



COMMISSION
AGENDA MEMORANDUM

Item No. 8e

ACTION ITEM

Date of Meeting December 13, 2022

DATE : November 17, 2022

TO: Stephen P. Metruck, Executive Director

FROM: Laurel Dunphy, Director Airport Operations

SUBJECT: **Airport Seating Contract Bag Claim, Ticketing and Concourse**

Amount of this request: \$0

Maximum Value of Contract: \$11,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to advertise and execute a long-term contract for up to 10 years for airport seating.

EXECUTIVE SUMMARY

This request is for authorization to execute a long-term, purchasing agreement with a manufacturer for airport baggage claim, ticketing, and concourse seating to replace existing seating to enhance the level of service and address deficiencies highlighted from multiple sources. There is no funding request associated with this authorization. Individual purchase orders will be executed to authorize each purchase within approved project authorizations and charges to this contract will be from department budgets and projects that will be authorized separately through established procedures and within the total contract amount. We are asking for \$11 million in contract capacity.

JUSTIFICATION

Seating is a significant factor in passenger experience and our seating at Bag Claim and Ticketing are the lowest scoring areas of the facility. In our 2021 Skytrax Audit, Ticketing seating scored 3.43 and Bag Claim seating scored 3.50 out of a 5 scale, the lowest scoring seating at the airport. Skytrax feedback is this seating “remains basic, does not provide power outlets and the provision for passengers with restricted mobility (ADA) or elderly passengers is quite poor.” This feedback is echoed by our 2017 Open Doors Organization Accessibility Report and our Accessibility Advisory Committee. A key passenger desire is for seating with power outlets airport-wide, an industry best practice highlighted by customer service feedback, Skytrax audits, feedback from Airport Service Quality (ASQ) surveys and from JD Power Rankings. Future purchases from this contract may include seating for other public areas of the airport.

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This request is aligned with the Aviation Division’s Goal 2: Advance this region as a leading tourism destination and business gateway, specifically Objective 3: Continuously improve the operational efficiency and customer experience at SEA and Objective 4: Strengthen the competitiveness of SEA in the regional and global marketplace. The request is moderately urgent to ensure approved 2023 Small Capital Purchases can proceed in FY2023. Again, we are asking for \$11 million in contract capacity, but individual projects and budget requests will purchase the seating throughout the life of the contract.

Diversity in Contracting

Separate from this purchasing contract SEA intends to engage WMBE, DBE or SBE companies for the disassembly and full recycling of our existing Herman Miller seating when we dispose of that seating related to replacement furniture purchases.

DETAILS

Since 1973, the airport has purchased and utilized Herman Miller Eames Tandem seating at baggage claim, ticketing designated “Wheelchair Waiting Areas” for where the Port provides the seating for airline wheelchair providers and our concourses. This seating has served us well but is outdated, difficult, and time-consuming to repair and lacking in power outlet options.

Scope of Work

The Port will conduct a competitive process to select the manufacturer of the products. The selection of one manufacturer to supply bag claim, ticketing and seating for other portions of the airport will ensure SEA adheres to the architectural standards of the facility while staying contemporary, maintaining Americans with Disabilities Act (ADA) compliance, and improving the passenger experience and overall customer service.

Below is a list of known upcoming seating requirements.

Project	Number of Seats	Desired First Seat Delivery Date
Ticketing Wheelchair Waiting Areas	~139	December 2023
Bag Claim ADA Seating	~128	December 2023
Bag Claim Remaining Seating	~250	2024
Cruise Seating	~600	2025
D Concourse	~705	2026
South Satellite	~950	2026

Project Objectives

- Improve Customer Experience

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- Maintain one of the top customer service airports in North America
- Improve our Skytrax Audit scores for Ticketing and Bag Claim from 3.43 and 3.50 to over 4.10 helping to maintain our 4-Star Skytrax Airport Rating

Schedule

We intend to select a supplier and execute a contract by May 2023

Activity

Commission contract authorization	4 th Quarter 2022
RFP selection process	1 st Quarter 2023
Contract executed	2 nd Quarter 2023

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Status Quo: Maintain Herman Miller at bag claim, ticketing, and other areas of Seattle-Tacoma International Airport

Cost Implications: \$11,000,000 in contract capacity

Pros:

- (1) Minimizes time and resources of the Port to go through the full evaluation process
- (2) Ensures a consistent seating standard is maintained

Cons:

- (1) Does not address seating feedback from Skytrax, ASQ, Open Doors Organization Accessibility Report, and JD Power Rankings
- (2) Does not improve the level of service for passengers with restricted mobility and our Wheelchair Waiting Area seating
- (3) Does not allow assessment of new seating options that may have been introduced since 2003
- (4) Does not allow the Port to negotiate for best pricing through coordinated purchasing

This is not the recommended alternative.

Alternative 2 – Do not establish a new seating standard for Seattle-Tacoma International Airport. Allow discrete projects to determine and incorporate the seating individually.

Cost Implications:

Pros:

- (1) Contractors may be able to obtain better prices for large purchases of seating across multiple projects.
- (2) Provides individual project designers and architects with more autonomy to use the seating to sculpt the desired experience.

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Cons:

- (1) Will result in inconsistency in Airport seating, increasing maintenance and inventory costs.
- (2) Does not address seating feedback from Skytrax, ASQ, Open Doors Organization Accessibility Report, and JD Power Rankings.
- (3) Historically will provide less durable seating or with the lowest upfront cost but with a substantially higher Total Cost of Ownership while requiring additional staffing time to maintain and replace.

This is not the recommended alternative.

Alternative 3 – Execute a long-term contract for airport seating.

Cost Implications: \$11,000,000 in contract capacity.

Pros:

- (1) Allows for a rigorous process to determine the optimal seating selection based on the balance of cost, passenger experience, maintainability, and green principles.
- (2) Enables Port to negotiate for the best price by using coordinated purchasing for planned purchases over the next five years with a focus on the total-cost-of-ownership for seating that meets our standards.

Cons:

- (1) Increased engagement from Port resources necessary to take full advantage of the opportunity and select the correct product.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Budget Status and Source of Funds

Charges to this contract will be from department budgets and projects that will be authorized separately through established procedures. Consequently, there is no funding request associated with this authorization. Individual purchase orders will be executed to authorize each purchase within approved project authorizations and the total contract amount.

Lifecycle Cost and Savings

The selection criteria will be composed of the total-cost-of-ownership (TCO), comfort, maintainability, aesthetics, and Century Agenda environmental goals. A team will evaluate the cost from a lifecycle perspective versus solely an upfront cost perspective and employ a strategic vendor agreement to ensure a negotiated price is reached to guarantee the best pricing for all anticipated future purchases.

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ADDITIONAL BACKGROUND

None

ATTACHMENTS TO THIS REQUEST

- (1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

August 9, 2016 – The Commission authorized similar contract for standardized airport hold room seating.