



San Francisco
International
Airport

FY 2019/20 Ten-Year Capital Improvement Plan Update



Presentation to the Capital Planning Committee (CPC)

February 11, 2019

Maintaining a Substantial Portfolio of Infrastructure

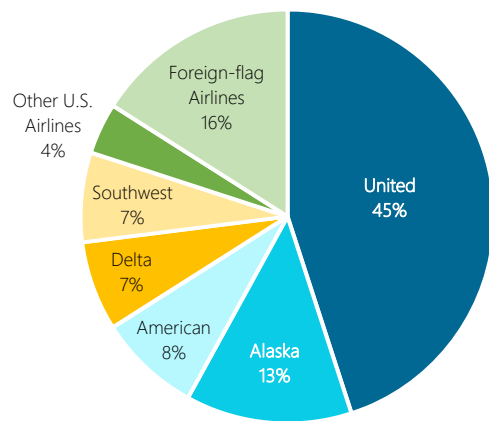
Airport is responsible for maintaining a substantial portfolio of assets spanning 5,171 acres

- 4 Terminal Buildings – *5.1 million gross sq. ft.*
- 91 Operational Gates
- 4 Runways
- Parking Garages – *13,840 public parking spaces*
- Leased Cargo & Maintenance Facilities
- Air Train System - *38 cars, 28,000+ feet of track*
- 32 Miles of Roadway
- Waste and Water Treatment Plants
- 274+ miles of pipelines ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems

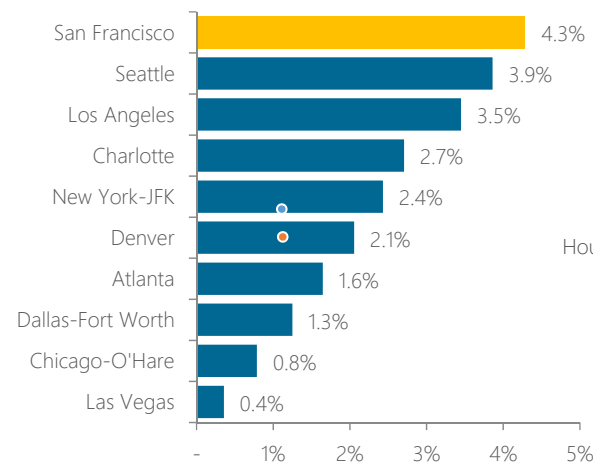
Optimizing Air Service Market

- Serviced by diverse set of airline carriers
- Domestic Service: 549⁽¹⁾ average daily departures (up from 526 in July 2017) to 84 nonstop domestic markets
- International Service: 108 daily departures⁽¹⁾ (up from 105 in July 2017) to 49 nonstop international markets
- Fastest growing airport among the 10 largest U.S. airports from FY2008-FY2017
- 4th largest U.S. gateway by international enplanements, up from 6th largest in July 2017

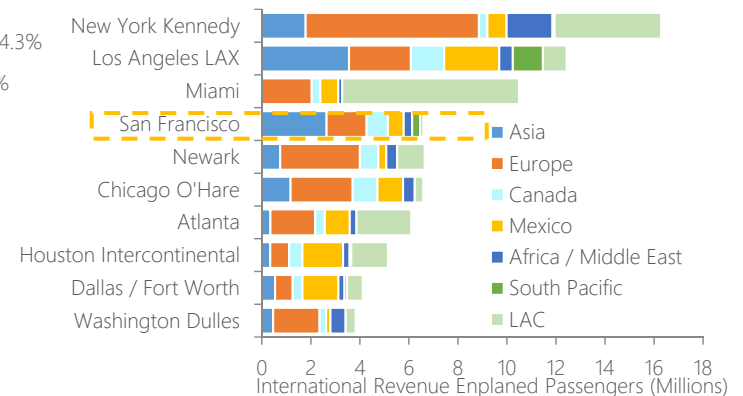
Passengers by Airline (FY2018)



Growth of 10 Largest Airports (FY2008-FY2017)⁽²⁾



International Revenue Enplaned Passengers (FY2018)



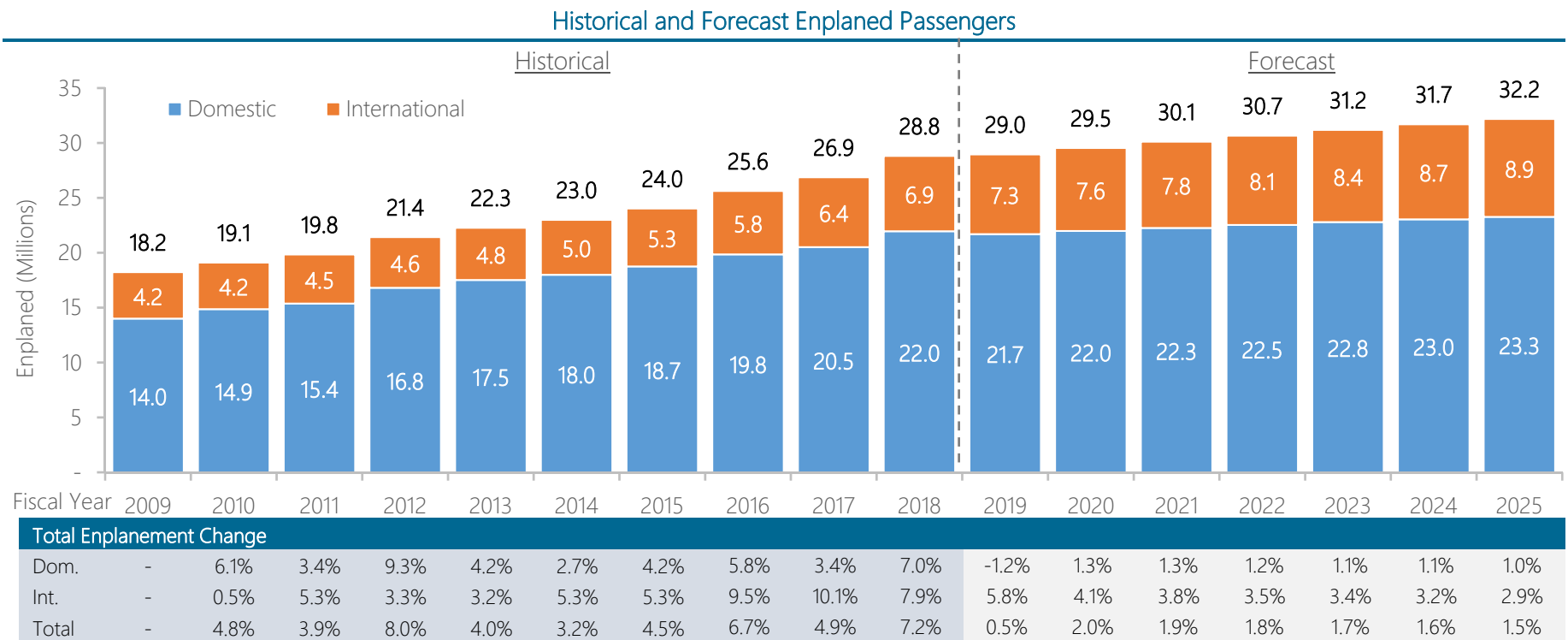
(1) Reflects data for July 2018, peak month

(2) Source: U.S. DOT, Schedule T100

Sources: San Francisco Airport Commission; Leigh Fisher; OAG Aviation Worldwide Ltd, OAG Analyser database

Maintaining High Levels of Service Amidst Growth

- Achieved 28.8 million enplaned passengers in FY2018, up 7.2% from FY2017
- Over past 10 years traffic has grown 58%
 - Driven by the ongoing role as a primary connecting hub and continued development of airline service to new international markets
- Projecting more moderate growth going forward



Growth-Focused Capital Improvement Plan (CIP)

Major Objectives

- Enhance safety & security
- Maintain exceptional level of customer service
- Foster competitive air service market by increasing capacity
- Address curbside traffic and congestion
- Maximize concession and ground transportation revenue generating opportunities
- Increase sustainability



Funding Overview

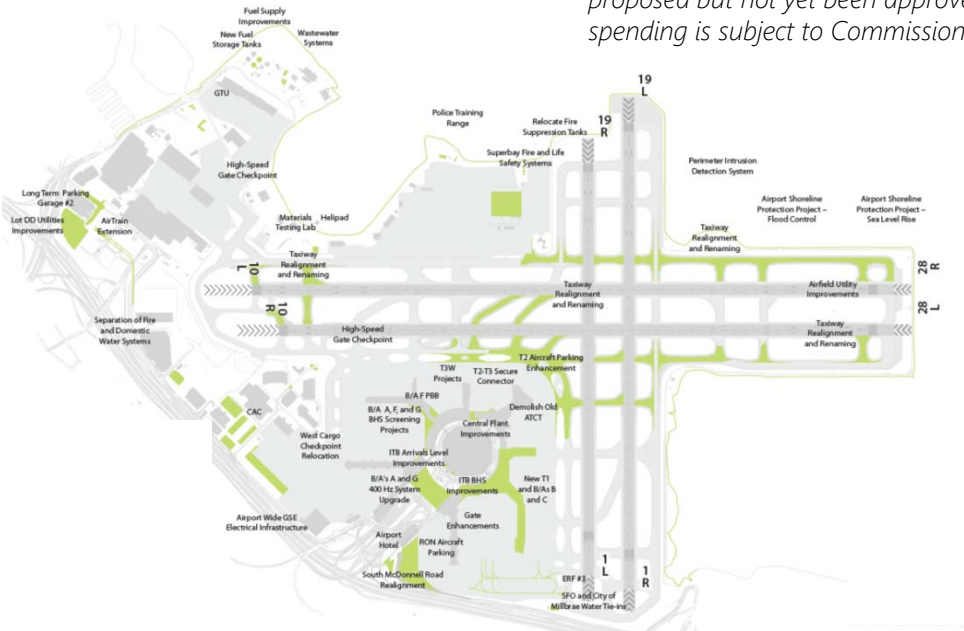
CIP divided into 2 major categories:

- **Ascent Program – Phase 1:** A fixed set of major projects, plus Program Reserves to mitigate construction cost risks
- **Infrastructure Projects Plan:** New projects added to the CIP after 2016

Uses (in \$ Millions)	Prior Years Funding	Years 1 – 5	Years 6 – 10	10 Year Total	Total Funding
Ascent Program - Phase 1	\$2,991	\$3,838	-	\$3,838	\$6,830
Ascent Program Reserves	-	440	-	440	440
Infrastructure Projects Plan*	29	322	-	322	351
Total Capital Plan	\$3,020	\$4,601	-	\$4,601	\$7,620
Operating Budget – Renewals	30	86	121	208	238
TOTAL	\$3,050	\$4,687	\$121	\$4,808	\$7,858

* SFO is currently in the process of updating its CIP. \$228.7m in proposed Infrastructure projects has been proposed but not yet been approved by the Commission. Commission approval is slated for March 2019. CIP spending is subject to Commission approval.

Funding Sources (in \$ Millions)	10-Year Total Amount
Airport Revenue Bonds	\$4,363
Grants	157
SFO Fuel	60
Other Sources	20
Operating Budget	208
Total Sources*	\$4,808



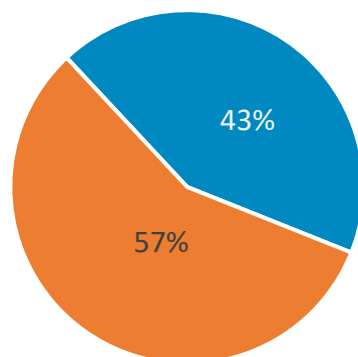
New Infrastructure Projects Proposed in January

Airport Projects	Budget (\$ in millions)
Select 12KV Power Distribution System Improvements	45.0
Sequencing Batch Reactors Expansion at Mel Leong Treatment Plant	30.0
Runway 28L Reconstruction	21.5
Noise Insulation Program 2019-2023 Phase	19.5
CCTV Enhancement and Addition - Phase 1	17.3
Conveyance Replacement Project	16.7
ARFF Vehicles Replace 9-10-11	6.3
Central Garage Structural Concrete Repairs	6.2
East Underpass Improvements	6.0
Building 710 Code Required System Modernization	5.2
Central Garage 5th Level Improvements - Phase 2	5.2
Natural Gas Safety & Ventilation Upgrades in the Utility Tunnel	4.0
Airport Electrical Power Capacity Upgrade Study	3.0
Center Line Realignment	2.7
RAC Expansion Joint Repairs and Waterproof Coating Application	2.5
T3 B/A F Finger Re-roof	2.4
AOA Perimeter Fence Replacement Project - Phase 1	2.0
Stockroom and Warehouse Security & System Enhancements	1.8
Boarding Area G Apron Panel Repairs	1.4
T2 Information Display Replacement	1.4
Contract Management Compliance System (CMCS) Phase 2	1.2
Aerial Ladder with Pumper	1.1
T3 B/A F Hub Re-roof	1.0
Building 682 Code Compliance and Health & Safety Actualization Study	1.0
T1 B/A C Re-roof	0.6
Multi-Conductor TV Van	0.6
Paver Replacement	0.5
T3 B/A F Thumb Re-roof	0.4
CBP Radio Equipment Infrastructure	0.3
New Projects Total	206.8
Increases to existing Infrastructure projects	21.7
Total Proposed CIP Increase	228.5

Ascent Program Update

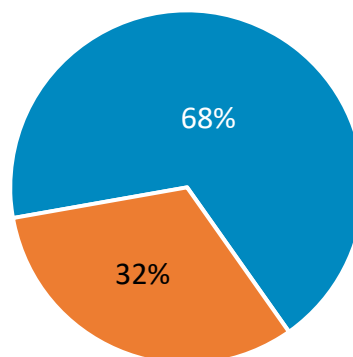
Ascent Program – Phase 1⁽¹⁾

Construction Progress (\$ spent)



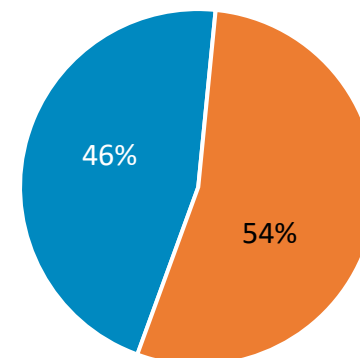
■ Completed to Date
■ Yet to Complete

Contracting Progress (\$ committed)



■ Committed
■ Uncommitted

Program Reserve Utilization



■ Program Reserve Allocated to Date
■ Unallocated Program Reserve

- Airport has completed more than one-third of the Ascent Program, in terms of dollars
- 68% of aggregate project dollar value contractually committed and not subject to cost escalation
- However, 54% of Program Reserve remains available
- Additional \$462 million of project contingency incorporated into the budget

Major Capital Projects

SFO

Major Projects	Completion/Expected Completion				
	2018	2019	2020	2021	2022/23
Consolidated Admin Campus – Phase 1	○				
Ground Transportation Unit Relocation	○				
Industrial Wastewater Treatment Plant		○			
Plot 2 Aircraft Parking & south McDonnell Road		○			
REACH International Terminal Building Program		○			
Second Long Term Parking Garage		○			
Security Infrastructure Program		○			
SFO Grand Hyatt Hotel		○			
Terminal 2 Office Tower		○			
AirTrain Extension & Improvements			○		
Boarding Area A Gate Enhancements			○		
Courtyard 3 Connector				○	
International Terminal Building – Phase 1				○	
New Boarding Area B Reconstruction				○	
Terminal 1 Center Renovation					○
Terminal 3 West Modernization					○

Upcoming Project Completions



2nd Long Term Garage

- Scheduled to open this month
- 3,600 parking stalls
- Connection to terminals via AirTrain scheduled in 2020
- \$154 M



SFO Grand Hyatt

- Scheduled opening July 2019
- 351-room hotel
- New AirTrain station provides direct access to terminals
- \$240 M



Boarding Area B Phased Opening

- Scheduled opening July 2019
- First 9 gates of new Boarding Area B
- Nine concessions opening
- Enables teardown of Interim Boarding Area, creating a path for the 18-gate opening
- \$2.4 B (total Terminal 1 Program)



Late 2019 Project Completions



Security Infrastructure Program

- Scheduled completion **Summer 2019**
- Airfield & terminal power & telecom infrastructure modernization
- Access control and CCTV upgrades
- Part of larger Security Improvement Program
- \$171 M



Terminal 2 Office Tower

- Scheduled completion **Fall 2019**
- Café, office space, and observation deck
- New airline lounge space
- \$92 M



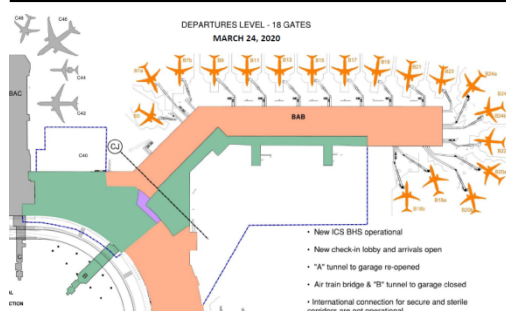
Wastewater Treatment Plant

- Scheduled completion **Fall 2019**
- Modernizes plant that's approaching the end of its useful life
- New administrative and processing facilities
- Part of larger Wastewater System Improvement Plan
- \$94 M



Additional Milestones in 2020

SFO



Terminal 1 & Boarding Area B Next Phase

- Scheduled opening **Winter 2020**
- Next 9 gates of Boarding Area B open, totaling 18
- New Terminal 1 South check-in lobby
- Six concessions opening
- \$2.4 B (total Terminal 1 Program)



AirTrain Extension

- Scheduled opening **Spring 2020**
- New 1,900 ft. guideway to Long Term Parking Garages
- New garage AirTrain station
- New train control system
- Purchase three new trains
- \$237 M



Boarding Area A Gate Enhancements

- Scheduled completion **Summer 2020**
- Advanced aircraft docking system
- New boarding bridges and reconfiguration for more widebody aircraft
- Permanent bus annex
- \$98 M



Thank You

Please contact the Budget Team if you have any questions or comments

SFO Capital Budget Team

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