Item No. 8c supp

Meeting Date: October 23, 2018

Parking Revenue Infrastructure CIP #C800870

Commission Meeting

October 23, 2018



Sea-Tac Airport Parking Garage



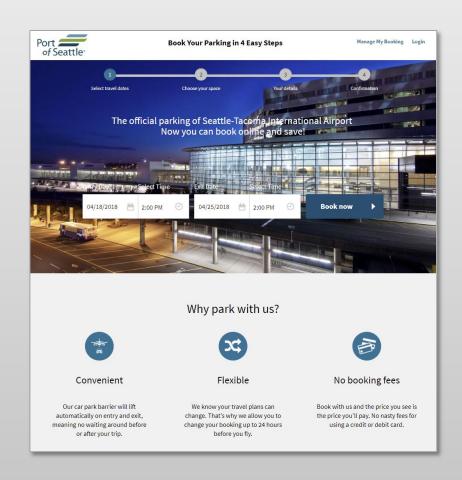
Serves as Airport's front door for a significant portion of the traveling public

Parking Business Strategy

- Provide an exceptional customer experience in the garage by incorporating new technologies
- Build brand awareness through marketing
- Diversify product offerings to attract new customers and maximize revenue
- Be data-driven; utilize big data to inform potential impacts and/or opportunities to parking business

Parking Program Development





Business strategy guides parking program and product development

Current Garage Issues

Airport/Garage-SpecificSize of garageDesign/layout of garage	 Customer Service Visual difficulty/time required to find an open stall
 Operational Inability to determine available stall inventory on a real-time basis 	 Environmental Increased vehicle emissions in search for an open stall

8th Floor Garage Time Lapse

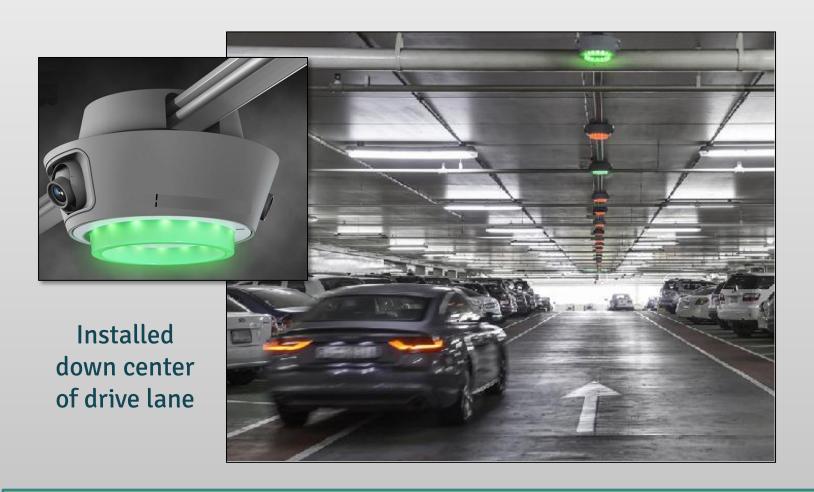
September 12,2018 (Wed)



Scope of Work Solution

- Install a camera-based automated parking guidance system (APGS) throughout the parking garage (12,000+ stalls)
- Install 94 Level 2 electric vehicle (eV) charging stations on Floors 4 and 7 of the garage
- Upgrade electrical capacity in the garage to support project infrastructure

Automated Parking Guidance System



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APGS Benefits

- Addresses shortcomings in customer experience and ability to find a stall in the garage
- Reduces environmental impacts and CO² emissions
- Provides operational efficiencies
- Enhances safety and security
- Gathers business intelligence data
- Potential incremental revenue opportunities

eV Charging Stations



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eV Charging Station Benefits

- Enhances customer service
- Provides centralized charging locations
- Reduces environmental impacts and CO² emissions
- Offer cost savings via integration with APGS

Project Budget

Project Budget	Cost
Construction Cost (Directs, contingencies, etc.)	\$11.5M
PMG & Other Soft Costs	\$3.4M
ICT (APGS procurement – Hardware, software, labor, etc.)	\$7.5M
Project Contingency	\$0.5M
TOTAL Estimated Project Budget	\$22.9M

Financial Analysis

Key Metrics	Value	
Project cost	\$22.9MM	
NOI*	\$21.8MM	
NPV	\$2.6MM	
IRR	7%	
Payback	10 years	

Financial analysis based on incremental revenue attainable between 70% garage occupancy (threshold where customer's ability to find a stall is negatively impacted) vs. actual maximum garage occupancy of 90%.

^{*} Cumulative incremental net operating income after depreciation over an eight-year period.

Project Schedule & Funding

Deliverable	Project Schedule	Funding Request
Comm. Authorization, Design	10/2018	\$10.9M
APGS Vendor Selection via RFP	Q2 2019	
Design Complete	Q1 2020	
Comm. Authorization, Construction	Q1 2020	\$12M
Construction NTP	Q2 2020	
Project Completion	Q2 2022	