Item No. <u>9b_supp</u> Meeting Date: October 23, 2018

Baggage Optimization

ELTA

Third Quarter Briefing and Project Update

le a la



AGENDA

- Project Overview
- 2018 Quarter 3 Update
- Budget
- Schedule
- Challenges
- Accomplishments
- Progress
- Sustainability

PROJECT OVERVIEW

 Replaces six individual baggage screening systems with a centralized system that optimizes the operation and functionality of the checked baggage system

Key elements:

- 60 Million Annual Passengers (MAP)
- Reliability
- Redundancy
- Security



Complete Overhaul of Outbound System

- Schedule
 - Contractor Falling Behind on Submittals and Fabrication
- Phase 1:
 - Contractor Maintaining Two Work Shifts (Mon. through Fri.)
 - Conveyor Installation is ongoing (Critical Path)
- Phase 2:
 - 100% Design Documents
 - Reviewing Phase 2 estimates
 - Developing Phase 2 Bid Documents

FINANCIAL PROGRESS REPORT



Authorization Summary	Capital	Expense	Total
Current Budget	\$444.90 M	\$0.15 M	\$445.05 M
Current Authorization	\$136.16 M	\$0.15 M	\$136.31 M
Amount Remaining to be Authorized	\$308.74 M	\$0 M	\$308.74 M

	Budget	Spent to Date	Forecast at Completion	Variance
Soft Cost	\$64.99 M	\$23.01 M	\$64.99 M	\$0 M
Construction	\$359.43 M	\$35.55 M	\$359.43 M	\$0 M
Management Reserve	\$20.63 M	\$0 M	\$20.63 M	\$0 M
	\$445.05 M	\$58.56 M	\$445.05 M	\$0 M

Financial Breakdown – Project Tracking Within Authorized Budget

FUNDING CONTRIBUTION



Total Project Budget	\$445,050,000
Total TSA Contribution	\$94,043,296
Total Port Contribution	\$351,006,704
Amount Spent to Date	\$58,566,741
TSA Reimbursement to Date	\$27,005,449

SCHEDULE

			2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 Q1Q3 Q1 Q3 Q1
Reason Ontimization Schodule			
Baggage Optimization Schedule			
Phase 1 Construction	03/02/17	08/10/19	Phase 1 Construction
Phase 1 Contractor Delay		10/2019	Contractor Delay
Factory Acceptance Test (FAT) - Failed		08/31/18	► 8/31/18
Quarterly Commission Briefing		10/23/18	• 10/23/18
BHS Control Room Complete		10/23/18	• 10/23/18
FAT Retest		11/30/18	↓ 11/30/18
CT Bump-out Complete		12/20/18	• 12/20/18
Phase 2 Construction (Original)	08/11/19	06/30/22	Phase 2 Construction
Phase 2 with Delay		09/2022	Phase 2 Revised
Phase 2 100% Design Complete		11/21/18	↓ 11/21/18
Phase 3 Construction (Original)	07/01/22	02/28/25	Phase 3 Construction
Phase 3 with Delay		05/2025	Phase 3 Revised

Contractor Delay Extends Overall Completion Date

SMALL BUSINESS/APPRENTICESHIP UTILIZATION



SCS/SBE

APPRENTICESHIP

Tracking Close to or Exceeding Goals



Phase 1 Construction Schedule

Baggage Handling/Steel Market Conditions for Phase 2 Bid



Operational Impacts Through Construction

IAF Coordination – IAF must be operational prior to Phase 2 SSAT construction (\bigcirc)

Project Coordination – Have coordinated with 48+ projects so far

ACCOMPLISHMENTS

Continuous delivery and installation of new conveyors.

100% Phase 2 Design Documents reviewed.

New CT Ramp Construction complete.

Maintenance breakroom in Concourse B complete.

Conveyor Factory Acceptance Test (FAT) conducted, retest scheduled Q4

Continued construction on utilities and infrastructure.

SUSTAINABILITY



Energy Conservation

Optimized system is projected to result in up to 30% energy savings







Working Environment

Improved ergonomics

Waste Reduction

Contractual requirement to recycle demolished material when possible

Opportunity in Energy Conservation





New Conveyor Sections



North EDS Screening Matrix



CTE Bump Out – Steel Installation



Factory Acceptance Testing – Detroit, MI



Drive In A Box Network Testing – Louisville, KY