City of Phoenix

To: Paul Blue
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From: James E. Bennett, A.A.E.
Director of Aviation Services

Subject: TSA SCREENING PARTNERSHIP PROGRAM

THE ISSUE

Over the last several months TSA has struggled with providing adequate federal resources to timely process passengers at Sky Harbor. This has resulted in a significant increase in passenger dissatisfaction as many wait as long as one hour to process through security screening. Aviation staff have met with TSA leadership at the local, regional, and headquarters levels to express our ongoing concern and request that additional permanent resources be allocated to Sky Harbor to improve efficiency and customer service.

Excessive wait times continue to persist as Sky Harbor nears the end of its peak travel season. Last week Aviation staff received notice from TSA that the agency intends to redeploy Sky Harbor resources to other airports throughout the nation to assist with their peak travel season. This alarming news has put the Aviation Department in a position where it must look at all options to improve checkpoint efficiency to improve customer service, and protect our business partners. Privatizing airport security screening services utilizing the Screening Partnership Program (SPP) is one such option under consideration.

SPP BACKGROUND

Airport security screening services has been in place for decades, and up until the terrorist acts of 9/11 screening was performed by private contract security services that were funded and managed by commercial airlines. The airlines were regulated by the Civil Aviation Security Field Office, a branch of the Federal Aviation Administration.

Congress disbanded the private screening company model and federalized airport screening through the enactment of the Aviation Transportation Security Act of 2001 (ATSA) to restore public confidence in air travel. Recognizing the need to test the effectiveness of a private screening model, Congress directed the Transportation Security Administration (TSA) to develop a Screening Partnership Program.

TSA initially set up a pilot program with five airports of various size throughout the U.S. Since that time SPP has grown to 22 airports representing approximately 5% of the traveling public. San Francisco International Airport, an original pilot program

participant, is the only large hub international airport of comparable size to Sky Harbor participating in SPP. A brief overview of the SPP application process as well as the advantages and disadvantages of transitioning to the SPP model are described below.

SPP APPLICATION PROCESS
- Airport files online application with TSA to transition to the SPP.
- TSA has 120 calendar days to approve or deny the application.
- Standard for approval: "not compromise security or detrimentally affect the cost-efficiency or the effectiveness of the screening of passengers or property at the airport."
- If application is denied, TSA must provide within 60 days a written notification to Congress and the airport operator outlining the reasons for denial and recommendations on what the airport operator can do to obtain approval.
- Airport may identify preferred vendor on application, but is not eligible to participate in vendor selection.

AWARD & TRANSITION PHASE
- 18 months, on average, from date of application until SPP provider in place. (Note – could take longer to transition a workforce necessary for an airport the size of Sky Harbor).
- TSA initiates the Involuntary Workforce Reduction (IWR); Transportation Security Officers (TSOs) may be provided a relocation package and paid leave to transfer to another federal airport.
- Private screening vendor required to offer jobs to existing TSOs. Historically, around 50% of workforce elect to move to other Federal airports.
- Contract term typically 1 base year plus four one-year options.

PROGRAM HIGHLIGHTS
- Screening vendor works for TSA, not the airport authority
- TSA monitors vendor performance not vendor staffing levels
- SPP vendors must comply with all TSA Standard Operating Procedures (SOP) & Operational Directives (OD).
- SPP vendors must use TSA provided screening technologies, not their own.
- Contracted screeners must maintain same qualifications & attend same training as federalized workforce.
- SPP vendors determine number of screeners, but TSA caps the SPP contract cost at TSA's cost.
- SPP vendors required to compensate screeners at level equal to or greater than TSOs.

PROGRAM ADVANTAGES
- Staffing flexibility to address peak travel conditions.
- Allocated staff less likely to be redeployed.
- More cost effective according to Nov 2015 GAO report (but to federal gov't, not PHX)
- SPP airports have observed good customer service
- Potential Human Resource efficiencies

PROGRAM DISADVANTAGES
- Expect minimum implementation time of 18 months.
- Less likely to get TSA support or resources to supplement contract during peaks.
- Unrealistic expectations of traveling public - wait times will not be entirely eliminated based on current TSA Staffing Allocation Model and funding.
- San Francisco (SFO), a SPP participant, is experiencing wait times similar to Sky Harbor. SPP faces constraints similar to Federalized workforce.
- Significant uncertainty – No large hub international airport has ever transitioned from a federalized workforce to this model.
- TSA challenges with cost estimation could negatively impact PHX application.

SPP PARTICIPATING AIRPORTS

Airport	State	Code	Year
San Francisco Int. Airport*	California	SFO	2005
Kansas City Int. Airport*	Missouri	MCI	2005
Greater Rochester Int. Airport*	New York	ROC	2005
Jackson Hole Airport*	Wyoming	JAC	2005
Tupelo Regional Airport*	Mississippi	TUP	2005
Sioux Falls Airport	South Dakota	FSD	2005
Key West Int. Airport	Florida	EYW	2007
Sonoma County Airport	California	STS	2007
Roswell Int. Air Center	New Mexico	ROW	2008
Dawson Community	Montana	GDV	2009
Glasgow Int. Airport	Montana	GGW	2009
Havre City---County Airport	Montana	HVR	2009
L. M. Clayton Int. Airport	Montana	OLF	2009
Sidney---Richland Municipal Airport	Montana	SDY	2009
Bozeman Yellowstone Int. Airport	Montana	BZN	2014
Bert Mooney Airport	Montana	BTM	2014
Glacier Park Int. Airport	Montana	GPI	2014
Yellowstone Airport	Montana	WYS	2014
Orlando Sandford Int. Airport	Florida	SFB	2014
Sarasota---Bradenton Int. Airport	Florida	SRQ	2014
Portsmouth Int. Airport	New Hampshire	PSM	2014
Punta Gorda Airport	Florida	PGD	2015

* original pilot program participant