
- (2) Utilize in-house communication infrastructure Design Engineer to develop designs for installation of WIFI equipment and electrical and communication infrastructure.
- (3) Procure WIFI equipment as needed to meet schedule expectations.
- (4) Installation of communication room equipment by Port labor.

There are other Port sites with aging or insufficient wireless connectivity that may require attention during this project. They will be addressed separately with operating funds or small capital projects. More comprehensive needs at other sites will be evaluated for future projects.

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Schedule

Design Start	2021 Quarter 4
Commission Construction Authorization	2022 Quarter 2
Construction start	2022 Quarter 4
In-use date	2023 Quarter 3

Cost Breakdown

	This Request	Total Project
Equipment & Vendor Services	\$585,000	\$585,000
ICT and Information Security Labor	\$115,000	\$395,000
Design/Construction	\$120,000	\$1,520,000
Total	\$820,000	\$2,500,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Delay Replacing the WIFI Infrastructure at P69

Cost Implications: \$0

Pros:

- (1) Capital funds are available for other projects.

Cons:

- (1) The existing WIFI is at risk of failure. This alternative will delay upgrades that may be more costly to the business if service is disrupted.
- (2) The existing WIFI is unable to have the latest security remediations installed resulting in a security risk that is currently manually managed by Information Security personnel.
- (3) The current WIFI infrastructure does not fully support an increasingly mobile workforce.

This is not the recommended alternative.

Alternative 2 – Replace the WIFI Infrastructure at Port Headquarters

Cost Implications: \$2,500,000

Pros:

- (1) The wireless technology will adhere to the latest security protocols and the burden on Information Security to manually monitor the WIFI will be reduced.
- (2) WIFI will be available throughout the facility for employees and public and will not fail due to aged hardware.
- (3) Mobile business applications and devices will not experience degraded, interrupted, or slow functionality.
- (4) New cabling infrastructure will support modern WIFI equipment and future initiatives precluded by current cable.

Cons:

- (1) Capital funds are not available for other projects.

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This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$2,500,000	\$0	\$2,500,000
AUTHORIZATION			
Previous authorizations	\$40,000	0	\$40,000
Current request for authorization	\$820,000	0	\$820,000
Total authorizations, including this request	\$860,000	0	\$860,000
Remaining amount to be authorized	\$1,640,000	0	\$2,500,000

Annual Budget Status and Source of Funds

This project was included in the 2021 plan of finance under committed CIP #C801063 in the amount of \$2,500,000. The project will be funded 81.3% with the Airport Development Fund and 18.7% General Fund.

Financial Analysis and Summary

Project cost for analysis	\$2,065,000 (Airport’s cost)
Business Unit (BU)	AV division wide with 62.3% included in airlines rate
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)	NA
CPE Impact	Less than \$.01 in 2024

Future Revenues and Expenses

Annual recurring license and maintenance fees, estimated at \$11,600 per year, will be budgeted in the ICT annual operating budget beginning in 2022.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None