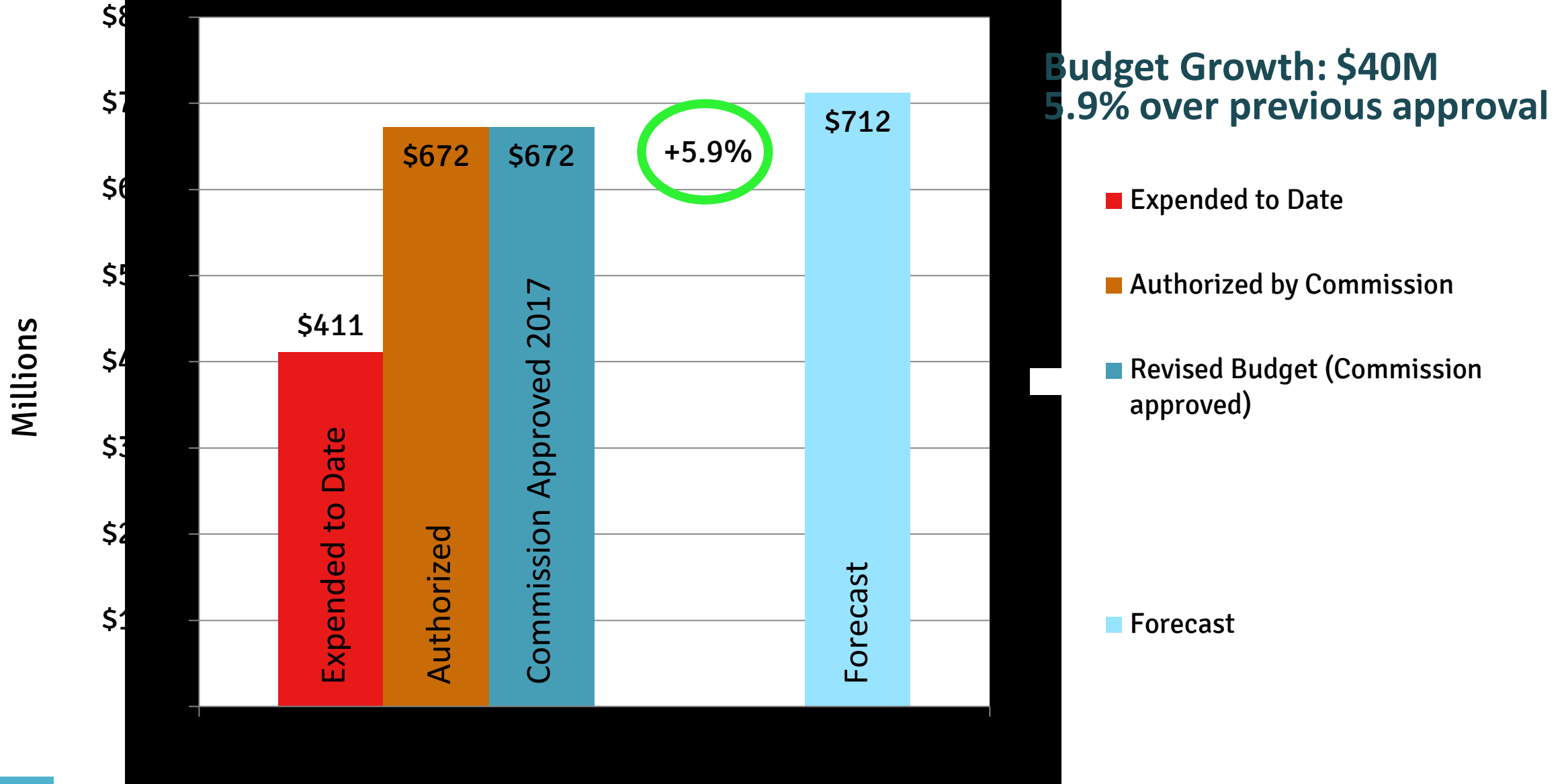


# NSAT Modernization Budget Increase

Item No.	8c_supp
Date of Meeting	March 10, 2020



# NSAT Budget Increase Request



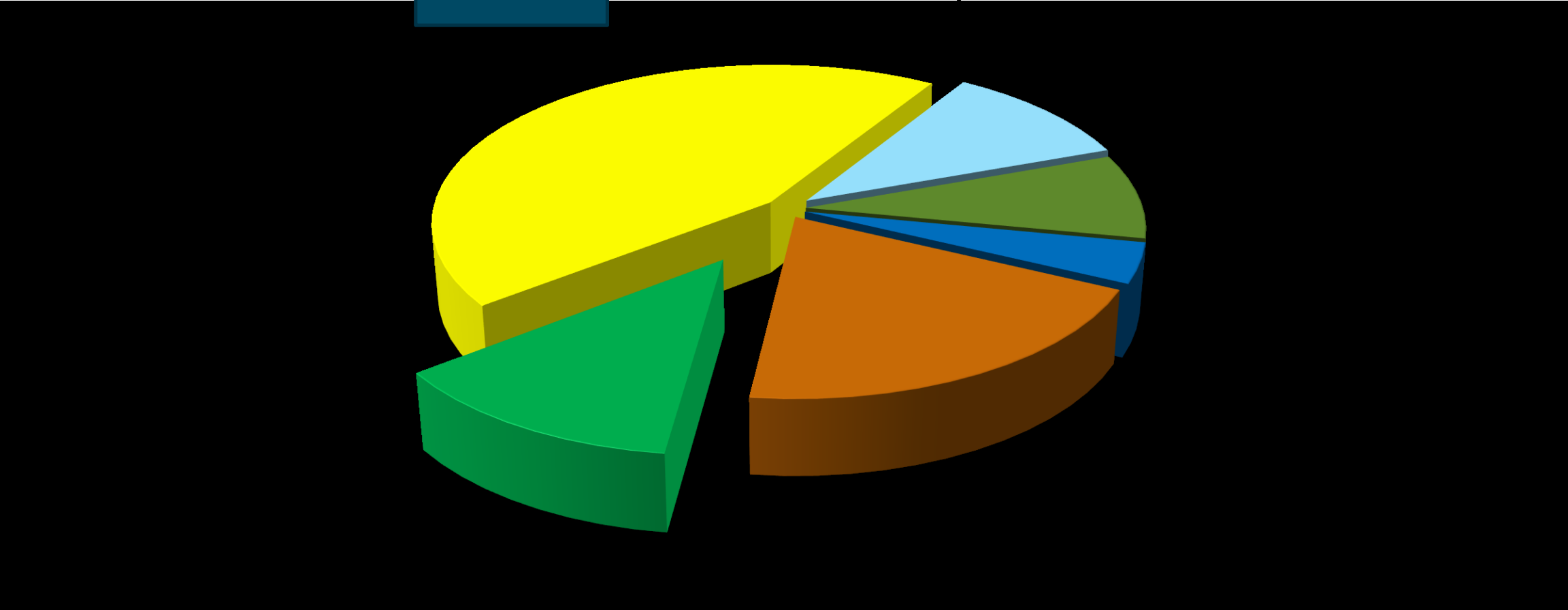
# NSAT Budget Increase Request

5.9%

\$40M

Construction Potential  
Risk

Scope Added by Port/Airlines



# Factors Driving Increase



## Capital:

- Design development allowance, now complete
- Code changes
- Differing site conditions discovered during construction
- Market Conditions / Contractor Availability
  - Lack of Subcontractor availability, labor shortages, lack of qualified labor
  - Ability to “pick and choose” projects
- Schedule/Phasing Complexity:
  - Maintaining ‘prior to construction’ levels of operational & customer service

## Capital (cont’d):

- Reconstructing vertical circulation core while passengers moving through area
- Scope Additions

## Expense:

- Additional contaminated & unsuitable soils
- Customer service provision changes
- Incorporating a more rigorous activation effort

# Continued Risks Requiring Mitigation

- Contaminated & unsuitable soils
- Maintaining old systems until Phase 2 opening
- Resource availability (labor vs schedule/acceleration)
- Complications related to Art piece “Boundary” installation
- Gate closure coordination
- Removal of temporary systems after Phase 2 opening

# Lessons Learned

## Design

- Ensure completion stage of design documents and timing of subcontract bids are fully evaluated and balanced
- Ensure complexities of phased construction are fully vetted

## Code Compliance

- Early (Design Development) and ongoing Building and Fire Department engagement and bi-weekly check-ins continue during construction

## Cost

- Thoroughly review project complexity and risks when estimating contingencies

## Delivery Method

- Leverage experience and capability of GCCM for maximum control of construction work; limit work performed by other means and account for risks of doing so

## Capital vs Expense

- Increase focus on budgeting for maintaining customer experience during construction