



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting November 18, 2025

DATE: November 6, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Keri Stephens, Director of AV Facilities & Capital Programs
Eileen Francisco, Director, Aviation Project Management Group

SUBJECT: Parking Garage Elevator Modernization (PGEM) C800789

Amount of this request: \$ 3,937,000.00

Total project cost: \$ 27,027,000.00

ACTION REQUESTED

Request Commission authorization for the Executive Director to increase the project budget by \$3,937,000 for a final revised total budget of \$27,027,000.

EXECUTIVE SUMMARY

The Airport Parking Garage elevators provide vertical circulation services for millions of airport parking and ground transportation customers every month. Continued and reliable operations of these systems are vitally important to the traveling public, as well as Airport operations. The project replaces worn end-of-life elevator components with modern, energy-efficient systems in all five elevator cores in the Parking Garage. Extended contract durations due to unanticipated existing conditions such as structural modification and accommodation, fire/life safety upgrades, and other infrastructure modifications, are supported by the requested additional funding.

JUSTIFICATION

This project provides for continued reliable vertical circulation services within the Airport Parking Garage for the next ten plus years, while reducing repair costs and decreasing energy consumption. The modernized elevators will use energy efficient regenerative drives that use less energy and produce less waste heat. The total energy saving estimate is 56,000 to 211,000 kilowatt hours (kWh) per year. While this energy reduction represents just approximately 0.1 percent of the total airport electrical energy consumption, the project will contribute to the Port's goal to be the greenest and most energy efficient port in North America. Additionally, this project will contribute to the Port's Long-Range Plan to improve customer service.

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Diversity in Contracting

The project staff, in coordination with the Diversity in Contracting Department, have set a 5% woman and minority-owned business enterprise (WMBE) aspirational goal for this construction contract.

DETAILS

Scope of Work

Parking Garage Elevator Cores B and C were last modernized 30 years ago and will be replaced due to age (motors, drives, controls, and electrical gear). Elevator Banks D and E were installed approximately 20 years ago and require new motor drives. Elevator Bank A was more recently modernized and is in good working condition. All 27 elevators in the Parking Garage will all be refinished: new call buttons, interior lighting and cab finishes. All these modifications will enhance customer experience and maintain the operational integrity of the vertical conveyance system within the airport parking garage.

Schedule

Activity

Substantial Completion

2026 Quarter 3

This Request

Total Project

Cost Breakdown – Phase 1

	This Request	Total Project
Design	\$0	\$ 595,000
Construction	\$0	\$ 2,755,000
Total	\$0	\$ 3,350,000

This Request

Total Project

Cost Breakdown – Phase 2

	This Request	Total Project
Design	\$0	\$ 5,411,000
Construction	\$ 3,937,000	\$ 18,266,000
Total	\$ 3,937,000	\$ 23,677,000

Cost Breakdown (Combined Phase 1 & 2)

This Request

Total Project

	This Request	Total Project
Design	\$ 0	\$ 6,006,000
Construction	\$ 3,937,000	\$ 21,021,000
Total	\$ 3,937,000	\$ 27,027,000

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Maintain full project scope and complete all work as planned.

Cost Implications: \$ 3,937,000

Pros:

- (1) All elevators of the Parking Garage will be completed to enhance passenger experience
- (2) Allows for the replacement of existing elevators that are at the end-of-life condition
- (3) Maintain the Port’s overall design theme

Cons:

- (1) Additional capital expenditure

This is the recommended alternative.

Alternative 2 – Stop construction activities prior to completion. Do not complete full project scope.

Cost Implications: \$23,090,000

Pros:

- (1) None

Cons:

- (1) The project cannot be completed as planned. High risk of elevator failure; high risk of negative impact to airport operations and passenger service.

This is not the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$ 23,276,000	\$0	\$ 23,276,000
Previous changes – net	\$ (180,000)	\$ 180,000	0
ART Transfer	\$ (186,000)	0	\$ (186,000)
Current Change	\$ 3,937,000		\$ 3,937,000
Revised estimate	\$ 26,847,000	\$ 180,000	\$ 27,027,000
AUTHORIZATION			
Previous authorizations	\$ 23,096,000	\$ 180,000	\$ 23,276,000
ART Transfer	\$ (186,000)	0	\$ (186,000)
Current request for authorization	\$ 3,937,000		\$ 3,937,000
Total authorizations, including this request	\$ 26,847,000	\$ 180,000	\$ 27,027,000
Remaining amount to be authorized	\$0	\$0	\$0

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Annual Budget Status and Source of Funds

The Parking Garage Elevator Modernization project (C800789) is included in the 2025-2029 capital budget and plan of finance with a budget of \$22,910,000 for all phases. A budget increase of \$3,937,000 was transferred from C8000754 Non-aeronautical Reserves resulting in no net change to the Aviation capital Budget. The funding source would be the Airport Development Fund and revenue bonds.

Financial Analysis and Summary

Project cost for analysis	\$ 27,027,000
Business Unit (BU)	Parking
Effect on business performance (NOI after depreciation)	NOI after depreciation will decrease
IRR/NPV (if relevant)	N/A
CPE Impact	N/A

Future Revenues and Expenses (Total cost of ownership)

The renovation is expected to reduce future repair costs and increase the operational availability of the system. The estimated useful life will be extended for all 27 elevators located in the parking garage. The new elevators in Sections B and C (10 elevators total) will have a useful life of approximately 20 years, while the remaining 17 elevators located in Sections A, D, and E will have a useful life of 10 years.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

July 28, 2020 – Commission authorization for the construction contract for the second phase of work.

October 22, 2019 – Commission authorization for the construction of the first phase of work.

January 22, 2019 – Commission authorization for the design of the second phase of work.

May 8, 2018 – Commission authorization for the design of the first phase of work.