

RESOLUTION NO. 21-11

Awarding a Sole Source Contract for the Management and Operation of a
Registered Traveler Program at
Ronald Reagan Washington National and
Washington Dulles International Airports

WHEREAS, The Transportation Security Administration (TSA) implemented the Registered Traveler (RT) program, which is open to all U.S. citizens and lawful permanent residents, as a means of minimizing passenger wait times at security screening checkpoints through voluntary enrollment in programs using enhanced technology and biometric data;

WHEREAS, The operation of the RT program is governed by the Airport Security Program, which is approved by TSA;

WHEREAS, Alclear, LLC (Clear) is the only RT service provider approved by TSA under the federal RT program;

WHEREAS, Passengers who participate in the RT program use dedicated lanes at each Airport's security checkpoint to scan their boarding pass and confirm their identity using biometrics before being escorted straight to a TSA Travel Document Checker for entry to the passenger screening area;

WHEREAS, Clear offers airports that contract with it a revenue share of enrollment and renewal fees based upon the number of members residing within an airport's geographically defined catchment area;

WHEREAS, The proposed sole source contract is permitted in accordance with the Metropolitan Washington Airports Authority (Airports Authority) Contracting Manual, Section 1.4.1(3) Sole Source: (a) Unique or Innovative Concepts;

WHEREAS, As required by Section 2.9.3 of the Contracting Manual, notice of this intended sole source award was published on the Airports Authority's website for the required period, and no statements of capabilities were received;



WHEREAS, Under the proposed contract, Clear will pay the Airports Authority on a contract year basis the greater of: (i) a Minimum Annual Guarantee (MAG); (ii) 12.5 percent of enrollment and renewal fees paid by RT participants who reside within the Metropolitan Washington catchment area; or (iii) a flat fee for each Unique Member Verification;

WHEREAS, The Unique Member Verification fee ranges from \$1.00 to \$1.75 based on Clear's actual number of unique members who pass through the RT lanes at the Reagan National and Dulles International security checkpoints;

WHEREAS, The proposed contract with Clear includes a three-year base term with two one-year option periods for a total five-year contract with a MAG for the first year of \$1,330,000, after which during the remaining years of the contract the MAG will be set at the greater of 85 percent of the previous year's concession fees received by the Airports Authority or 103 percent of the MAG for the prior contract year;

WHEREAS, Based on the MAG, the proposed contract is expected to produce revenue of at least \$7,061,151 over the life of the contract; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to enter into a sole source contract with Alclear, LLC to manage and operate a RT program at Reagan National and Dulles International, consistent with the terms presented to the Business Administration Committee at its June 16, 2021 meeting.

RECORDED VOTE:

Members Present	<u>11</u>
Members in Favor	<u>11</u>
Members Against	<u>0</u>
Members Abstaining	<u>0</u>

Adopted July 21, 2021

Monica R. Hargrove

Monica R. Hargrove, Secretary