



**COMMISSION
AGENDA MEMORANDUM**

Item No.

8f

ACTION ITEM

Date of Meeting

May 14, 2024

DATE: March 4, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Mike Tasker, Director, Aviation Maintenance
Jinah Kim, Senior Manager, Aviation Maintenance

SUBJECT: Airport-wide Window Cleaning Contract

Amount of this request: \$ 9,000,000

Total estimated project cost: \$ 9,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to; 1) increase the value of the existing service contract for Airport-wide Window Cleaning at Seattle-Tacoma International Airport by \$2,000,000 to complete the initial 5-year contract and 2) procure a new up-to 5-years contract starting in March 2025 for an estimated cost of \$7,000,000. This commission authorization will allow the Executive Director to execute an up-to five-year window cleaning service contract through competitive procurement process at Seattle-Tacoma International Airport through February 2030.

EXECUTIVE SUMMARY

In 2019, Commission authorized a contact value of \$3,000,000 for the airport-wide window cleaning services to be selected through a competitive procurement process. The 5-year contract was signed with a small minority business enterprise with an annual service cost to spend up to \$1.2M.

The authorization took place before the service was procured. With the service being new, the percentage of the work being completed in a year was unknown at that time. Moreover, the window cleaning contract started in March 2020 when the world went into the COVID-19 pandemic; therefore, there were significant budget cuts in the beginning of the contract term. The department negotiated and lowered the budget by 96% in 2020, and 75% in 2021 with full cooperation from the contractor.

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A full-service year started in 2022, the contractor's been successfully fulfilling the service up to 75-80% of the work annually since then. This request, for a contract authorization increase of \$2M, will carry us through 2024, and until February 2025 to fulfill the full contract term commitment. The service will be advertised for a competitive procurement after that. Currently the annual cost is included in the Aviation Maintenance Department operating budget and captured in the department budget baseline; this request is for a contract authorization increase only.

The requested commission authorization of \$9M would support the following essential aspects of the service contract.

1. This request, for a contract authorization increase of \$2M, will carry us until Feb. 2025 to fulfill the contract commitment for a small minority business enterprise.
2. Advertise, award, and execute Airport-Wide Window Cleaning Service contract in Q3 2024 competitively. The proposed pricing is expected to be higher due to inflation, an 8.66% increase in minimum wage since 2023, and cost of living increases.
3. The estimated cost captures the new facility coming online in the next 2 years such as North Main Terminal Renovation, Concourse A Building Expansion for Delta Sky Club, Concourse C expansion, Fire Station, and South Satellite Renovation.

JUSTIFICATION

Approval of this request will allow the Port to fulfill the contract obligation to the current small minority business enterprise.

Approval of this request will allow the Port to procure market value Window Cleaning Service contract through a competitive process.

Cleanliness of the Airport is one of the key areas of focus for the Aviation division, in its efforts to improve the overall experience of our customers, position SEA as a premier airport and advance the region as a leading tourism destination. One of the key elements of terminal cleanliness is the cleanliness of the large glass curtain wall systems in Central Terminal, IAF and IAF Suspended Bridge windows, Gina Marie Lindsey Arrival Hall, North Satellite, Exterior of Airline Lounges, and other parts of the airport that provide access to interesting and incredible views of the airport, airplanes, and surrounding region. As such, keeping those windows clean is an important component of this overall effort. The service includes not only the airport terminal buildings but also Airport Office Building (AOB) and other 16 standalone outlying facilities.

New procurement of the service contract based on the current cleaning schedule and frequency based contracting model used, while adjusting the contracting authority to better align with actual costs experienced, will aid the Airport in meeting the standards set under increasing customer demands, the Port's customer experience, economic growth and the women- and minority- business enterprise (WMBE) aspirational goals.

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Approval of this request will allow the Port to procure market value service in accordance with the Washington State’s prevailing wage structure will create more jobs, aid the Airport in meeting the standards set under increasing customer demands, the Port’s customer experience, Continuous Process Improvement (CPI), economic growth and the women- and minority-business enterprise (WMBE) aspirational goals.

Diversity in Contracting

Aviation Maintenance Facility Service Contact Management staff is working with the Diversity in Contracting Department regarding setting the women- and minority- business enterprise (WMBE) aspirational goals for contracted work. A 35% WMBE goal has been set by the Diversity in Contracting Department for Airport-wide window cleaning service contract, based on that determination we anticipate achieving a similar aspirational goal in the new procurement.

DETAILS

The facility needs to be clean and well maintained to meet the Port’s customer experience expectations in support of the Port’s Century Agenda goal to advance as a leading tourism and business gateway of choice on the West Coast.

The window cleaning at the airport is a high-risk task involving heavy equipment such as lifts, and boson’s chairs suspended from the roof anchoring system. The Port recognizes that high bay window cleaning was a unique specialty and decided to separate this service from the custodial contracts in 2017. The work requires multiple department coordination delivering lifts through from the Landside into Airside and airline cooperations to be on the Ramp with lift and the window cleaning staff is at the airport daily to complete annual cleaning cycle from 1 to 4 cycles based on customer demands.

Port staff anticipate incorporating Labor Harmony language into the RFP for the service contract. Aviation Maintenance staff has been coordinating with Labor Relations staff and Legal staff on the specific language as each RFP is developed for the service contracts and will coordinate the same effort throughout the process.

Scope of Work

Increase contracting authority to fulfill the remaining work to support until February 2025.

Advertise, award, and execute five-year Airport-Wide Window Cleaning service contract through a competitive process in Q3 2024 and begin a new service in March 2025 at Seattle-Tacoma International Airport to continue enhancing customer experience. New facilities that are underway, North Main Terminal Renovation, Concourse A Building Expansion for Delta Sky Club, Concourse C expansion, Fire Station, and South Satellite Renovation will be added to the scope of work as they become online in the next couple of years.

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Schedule

The following schedule represents the key areas and current frequency of the window cleaning service at the airport.

Facilities / Locations	Square Footage	Cleaning Frequency
MAIN TERMINAL	82,072	
CONCOURSE A:	118,749	
A Concourse windows (AOB included)	104,094	x2
Delta Sky Club Lounge, Exterior only	8,865	x4
United Club Lounge, Exterior only	960	x4
Club at SEA, Exterior only	960	x4
A20 Hardstand Sloped Walkway	3,870	x4
CONCOURSE B:	40,189	
B Concourse windows	35,593	x2
Centurion Lounge, Exterior only	960	x4
B20 Hardstand Walkway	3,636	x4
CONCOURSE C:	83,714	
C Concourse Windows	78,421	x2
Alaska Airlines Lounge, Exterior only	1,351	x4
C2, C10/12 & C14 Hardstand Sloped Walkways	3,942	x4
CENTRAL TERMINAL:	24,505	
CT Windows	4,432	x2
Central Terminal Window Curtain Wall	15,753	x4
Central Terminal above Checkpoint 3 (POSPD)	4,320	x4
CONCOURSE D:	26,659	
D Concourse windows	19,673	x2
Alaska Airlines Lounge, Exterior only	2,072	x4
D6 Hardstand Sloped walkway	4,914	x4
SOUTH SATELLITE:	31,577	
SSAT windows	17,784	x2
Delta Sky Club/British Air Lounge, Exterior only	2,605	x4
Club at SEA, Exterior only	1,536	x4
S1 Sloped Walkway	4,185	x4
S16 Sloped Walkway	2,492	x4
International Corridor	2,975	x4

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D HARDSTAND ANNEX	21,841	x4
NORTH SATELLITE:	104,137	
NSAT Windows	95,220	x2
Alaska Airlines Lounge, Exterior only	8,917	x4
INTERNATIONAL ARRIVALS FACILITY	67,849	x2
AIRPORT GARAGE:	9,089	
8th Floor Garage Elevator Lobby	1,906	x4
4th Floor Light Rail Walkway - Lexan Glass	2,877	x4
3rd Floor Garage - Tree Glass	2,275	x4
3rd Floor Shuttle Bus Stops - Tree Glass	1,401	x4
1st Floor NE Cruise Lot Lobby	630	x2
OUTBUILDINGS:	18,567	
Air Cargo 4	1,515	x1
Air Cargo 4E	1,308	x1
Air Cargo 4S	640	x1
Bus Maintenance Facility (BMF)/Airport Transit Operations (ATO)	1,200	x1
Central Procurement Office (CPO) Logistics Trailer	658	x1
Customs Border Protection (CBP)	300	x1
Distribution Center (DC)	240	x1
Engineering (Water Tower)	270	x1
Fire Department	3,360	x2
Gate E-045	648	x2
Gate E-125	588	x2
Industrial Waste Treatment Plant (IWTP)	1,500	x1
Learning Center	1,800	x1
North Employee Parking Lounge	2,000	x2
Toll Plaza	1,870	x2
West Field Office / Survey Trailer	670	x1
TOTAL Window Square Feet	628,948	

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The table below shows continuation of the exiting contract and new service start date:

Commission Contracting authorization for existing contract	2024 Quarter 2
Existing Contract Continues	2024 Quarter 2 – Feb. 28, 2025
In-use date for New Window Cleaning Contract	March 1, 2025

Cost Breakdown	This Request	Total Project
Increase in Contracting Authority from Q2 2024 - Feb 2025	\$2,000,000.	\$2,000,000.
New Contracting Authority from Mar. 2025 – Feb. 2030	\$7,000,000.	\$7,000,000.
Total	\$9,000,000.	\$9,000,000.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Suspend the service until new contract is advertised, awarded and executed.

Cost Implications: \$7,000,000.00

Pros:

- (1) This alternative saves the Port estimated cost of \$2M for the next year and reduces workload for the Airport staff.

Cons:

- (1) This alternative could allow legal issues and negative outcome in contracting.
- (2) This alternative would allow negative outcome in customer experience.
- (3) Thei alternative would allow contracted employee in a risk of losing jobs.

This is not the recommended alternative.

Alternative 2 – Request for contracting authority only for the new contract procurement and start a new service procurement immediately.

Cost Implications: \$7,000,000.00

Pros:

- (1) This alternative saves the Port \$2M now.

Cons:

- (1) This alternative does not save the Port in a long run.
- (2) New procurement under the current cost increase and lasting fear of inflation could cost the Port more than the fixed cost for the next year.
- (3) This alternative could take longer than 3 months the Port may need to suspend the service more than anticipated.
- (4) This alternative could potentially lay off contracted employees.

This is not the recommended alternative.

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Alternative 3 – Approval on Contracting Authority increase by \$2M for uninterrupted service and Approval on \$7M Contracting Authority to Advertise, award and execute new 5-year contract in Q3 2024 for the new service to start on March 1, 2025.

Cost Implications: \$9,000,000.00

Cost Breakdown This Request

Increase in Contracting Authority from Q2 2024 - Feb 2025	\$2,000,000.
New Contracting Authority from Mar. 2025 – Feb. 2030	\$7,000,000.
Total	\$9,000,000.

Pros:

- (1) This alternative allows for the Port to fulfill the existing contract with a small minority owned business enterprise.
- (2) This alternative allows the Port to continue the service without interruptions for customer experience.
- (3) This alternative provides opportunities to revise the current contract terms.

Cons:

- (1) None.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate for the 1 st 5-year Svc Contract	\$0	\$3,000,000	\$3,000,000
Increase existing contract through February 2025	\$0	\$2,000,000	\$2,000,000
New Contract March 2025 through February 2030	\$0	\$7,000,000	\$5,000,000
Total Estimate through February 2030		\$12,000,000	\$12,000,000
AUTHORIZATION			
Previous authorizations for the 1 st 5-year contract	\$0	\$3,000,000	\$3,000,000
Current request for authorization	\$0	\$9,000,000	\$9,000,000
Total authorizations, including this request	\$0	\$12,000,000	\$12,000,000
Remaining amount to be authorized after this request	\$0	\$0	\$0

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Annual Budget Status and Source of Funds

The window cleaning service costs of \$1,011,000 were included in the approved 2024 Aviation Maintenance’s annual operating budget. The funding source will be the Airport Development Fund.

Future Revenues and Expenses (Total cost of ownership)

N/A.

ADDITIONAL BACKGROUND

N/A.

ATTACHMENTS TO THIS REQUEST

(1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

March 26, 2019 – The Commission authorized the Executive Director to execute the Airport-Wide Window Cleaning for Seattle-Tacoma International Airport.