

Executive Summary

Transportation Security Administration Memorandum of Understanding

MOU Overview

Denver International Airport (DEN) is seeking approval from Denver City Council on a Memorandum of Understanding (MOU) between the airport and the Transportation Security Administration (TSA) regarding the transfer of ownership of security equipment for the new West Security Checkpoint, which will open on Level 6 in Q1 2024. The transfer of ownership and MOU is a common practice at U.S. airports and will accelerate the deployment and use of the new equipment subject to the criteria discussed in this memo.



DEN and its contractor, Hensel Phelps, completed a competitive process to procure the new TSA equipment for 34 lanes (17 for the West Checkpoint and 17 for the East Checkpoint). The purchase of the equipment was previously approved by City Council in January 2022 as part of the Hensel Phelps contract amendment. The installation of the 17 lanes for the West Checkpoint will begin shortly and the approval of this MOU will ensure that TSA can begin training and preparing for an on-time opening. Similar to other security lanes used at security checkpoints across U.S. airports, the equipment allows TSA to screen carry-on baggage as well as passengers. To create a more efficient security screening process and increase capacity within the security checkpoints, DEN invested in all new equipment with the latest technology rather than opting to use existing, outdated equipment. The airlines at DEN strongly support DEN's investment in all new security equipment and publicly shared this support with the prior Administration and the Denver City Council as the Hensel Phelps' contract amendment moved through the legislative process in 2022.

The new advanced equipment will bring efficiencies to the screening process that will improve the passenger experience and enhance the overall security. For instance, the new screening equipment will automatically separate a bag that alarms (needs additional screening). This allows all other bags to continue through the screening process without delay, increasing the throughput and flow of passengers through the checkpoint. This is only one of many enhancements in the new security checkpoint that will help DEN and TSA continue to serve our growing passenger base safely and efficiently.

To accelerate the deployment of the new equipment and ultimately the opening of the West Security Checkpoint, DEN purchased all the TSA security equipment for the checkpoint through TSA's Capability Acceptance Program. As a requirement of the Capability Acceptance Program, DEN is required to meet several key criteria:

1. The equipment must meet TSA requirements and be on the Acceptable Capability List. This ensures that equipment across all U.S. airports meet TSA's security standards.



2. DEN must donate the equipment to TSA who operates the checkpoint and all of the equipment.
3. DEN must pay for a four-year maintenance agreement after install.

The value of this donation is \$30 million, which covers the procurement of the equipment, factory acceptance testing, installation, and site acceptance testing as well as the four-year maintenance contract.

In September 2022, DEN sent a donation offer letter to TSA. TSA's Capability Acceptance Program evaluated the offer, determined that DEN met TSA's criteria, and sent an MOU to accept the donation. This MOU covers the TSA security equipment for the Level 6 West Security Screening Checkpoint only. A separate MOU, similar to this one, will be executed for the Level 6 East Security Screening Checkpoint before its opening in 2026 or sooner.

Great Hall Program Overview

The West Security Checkpoint is being constructed as part of the Great Hall Program, which enhances security by moving the security checkpoints from Level 5 to Level 6 and installing new, more efficient security screening equipment. The Program also constructs new ticketing/check-in lobbies for all airlines, which include self-bag-drop kiosks to expedite the check-in process. Other operational enhancements will be completed including several new escalators and elevators, new and upgraded restrooms and updated systems such as heating and cooling. In all, the project will enhance security, increase capacity, improve operational efficiencies, and enhance the passenger experience in a terminal built for 50 million annual passengers but is now serving more than 70 million annual passengers.

Phase 1

The first phase of construction included new ticketing/check-in lobbies for DEN's three largest carriers: United, Southwest and Frontier airlines. It also created an additional 31,000 square feet of space, renovated 158,500 square feet, added four new restrooms, and upgraded two additional restrooms including a new companion care restroom. This work was completed in November 2021, on time and approximately \$25 million under budget.

Phase 2



DEN is currently working on the second phase of the Program, which builds the new Level 6 West Security Checkpoint with 17 screening lanes. The second phase also installs a triple escalator to move passengers directly down to the train platform where they will be taken to their gate. A new curbside escalator between Levels 5 and 6 on the west side was also constructed and is already operational. This phase will be completed in Q1 2024, meeting the project schedule.

Completion Phase

The final phase of construction began in fall 2022 and builds the new Level 6 East Security Checkpoint, which will be operational by mid-2026. New ticketing/check-in lobbies for all remaining airlines will also be constructed at the south end of the Terminal on Level 6 to match those built in the first phase. A new meet

and greet area for domestic and international arrivals will be created and the Center of Equity and Excellence in Aviation will be built to help DEN create a pipeline of aviation talent and create opportunities for underserved communities.

The final phase of construction within the Terminal will be complete by the end of 2027 or sooner, allowing DEN to elevate the passenger experience and better serve the 100 million annual passengers that is expected in the years to follow.

Phase 1 Complete	Phase 2 Underway	Phase 3 Underway
<ul style="list-style-type: none"> Created 31,000 square feet of space and renovated 158,500 square feet Modernized ticket lobbies with automated self-bag drops for three largest carriers — United, Southwest and Frontier airlines Added four new restrooms and upgraded other restrooms, adding a companion care restroom Completed on time and approximately \$25 million under budget 	<ul style="list-style-type: none"> Builds the new Level 6 West Security Checkpoint with 17 security lanes Installs a triple escalator to move passengers directly down to the train platform Constructs a curbside escalator between Levels 5 and 6 on the west side 	<ul style="list-style-type: none"> Builds the Level 6 East Security Checkpoint with 17 security lanes Builds new ticket lobbies on the south end of Level 6 for all remaining airlines Creates new meet and greet areas for domestic and international arrivals Constructs the Center for Equity and Excellence in Aviation
		

Summary

Overall, the improvements underway in the Great Hall will ensure the state’s economic engine can safely and efficiently serve its airlines partners and passengers as we continue to grow to 100 million annual passengers and beyond. The approval of the TSA security equipment MOU is a critical step in the activation of the West Security Checkpoint in Q1 2024, which will help bring some much-needed relief to our existing security checkpoints.