

Capital Improvement Projects

Third Quarter Report 2018



100 Capital Improvement Projects

Overall Status of Projects

- 100 Total Projects in report (87 CDD, 13 ICT)
- 47 Projects are within or ahead of target schedule and budget
- 46 Projects have either target schedule or budget off with 11 new Reportable Variances for this Quarter.
- 7 Projects have both target schedule and budget off with 2 new Reportable Variances for this Quarter.
- 3 Projects are Substantially Complete

Capital projects managed by CDD and ICT

CDD Projects by Status, by Quarter

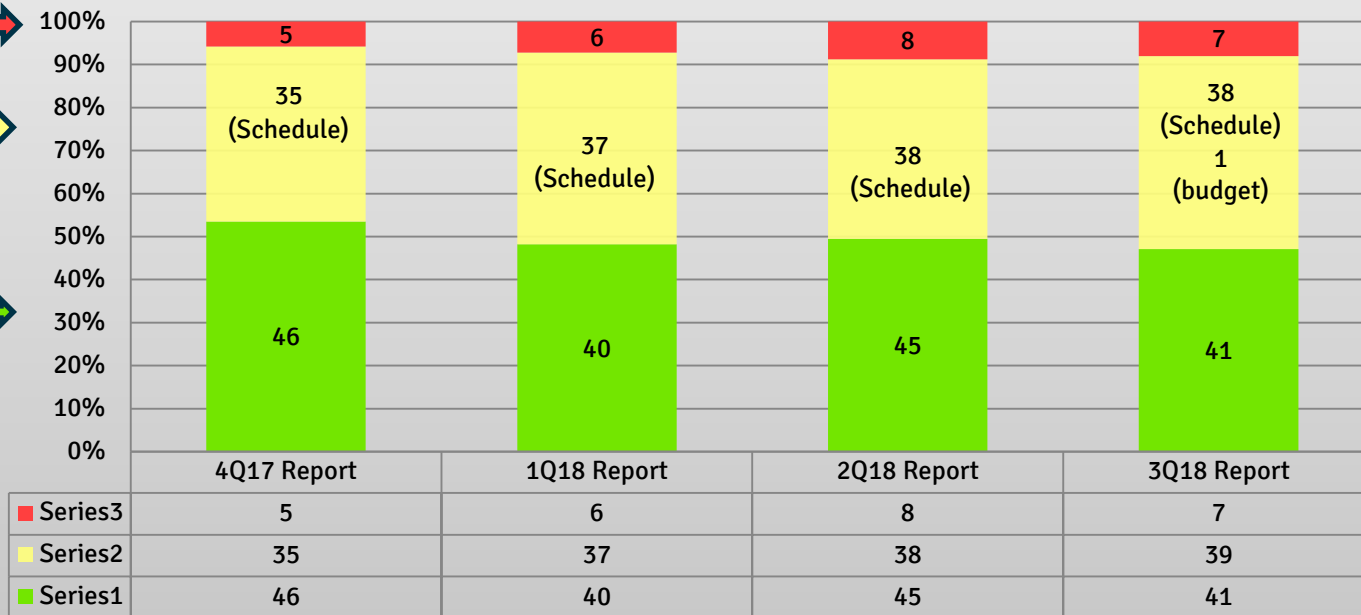
Off Schedule and Budget



Off Schedule or Budget

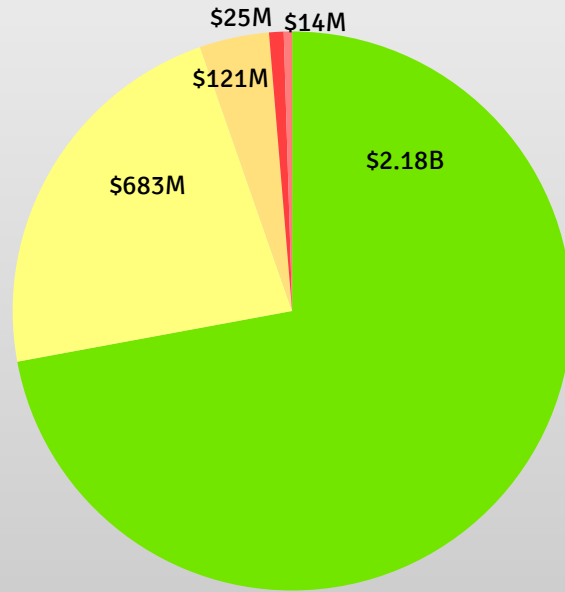


On Schedule and Budget



Two new red and 10 new amber

CDD Projects by Dollar Value



Total Budget = \$3.03B



Off Schedule and Budget - OLD VARIANCE

- Emergency Gen - \$2.6 M
- IWS Segregation Improvements - \$1.1M
- Electric Utility SCADA - \$9.6M
- Shilshole Bay Marina Paving - \$2.0M
- Shilshole Tenant Services Building - \$10.1M



Off Schedule and Budget - NEW VARIANCE

- Telecommunications Meet Me Room - \$3.9M
- Wi-Fi Enhancement for Ramp and Term - \$10.6M



Off Schedule/Budget \$25M or More - OLD SCHEDULE VARIANCE

- GSE Electrical Charge Stations - \$30.7M
- Concourse D Hardstand Terminal - \$38.4M
- Checked Bag Recap Optimization - \$445M



Off Schedule/Budget \$25M or More - NEW SCHEDULE VARIANCE

- Safedock Upgrade and Expansion - \$28.2M

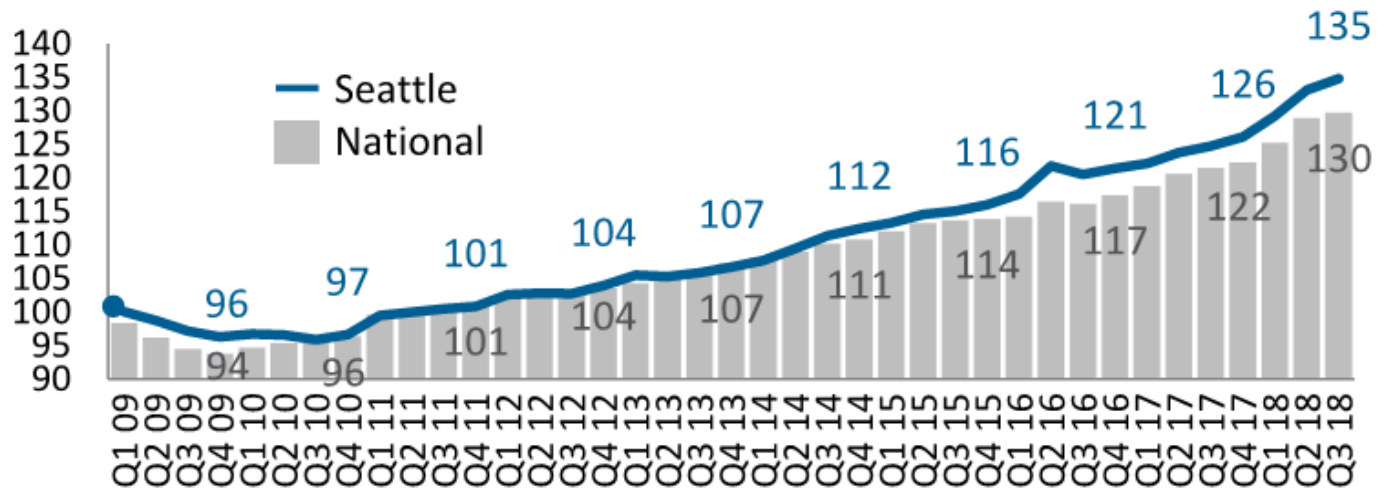


Projects on Schedule and Budget - \$75M or More

- International Arrivals Facility - \$931M
- NS NSAT Renovations NSTS Lobbies - \$672M

Two new projects off schedule & budget; 9 new projects off schedule and 1 off budget

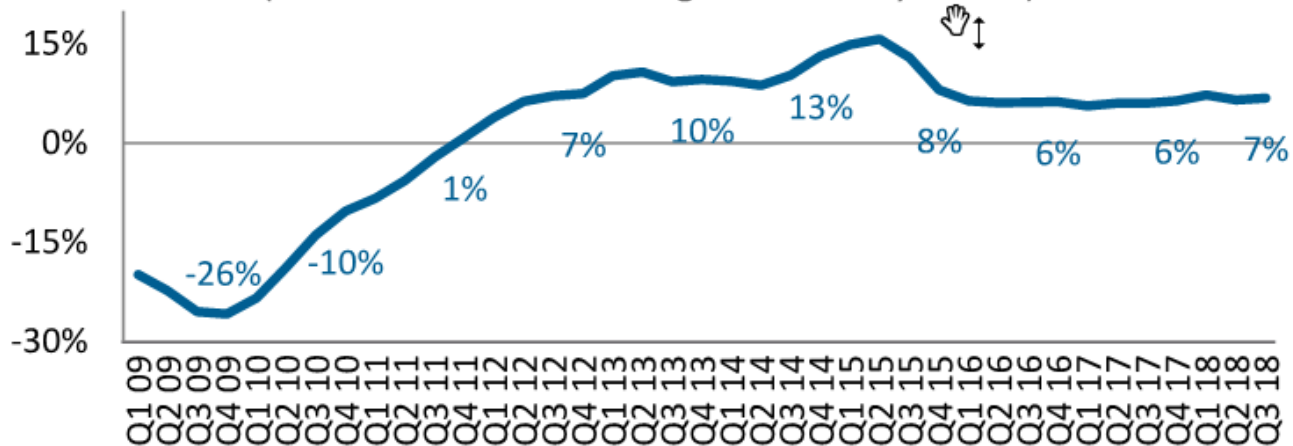
Overall Construction Cost Index (January 2009 = 100)



The Seattle cost index continued its strong growth in the latest quarter, pulling ahead of our national index. Seattle's Q3 index was up a full 8.0% compared to the same quarter a year ago.

Seattle Construction Employment (Year-Over-Year Growth)

(an indicator of future wage and activity trends)



Q2 Seattle employment statistics—and revisions made to the 2017 figures—point to a market that is seeing healthy, steady construction growth. This growth in activity is another factor that has supported rising construction costs.

Seattle Building Component Trends (Q3 2018 vs. Q2 2018)

High Growth	<ul style="list-style-type: none"> • Electrical Systems (5.7%) • Gypsum Board Systems (5.0%)
Moderate Growth	<ul style="list-style-type: none"> • Deck Formwork (2.8%) • Earthwork (2.6%) • HVAC Systems (1.1%)
Flat	<ul style="list-style-type: none"> • Entrances/Storefronts • Struct. Steel/Metal Decking • Plumbing Systems • Electric Traction Elevators • Steel Framing/Erection • Finish Carpentry/Millwork • Roofing Systems • Fire Protection Systems • Flooring/Carpeting • Unit Masonry • Reinforcing Steel • Cast-in-Place Concrete
	Note: All other components (14.7% of the index) declined -0.2%.

Electrical Systems (5.7%) and Gypsum Board Systems (5.0%) experienced particularly strong growth in the latest quarter compared to just one quarter ago.

Mega Project Commission Updates

- **International Arrivals Facility**
 - Last Update to Commission: September 25, 2018
 - Document Set Link [here](#)
 - Total Budget: \$968.4M
 - Expected Project Completion: Q4 2020
- **North Star / North Satellite**
 - Last Update to Commission: November 27, 2018
 - Document Set Link [here](#)
 - Total Budget: \$672.1M
 - Expected Project Completion: Q3 2021
- **Baggage Optimization**
 - Last Update to Commission: October 23, 2018. Next update: January 22, 2019
 - Document Set Link [here](#)
 - Total Budget: \$445M
 - Expected Phase 1 Completion: Q4 2019

Aviation Project Summary – OLD VARIANCES

Projects with OLD Schedule and Budget Variances:

- IWS Segregation Improvements
- Electrical Utility SCADA
- Emergency Generator Controls

Projects with OLD Schedule or Budget Variance

- 160th GT Lot
- Highline School Insulation
- GSE Electrical Charge Stations
- Security Lane Exit Phase 2
- Checked Bag Recap Optimization
- Construction Logistics Expansion
- C3 Holdroom Expansion
- Concourse B and C Roof Replacement
- North Terminal Utilities Upgrade
- Concourse C New Power Center
- Auburn Mitigation Road Removal
- North East Redevelopment Area Program
- Concourse B Holdroom
- Concourse D Hardstand Terminal
- SSAT Structural Improvements
- GBAS Upgrade
- ADR Kiosk Expansion Project
- Terminal Security Enhancements
- Delta Inflight Services TRA
- Central Terminal Enhancements
- Automated Screening Lanes Checkpoint Conversions
- Flight Corridor Safety Program Phase 1
- Flight Corridor Safety Program Phase 2 and 3

List of Projects with Old Variances

Aviation Project Summary

- Two projects with a new budget and schedule variance:
 - Wi-Fi Enhancement for Ramp and Terminal – Delivery method evaluation impacting budget and schedule
 - Telecommunications Meet Me Room – Coordination with IAF causing delay and potential budget increase
- One project with a new budget variance:
 - Passenger Loading Bridges (PLB) Renew and Replace Phase 2 – In-ground utilities requiring modifications to support PLB Locations

Two projects with budget/schedule variance; One with a budget variance

Aviation Project Summary

- Eight projects with a new Schedule variance:
 - Lora Lake Apartment Remediation – Lake fill re-design not approved for construction to start in 2018
 - Air Cargo Road Safety Improvements – Design on schedule, but construction anticipated to take longer than originally planned
 - Central Terminal Infrastructure Upgrade – Project is currently 90 days behind schedule, which may affect substantial completion; schedule being monitored for recovery
 - Concourse B Holdroom – Holdroom is in use; Signage installation taking longer than expected
 - Safedock Upgrade and Expansion – Scope change
 - ARC Flash Hazard Mitigation – Delays due to resource constraints concerning consultant design
 - Parking Revenue Infrastructure – RFP Technical document review taking longer than anticipated; Schedule being monitored for recovery
 - RCF Pavement Remediation – Early works on time, but design has been delayed.

Eight new schedule variances

Aviation Projects Substantial Completion



Concourse B & C Roof Replacement

Aviation Projects Substantial Completion



South 160th St GT Building

Aviation Project Focus

Reconfiguration of Taxiways A/B/L/Q

- Currently Within Budget & Schedule
 - \$47.5M
 - Completion expected December 2018
- Approximately 80% Complete
- Acceleration Utilized Where/When Appropriate to Maintain Schedule
- Weather Continues to be the Major Risk



Taxiway Q



Taxiway A/B Reconfiguration

Taxiway Improvements

Aviation Project Focus

Renovate existing and build new restrooms

- Within Budget & Schedule
 - \$38.4M
- Split among five phases
 - Phase 1 Enabling Work Complete
 - Phase 2 Design Complete
 - **Phase 3** FAA review underway
 - Advertise for Phase 2 construction in Q2 2019
- FAA review could take longer than anticipated



Concourse B, C, D Restroom Upgrades

Seaport Project Summary – OLD VARIANCES

Projects with OLD Schedule and Budget Variances:

- Shilshole Bay Marina Paving
- Shilshole Tenant Services Building

Projects with OLD Schedule or Budget Variance

- Fishermen's Terminal Redevelopment Phase 1
- FT Net Sheds 3,4,5 and 6
- Argo Yard Truck Roadway
- Terminal 46 Permit Mitigation
- East Marginal Way Grade Separation

List of Projects with Old Variances

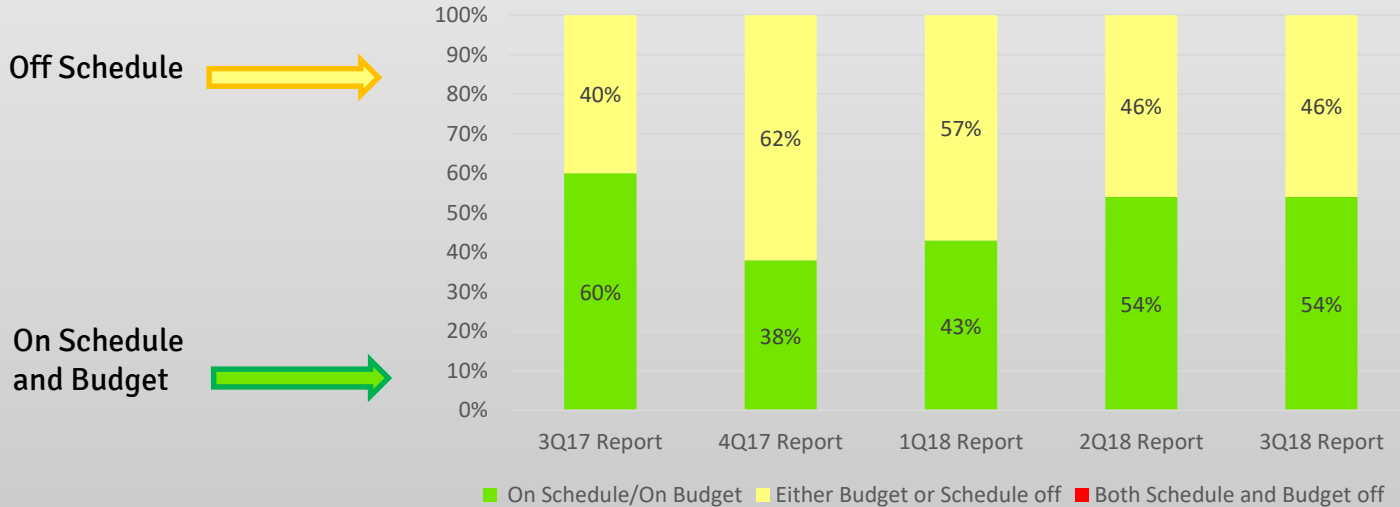
Seaport Project Summary

One project with a new schedule variance:

- P69 Solar Panel is behind schedule due to Shoreline Master Use permit variance requirement by the City.

One New Schedule Variance

ICT Projects by Status, by Quarter



13 Projects – All on or under budget

ICT Project Summary – OLD VARIANCES

Projects with OLD Schedule or Budget Variance

- Parking System Replacement
- Vessel Moorage System
- Remote Data Center Business Continuity
- Airport Data Network Switch Upgrade
- Checkpoint Wait Time
- SEA Smartphone App

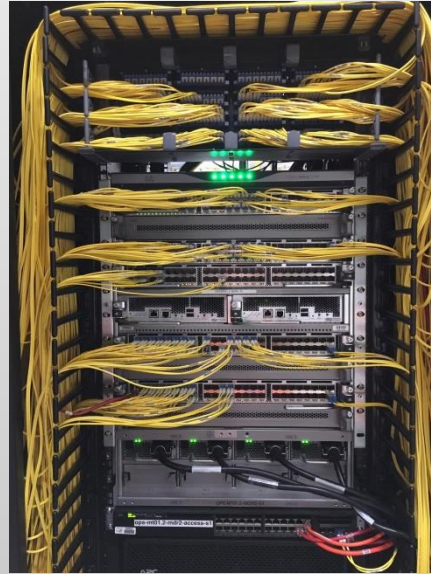
List of Projects with Old Variances

Information & Communication Technology Project Summary

- One project with a new schedule variance
 - Project Delivery System – Functionality will be delivered every few months starting in Q3 2018 but features for optimum business value will not be completed until Q1 2019.

One new variance out of a total of 13 ICT Projects

Information & Communication Technology Substantial Completion



Airport Communications Network Upgrade