



**COMMISSION
AGENDA MEMORANDUM**

Item No. 10b

ACTION ITEM

Date of Meeting March 22, 2022

DATE: March 11, 2022

TO: Stephen P. Metruck, Executive Director

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

SUBJECT: Checkpoint 1 Relocation Construction Authorization (CIP #C801093)

Amount of this request: \$26,700,000

Total estimated project cost: \$37,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) advertise and award a major works construction contract for the relocation of Checkpoint 1 at Seattle-Tacoma International Airport, include a Project Labor Agreement, and (2) use Port crews for support activities. The amount of this request is \$26,700,000 of a total estimated project cost of \$37,000,000.

EXECUTIVE SUMMARY

This project is needed to improve the level of service for airline passenger security screening at the Airport. The Airport currently has five checkpoints spread across the Ticketing Level. The current Checkpoint 1 located at the south end of the Ticketing Level is undersized, has an inefficient configuration, and will not be able to accommodate newer screening technologies proposed by the Transportation Security Administration (TSA). With the current conditions, Checkpoint 1 is only suitable for pre-check passengers, which limits the airport's overall screening flexibility and effectiveness. The relocation of Checkpoint 1 would enable other Main Terminal checkpoint and check-in improvements as part of the Main Terminal Optimization Plan (MTOPT).

This project will relocate Checkpoint 1 from its current location on the Ticketing Level to the lower Baggage Claim Level to provide additional screening throughput flexibility and a more adequate level of service for our passengers. Along with supporting upgrades, the project will create new queuing, travel document verifications, and additional security screening lanes which will accommodate future TSA technology.

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This project was reviewed and approved by the airport airlines through a majority-in-interest (MII) vote in 2020.

JUSTIFICATION

Inability to accommodate efficient technology and adequate queuing for passenger security processing at Checkpoint 1 will result in continued deterioration of passenger level of service in the Main Terminal as demand increases. Passenger security screening at the Airport is experiencing stints of systemic failure, resulting in excessive wait times and impacts to other terminal processes. Without implementation of additional security screening capacity and efficiency, it is distinctly possible that queues will become unmanageable, resulting in passengers experiencing more and more missed flights.

Relocation of Checkpoint 1 to the lower level would provide additional processing capacity and operation area to improve passenger level of service. An enhanced Checkpoint 1 would provide additional compliant screening lanes, TSA support spaces, adequate queuing to meet peak demand, and flexibility to accommodate current and evolving screening protocols. This lower-level checkpoint will serve all passengers but will primarily benefit passengers using the South Satellite Concourse and passengers dropped off on the arrivals curb during peak departure periods, helping to mitigate curb congestion. It also introduces new opportunities for demand management, which are being considered in other initiatives. Passengers using Checkpoint 1 would have direct access to the South Satellite Transit System platform and ultimately any gate.

Diversity in Contracting

There will be a 14% women and minority business enterprise (WMBE) aspirational goal for the construction contract.

DETAILS

This project will relocate the existing Checkpoint 1 from its current location on the Ticketing Level to a new expanded location on the Baggage Claim Level to increase passenger processing capacity. In addition, the project scope creates a “meeter/greeter” area and circulation in the area for internationally arriving passengers and integration of new public art displays to enhance pre-security civic space at SEA.

Scope of Work

The scope includes the following elements:

- (1) New security lanes designed to current TSA standards
- (2) Demising of security checkpoint from the rest of the Bag Claim level and Gina Marie Lindsey (GML) Arrivals Hall
- (3) Removal of Bag Claim 1 device
- (4) Expansion of glass wall around the GML Hall and the Grand Staircase
- (5) Structural upgrades to support new glass walls
- (6) Removal of architectural elements to increase circulation in the GML Hall

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- (7) Upgrades to the controls of the existing air handler serving the GML Hall
- (8) New terrazzo flooring in the GML Hall area
- (9) Creation of a new curved bank of art display cases with lighting
- (10) Provide code compliant egress from the new Checkpoint
- (11) Vertical Circulation Upgrades to four elevators including one full replacement
- (12) Deaccession of The Clearing art wall
- (13) New flight information displays
- (14) Updated wayfinding signage
- (15) Demolition and closure of existing Checkpoint 1 on the ticketing level
- (16) Relocation of the United Baggage Service Office

Schedule

Activity

Construction start	2022 Quarter 4
In-use date	2024 Quarter 1

Cost Breakdown

	This Request	Total Project
Design	\$0	\$5,900,000
Long lead time equipment purchase	(\$600,000)	\$1,900,000
Construction	\$27,300,000	\$29,200,000
Total	\$26,700,000	\$37,000,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Keep Checkpoint 1 on the Ticketing Level as-is

Cost Implications: \$2.8M

Pros:

- (1) No capital investment required.
- (2) All checkpoints will remain on ticketing. Less confusion for the traveling public.

Cons:

- (1) Does not increase checkpoint capacity.
- (2) Current checkpoint will continue to only screen pre-check travelers.

This is not the recommended alternative.

Alternative 2 – Relocation Checkpoint 1 to Bag Claim Level

Cost Implications: \$37,000,000

Pros:

- (1) Creates ideal amount of space for queuing, document check, screening, and re-composure.

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- (2) Provides additional area for passenger screening without expanding the building footprint.
- (3) Locating a passenger screening checkpoint on a different level than existing checkpoints and with additional lanes is likely to provide a moderate benefit to the TSA staffing formula and may result in additional Transportation Security Officers allocated to the Airport.
- (4) Existing Checkpoint 1 location can remain operational during a portion of construction activities.
- (5) Allows other portions of the MTOP program to proceed without having to reduce capacity (based on the current airport wide passenger screening capacity).

Cons:

- (1) Baggage claim level is not a typical location for passenger screening and wayfinding to this checkpoint will likely be challenging to resolve.
- (2) Requires additional TSA staff.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$40,000,000	\$0	\$40,000,000
Previous changes - net	(\$2,500,000)	\$2,500,000	\$0
Current change	(\$2,400,000)	(\$600,000)	(\$3,000,000)
Revised estimate	\$35,100,000	\$1,900,000	\$37,000,000
AUTHORIZATION			
Previous authorizations	\$7,800,000	\$2,500,000	\$10,300,000
Current request for authorization	\$27,300,000	(\$600,000)	\$26,700,000
Total authorizations, including this request	\$35,100,000	\$1,900,000	\$37,000,000
Remaining amount to be authorized	\$0	\$0	\$0

Annual Budget Status and Source of Funds

This CIP C801093 Checkpoint 1 Relocation was included in the 2022-2026 capital budget and plan of finance with a budget of \$40,000,000. A capital budget decrease of \$4,900,000 was transferred to the Aeronautical Reserve CIP (C800753) resulting in zero net change to the Aviation capital budget. Revised budget includes a transfer of scope from Airline Realignment for the build-out of the United Baggage Service Office. The TSA screening equipment would be treated as public expense and budgeted in the operating budget. The funding source will be the Airport Development Fund (ADF) and revenue bonds.

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Financial Analysis and Summary

Project cost for analysis	\$37,000,000
Business Unit (BU)	Terminal Building
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	\$.014 in 2025

Future Revenues and Expenses (Total cost of ownership)

While this security checkpoint has been designed to the most current TSA standards, and thus could accommodate the newest technology, there are no plans in place today to replace security equipment.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

October 22, 2019 – The Commission authorized design of the project, use of Port crews for design support and enabling construction activities, and purchase of owner-supplied security screening equipment.

July 23, 2019 – The Commission was briefed on the Main Terminal Optimization Plan