

Item No. 8d_supp

Meeting Date: September 26, 2023

Post IAF Airline Realignment Enabling Work Construction Authorization

September 26, 2023

Commission Day



Requested Action

Request Commission authorization for the Executive Director to:

- (1) Authorize enabling construction work for the Post IAF Airline Realignment project at Seattle-Tacoma International Airport
- (2) Procure long lead items
- (3) Increase the project authorization by \$14.4 million
- (4) Execute a project labor agreement

Project Background

The project is facilitating the relocation of United Airlines' (UA) domestic only operations from Concourse A to Concourse B. This allows for airlines with international flights to use the vacated international capable gates on Concourse A.

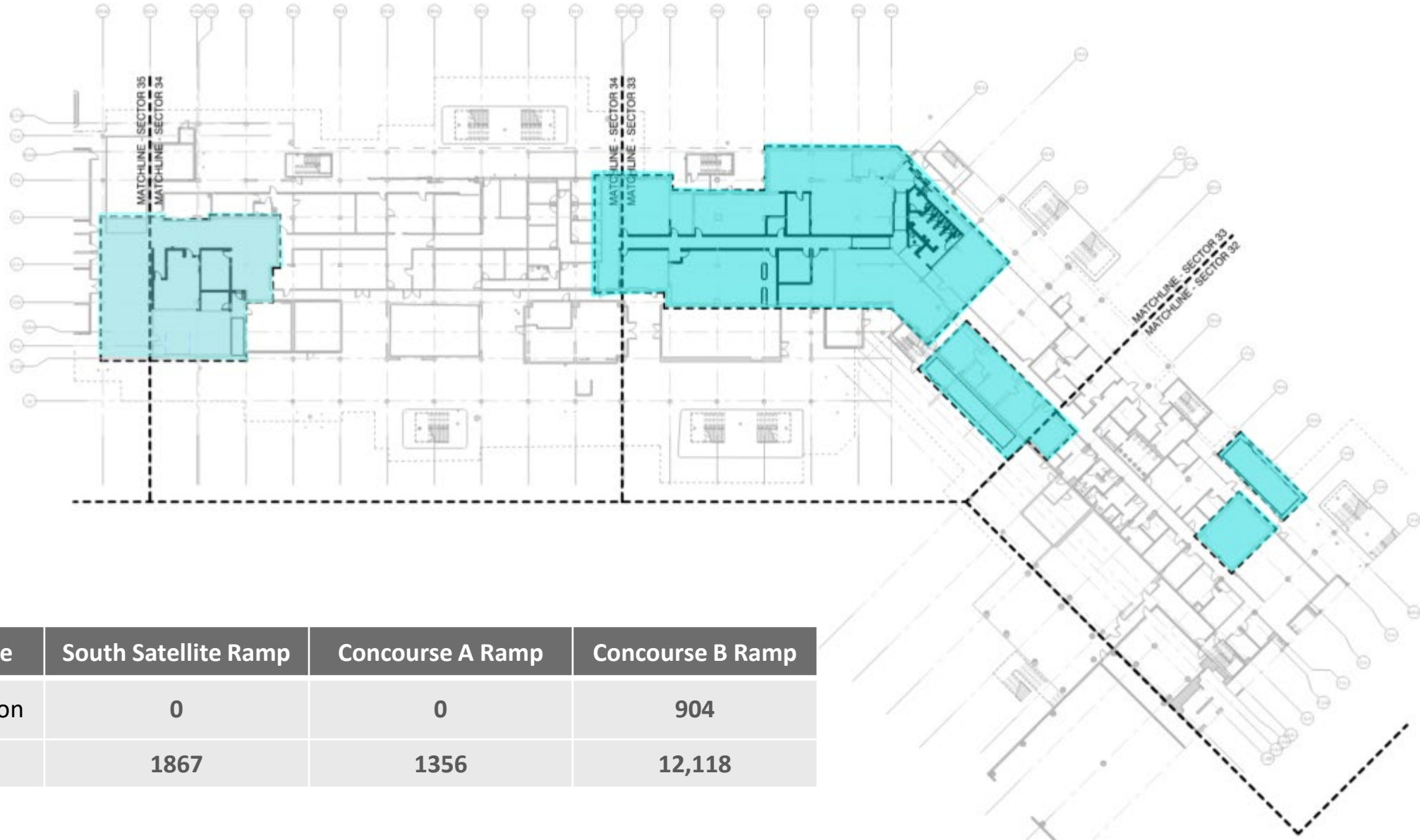
The enabling work included in this construction authorization provides code upgrades and facilitates existing infrastructure and systems relocations required to initiate base program scope.

Airline Realignment Program Drivers

- Needed renewal and replacement (1960s era)
 - Failing infrastructure systems
 - Mechanical System Upgrade (smoke control ready)
 - Existing watermain upgrade and replacement
- Capacity enhancements
 - Provides renovated and expanded leasable space to accommodate the airline relocations
 - Expanded and renovated all gender restroom facilities
- Safety enhancements
 - Code upgrades – Accessibility
 - Code upgrades – Interior conditioned space to improve air-quality for ramp workers
- Operational enhancements
 - Limits domestic carrier preferential lease of international capable gates
 - Ensures international flights have improved access to the Concourse A and IAF connected gates

Enabling Area of Work

Existing Concourse B Ramp

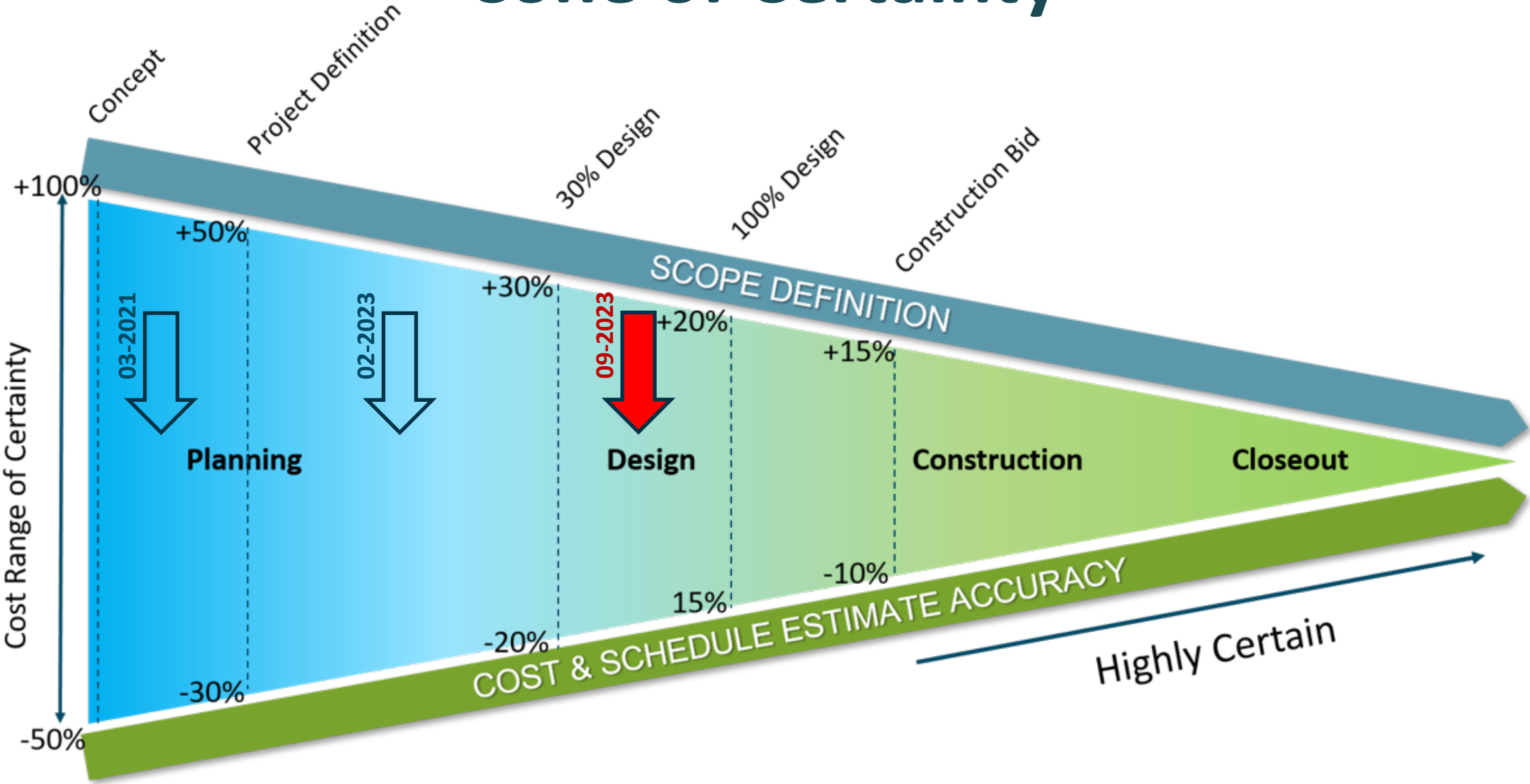


Square Footage	South Satellite Ramp	Concourse A Ramp	Concourse B Ramp
New Construction	0	0	904
Renovation	1867	1356	12,118

Cost Breakdown

Cost Estimate/Authorization Summary	Capital	Expense	Total
Original estimate	\$35,000,000	\$35,000,000	\$70,000,000
Previous changes – net	\$34,000,000	(\$2,000,000)	\$32,000,000
Current change	\$0	\$0	\$0
Current Budget	\$69,000,000	\$33,000,000	\$102,000,000
Previous authorizations	\$23,400,000	\$9,800,000	\$33,200,000
Current request for authorization	\$1,500,000	\$12,900,000	\$14,400,000
Total authorizations, including this request	\$24,900,000	\$22,700,000	\$47,600,000
Remaining amount to be authorized	\$44,100,000	\$10,300,000	\$54,400,000

Cone of Certainty



Schedule for Commission Actions/Briefing

- September 26
 - Construction authorization for Package 1 Enabling – This request
- December 12
 - Construction authorization for Packages 2 – 4
 - Briefing on United Airlines Lounge
- Quarter 2 2024
 - Construction authorization for United Airlines Lounge

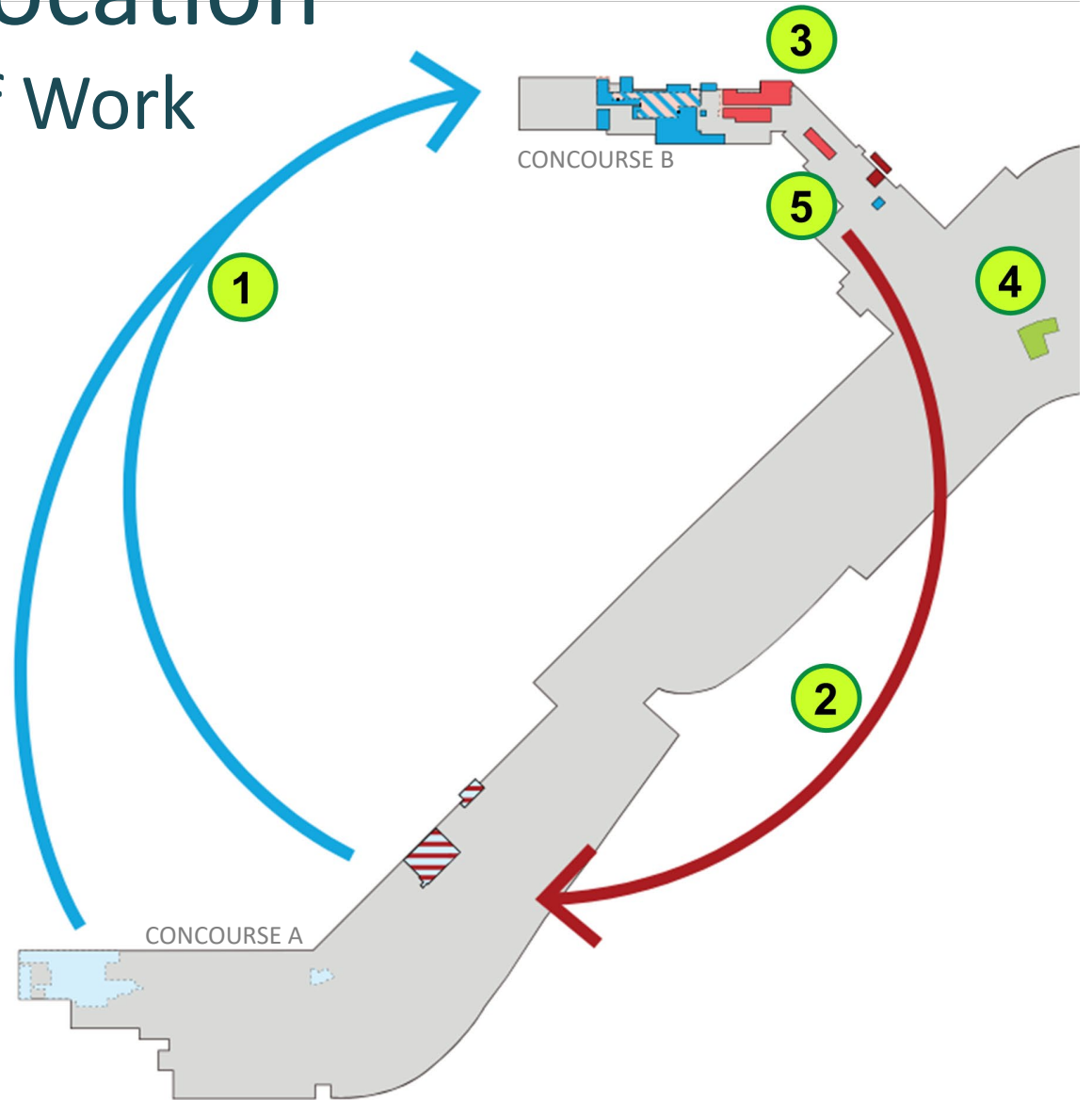
QUESTIONS/DISCUSSION

APPENDIX

Project Location

Scope of Work

- 1 Relocates United Airlines (UA) to renovated and expanded space on Concourse B.
- 2 Relocates Delta Air Lines into UA vacated gates on Concourse A.
- 3 Replaces two Air Handling Units in 2 new penthouses and upgrades mechanical system infrastructure on Concourse B.
- 4 Reconfigures Zone 4 leasable space to accommodate common use, flow-through ticket counters.
- 5 Relocates United Airlines to renovated lounge on Concourse B.



Schedule Overview

	2023				2024				2025				2026	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Airline Realignment Enabling Scope	Design			❖ Commission Action	Construction									
* Airline Realignment Base Scope	Design			❖ Commission Action	Construction						UA Operate at Concourse B Gates			
United Airlines (UA) Lounge				Design	❖ Commission Action	Construction								

** Airline Realignment Base Scope includes all scope identified in Packages 2,3, and 4.*