



## Terminal Area Improvement Program

Executive Quarterly Report 1Q10



# The New Airport

A MAJOR UPGRADE FOR SILICON VALLEY

flysanjose.com

## **Terminal Area Improvement Program 1Q10 Executive Summary Program Status as of March 31, 2010**

### **HIGHLIGHTS**

**The Terminal Area Improvement Program continued to make good progress during this quarter, and it is now on track for on-time and under-budget completion next year.**

- ❑ The overall construction progress is tracking closely to the master schedule with actual progress to date at 94.8% as planned. In many cases the updated schedule completes several sub-elements and elements of the program ahead of the contractual requirements.
- ❑ Commitments total \$709.4 million to date, which represents 94.8% of the total budget of the design-build program. The forecasted cost at completion for the program continues to track under budget by \$31.7million. This is mainly due to the expected return of unspent Contractor's contingency, and actual cost of most project components have been lower than their guaranteed maximum price. The trend for the estimated cost to completion is expected to improve for the remainder of the program.
- ❑ Terminal B progress is now 100% as planned. The Baggage Handling System (BHS) successfully passed all functional tests and prior technical problems with the software interface have been resolved. The final BHS certification by a third-party agency is expected to conclude its report by April 29.
- ❑ The TSA-approved funding of \$20.9 million for the Terminal B baggage system is adequate to offset the expected actual cost that will be somewhat less, even including the additional cost of \$680,000 to mitigate the impact of TSA delays in delivering equipment for both Terminal A and Terminal B.
- ❑ The processing of documentation continues as expected to achieve a LEED "Certified" rating for Terminal B Concourse by the United States Green Building Council.
- ❑ Rescheduled tests for the Terminal A Baggage Handling System are now expected to start on May 4 and are dependent on the timely completion of third-party agency tests at Terminal B. Final testing of the Terminal A BHS is expected to be complete by mid-June. The Terminal A baggage system progress is now 90% as compared to the planned 91%.
- ❑ Terminal A Modifications overall progress is 94% complete as planned.

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- ❑ Construction of the roadway improvements is 82% complete as planned.
- ❑ ConRAC work progress is 99% complete and the final punch lists are being prepared to satisfy substantial completion by mid-April, more than five months ahead of the original planned completion date. Project acceptance is expected to be achieved by mid-June.

**SUMMARY OF PROGRAM ELEMENTS**

**Terminal A**

- All upgraded construction improvements in Terminal A+ are completed, including new ceilings, upgraded bathrooms, new terrazzo flooring, and remodeled gate waiting lounges.
- Completion of final cutovers from the existing baggage handling system to the new system is rescheduled to occur in May, followed by final testing and certification by mid-June.
- Major milestone tasks achieved this quarter:
  - ✓ Completed design for new roofing system
  - ✓ Completed installation of holdroom carpeting
  - ✓ Completed Meet/Greet area north of security checkpoint
  - ✓ Installed CTX screening equipment combined with inline baggage handling system
  - ✓ Completed installation of new concourse terrazzo flooring in Terminals A, A+, and on the bridge to Baggage Claim

**Terminal B**

- Construction of Terminal B is now 100% complete as planned, with remaining punch list items scheduled for the second quarter of 2010.
- The communication systems such as paging, security access control, and surveillance cameras for Terminal B Concourse and Terminal B are now live with 95% of devices in operating mode. All upgrades for the air conditioning system and fire code compliance in the Central Plant are complete. There are some additional code upgrades in progress and these will complete prior to Terminal B concourse opening date.
- The Terminal B baggage claim was put into operation in February to provide interim service for passengers arriving at Terminal C, enabling the demolition of the Terminal C baggage claim wing.

Major milestone tasks achieved this quarter:

- ✓ Completed signage installation
- ✓ Completed metal panel installation
- ✓ Completed painting including touch-up

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- ✓ Completed installation of baggage claim devices
- ✓ Completed terrazzo flooring installation at Level 2
- ✓ Activated baggage claim area at Level 1 on February 2
- ✓ Completed drop ceiling installation and specialty ceilings
- ✓ Completed security checkpoint glass walls and sliding closure
- ✓ Completed installation of doors & hardware and glass handrails

**Terminal B Concourse**

- The committed cost to date remains at \$337 million of the total budget of \$342 million, which includes \$14.9 million in rates and charges contributions from the airlines for the enhanced baggage handling systems at Terminals A and B.
- The forecasted cost at completion is about \$1.5 million below the approved budget.

**Temporary Terminal C**

- The demolition of the baggage-claim wing was completed as scheduled in February 2010. The removal of this wing allowed for the construction of the last section of the new south loop roadway now under way. Demolition of the remainder of Terminal C is scheduled to begin in July after the opening of Terminal B and the relocation of airlines.
- Major milestones achieved this quarter:
  - ✓ Moved Alaska, Delta, and US Airways Baggage Service Office from Terminal C to Terminal B
  - ✓ Moved TSA offices and breakroom from the baggage-claim wing to the mezzanine
  - ✓ Constructed canopy to connect north end of Terminal C to the Terminal B baggage claim area

**Roadways and Parking**

- Construction progress on the new roadway system is 82% as planned. The remainder of the road work will be complete by late June. Some minor tasks remain that are partially dependent on the demolition of the Terminal C and are scheduled for completion by mid-November.
- The last portion of Terminal Drive roadway in front of Terminal B is progressing to be complete in time for the early opening of the ConRAC in May and the opening of Terminal B in June.
- Major milestone tasks achieved this quarter:
  - ✓ Opened the Terminal B Concourse parking lot
  - ✓ Demolished the temporary Skyport connector area
  - ✓ Completed sections new curbs and gutters along Airport Boulevard

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- ✓ Opened last outer lane of Terminal Drive including ConRac exit lane
- ✓ Opened the South Loop Overcrossing and Outer South Loop to traffic
- ✓ Completed 50% landscaping at the Terminal B Concourse Parking lot
- ✓ Completed installation of sign foundations and poles along the south loop
- ✓ Completed construction on the retaining wall in front of the Belly Freight Building
- ✓ Completed installing foundations for the overhead signs and some majority of sign panels

**Consolidated Rental Car Garage**

- ConRAC progress is 99% as planned and substantially complete five months ahead of schedule for mid-May. Hensel Phelps and the rental car companies agreed to open the ConRAC in June 2010.
- Major milestone tasks achieved this quarter:
  - ✓ West façade completed
  - ✓ Elevator inspections completed
  - ✓ Entry drive replaced at Airport Blvd
  - ✓ Access control and IT equipment installed
  - ✓ Leak detection and fuel monitoring systems completed
  - ✓ Completed tenant offices and staff spaces in the CSB and QTA

**SMALL AND LOCAL BUSINESS UPDATE**

- To date, Hensel Phelps has awarded \$74.3 million in contracts to either small or local contractors, excluding named subcontractors, which represents 31% of their contracts.
- When the larger named subcontractors are included, the amount for locally-awarded contracts increased to \$277 million. The three named local subcontractors are Rosendin Electric, Critchfield Mechanical, and Granite Construction.

Awarded Contracts	Number	Amount (millions)	
		Small/Local	Named Subs
Total to date	311	\$239.5	\$477
Local businesses	95	\$ 59.3	\$277
Small businesses	106	\$ 15	\$ 15

**CUSTOMER SERVICE AND PUBLIC INFORMATION**

- Customer service continues to be the Airport’s main focus during the TAIP construction work. Customer service representatives and the Airport Communications Director continue to keep the public informed via news media, advertising, e-mail and the Airport website.

Customer service representatives, parking control officers, and public volunteers and staff ambassadors continue to work to minimize customer impact during construction. Weekly meetings with airlines, TSA, vendors and others ensure that stakeholders informed of construction activities, challenges, and customer and tenant impacts.

## Appendix

### Terminal Area Improvement Program

#### Executive Quarterly Report 1Q10

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1Q10 Airport CIPs Budget Overview				
Major CIPs Cost Summaries	Last Quarter 4Q09	This Quarter 1Q10	Change	Notes
<b>Design-Build Program</b>				
Funded (Available for Task Order Contracting)	\$754,593,583	\$748,615,134	(\$5,978,449)	1
Committed to Date (Included through CO 90)	\$708,415,992	\$709,407,012	\$991,020	
Expenditures to Date	\$501,574,343	\$549,357,594	\$47,783,251	
Budget v. Estimated Construction Cost - Under/(Over)	\$4,370,000	\$31,711,528	\$27,341,528	2
<b>North Concourse Program</b>				
Funded (Available for Task Order Contracting)	\$342,402,578	\$342,402,578	\$0	3
Committed to Date (Multiple Prime Contractors)	\$336,910,721	\$337,172,825	\$262,104	
Expenditures to Date	\$311,247,867	\$322,999,613	\$11,751,746	
Budget v. Estimated Construction Cost - Under/(Over)	\$861,397	\$1,511,662	\$650,265	
<b>Terminal A Equity Improvements Project</b>				
Funded (Available for Task Order Contracting)	\$44,943,475	\$44,817,472	(\$126,003)	4
Committed to Date (Multiple Prime Contractors)	\$37,361,075	\$37,331,549	(\$29,526)	
Expenditures to Date	\$20,112,573	\$26,172,961	\$6,060,388	
Budget v. Estimated Construction Cost - Under/(Over)	\$355,000	\$0	(\$355,000)	
Notes:				
1 Net budget decreased because of: A) \$4.5M budget was returned to finance dept obtained from Roadway Element contingency savings, and B) \$1.4M reversal of prior quarter's "expected" budget increase that did not occur.				
2 Increased budget savings is due to additional DB contingency savings to be refunded.				
3 Forecast remaining cost to completion was lowered and it increased the unused budget savings estimate.				
4 Forecast cost to completion was increased and it reduced the unused budget savings estimate to zero.				

1Q10 Schedule Overview				
Programs	Forecast Substantial Completion Dates			
	Last Quarter 4Q09	This Quarter 1Q10	Change	Notes
Design-Build Program	18-Nov-10	18-Nov-10	0	1
North Concourse Program	10-31-08 Actual	N.A.	N.A.	2
Equity Improvements Program	29-Jan-10	15-Aug-10	(198)	3
Notes:				
1. Breakdown of Element forecast construction completion dates are provided below:				
a) Terminal A completion is May 28, 2010 excluding 757 Max.plan apron work but including TSA equipment delivery delays.				
b) Terminal B early completion is May 29, 2010 including TSA equipment delivery delays.				
c) ConRAC early completion projection is late April 2010.				
d) Roadways estimated completion is June 18, 2010; except minor roadside work required in 3Q10.				
e) Terminal C building demolition completion and Element completion is Nov 18, 2010.				
2. North Concourse building package 4 was substantially complete in October 2008 and North Concourse packages 5 and 6 forecast completion late June 2010.				
3. Task Order TAE-003 amendment 5 was revised to April 12, 2010; amendment 6 will be issued to align with remaining work dependent on demolition of PODs at airside of Terminal A and minor apron paving under PODs.				

## **Terminal A Modifications (Design-Build Program)**

While remaining in operation, Terminal A was renovated and expanded to address the imbalance that currently exists between the number of aircraft gates and the inadequate number of check-in positions/queuing area, security checkpoints and concessions. In May 2009 the passenger queuing and check-in counters were completed and increased by 60%; Terminal A structural bumpout of Level 2 was completed on July 15, 2009; the two existing security checkpoints will be consolidated into one central location with double the number of passenger screening lanes by November 4, 2009; the size of the airside concessions will be doubled; pre-security concessions will commence construction by November 5, 2009; and a new outbound baggage handling system with inline EDS screening will be installed by May 21, 2010.



**Terrazzo Floor on Terminal A Bridge  
to Baggage Claim**



**The “Blue Dot” Meet/Greet Area**

## **Design-Build Program Terminal B Concourse**

This two-phased project replaces the out-of-date and inadequately sized Terminal C. When opened, Terminal B Concourse will provide sufficient passenger queuing at the new staffed and self-service ticket counters, modern and efficient security screening checkpoints, new baggage claim devices, a new in-line outbound baggage handling system, and increased concession locations. The plan for Terminal B Concourse also provides for efficient building systems and addresses a full array of sustainable design issues. Phase 1 (the northern portion Terminal B which includes the North Concourse) is fully funded and will be constructed as part of the current Council-approved project. Phase 2 (the southern portion or South Concourse) has been designed to the 30% level and can be constructed at a future date—a date triggered by pre-determined passenger demand and flight activity.



**Terminal B Exterior Curbside**

## **Roadways (Design-Build Program)**

The existing roadway system was redesigned to increase roadway capacity by adding vehicle lanes; to reduce traffic conflicts by constructing two overcrossing bypasses to provide direct access to each terminal; to improve the ground transportation system; and to enhance motorist way-finding by straightening the roadway alignment and introducing better signage. This infrastructure project will also modernize to increase the capacity for water lines, storm drains and sanitary sewers.



**Asphalt Grinding adjacent to South Loops**



**Overhead Sign Installation on Airport Boulevard**

## **Consolidated Rental Car (ConRAC) Garage (Design-Build Program)**

The opening of this 3,350 car full-service facility is scheduled to coincide with the opening of the first phase of Terminal B June 30, 2010. The new ConRAC will provide passengers more convenient access to rental car facilities and reduce traffic on airport roadways. The garage also includes 350 public parking spaces on the ground floor providing direct access to Terminal B Concourse on the opposite side of the roadway.



**CSB Reception Lobby**



**CSB Ticket Counters & Lobby**

## **North Concourse Program**

This project is a three level concourse building that provides for 9 new commercial aircraft gates. It is 376,000 square feet and has a revised program budget of \$342 million. The project delivery is a multi-prime contracting method where multiple low-bid packages are constructed and the City acts as the construction manager. All prime contracts have been completed and project completion was achieved in October 2008. Additional packages include furniture, fixtures and equipment, security, and paging were extended from August 17, 2009 to July 16, 2010.



**North Concourse East Elevation**

## Terminal A/A+ Equity Upgrade Program

To further enhance Airport amenities and customer services, in 2006 the airlines agreed to fund the Terminal 'A' Equity Project as part of the Airport's overall capital improvement program. Since the project has made many improvements to the existing Terminal A/A+ and the Terminal A Garage in order to create equitable facilities comparable to the new Terminal facilities delivered by the TAIP. The equity project has been divided into five smaller projects: General Improvements, Replacement of Passenger Boarding Bridges (PBB), Furniture, Furnishings and Equipment (FFE), Technology Improvements, and Airlines Tenant Improvements.



**Air Chair Holdroom Furniture**

