

Capital Improvement Projects

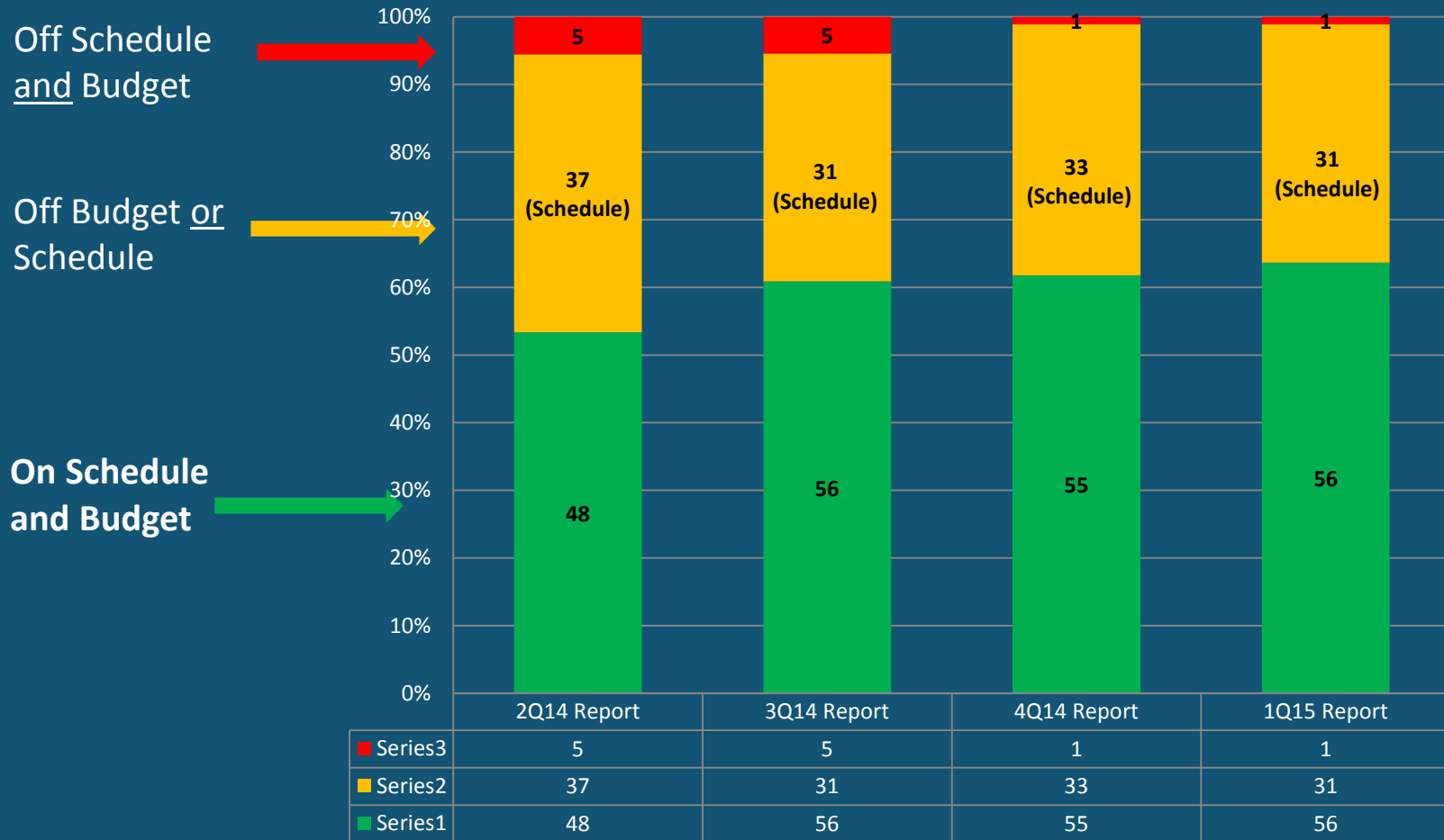
First Quarter Report
2015
Commission Briefing

99 Capital Improvement Projects

Overall Status of Projects

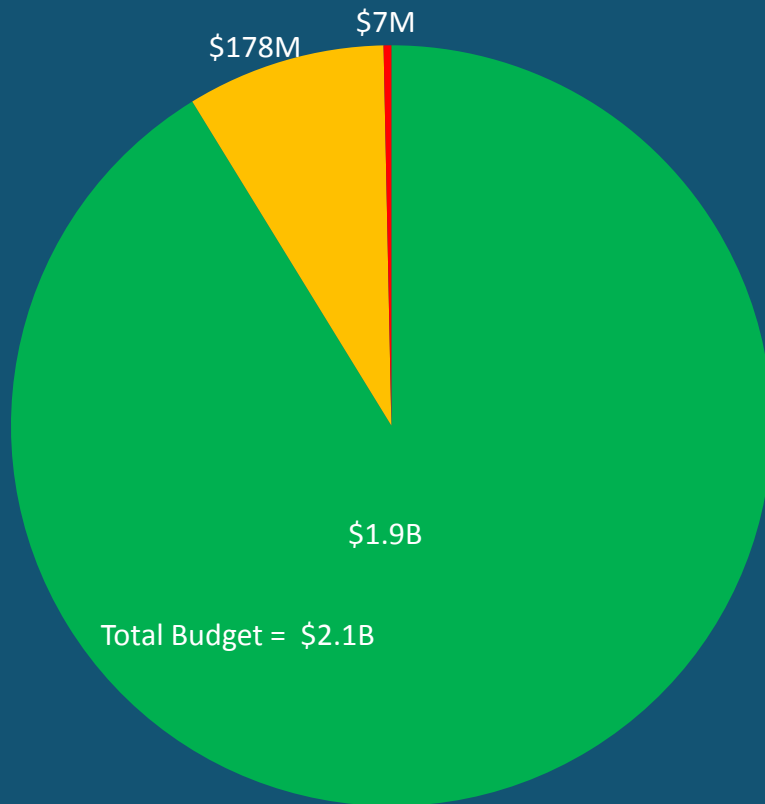
- 99 Total Projects in report (88 CDD, 11 ICT)
- 65 Projects are within or ahead of target schedule and budget
- 33 Projects have either target schedule or budget off with 2 new Reportable Variances for this Quarter.
- 1 Project has both target schedule and budget off with no new Reportable Variances for this Quarter.
- 4 Projects are Substantially Complete

CDD Projects by Status, by Quarter



Target: 64% green, 36% amber, 0% red

CDD Projects By Dollar Value



■ Project off schedule and budget

- Doug Fox Lot Service Upgrade - \$6.5M

■ Projects with Budget of \$25M or more that have a Schedule Variance

- Electrical Ground Support Equip. - \$30.7M
- Aircraft RON Parking USPS Site - \$40.7M

■ Other Projects with Budget of \$50M or more

- RW16C-34C Reconstruct Design – \$101 M
- North Expressway Relocation \$102.7 M
- PC Air– \$55 M
- International Arrivals Facility – \$608M
- NS NSAT Renovation NSTS Lobbies – \$421M
- Checked Bag Recap Optimization – \$320M
- E. Marginal Way Grade Separation – \$56.2M

Major projects are green.

AVIATION PROJECT SUMMARY

- Two new projects are behind schedule:
 - Security Lane Exit Breach Control – *delayed until after the busy summer*
 - 2016 Fuel System Modifications – *delayed from Q4 2015 to Q2 2016 due to design changes*

AVIATION PROJECTS

Substantial Completion



2nd Floor Mezzanine Infrastructure Upgrade



Doug Fox Lot

AVIATION PROJECTS

Q1 Budget Returns

Project Name	Date	Type	Amount
RW16C-34C Design and Reconstruction	3/13/2015	Bid Savings	\$11.7M
SSAT Interior Renovations	3/12/2015	Bid Savings	\$141K

Aviation Budget Transfers

- \$3.4M from Concessions Infrastructure (ADR) to Checked Baggage Optimization
- \$939k from Grease Interceptor Augmentation to Concessions Infrastructure (ADR)

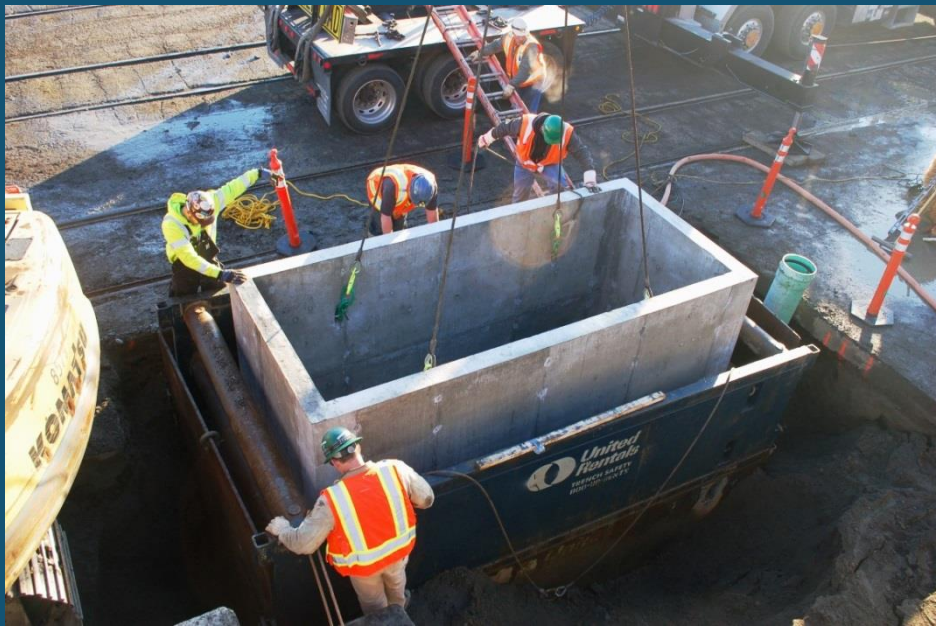
Maritime/Economic Development Project Summary

- No new reportable variances.



Maritime Projects Substantial Completion

T115 Stormwater



P34 Dolphins

PCS Project T-108 Shoreline Stabilization



East Marginal Way Phase 2



EMW 2 Northbound

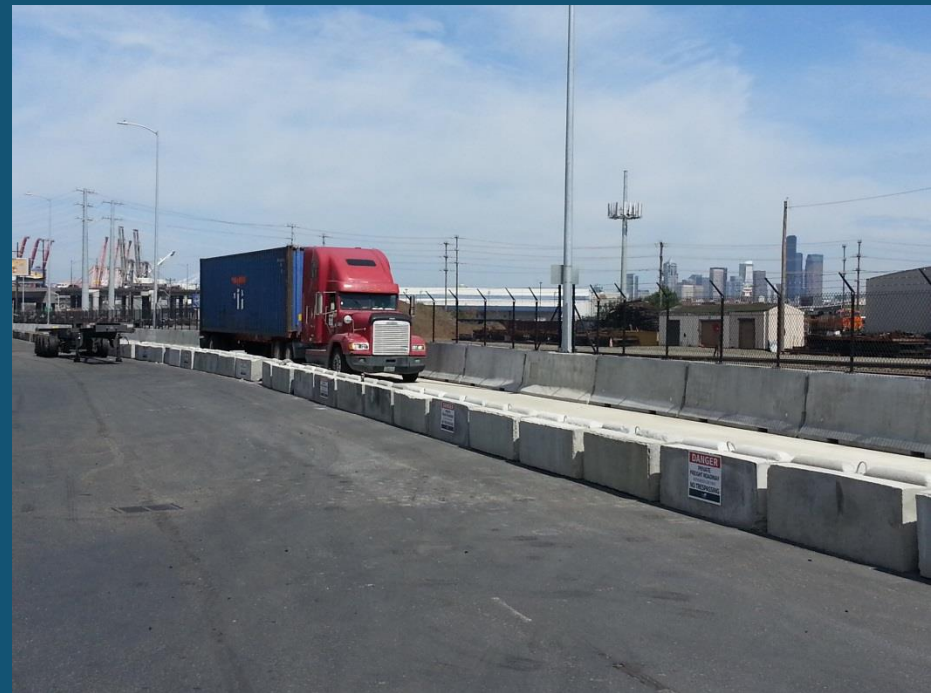


EMW 2 Southbound

ARGO Roadway



Argo Road headed South



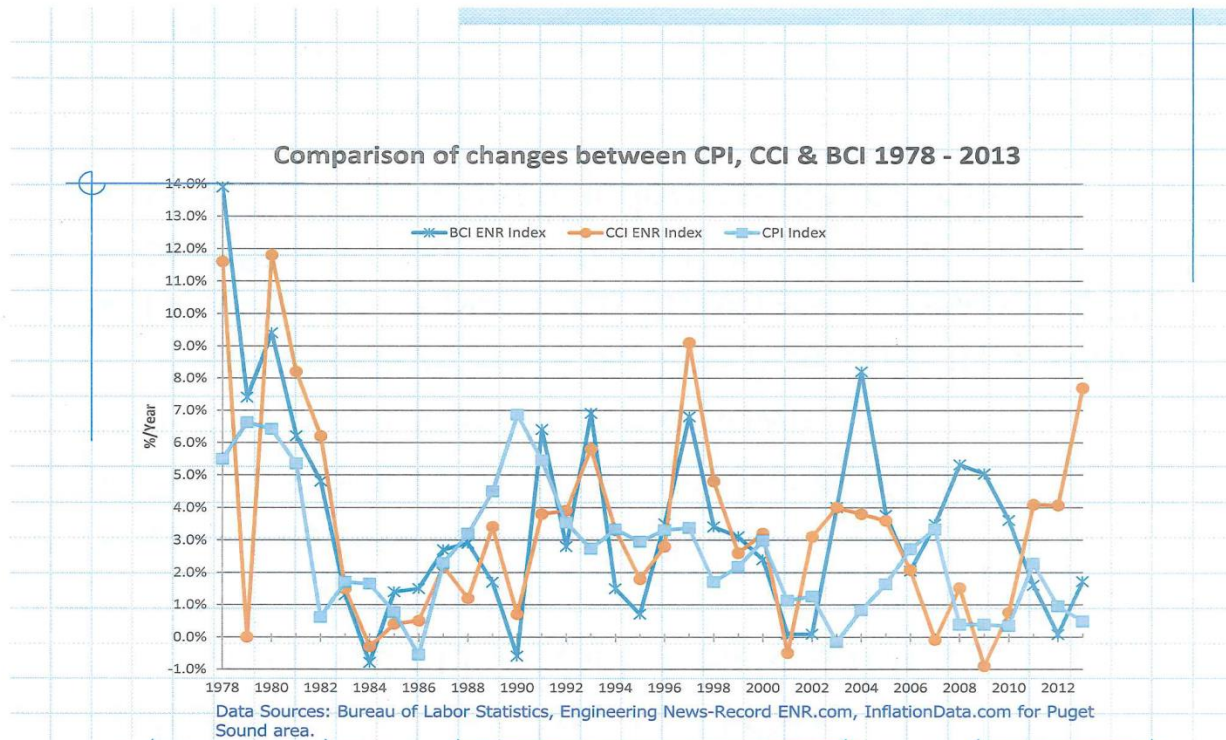
In use!

CORPORATE PROJECT SUMMARY

- No new project variances for this quarter

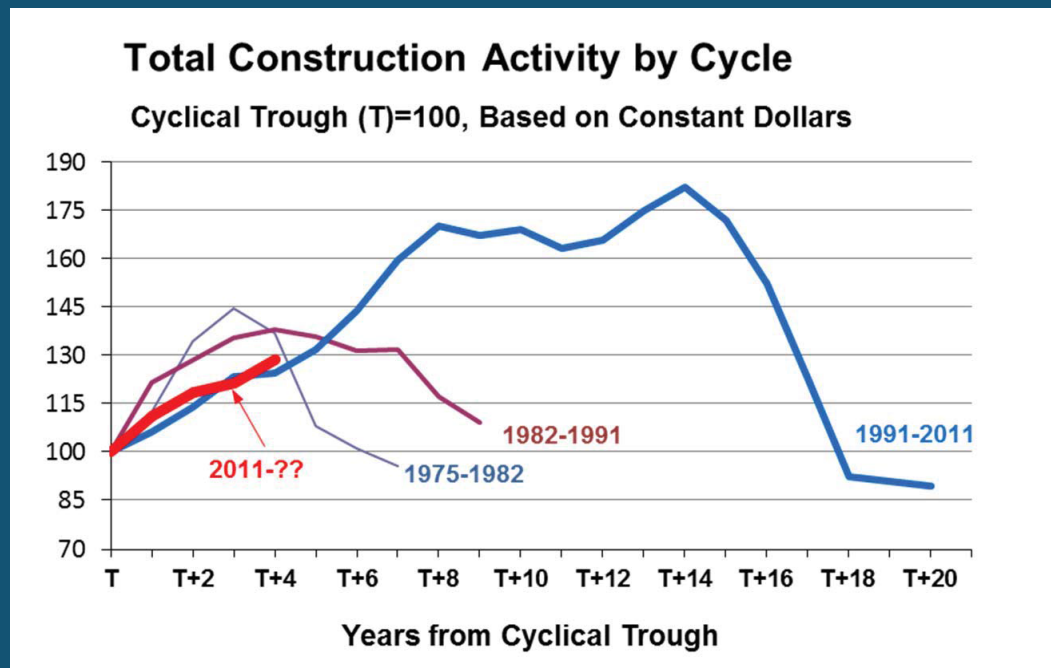


Construction Inflation Differs from Consumer Inflation



Reliving the Past

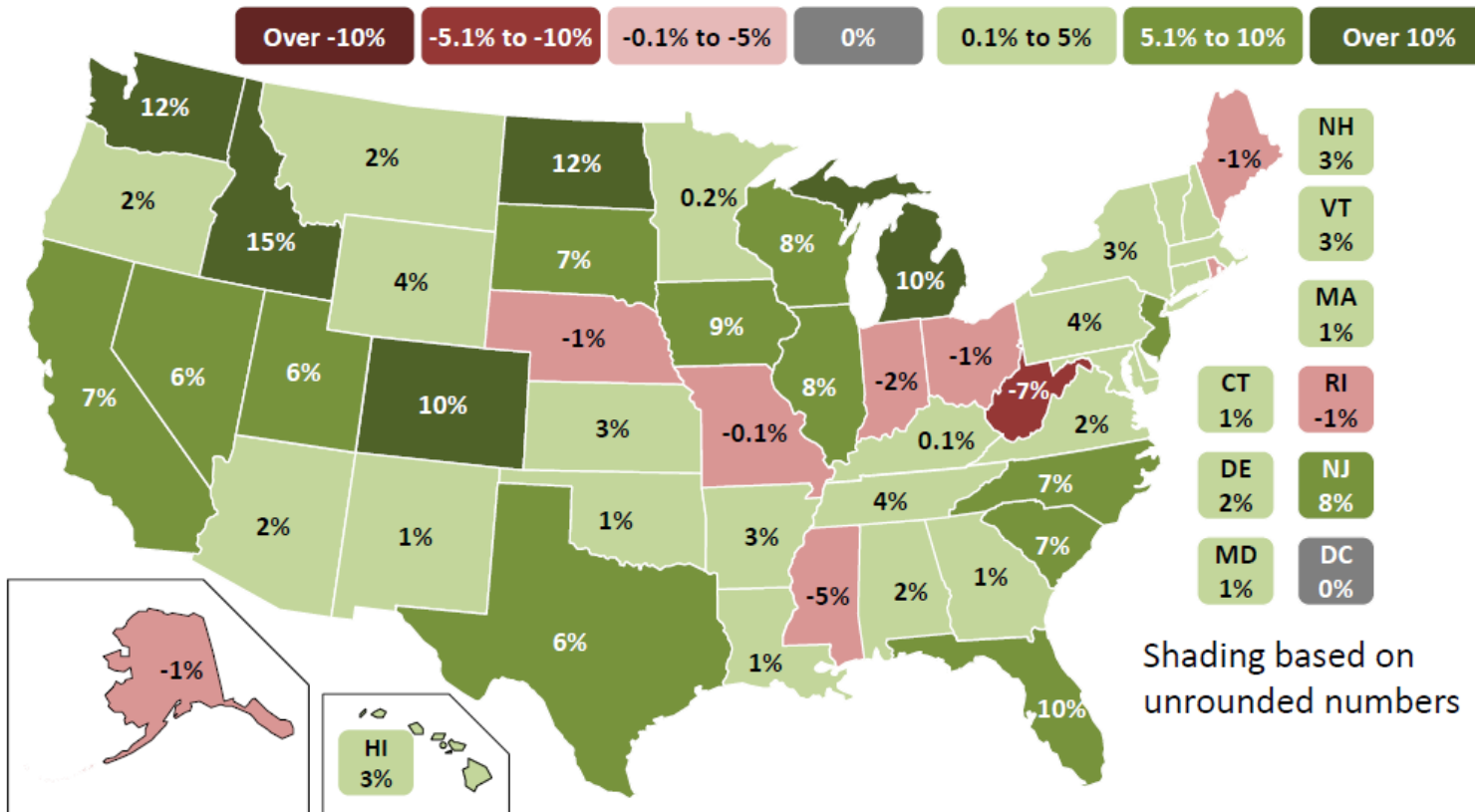
- Cyclical trends: 1975, 1982, 1991, 2011



- Source: Dodge Data & Analytics, 2015 Dodge Outlook Executive Conference

State construction employment change (U.S.: 4.7%)

3/14 to 3/15: 41 states **up**, DC unchanged, 9 **down**



Source: BLS state and regional employment report

Construction Cost Escalation Rise is Likely

- Construction marketplace is volatile
- Depends both on factor pricing and on competition
- Sectors vary
 - Grease Traps
 - Center Runway
- Procurement pricing methods vary
 - D-B-B and D/B sealed bid
 - PD/B and GC/CM price factors/negotiated
- Cost information is rearward-looking
- Time of advertisement matters
- Contract escalation terms
- Industry feedback