

If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve Resolution 2014-12 on first and final reading.

MEMORANDUM

To: Mayor McConnell and Members of the Assembly
Mark Gorman, Municipal Administrator

From: Michael Harmon, Public Works Director *MH*
Dan Tadic, P.E., Municipal Engineer *DT*
David Longtin, P.E., Senior Engineer *DLL*

Reviewed: Chaix Johnson, Office Manager *CJ*

CC: Jay Sweeney, Chief Finance and Administrative Officer *JS*

Date: September 2, 2014

Subject: Transportation Security Administration design grant application

Background:

The existing baggage screening system at Sitka Rocky Gutierrez Airport is inefficient, outdated and in need of replacement. The system was designed and installed by the Transportation Security Administration (TSA) in the wake of the September 11, 2001, attacks. The current system has proven to be labor-intensive to TSA and it slows down the Alaska Airlines ticketing process, resulting in longer-than-necessary lines in the crowded airport terminal. The City and Borough of Sitka (CBS) has identified a funding source to replace the conveyor belts, providing for a faster, more efficient operation of the screening process.

Analysis:

CBS contracted McCool Carlson Green (MCG) to help design improvements to the airport following recommendations from the current Airport Terminal Master Plan. The plan, adopted by the Assembly on September 13, 2011, lays out a two-phase process: (1) to complete immediate short-term terminal modifications to correct the most critical terminal deficiencies and (2) to develop a long-term financial plan to construct a new terminal building.

MCG identified the deficiencies in the TSA baggage screening room as a critical, short-term deficiency. CBS determined that improvements in the TSA area are fundable through the TSA's Electronic Baggage Screening Program. The first step is to apply for design funds, with TSA covering 95 percent of the costs. When the design is nearing completion, CBS would submit a separate grant application for construction funding. If funded for construction, TSA would provide 95 percent of the required funding, with CBS responsible for the remainder.

MCG also identified improvements to the Alaska Airlines “baggage bay,” where TSA-screened luggage is loaded onto carts that carry luggage to the plane. Improvements to the baggage bay are not eligible for TSA funding. MCG has submitted a proposal to design the improvements to the TSA baggage screening room and the baggage bay for \$134,601. Of this cost, \$121,140.55 is TSA-eligible and \$13,460.45 is TSA-ineligible.

Alaska Airlines has been consulted throughout the process. With the potential for TSA funding being made available to the project, Alaska Airlines has written a letter of support for this project, dated August 27, 2014. It is attached.

Fiscal Note:

TSA’s 95 percent cost-share of the TSA-eligible design costs for this project is \$115,083.52; CBS would be responsible for the remaining \$6,057.03. The CBS share will come from Passenger Facility Charges (PFCs) collected from travelers using the Sitka airport. Including the design of non-TSA-eligible improvements to the baggage bay, CBS’s share of the design costs would be \$19,517.48.

CBS has amassed a \$275,000 budget to design improvements to the terminal building through the PFC program. To date, CBS has paid MCG \$100,000 for design services. Our intention is to award a change order to the existing MCG contract to have them complete the design of the improvements described above.

Recommendation:

Approve Resolution 2014-12 authorizing CBS to apply for and execute a grant agreement with the Transportation Security Administration for the design of improvements to the TSA baggage screening room, and to award a change order to McCool Carlson Green to complete the design of the TSA screening room and the baggage bay. If the TSA improvements are approved for construction funding, Public Works would seek separate Assembly approval for that grant application.

CORPORATE REAL ESTATE

Alaska Airlines



VIA Email to: davidl@cityofsitka.com

August 27, 2014

Mr. Dave Longtin, P.E.
Senior Engineer
City and Borough of Sitka
Department of Public Works
100 Lincoln Street
Sitka, AK 99835

Re: Baggage Screening, Lobby and Passenger Flow Improvements

Dear Dave,

Please accept this letter of support from Alaska Airlines for the CBS plan to reconfigure the TSA baggage screening room to improve the functionality and efficiency of the bag screening process. We truly appreciate your diligence in pursuing TSA funding to cover 95% of the design and construction costs. Alaska Airlines will support a PFC application to cover the 5% local match required for the federal funding.

We also look forward to continuing to work with you on the development of concepts to improve passenger flows and reduce congestion in the ticketing area and lobby. This project would also be a good candidate for PFC funding.

Both of these efforts will improve the airport experience for the Sitka community and our mutual customers. Alaska Airlines is committed to collaborating with CBS and supporting the projects.

Thank you for your time and consideration. We look forward to continuing our strong business partnership. Please feel free to call me if you need additional information.

Sincerely,

ALASKA AIRLINES, INC.

A handwritten signature in cursive script that reads "Kathy Smith".

Kathy Smith
Director, Airport Affairs

cc: Penny Jordahl, Director Customer Service Airports, Alaska Region
Dan Kane, Regional Manager, Northern and Southeast Alaska
Mandy Odenheimer, Customer Service Manager Sitka
Chris Andree, Facilities Project Manager

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2014-12

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA, ALASKA, APPROVING THE SUBMITTAL OF AN APPLICATION TO THE TRANSPORTATION SECURITY ADMINISTRATION (TSA) FOR GRANT FUNDING TO DESIGN IMPROVEMENTS TO THE TSA SCREENING ROOM

WHEREAS, the baggage screening system in the TSA’s screening room is inefficient and delays the passenger ticketing process; and

WHEREAS, the City and Borough of Sitka seeks to obtain financial assistance to design improvements to the baggage screening system; and

WHEREAS, the Transportation Security Administration has indicated that the proposed design project is likely eligible for grant funding;

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, by this resolution, affirms and supports the request to submit a grant application for the design of improvements to the TSA screening room.

FURTHER BE IT RESOLVED, the Municipal Administrator or his designee is authorized to execute the grant application and the grant agreement with TSA on behalf of the City and Borough of Sitka.

PASSED AND APPROVED by the Assembly of the City and Borough of Sitka, Alaska on this 9th day of September 2014.

Mim McConnell, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk