

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox

Jim Desmond

Mark Kersey

Robert T. Lloyd

Paul Robinson

Johanna Schiavoni

Michael Schumacher

Mark B. West

SPECIAL BOARD and CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE MEETING

AGENDA

Thursday, April 19, 2018
10:00 A.M.

San Diego International Airport
SDCRAA Administration Building -- Third Floor
Board Room
3225 N. Harbor Drive
San Diego, CA 92101

Ex-Officio Board Members

Tim Gubbins

Jacqueline Wong-Hernandez

Col. Jason Woodworth

President / CEO

Kimberly J. Becker

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate & Information Governance and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate & Information Governance/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. **PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.**

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate & Information Governance/ Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

Board

Board Members: Boling (Chair), Cox, Desmond, Gubbins (Ex-Officio), Kersey, Lloyd, Robinson, Schiavoni, Schumacher, Wong-Hernandez (Ex-Officio), Woodworth (Ex-Officio), West

Committee

Committee Members: Boling, Kersey (Chair), Robinson, Schumacher

NON-AGENDA PUBLIC COMMENT:

Public Comment is reserved for members of the public wishing to address the Committee on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Committee. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

NEW BUSINESS:

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the January 22, 2018 regular meeting.
2. **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE – DEVELOPMENT DIVISION:**
(Development Division: Dennis Probst, Vice President)
3. **AIRPORT DEVELOPMENT PLAN PROJECT DELIVERY METHODOLOGY EVALUATION:**
(Development Division: Dennis Probst, Vice President)
4. **ADMINISTRATION SPACE SITE OPTIONS:**
(Development Division: Dennis Probst, Vice President)
5. **SMALL BUSINESS DEVELOPMENT REPORT:**
(Small Business Development: Rita Ohaya, Program Manager)

BOARD

WORKSHOP:

6. **CAPITAL PROGRAM BUDGET FISCAL YEARS 2019-2023:**
(Facilities Development: Iraj Ghaemi, Director)

BOARD AND COMMITTEE MEMBER COMMENTS:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the SDCRAA Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the SDCRAA Administration Building by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
July 19	Thursday	10:00 AM	Regular	SDCRAA

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE
MEETING
MONDAY, JANUARY 22, 2018
BOARD ROOM

CALL TO ORDER: Chair Janney called the Special Capital Improvement Program Oversight Committee meeting to order at 9:37 a.m., on Monday, January 22, 2018, in the Board Room of the San Diego International Airport, Administration Building, 3225 N Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

Present:	Committee Members:	Janney (Chair), Kersey, Robinson
	Board Members:	Boling, Cox,
Absent:	Committee Members:	None
Also Present:	Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Authority Clerk; Linda Gehlken, Assistant Authority Clerk I	

NON-AGENDA PUBLIC COMMENT: None.

NEW BUSINESS:

1. APPROVAL OF MINUTES:

Board Member Robinson stated that he would abstain due to not being present at the meeting.

RECOMMENDATION: Approve the minutes of the October 19, 2017 regular meeting.

ACTION: Moved by Board Member Kersey and seconded by Board Member Janney to approve staff's recommendation. Motion carried, noting Board Member Robinson's ABSTENTION.

2. TERMINAL 2 PARKING PLAZA UPDATE:

Bob Bolton, Director, Airport Design & Construction, provided an update on the Parking Plaza which included Key Project Milestones, Parking Plaza Jobsite, Construction Progress, Construction Facts, Sustainability Certification, Terminal 2 Parking Plaza Cost Through November 30, 2017, and Next Steps.

3. TERMINAL 2 PARKING PLAZA TECHNOLOGY SYSTEM DETAILS:

Marc Nichols, Director, Ground Transportation, provided an update on the Parking Plaza Technology which included Parking Product Portfolio, Objectives, Requirements, Pricing, Cashless System, Reservations/Rewards, Parking Guidance System (PGS), Mobile and Web Apps, Reporting, and Analytics.

In response to Board Member Boling regarding the size of the parking spaces, Mr. Nichols stated that he would provide the size of the spaces to the Board.

4. FACILITY INSPECTION SERVICES FACILITY UPDATE:

Bob Bolton, Director, Airport Design & Construction, provided an update on the Facility Inspection Services (FIS) facility which included an overview of the new FIS facility in Terminal 2 West and Existing FIS in Terminal 2 East, Key Project Milestones, Design Collaboration Process, Collaboration with U.S. Customs and Border Protection (CBP), Construction Progress, Leedv4 for Commercial Interiors Sustainability Certification, FIS T2W Build-Out, and Next Steps.

5. PUBLIC ART UPDATE:

Lauren Lockhart, Airport Art Program Manager, Vision, Voice & Engagement, provided a presentation on Public Art which included the Admiral Boland Way Mural and the Parking Plaza art projects.

6. SMALL BUSINESS DEVELOPMENT REPORT UPDATE:

Rita Ohaya, Program Manager, Small Business Development, provided a presentation which included a Parking Plaza Update, FIS Highlights, and Small Business Education and Training.

Board Member Boling expressed concern with small businesses not being paid timely because they have limited cash flows.

Ms. Ohaya stated that she was not aware of any complaints regarding small businesses not being paid timely.

7. PARKING PLAZA AND FIS FINANCE UPDATE:

Geoff Bryant, Manager, Business & Financial Management, provided a financial presentation on Parking Plaza and FIS which included Parking Plaza Cost, FIS Cost, and FIS Funding Sources.

8. STORMWATER MASTER PLANNING UPDATE:

Brendan Reed, Director and Richard Gilb, Manager, Planning & Environmental Affairs, provided an update on the Storm Water Master Plan which included an Overview of Clean Water Act, Current Site Issues and Constraints, New Storm Water Permits, Post-Construction BMP Hierarchy, Strategic Storm Water Master Plan (Phase II), and Storm Water Capture and Reuse Project.

9. ADP PROCUREMENT UPDATE:

Dennis Probst, Vice President, Development, provided an Airport Development Plan (ADP) Procurement presentation which included ADP Board Objectives, SAN and Airline Conditions of Satisfaction for the ADP Program, Project Delivery Overview, Project Delivery Building Blocks, SAN Specific Considerations, Critical Considerations for the Implementation Methodology and Next Steps.

In response to Board Member Kersey's suggestion that staff look at the Green Build data and use the delivery methods from that project as a guide to estimate how models of delivery may compare, Scott Brickner, Vice President, Finance & Asset Management/Treasurer, stated that staff would investigate, however some of the challenging factors with the Green Build was the downturn in the economy and other factors at the time that will make it difficult to make a true comparison.

Board Member Robinson stated that he doesn't mind working with the airlines for funding the project but that he doesn't want to give up operational control.

Kimberly Becker, President/CEO, stated that this issue is complex and that staff will be evaluating all factors to see which option works best for the Authority.

In response to Board Member Boling regarding how to possibly tap into the creativity others could provide for the project, while also being able to maintain control and guide the process, Mr. Probst stated that staff has been looking into this and believe that this can be accomplished.

In response to Board Member Boling regarding when a decision needs to be made on how this project will be delivered, Ms. Becker stated that staff will be closer to a recommendation by the next scheduled CIPOC meeting.

COMMITTEE MEMBER COMMENTS: Chair Janney stated that as his tenure on the Board ends, and the ADP moves forward, he would encourage the Authority keeps its primary focus on the services being provided to the County of San Diego in its entirety. He urged to not lose sight of the positive experience for the traveling public; especially for children.

ADJOURNMENT: The meeting was adjourned at 11:12 a.m.

APPROVED BY A MOTION OF THE CAPITAL IMPROVEMENT PROGRAM
OVERSIGHT COMMITTEE THIS 19th DAY OF APRIL, 2018.

DENNIS PROBST
VICE PRESIDENT, DEVELOPMENT

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Capital Improvement Program Oversight Committee

Development Division

April 19, 2018

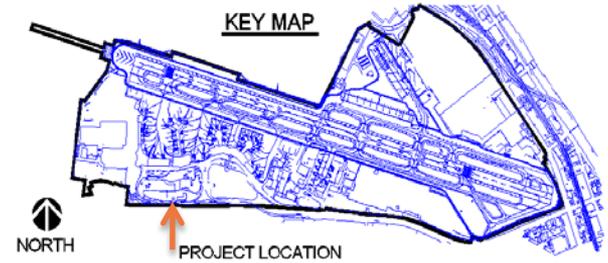
Terminal 2 Parking Plaza

Project Budget: **\$127,800,000**

Construction Completion Dates: **May 2018**

Current Activities

- Storm Water Reuse Treatment System
- Paving, Sidewalks, Fencing, Landscaping
- Elevators / Stairways
- Lighting
- PARCS/PGS Final Installation & Commissioning



T2W FIS Buildout

Project Budget: **\$229,474,214**

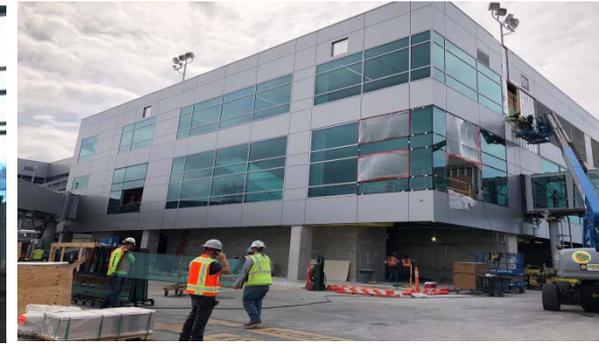
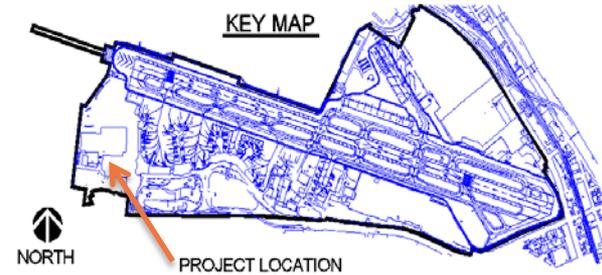
Construction Completion Dates

Phase 1: **June 2018**

Phase 2: **June 2019**

Current Status

- FIS Build-out Phase 1 Construction: 68% complete
- Gates 48 & 49 reopened
- Gate 51 closed 3/20 & will reopen 4/30
- British Airways & West jet: Construction Completion 4/3
- Japan Airlines: Construction Completion 4/20
- Phase 2 Airside work: 100% Design in progress
- Gate 47 (Phase 2) will close 5/1
- Start of CBP equipment move-in: 5/18/2018



Airport Support Facilities Design-Build

Project Budget: \$130,680,000

Construction Completion

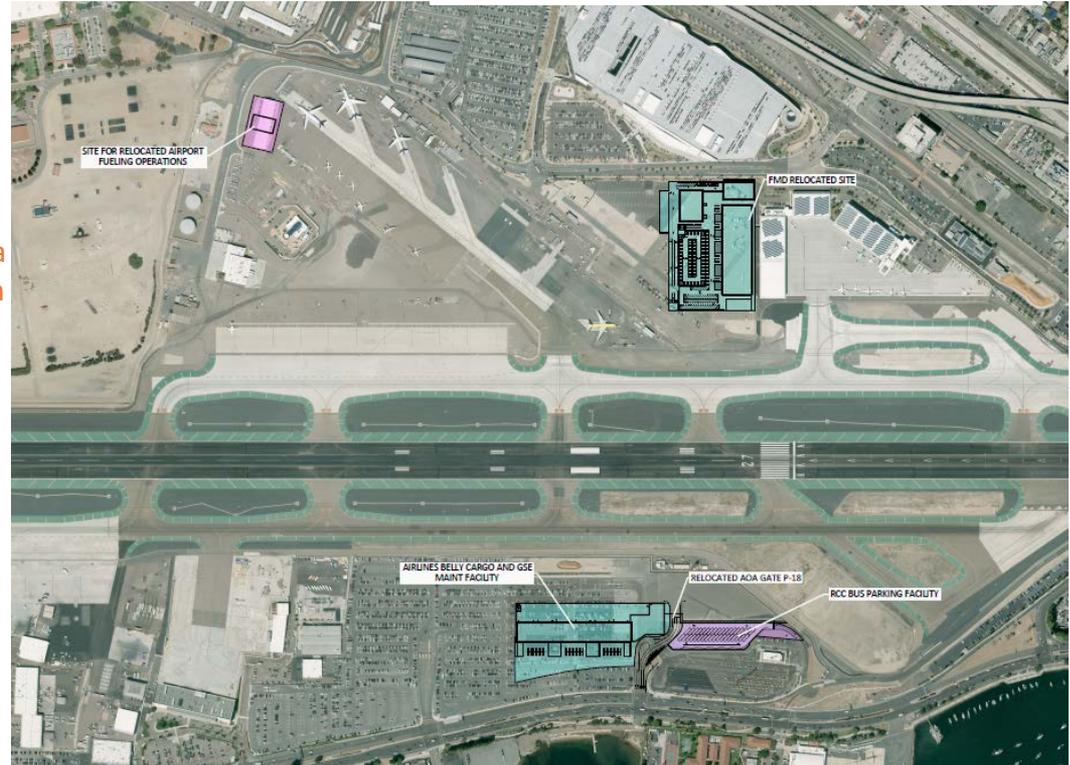
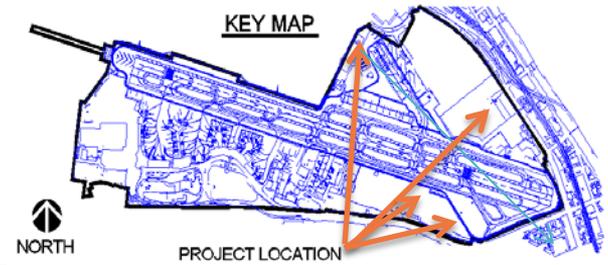
Date: **December 2019**

Current Status

- Interviews will be held for the 2 short-listed Respondents on 4/11, and staff is targeting a May Board award of this approximately \$110M Progressive Design-Build contract, which will include elements of a storm water capture and reuse system. The Validation phase will begin immediately upon execution of the contract with the successful D-B firm.

Major Milestones

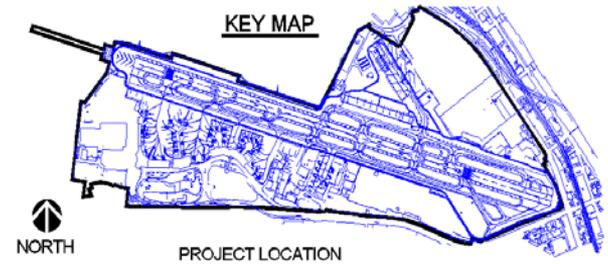
- 4/13 – Selection of successful Design-Builder
- 5/15 – Final Programmatic Design Document (PDD) is delivered
- 5/21 – Validation phase of project begins
- 11/5 – Construction phase begins
- 9/20/19 – Base Buildings are complete for Airline Support Facilities
- 12/21/19 – Complete staff relocation to new FMD Campus, construction ends



Sustainability Management Plan

Project Budget: **\$675,730**

Construction Completion Date: **N/A**



Current Status

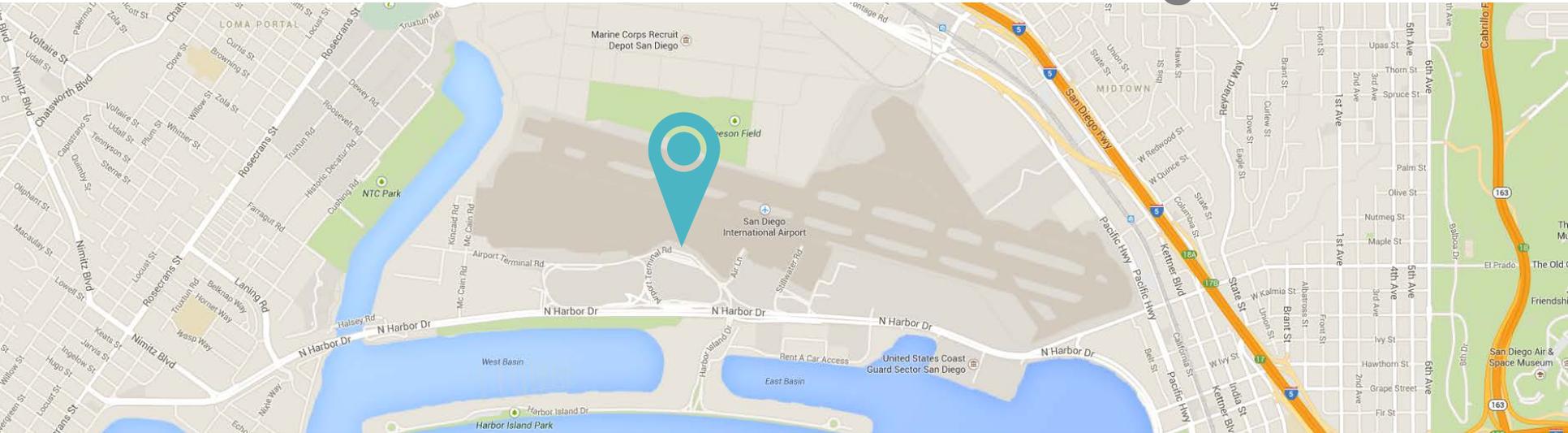
- Conducted baseline assessments
- Held internal stakeholder workshops
- Developed draft goals & strategies for *Air Quality & Clean Transportation* components

Next Steps

- Present drafts to external stakeholders
- Begin *Climate Resilience & Zero Waste* components



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Questions?



Airport Development Plan Project Delivery Methodology Evaluation

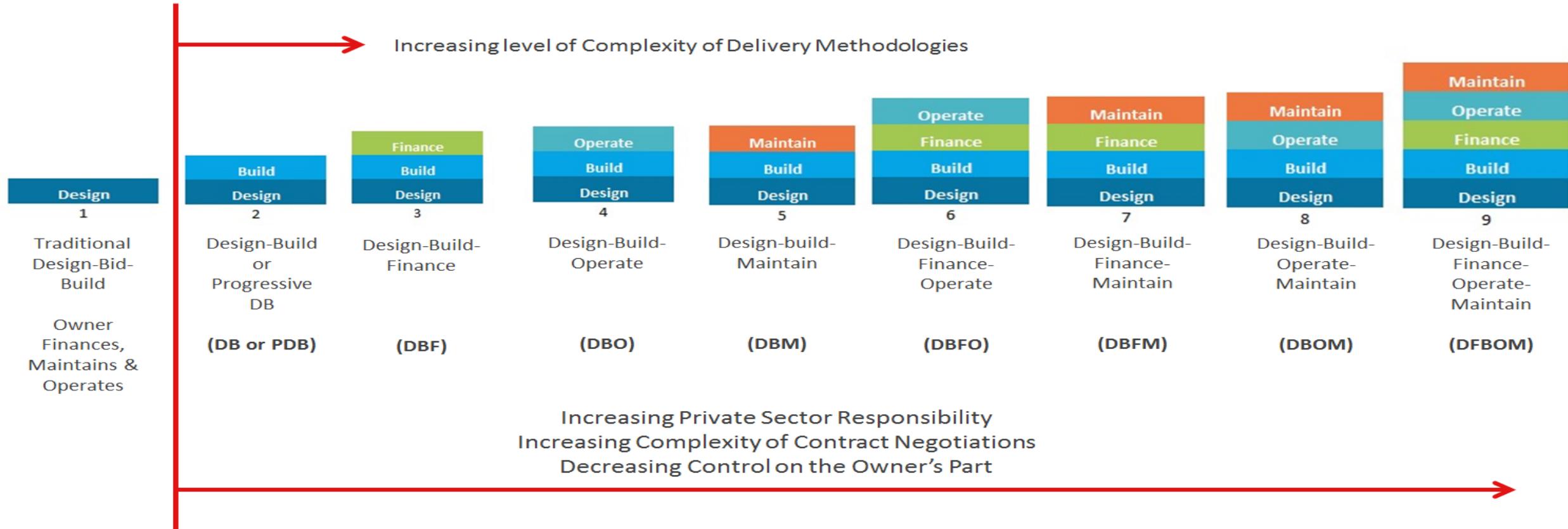
April 19, 2018

ADP Project Overview



ADP Phase 1 - Terminal 1 Replacement

Delivery Methodologies Considered

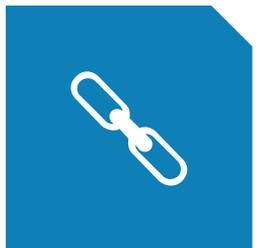


Construction Manager at Risk was not included

Finance

- ✓ The Authority's access to the tax-exempt municipal markets will result in a lower financing costs given the SDCRAA's superior credit ratings and ability to finance the project on a debt basis
 - Both the Authority and a Private Developer would have access tax-exempt Private Activity Bonds (PABs) which are subject to the Alternative Minimum Tax (AMT)
 - However, the tax exempt credit spread between the Authority's senior lien "A1, A+, A+" rating and Special Facility Bonds, which would likely be rated in the low-to-mid "BBB" category is about 60-70 basis points in today's market
- ✓ Authority bond financing negates the need for Private Equity
 - Revenue risk private equity seeks double digit returns (typically 14%-16%+ on a pre-tax basis)
 - Equity typically comprises 10%-20% of P3 funding depending upon the risk profile, scope and cost of the project
- ✓ Authority financing of the ADP will be the most efficient from a time to close perspective and would yield lower cost of issuance

Conclusion: SAN to finance



Operate



SAN Operates all existing facilities with common use gates.



All carriers at all gates pay the same rates.



Provide a common, high level customer experience consistent across all facilities.



Provide a level playing field for all carriers and concessionaires in all facilities.

Conclusion: Operate the proposed T1 facility the same as existing T2

Maintain

- ✓ SAN Operates and maintains existing HVAC, plumbing, electric and data systems in the terminal.
- ✓ Janitorial services are provided under agreements with the airlines with common space reimbursement by SAN.
- ✓ Elevator and escalator maintenance provided under maintenance agreements with SAN.
- ✓ All card access, security control provided and maintained by SAN.



Conclusion: Maintain the proposed T1 facility the same as existing T2

Alternatives Eliminated from Further Evaluation

Design-Bid-Build

Design-Build-Finance-Operate

Design-Build-Finance

Design-Build-Finance-Maintain

Design-Build-Operate

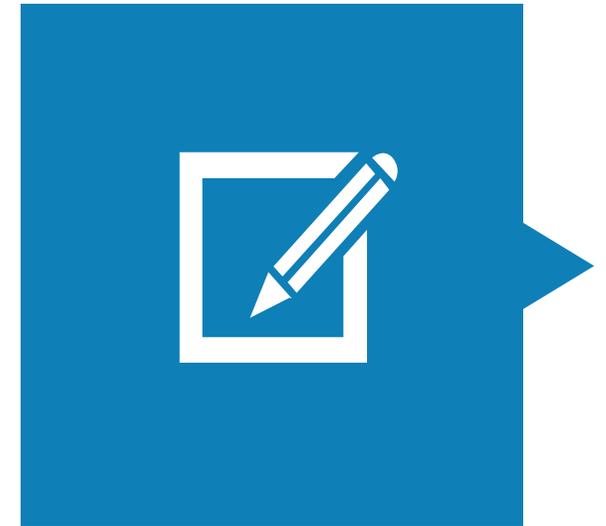
Design-Build-Operate-Maintain

Design-Build-Maintain

Design-Build-Finance-Operate-Maintain

Alternatives Further Evaluated

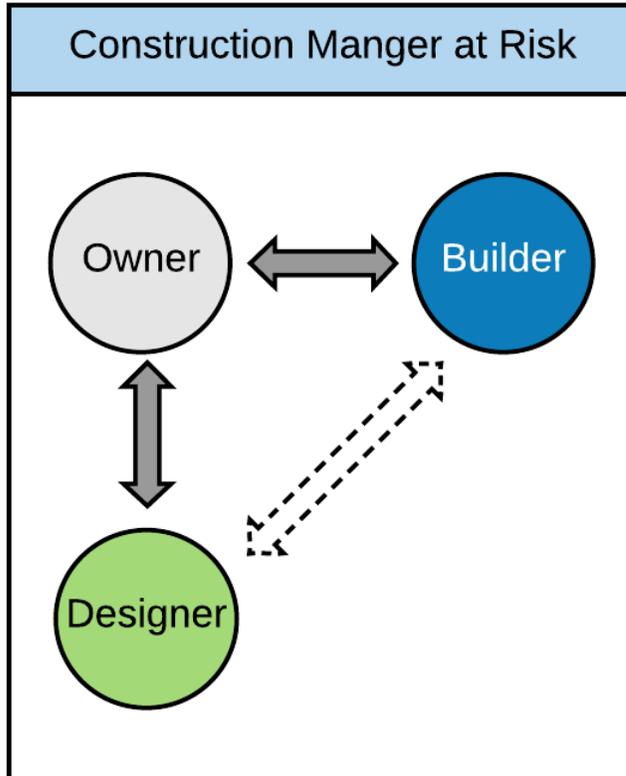
- ✓ Construction Manager at Risk
- ✓ Traditional Design Build
- ✓ Progressive Design Build



Overview of Delivery Methods

	Delivery Method		
	Construction Manger at Risk	Traditional Design-Build	Progressive Design-Build
<p>Contractual Relationships ↔</p> <p>Communication ⋈</p>			
Pricing for Hard Construction Costs	Negotiated GMP	Lump Sum/Low Bid	Negotiated GMP
Qualifications-Based Selection?	Yes	Yes (Short List)	Yes
Design Approach	Owner-Managed/Builder Assist	Builder-Managed	Collaborative
Price Competition	Trade Subcontractors	Builder	Trade Subcontractors

Construction Manager at Risk – More Detail



Structure:

- Owner separately procures and contracts with designer and builder
- Builder is procured *before* the design is complete
- Qualifications-based selection of builder
 - Usually includes price factors (e.g. fee, general conditions, rates)

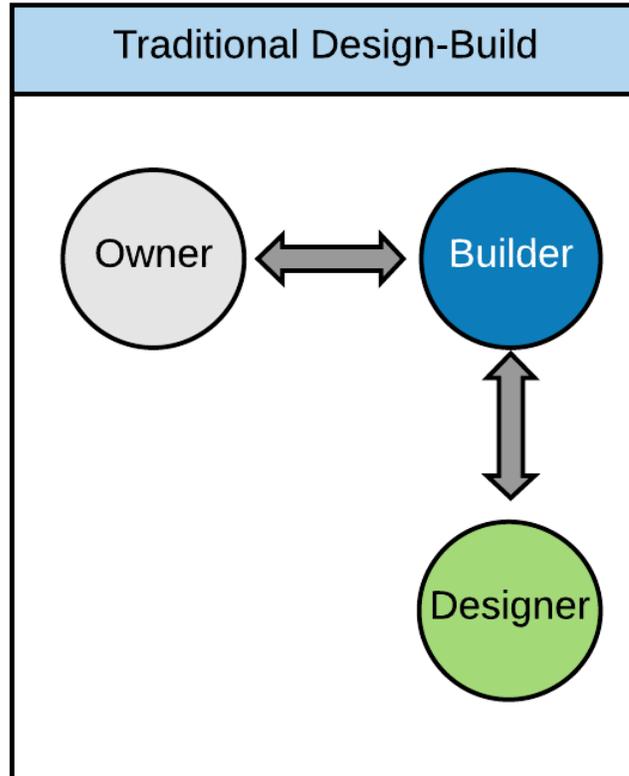
Advantages:

- Collaboration between designer and builder while maintaining “checks and balances” between them
- Open book pricing
- Expedites delivery time
- Guaranteed price and schedule

Disadvantages:

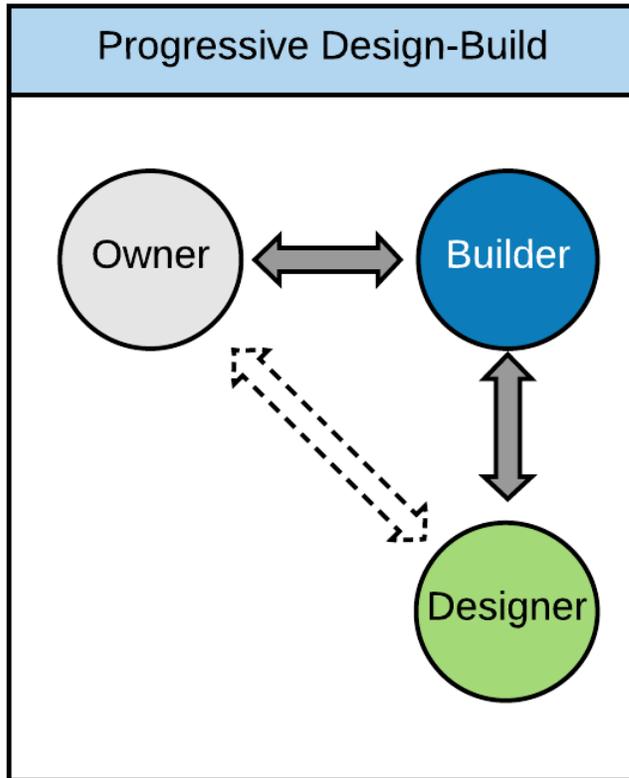
- Two procurements
- Design and performance risk remain with owner
- Price competition potentially more limited

Traditional Design-Build – More Detail



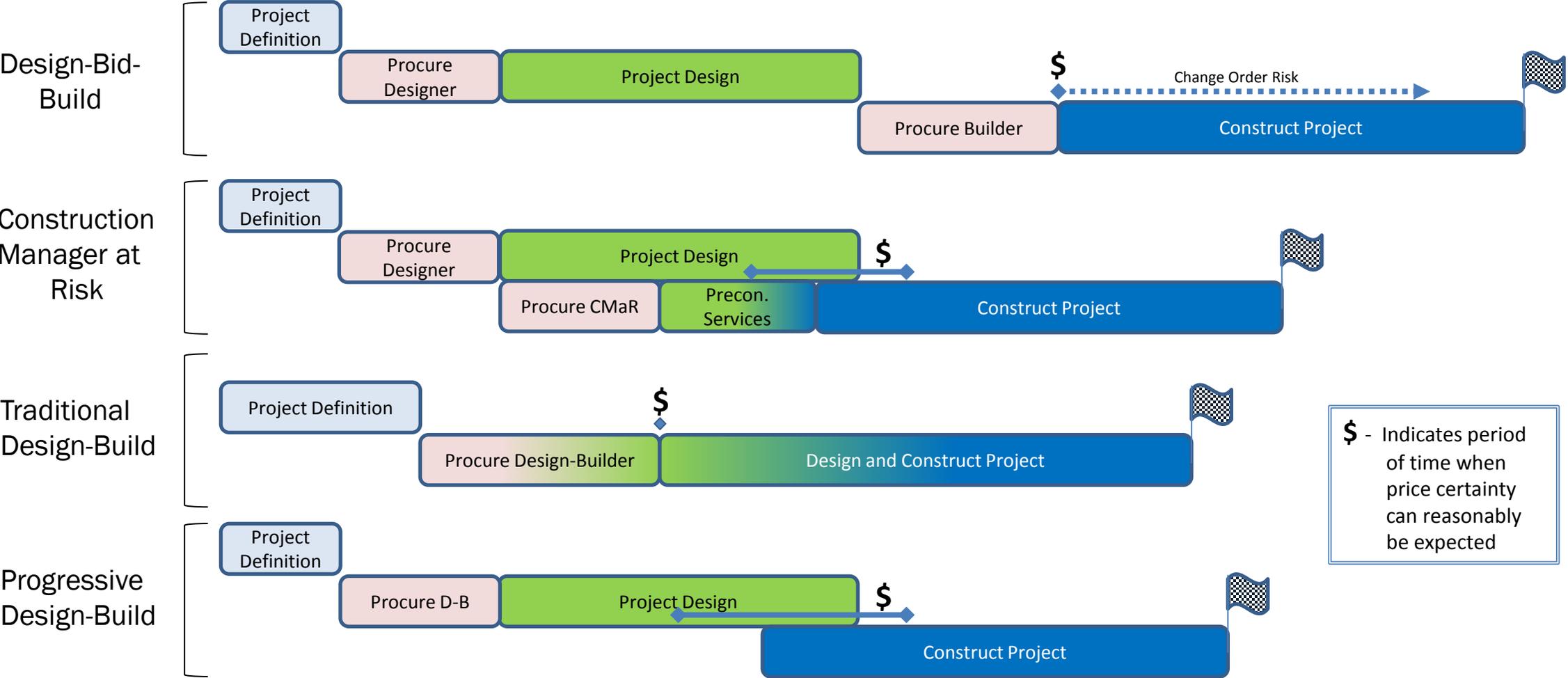
- Structure:
- Owner procures and contracts with design-builder
- Owner provides prescriptive or performance specs
 - Design-builder completes conforming design and constructs
- Best value selection
- Advantages:
- Only one procurement
 - But procurement is most demanding and time consuming
- Price is fixed at the time of award
- Design and performance risk transferred to builder
- Maximizes innovation
- Fastest delivery time
- Disadvantages:
- No real collaboration with owner after procurement
- Substantial change order risk if specifications are not well reasoned and thoroughly developed

Progressive Design-Build – More Detail



- Structure:
- Owner procures and contracts with design-builder
- Owner provides only project definition
 - Design-builder progresses design and then constructs
- Qualifications-based selection of design-builder
 - Usually includes price factors (e.g. fee, general conditions, rates)
- Advantages:
- Only one procurement
- Fosters innovation and is the most collaborative
- Open book pricing
- Expedites delivery time
- Guaranteed price and schedule
- Design and performance risk transferred to builder
- Disadvantages:
- Price competition potentially more limited
- More difficult to change course if dissatisfied

Comparison of Project Progression and Duration



Project Progression and Duration - Takeaways

- Traditional design-build offers quickest delivery and earliest price certainty
 - Speed and earlier certainty, however, are at the expense of collaboration and continuing control
- Construction Manager at Risk and Progressive Design-Build offer similar delivery timeframes and dates for price certainty
 - Progressive Design-Build, however, offers more potential for quicker delivery because of the ability of the design-builder to more fully overlap design and construction function
 - Likewise, Progressive Design-Build offers (but does not guarantee) the ability for earlier price certainty because the unified design and construction responsibilities



SAN Experience – Green Build Project

- Green Build project was progressive design-build
 - Turner/PCL Construction/Flatiron JV
- Project was on time and under budget
- Key considerations:
 - Schedule
 - Sustainability objectives
 - High quality
- Progressive design-build allowed overlap of design and construction while insulating SAN from design risk
- Collaboration among all parties was key to success!

SAN Experience

	Green Build	RCC	Parking Plaza	FIS	ASF
Program Cost	\$810 million	\$303 million	\$128 million	\$229 million	TBD
Budget Overages	None	None	None	TBD	TBD
Cost Savings	Yes	Yes	Projected	TBD	TBD
Completion	On-time / Early	On-time	Projected early	TBD	TBD
Claims	None	Yes	None yet	None yet	TBD
Procurement	QBS	QBS / Fee / Partial Price	QBS / Fee / Mark-ups	N/A	QBS / Fee / Mark-ups
Delivery Method	PDB	CMAR	PDB	Hybrid DB	PDB
Fast-track	Yes	Yes	Yes	Yes	Yes
Collaboration	Yes	Yes	Yes	Yes	Yes
Sustainability	Platinum	Gold	Gold (Projected)	TBD	TBD
Project Delivery Team(s)	1. Terminal/Airside: Turner/PCL/Flatiron JV 2. Landside: Kewit/Sundt JV	Austin/Sundt JV	Swinerton	Turner/PCL JV	TBD

Airline Goals for T1RP

Top Conditions of Satisfaction for Airlines



Seamless from home to plane for all



Balance best possible customer experience with reasonable ROI



Timely, expedited delivery through phasing, innovation, and shared understanding of milestones & budget

- Goals Indicate: Construction Manager at Risk or Progressive Design-Build
 - Both offer: enhanced control of scope, quality, price and schedule; innovation; collaboration
- Goals Contraindicate: Design-Bid-Build or Traditional Design-Build
 - Design-Bid-Build sacrifices schedule and limits innovation and collaboration
 - Traditional Design-Build offers speed but sacrifices stakeholder collaboration and control

CMaR vs. PDB Are Both Good Options

- Both Construction Manager at Risk and Progressive Design-Build provide:
- Qualifications-based selection of project partner(s)
- Early and on-going collaboration between the owner, designer and builder
- Regular cost estimating to facilitate design-to-budget
- Open book pricing, subject to a guaranteed maximum price
- Competition among trade subcontractors and suppliers to promote favorable pricing
- Faster project delivery, with excellent opportunity to integrate necessary phasing

CMaR, TDB, PBB Comparison

- **If-then logic**
 - Priority criteria

	CMaR	TDB	PDB
If fastest schedule	possible	possible	possible
If fast-track delivery (overlap design with construction)	yes	yes	yes
If fast-track w/out fast-track design risk (airport)	no	yes	yes
If earliest price commitment	no	yes	no
If design control	yes	no	yes
If flexible	yes	no	yes
If competitive pricing	yes	yes	yes
If ability to recover unspent budgets for risk	yes	no	yes
If single source team in alignment with AA goals	no	no	yes

- Process criteria

If collaboration	yes	no	yes
If open book	yes	no	yes
If validation phase	no	no	yes

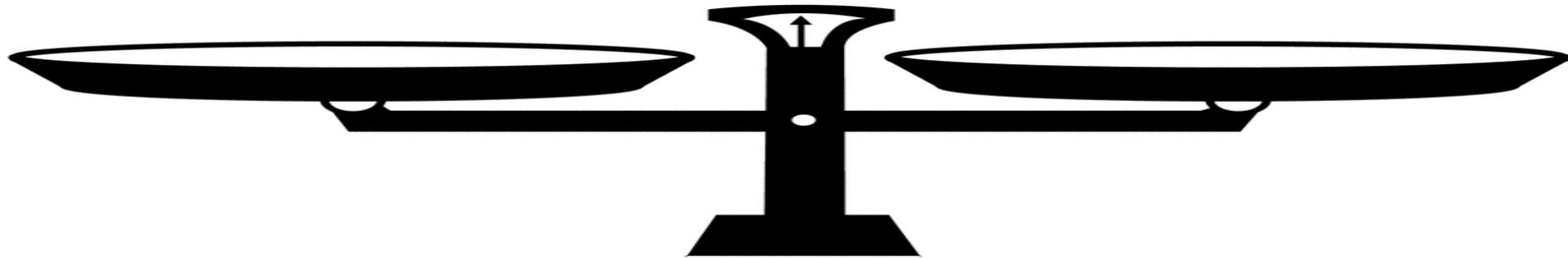
- Initial low price versus value

If lowest initial price	possible	yes	possible
If best value	possible	possible	yes

What will drive decision between CMaR vs. PDB?

- Opt for CMaR if you value:
- Traditional “checks and balances” between designer and builder
- A better ability to pivot if dissatisfied with selected builder
- More control through the later stages of project delivery

- Opt for PDB if you value:
- Less procurement burden
- Better risk transfer
- More opportunity for private-sector innovation
- A better ability to motivate behavior through incentives

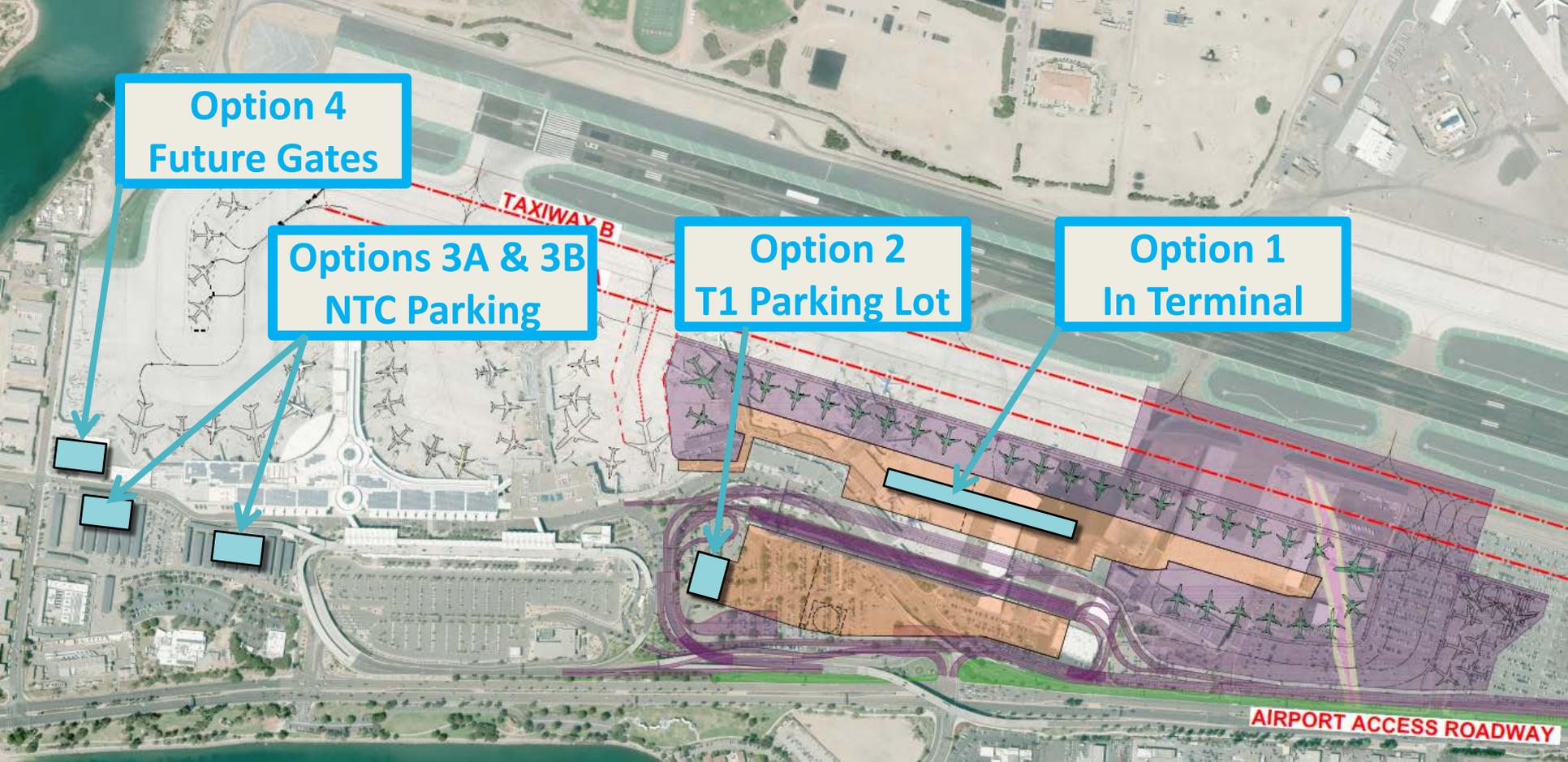




Administration Space Site Options

Capital Improvement Program
Oversight Committee (CIPOC)
Quarterly Meeting

April 19, 2018



**Option 4
Future Gates**

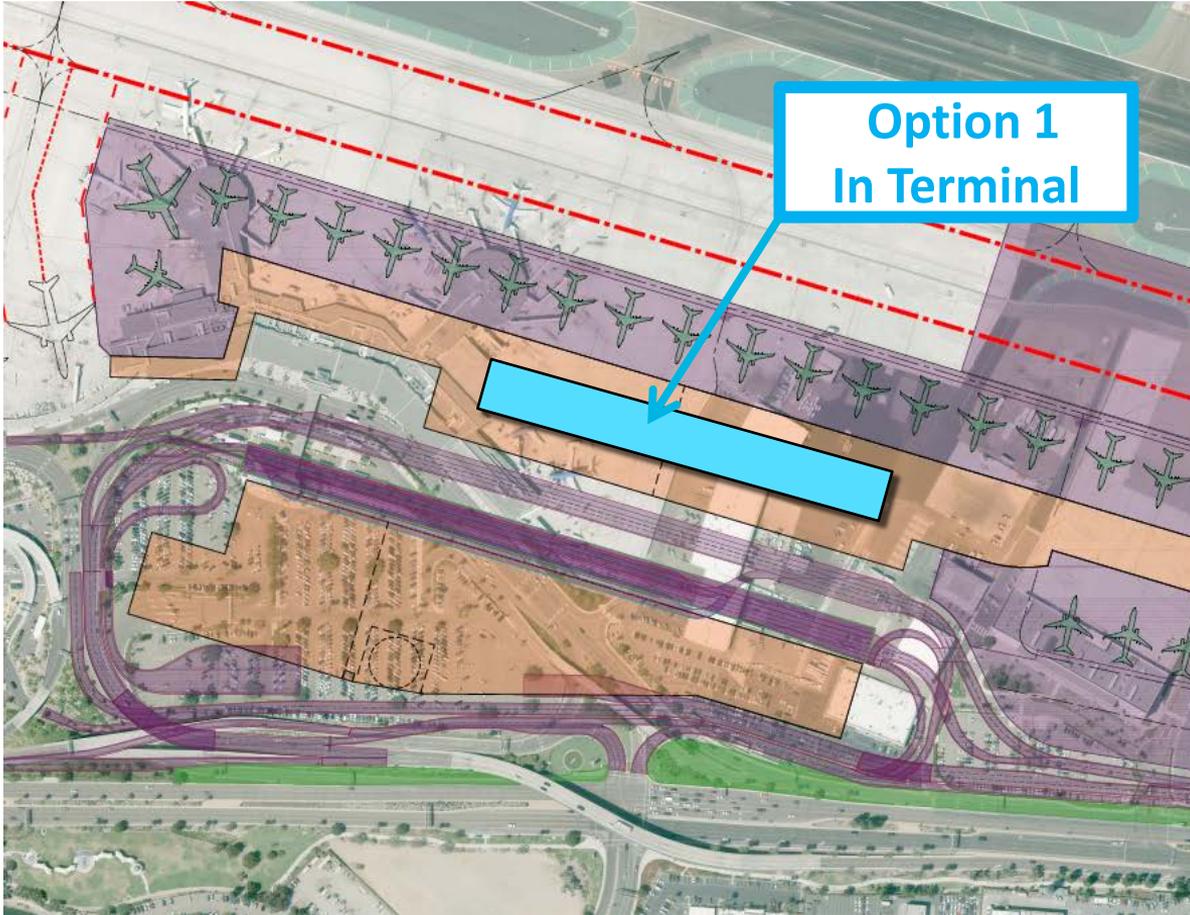
**Options 3A & 3B
NTC Parking**

**Option 2
T1 Parking Lot**

**Option 1
In Terminal**

Admin Space Site Options

Option 1 – Admin Space in Terminal Building

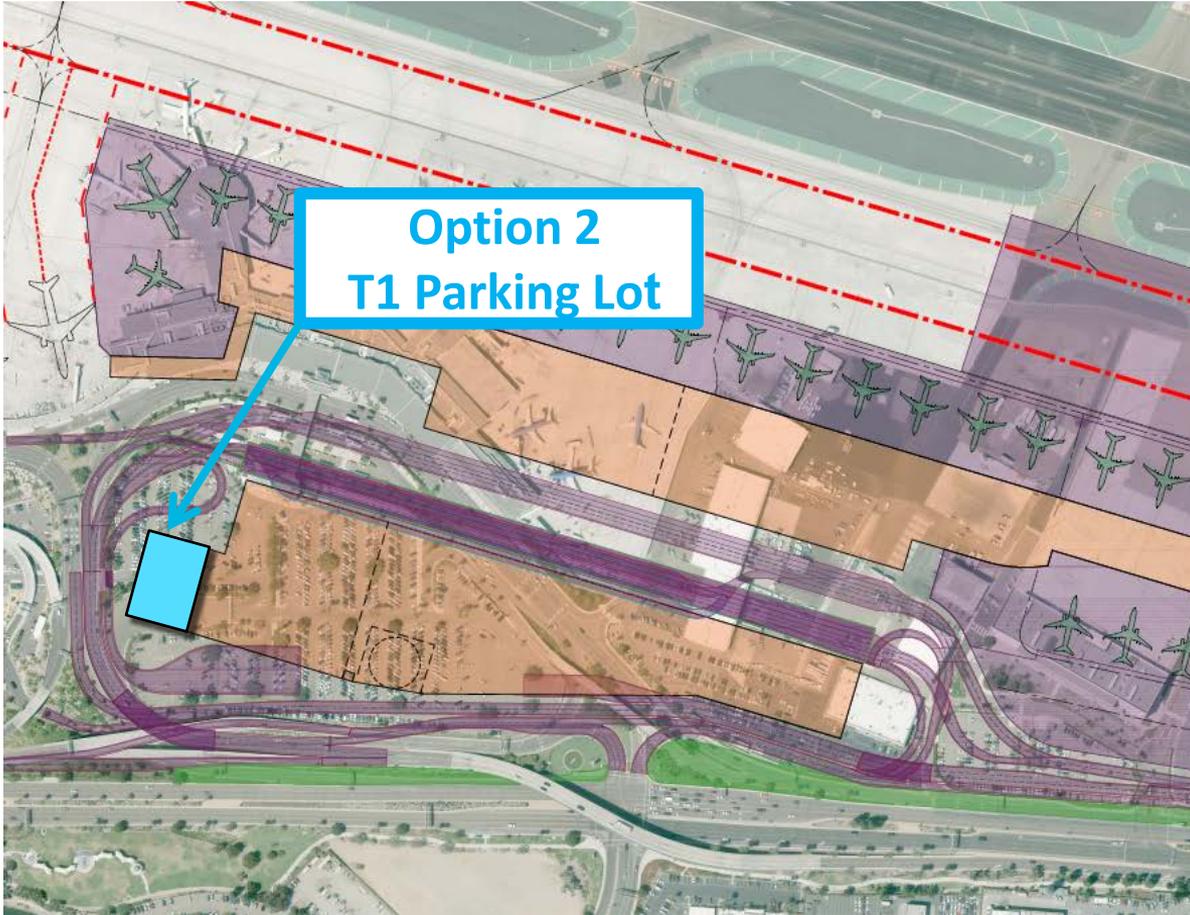


Option 1 – Considerations

- Logistics of Relocating Staff – would require two relocations and staff at multiple locations
- Or open the Terminal with 16 (3 less) Gates
- Non-standard 600 feet long office floor plate – i.e. longer walking distances
- Less Natural Light
- Higher cost of construction due to terminal integration

AIRPORT ACCESS ROADWAY

Option 2 – Admin Space in T1 Parking Lot

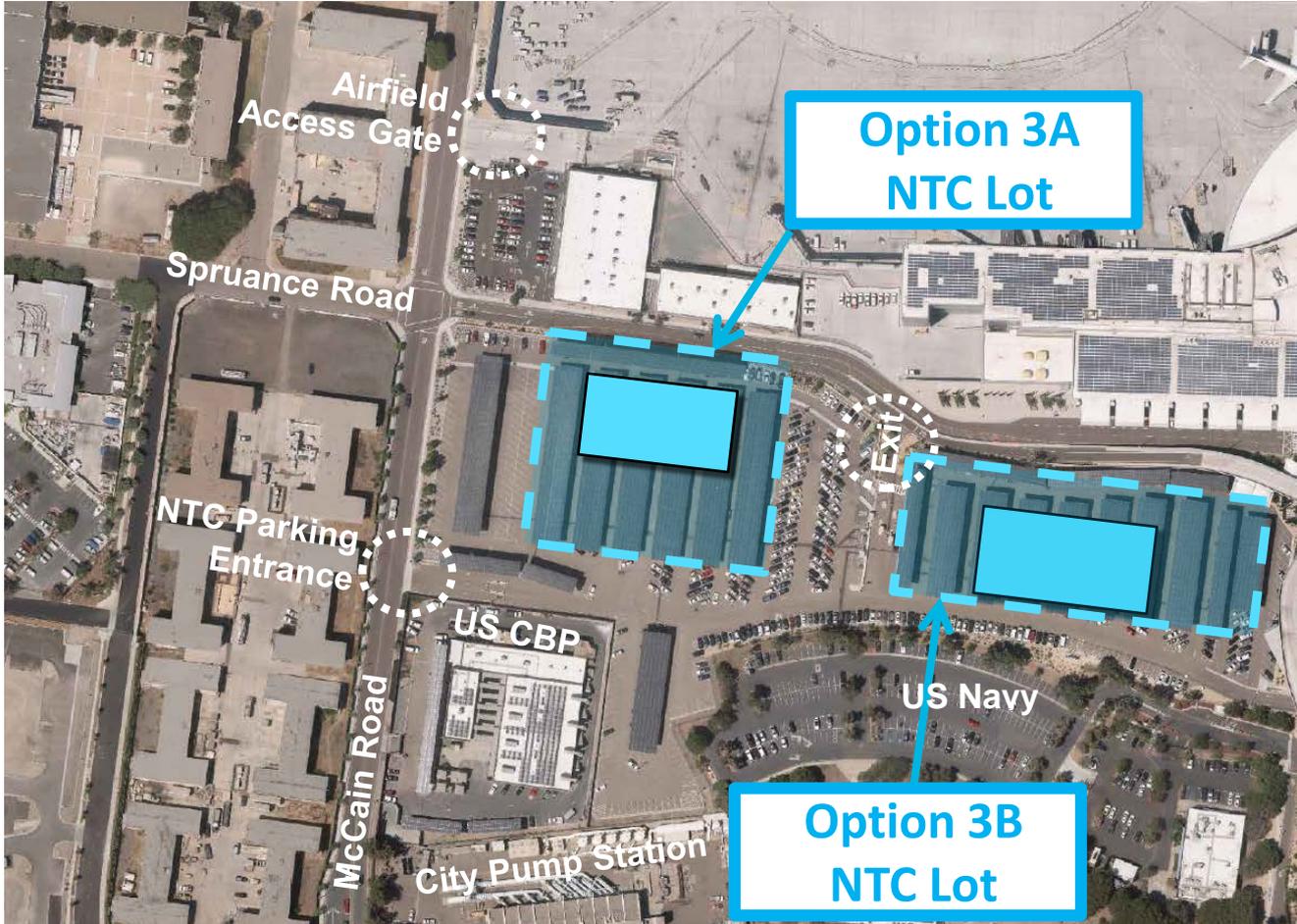


Option 2 – Considerations

- Logistics of Relocating Staff – would require two relocations and staff at multiple locations
- Or would require closing of T1 Parking lot during new terminal construction
- No Direct Access to Airside
- Loss of revenue parking space
- Direct Connection to Parking Garage
- Construction access intermingled with public access

AIRPORT ACCESS ROADWAY

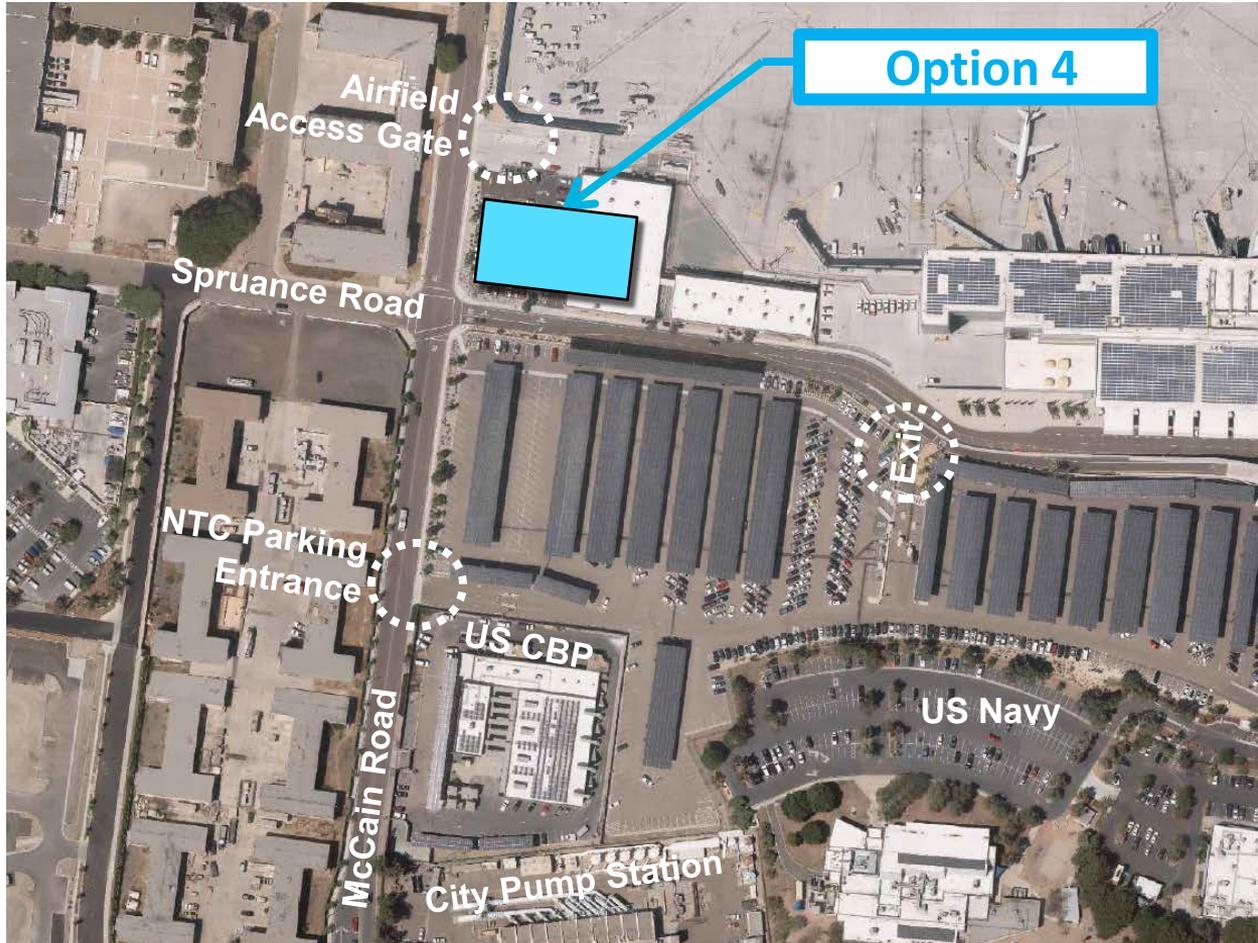
Option 3 – Admin Space in NTC Parking Lot



Option 3 – Considerations

- No direct access to Airside
- Loss of revenue parking space
- Construction access intermingled with public access
- Proximity to sewer pump station
- Near fire training facility
- PV contract cost and Loss of PV power generation
- Possible US Navy facility impacts?

Option 4 – Admin Space adjacent to Future Gates

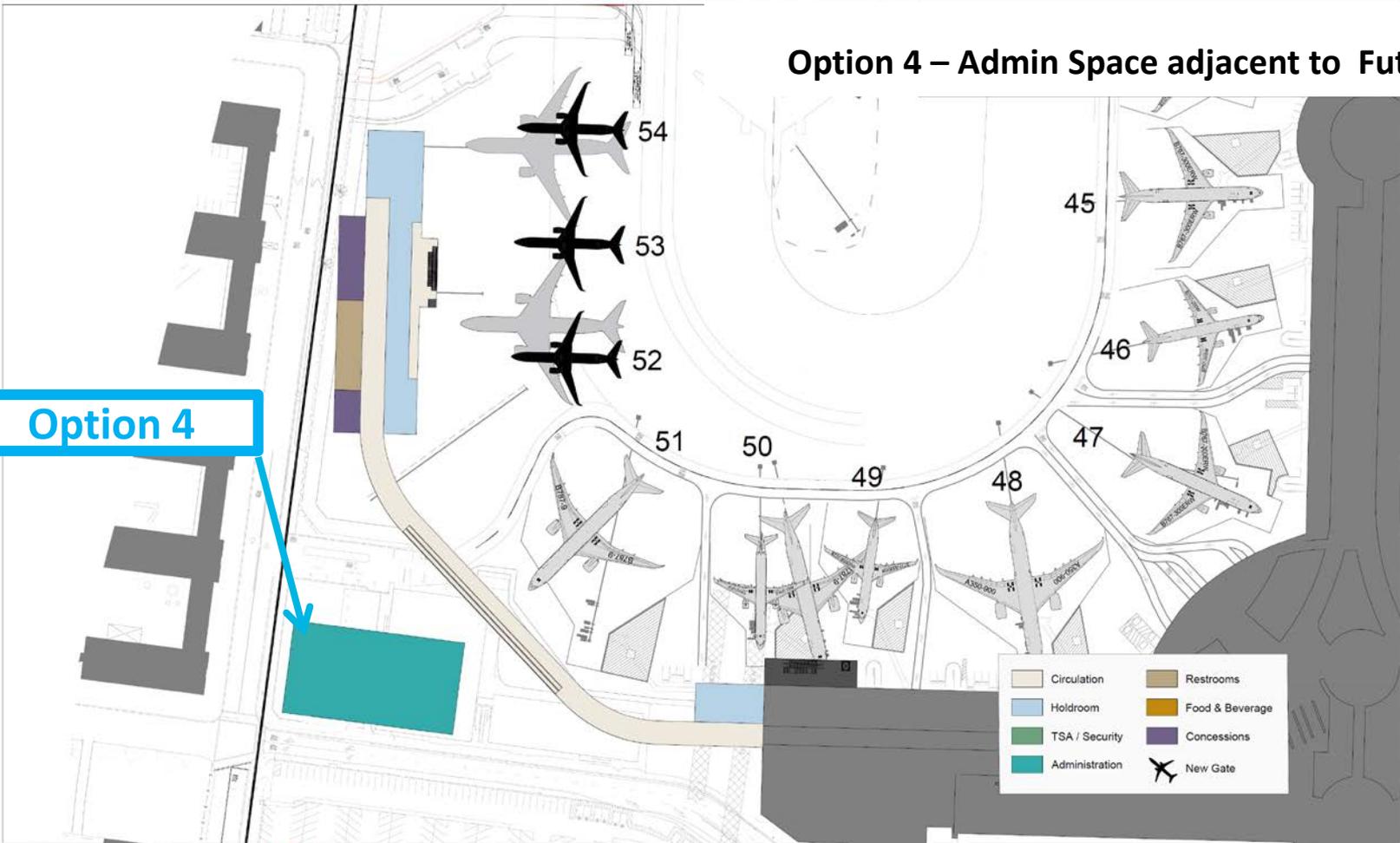


Option 4 – Considerations

- Direct access to Airside
- Does not impact future gates
- Requires early relocation of existing Construction Management Offices to new location as part of ADP Phase-1 Construction
- Proximity to sewer pump station
- Near fire training facility

Option 4 – Admin Space adjacent to Future Gates

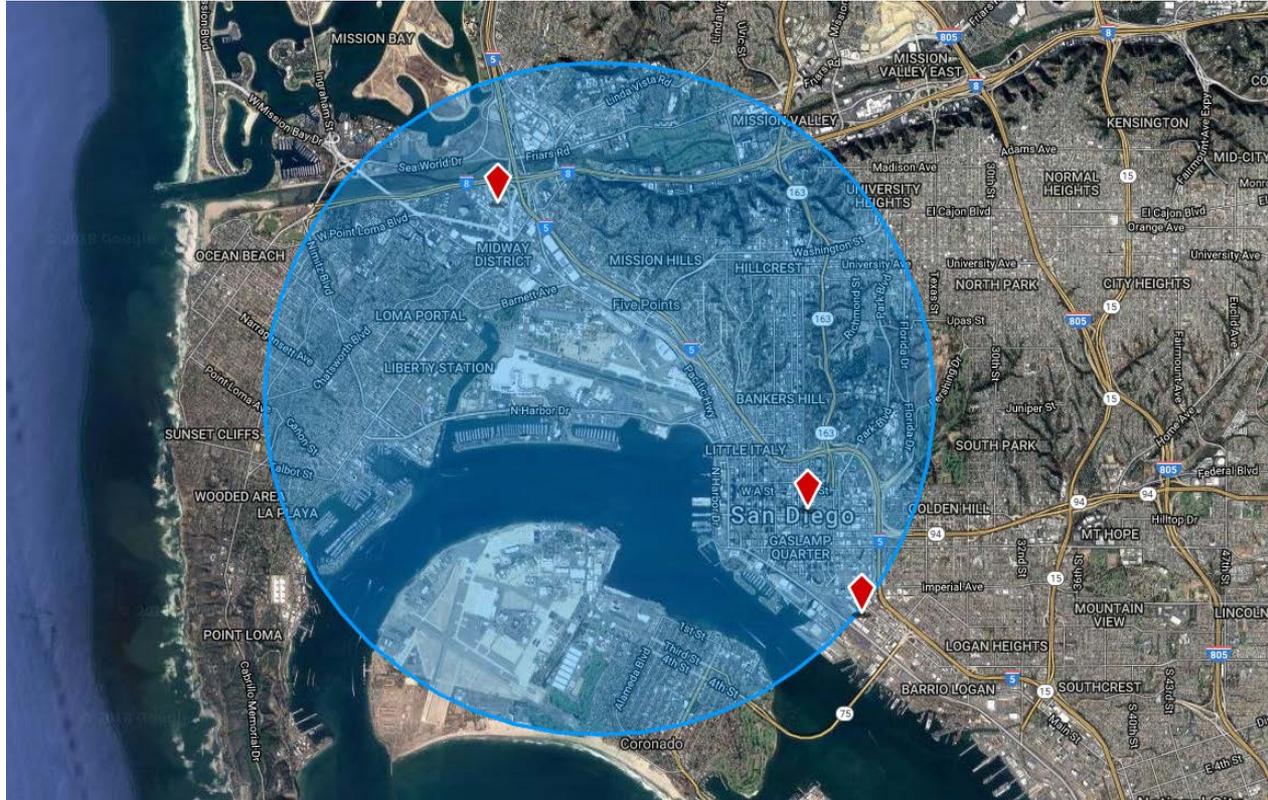
Option 4



	Circulation		Restrooms
	Holdroom		Food & Beverage
	TSA / Security		Concessions
	Administration		New Gate

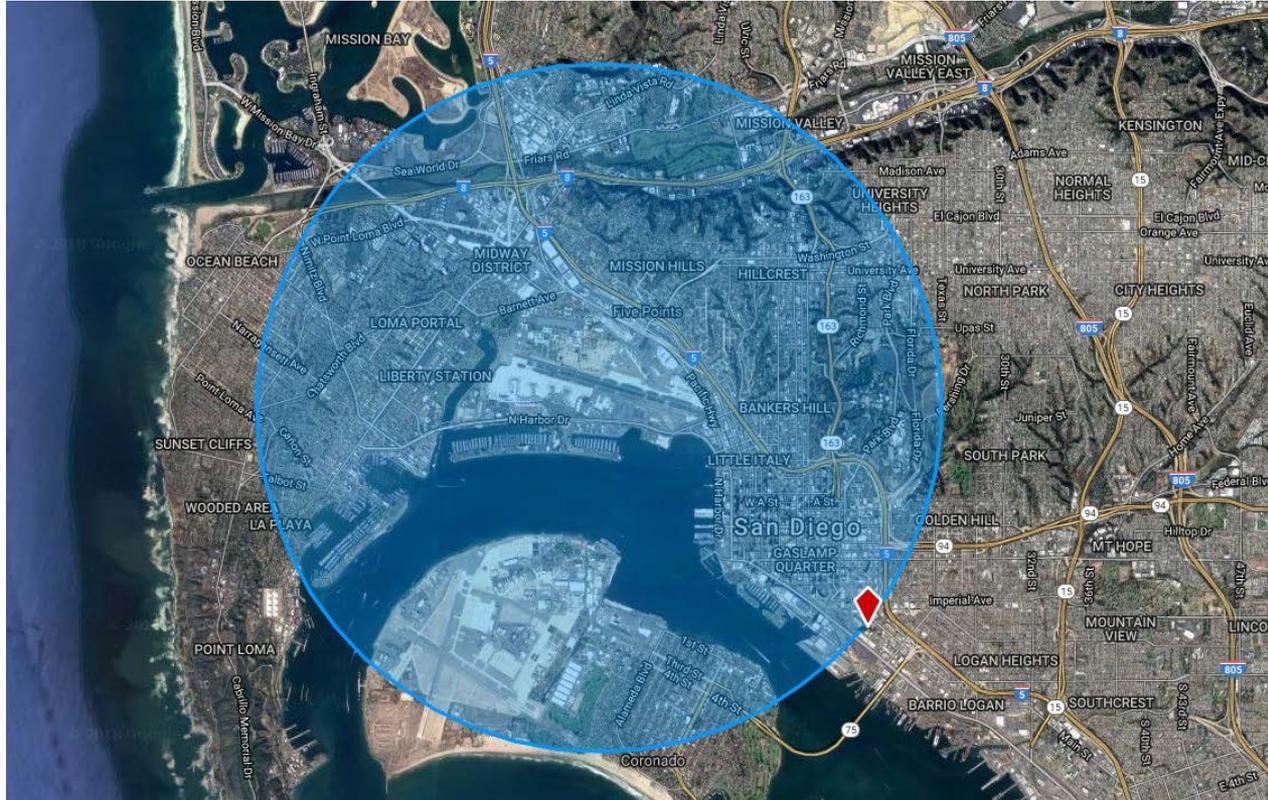
Space Availability

Space over 50,000 sq ft marketed for lease within 3 miles of SDIA



Space Availability

Space over 100,000 sq ft marketed for lease within 3 miles of SDIA



Questions?





SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

SMALL BUSINESS DEVELOPMENT REPORT

Rita Ohaya

Small Business Development Program Manager

April 19, 2018



OVERVIEW

- Program Summary
- Parking Plaza
- Federal Inspection System
- Education and Training



Program Summary

- Board Policies and the creation of Small Business Development
- The Airport Authority is committed to providing business opportunities to local and small businesses
- Outreach events
- Certification and education
- Achievements
 - Greenbuild – \$418M in GB contracts to local businesses, \$118M to small businesses
 - RCC – \$186.2M in RCC contracts to local businesses, \$70.4M to small businesses
 - FIS (to date) – \$99M in FIS contracts to local businesses, \$32M to small businesses
 - Parking Plaza (to date) – \$58M in PP contracts to local businesses, \$31M to small businesses

Parking Plaza

- Prep for Success Training Workshop



Parking Plaza

COMMITMENT OVERALL

Swinerton Small Business Commitment	35%
Subcontracted to Date	\$74.3 million
Small Business Commitment to Date	\$31.7 million (42.71%)

FIS Highlights

- ASA Member Showcase
- SBDC Meet the Buyers
- VIB Network National Conference



Federal Inspection System

COMMITMENT OVERALL

Turner/PCL Small Business Commitment	20%
Subcontracted to Date	\$115.9 million
Small Business Commitment to Date	\$31.9 million (28%)

SBD Education & Training



- OSHA 30
- Turner School of Construction
- OSHA Injury & Illness Prevention
- Procurement 101
- Meet the Primes
- Veteran Owned Small Business Luncheon

Questions

Contact:
rbrown@san.org
619-400-2567



Capital Program Budget Fiscal Years 2019-2023

CIP Project Development Process

- **Annual Validation of Current CIP**
 - Revisit the projects for purpose and need
 - Review scope, schedule and budget
 - Develop projects risk profile: assessment, quantification and mitigation plan
 - Prepare recommendations to the Board for any project adjustments
- **New CIP Projects**
 - Sponsors submit project requests
 - Project is defined – Develop scope, schedule and budget
 - Working Group/Technical review - Assessments conducted with sponsors & stakeholders, financial business case, risk/alternatives identification, planning & environmental impacts, capitalization & O&M costs
 - Results presented to CIC Review Group – Director of Planning, Finance & Development
 - Recommendations are made for prioritization to the Executive staff

CIP Project Development Process

- **Executive staff reviews and approves proposed CIP budget to be taken to the Board**
- **Proposed CIP presented to Airlines for input and feedback**
- **Board reviews and approves Capital Program budget**

Capital Program Overview

- 5 Year Program
- Reviewed by the Capital Improvement Program Oversight committee (CIPOC)
- Approved by the Board Annually
- Managed by the Executive staff – CEO & Vice Presidents
- **Current Total Capital Program – 93 projects – \$1.208 Billion**
 - Capital Improvement Program (CIP) – \$850.6 Million
 - Terminal 2 West FIS Build-out – \$229.5 Million
 - Terminal 2 Parking Plaza - \$127.8 Million

Current Capital Program – Project Status

Project Location	Planning	Design	Construction	Closeout/Closed	Program*	Total
Airside	13	2	3	5	-	23
Terminal	-	7	5	7	-	19
Landside/Ancillary	8	9	5	14	-	36
Administrative	4	1	2	6	2	15
Total	25	19	15	32	2	93

* Public Art Allowance and Capital Project Allowance

Current FY2018 - 2022 Capital Program – Budget by Location

Project Location	# Projects	Program Budgets by Location
Airside	23	\$ 411,288,786
Terminal	19	378,070,972
Landside/Ancillary	36	294,642,417
Administrative	<u>15</u>	<u>123,851,758</u>
Totals	93	\$ <u>1,207,853,933</u>

Current FY2018 - 2022 Capital Program – Project Closeouts/Cancellations/Adjustments

Projects Eliminated (5)	\$ (45,332,700)
Project Closeouts (18)	(26,791,334)
Project Adjustments (36)	(89,442,784)
Rental Car Center	<u>(2,000,000)</u>
Total FY2018 Closeouts/Eliminations/Adj.	\$ <u>(163,566,818)</u>

Capital Program Budget Summary

FY 2017 - 2021 Beginning Capital Program Budget	\$ 850,579,719
Terminal 2 Parking Plaza	127,800,000
Terminal 2 West FIS Build-out	229,474,214
FY 2018 - 2022 Project Closeouts/Eliminations/Adjustments	\$ <u>(163,566,818)</u>
FY 2018 - 2022 Ending Capital Program Balance	\$ 1,044,287,115

Proposed New FY2019-2023 CIP Projects

	Description	Expected Start Date	Estimated Budget
1)	AVSEC Network Redesign	July 2018	\$ 13,136,000
2)	SDIA Common Use System	July 2018	14,560,000
3)	ZEV – Acquire Electric Buses for FIS	July 2019	1,710,000
4)	Replace/Upgrade EMAS	July 2023	<u>19,300,000</u>
Total FY2019-2023 Proposed New Capital Projects			\$ 48,706,000

Proposed FY2019-2023 Capital Project Adjustments/ Allowances

	Description	Current Budget	Additional Budget	Proposed Budget
1)	Construct Taxiway A (2021-2022)	38,623,450	2,200,000	40,823,450
2)	Relocate Taxiway B (2022-2023)	30,000,000	2,600,000	32,600,000
3)	Rehabilitate Cross Taxiways C1, C2, C5 and D	12,050,200	448,200	12,498,400
4)	Capital Project Allowance (FY2019)	-	<u>5,000,000</u>	5,000,000
Total Proposed Current CIP Project Adj./Allowances			10,248,200	
Total Proposed FY2019-2023 New Capital Projects			<u>48,706,000</u>	
Total FY 2019-2023 Proposed New CIP Project & Allowance			\$ <u>58,954,200</u>	

Capital Program Budget Summary

FY 2018 - 2022 Beginning Capital Program Budget	\$ 850,579,719
Terminal 2 Parking Plaza	\$ 127,800,000
Terminal 2 West FIS Build-out	229,474,214
FY 2018 - 2022 Project Closeouts/Eliminations/Adjustments	<u>(163,566,818)</u>
FY 2018 - 2022 Ending Capital Program Balance	\$ 1,044,287,115
Proposed FY 2019 - 2023 Capital Projects/Allowances	\$ <u>58,954,200</u> *
Proposed FY 2019 - 2023 Capital Program Budget	\$ <u>1,103,241,315</u>

* Pending Board approval

Proposed FY2019 - 2023 Capital Program – Remaining Budget by Phase

Project Phase	Budget	Cost to Date *	Budget Remaining
Pre-Construction	\$ 569,195,327	\$ 44,928,454	\$ 524,266,873
Construction	56,213,306	32,655,735	23,557,571
Closeout	<u>61,604,268</u>	<u>60,604,268</u>	<u>1,000,000</u>
Subtotal CIP	\$ 687,012,901	\$ 138,188,457	\$ 548,824,444
New CIP	58,954,200	0	58,954,200
Parking Plaza	127,800,000	103,000,000	24,800,000
FIS	<u>229,474,214</u>	<u>153,000,000</u>	<u>76,474,214</u>
Totals	\$ 1,103,241,315	\$ 394,188,457	\$ 709,052,858

* Estimated costs as of 6/30/18

Current/Proposed Capital Program – Project Locations

Capital Program Budget:

\$1,207,853,933

\$1,103,241,315

Project Location	FY2018-2022	FY2019-2023
Airside	23	18
Terminal	19	16
Landside/Ancillary	36	27
Administrative	<u>15</u>	<u>10</u>
Totals	93	71

Prioritization Criteria

1	Preserve Part 139 or other regulatory compliance
2	Preserve physical plant functions - Fire/Life/Safety, M/E/P and Core Network
3	Preserve Airport access, roadways, and parking
4	Enhance safety or security
5	Enhance customer service / revenue / cost savings

AVSEC Network Redesign



AVSEC Network Redesign

Scope:

- Replace fiber cabling/network equipment in all terminals and airfield gates
- Implement a network architecture that provides redundancy & high availability
- Enhance security by utilizing controls in newer equipment
- Expected Start Date: July 2018

Strategies:

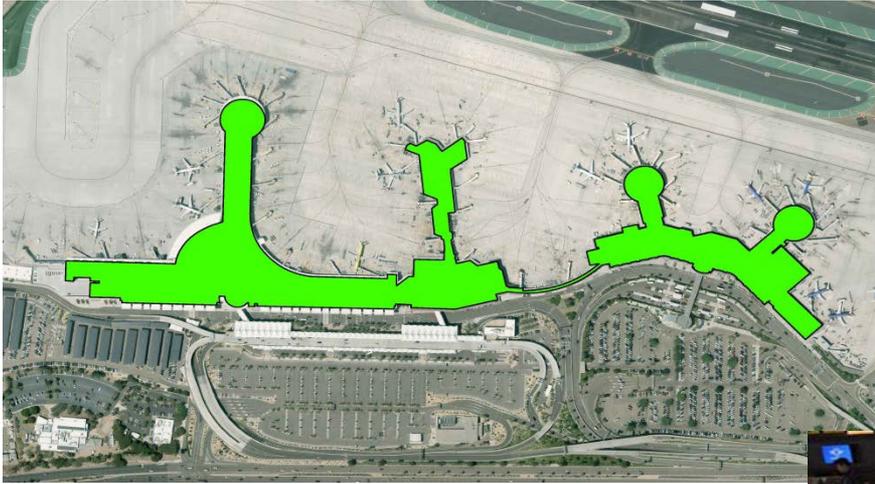
- Customer
- Operations

2

Preserve physical plant functions - Fire/Life/Safety, M/E/P and Core Network

Sponsor	Estimated Cost	Duration
Rick Belliotti	\$13,136,000	36 months

SDIA Common Use System



SDIA Common Use System

Scope:

- Install system by April 14, 2019 – contract with SITA expires
- Includes common-use hardware and software in all terminals
- Integrated with ticket counters, gates, CUSS kiosks, FIDS displays, etc.
- Support rapid, flexible and efficient processing of passengers
- Expected Start Date: July 2018

Strategies:

- Customer
- Operations

2	Preserve physical plant functions - Fire/Life/Safety, M/E/P and Core Network
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Sponsor	Estimated Cost	Duration
Rick Belliotti	\$14,560,000	12 months

Acquire Electric Buses (ZEV)



Acquire Electric Buses (ZEV)

Scope:

- Provide transportation between terminals for FIS passengers with 4 ZEV buses
- Zero emission vehicles reduce emissions
- Grant eligible for 50% of bus costs
- Expected Start Date: July 2019

Strategies:

- Customer
- Operations

3	Preserve Airport access, roadways, and parking
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Sponsor	Estimated Cost	Duration
Marc Nichols	\$1,710,000	18 months

Replace/Upgrade EMAS



Replace/Upgrade EMAS

Scope:

- Replace/upgrade with latest generation system with 20-year life
- Increase aircraft stopping performance to accommodate current fleet mix
- Maintain Part 139 regulatory compliance
- Expected Start Date: 2023

Strategies:

- Customer
- Operations
- Community

1	Preserve Part 139 or other regulatory compliance
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Sponsor	Estimated Cost	Duration
David LaGuardia	\$19,300,000	12 months

QUESTIONS?