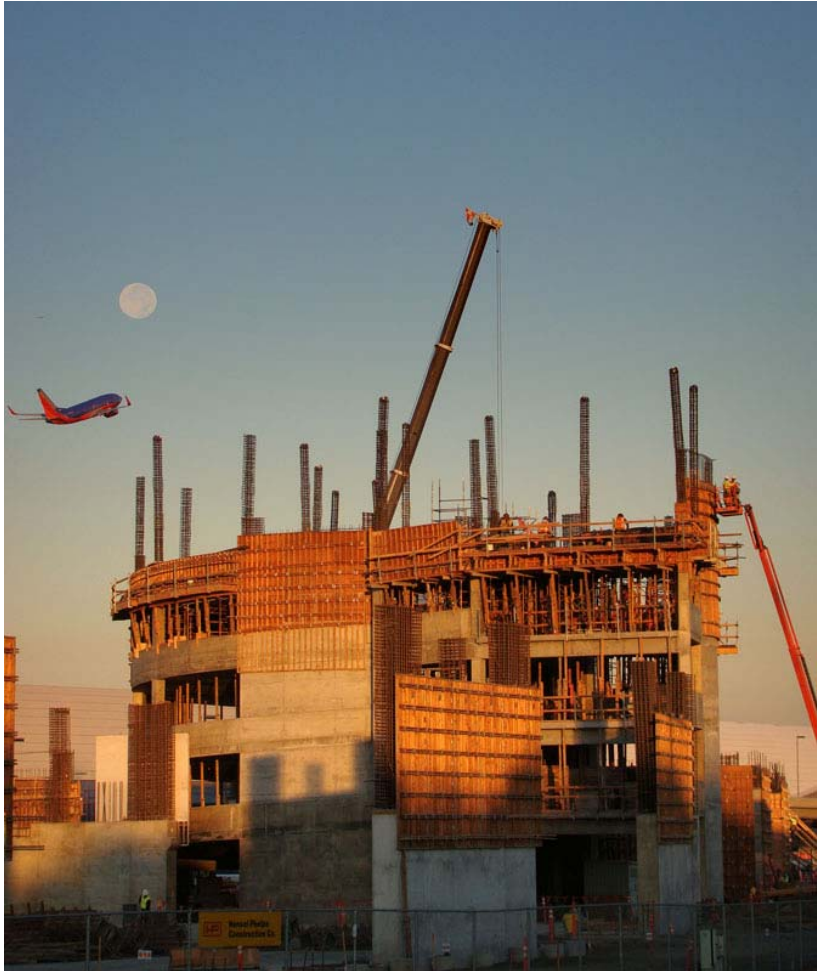


Airport Capital Improvement Program

Norman Y. Mineta San José International Airport



Exterior North Concourse



ConRAC Garage



Quarterly Report 4Q08

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Preface



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This report provides an executive level overview of the status of the Airport's Terminal Area Improvement Program (TAIP) which is comprised of three major elements: (1) Design-Build Program; (2) North Concourse Program; and (3) Terminal Equity Improvements. The overall capital program for the Airport was revised during fiscal year 2005-06 in order to provide the facilities needed to meet projected passenger demand while charging fees to the tenants that are consistent with industry standards. City Council amended the Airport's Master Plan in June of 2006 to reflect these changes, and awarded a design-build contract with Hensel Phelps construction in October of 2006 to construct the majority of the projects within the TAIP.

This report follows a traditional and customary capital improvement program reporting format which monitors project performance against a fixed approved program budget and an established multi-year schedule. This report does not compare directly to the Airport's fiscal year budget which is based on a one-year timeframe and varies from year to year due to the annual budget closeout and re-budget process.

The data included in this report reflects information available as of the end of the calendar quarter being reported. These quarterly reports provide a general understanding of the program, but are only "snapshots in time." To evaluate longer-term budget and schedule trends these reports must be evaluated in the aggregate, not individually.

Major CIPs Cost Summaries	Last Period	This Period	Change
	3Q08	4Q08	
Design-Build Program			
Funded (Available for Task Order Contracting)	\$750,219,896	\$752,371,674	\$2,151,778
Committed to Date (Included through CO 61)	\$624,664,022	\$655,469,316	\$30,805,294
Expenditures to Date	\$167,064,624	\$230,879,419	\$63,814,795
Budget v. Estimate Construction Cost - Under/(Over)	(\$5,431,542)	(\$1,970,000)	\$3,461,542
North Concourse Program			
Funded (Available for Task Order Contracting)	\$324,689,256	\$324,689,256	\$0
Committed to Date (Multiple Prime Contractors)	\$303,226,052	\$308,502,084	\$5,276,032
Expenditures to Date	\$279,161,330	\$288,370,895	\$9,209,565
Budget v. Estimate Construction Cost - Under/(Over)	(\$837,574)	(\$933,363)	(\$95,789)
Terminal A Equity Improvements Program			
Funded (Available for Task Order Contracting)	\$42,106,948	\$43,121,229	\$1,014,281
Committed to Date (Multiple Prime Contractors)	\$12,524,473	\$12,880,770	\$356,297
Expenditures to Date	\$3,250,365	\$4,512,472	\$1,262,107
Budget v. Estimate Construction Cost - Under/(Over)	\$0	\$0	\$0

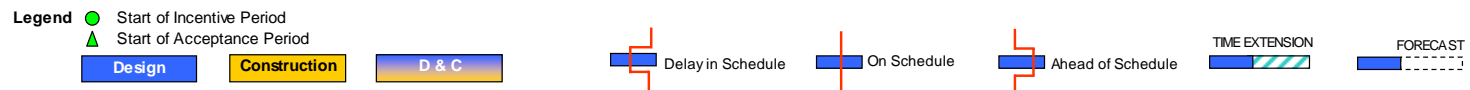
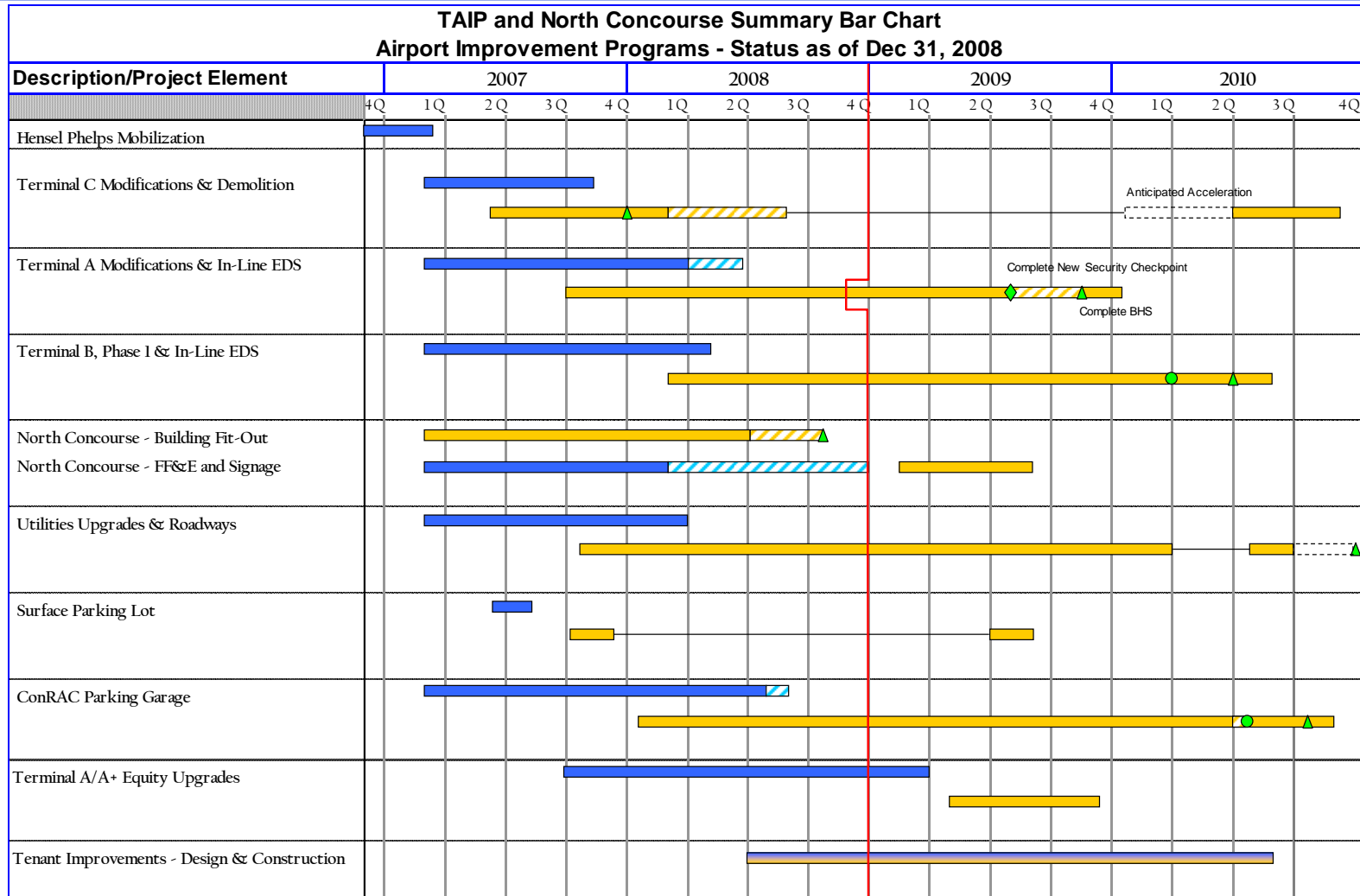
Program	Beginning Balance	Committed	Balance Remaining
Design Build	\$ 55,495,755	\$ (40,725,978)	\$ 14,769,777
North Concourse	\$ 25,675,955	\$ (22,351,480)	\$ 3,324,475
Terminal Equity	\$ 5,205,211	\$ (5,205,211)	\$ -
Remaining Master Plan Projects	\$ 5,492,805	\$ -	\$ 5,492,805
Totals	\$ 91,869,726	\$ (68,282,669)	\$ 23,587,057
Consolidated Rental Car Garage (1)	\$ 11,200,000	\$ (10,522,206)	\$ 677,794
Totals Including ConRAC	\$ 103,069,726	\$ (78,804,875)	\$ 24,264,851

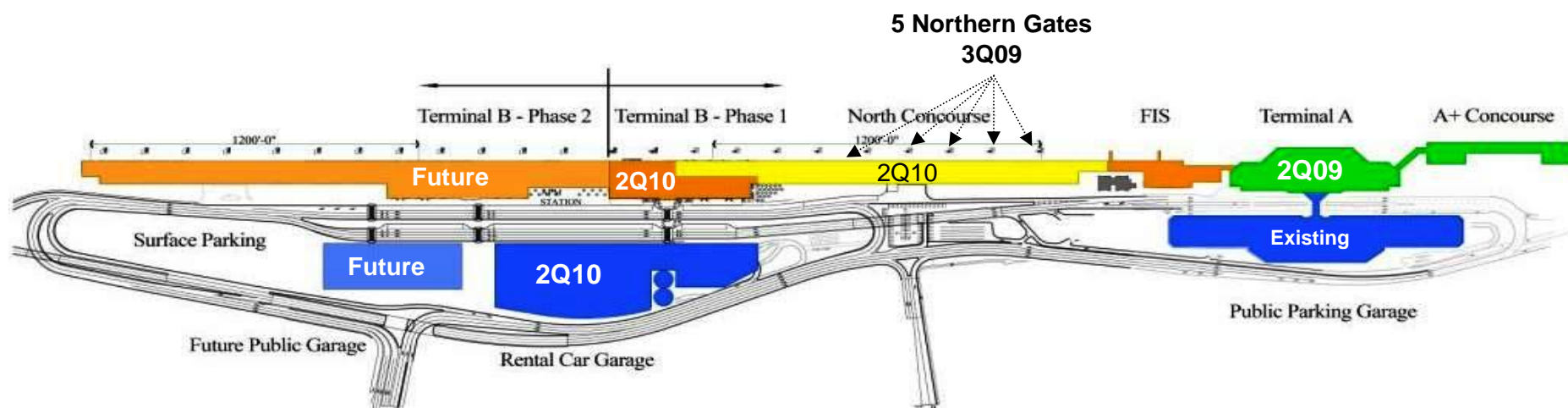
1) Beginning balance increased since Q3 to \$604,800 to Public Parking.

Program	Original Completion Deadline	Current Completion Deadline	This Report (Dec 2008)	Ahead (Behind) Schedule	Notes
Design-Build Program	29-Sep-10	30-Dec-10	22-Dec-10	(84)	1
North Concourse Program	6-Jul-08	26-Oct-08	26-Oct-08	0	2
Terminal A Equity Improvements Program	30-Jun-09	30-Jun-09	30-Nov-09	(153)	3

Notes to Explain Changes in Scheduled Completion

1. Completion of final road section after demolition of Terminal C Thumb and remainder of building.
2. North Concourse base contract work was substantially complete in October 2008. Extra work and punch list work ongoing.
3. Terminal A+ Concourse Equity Improvements to start in September 2009 and to be complete by November 2009.





Program Wide

- Executed a professional services agreement with Gensler for the design of the North Concourse tenant Airport improvement areas.
- City staff and Hensel Phelps participated in an outreach/procurement fair targeted at Small and Local Businesses for the construction of Terminals A and B. To date Hensel Phelps has written 27% of its subcontracts to minority, small, women and veteran contractors, excluding the major design-build subcontractors.
- Updated progress summary chart trend lines to track actual versus monthly planned construction performance.
- Continued to monitor the overall TAIP budget deficit in order to identify and take advantage of offsetting value management and cost savings ideas.
- Amended GMP Design-Build Task Orders for Terminal A and B to include the baggage handling systems, ConRAC to include Fire Marshall and electrical requirements and Roadways to include C3 storm/water requirements.
- Progressed designs to substantial completion for Terminal A baggage handling system, fixed furniture/equipment and signage contract for the new North Concourse.

(See each Project Section for project specific accomplishments.)

Program Wide

- Update progress summary charts and trend lines to track actual versus monthly construction performance.
- Review TAIP updated construction schedule submissions to identify any unacceptable work slippages as compared to the Master Schedule planned activities in each month.
- Hold monthly progress/cost review meeting with TAIP project managers to discuss the contractor's performance and cost change requests.
- Provide schedule analysis on the contractor's target construction schedule and progress on each project element.
- Evaluate each major subcontractor's actual work achievements against the planned activities for the period.
- Manage and complete the North Concourse Program closed out and commissioning process.
- Continue reviewing design drawing submittal for concessionaire spaces.
- Continue coordination of the Airport Terminal Drive traffic patterns and required traffic diversions near construction of the Bypass Loop Over-Crossing, ConRAC and Terminals A and B.
- Continue to reduce or eliminate the remaining \$1.3 million budget deficit.

(See each Project Section for project specific plans.)

Reconciliation of Cost Report Anticipated Funds v. Current Budget	Budget	Explanation
All Element Funds	\$ 781,737,161	
Terminal B Phase 2 Future Design	\$ (13,917,916)	Set aside funds for Phase 2 design 31% to 100%
Remaining Program Reserves (1)	\$ (15,447,571)	Program Reserves History
Current Design-Build Budget for Cost Reporting	\$ 752,371,674	Grand Total

Note:

1) Remaining Program Reserve amount OF (\$15,447,571) is made up of (\$14,769,777) of DB PR and (\$677,794) of ConRAC/PPG PR.

Project Element	Budget with Owner's Contingency & City Support Costs	Committed to Date	Remaining Budget	Forecast at Completion
Terminal A Modifications	\$ 100,566,241	\$ 99,866,311	\$ 699,930	\$ 110,869,000
Terminal A Inline Baggage System	\$ 30,790,928	\$ 27,277,186	\$ 3,513,742	\$ 31,221,000
Terminal B, Phase 1 & Utility, Phase 1	\$ 161,557,247	\$ 134,133,999	\$ 27,423,248	\$ 161,394,000
Terminal B, Phase 2	\$ 5,781,615	\$ 4,376,776	\$ 1,404,839	\$ 5,767,000
Terminal C + Building Demolition	\$ 34,356,625	\$ 20,304,027	\$ 14,052,598	\$ 34,133,000
North Concourse: FFE, IT & Equipment	Included in NC Cost Report	N/A	\$0	\$0
ConRAC Garage	\$ 260,230,817	\$ 231,220,277	\$ 29,010,540	\$ 260,230,817
Public Garage	\$ 16,238,035	\$ 14,765,931	\$ 1,472,104	\$ 16,238,035
Roadways & Utilities	\$ 138,081,302	\$ 118,922,925	\$ 19,158,377	\$ 136,281,000
Surface Parking	\$ 3,987,308	\$ 3,532,537	\$ 454,771	\$ 3,987,000
Utility Feasibility, Phase 2	\$ 780,017	\$ 443,925	\$ 336,092	\$ 701,000
Tenant Relocation	\$ 1,541	\$ 8,167	\$ (6,626)	\$ 8,167
Design-Build Miscellaneous Expenses	\$ (2)	\$ 617,255	\$ (617,257)	\$ 617,255
Total Less Reserves	\$ 752,371,674	\$ 655,469,316	\$ 96,902,358	\$ 761,447,274

20% Shift of Project Element Budgets

Each quarterly report identifies budget transfers between the elements of more than 20% in the Design-Build contract. Since the **3Q08** report, there have been no budget transfers between the elements.

The budget transfer table shown below is consistent with the directive that budget and schedule would not exceed the overall targets and that the only variable would be scope. The 20% change column (highlighted below) will indicate those budgets transfers that exceeded a 20% of the original fund amount since the last quarter. Past or future transfers of funds do not made to increase the overall Design-Build Program budget. Rather only to reallocate better usage of funds among project elements.

All figures in (million \$)		Element Budget Amendments Excludes Change Orders			
Element Budgets	Initial Budget	2Q08	3Q08	4Q08	20% Change Since Last Q
Terminal A Modifications	37.7	56.0	68.0	68.0	none
Terminal A Inline Baggage	26.5	26.5	26.5	26.5	none
New Terminal B Phase 1	105.9	134.2	130.8	130.8	none
New Terminal B Phase 2	21.9	7.6	3.0	3.0	none
Roadway Improvements	110.8	117.3	115.9	115.9	none
Temporary Terminal C	5.7	26.7	25.2	25.2	none
Terminal C Demolition	8.2	with T/C	with T/C	with T/C	none
Surface Parking Lot	3.0	3.0	2.9	2.9	none
Tenant Relocations	0.8	0.0	0.0	0.0	none
Consolidated Rental Car Garage	101.6	101.6	101.6	101.6	none
Public Parking Garage	66.2	1.1	1.1	1.1	none
North Concourse Completion Items	23.0	23.0	23.0	23.0	none
Utilities Feasibility	1.4	1.4	0.5	0.5	none
Set aside budget for T/B Phase 2 design	0	14.3	14.3	14.3	none
Base Contract prior to Change Orders	512.8	512.8	512.8	512.8	

Design-Build Program

Program Component Costs

Status as of 30 November 08 (per FMS RC Level)

Project Elements	All Figures In Thousands	BUDGET		COMMITMENTS		FORECAST		VARIANCE	INVOICES	
		NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION				INVOICES TO DATE	
	Amended Budget	Committed	% of Budget Contracted	Pending Changes (Trends)	Unresolved Disputes	Remaining Budget	Forecast at Completion	Amended Budget - Forecast at Completion	Payments Made to Date	% of Contracted Amount
	C	E= (note 1)	F= E / C	G	H	I = C - E	J =E +G+H+ I	K = C - J	L	M = L / E
1 Hensel Phelps PM Staff (excl. NC)	41,678	28,197	68%	0	0	13,481	41,678	0	17,727	63%
2 Design	54,545	54,340	100%	(14)	0	205	54,531	14	46,608	86%
3 Construction	541,517	524,618	97%	8,465	0	16,899	549,982	(8,465)	133,449	25%
4 Subtotal of HP Costs	637,740	607,155	95%	8,451	0	30,585	646,191	(8,451)	197,784	33%
5 Owner's Contingency (OC)	10,043	0	N/A		0	10,043	10,043		0	N/A
6 Subtotal of HP Cost + OC (See Notes)	647,783	607,155	94%	8,451	0	40,628	656,234	(8,451)	197,784	33%
7 SJC Programwide	19,991	8,905	45%	0	N/A	11,086	19,991	0	7,756	87%
8 OCIP Insurance Allocation	25,499	13,825	54%	0	N/A	11,674	25,499	0	6,615	48%
9 City Staff + Consultant Costs	36,399	19,685	54%	0	N/A	16,714	36,399	0	15,764	80%
10 Procurement: FF&E + IT Equipment	13,310	5,900	44%	0	0	7,410	13,310	0	2,960	50%
10a City Cost Contingency-ConRAC	75	0	N/A	0	N/A	75	75	0	0	N/A
11 City Cost Contingency	9,315	0	N/A	0	N/A	9,315	9,315	0	0	N/A
12 Tenant Relocation and DB Misc. Exp.	0	0	N/A	625	N/A	0	625	(625)	0	N/A
13 Subtotal of City Costs	104,589	48,315	46%	625	0	56,274	105,214	(625)	33,095	68%
14 Grand Total	752,372	655,470	87%	8,451	0	96,902	761,447	(9,075)	230,879	35%
North Concourse Related	Cost Overrun for Hensel Phelps packages at NC: BHS (pack 3), FF&E (pack 5), Signage (pack 6)							(10,705)		
Funding required for Budget Overrun	1	Funds From Terminal A Contingency & Global Services Unused Budget						2,910		
	2	Funds from Airline Contributions						14,900		
Total Variance (Note 1)	Additional Funds needed to offset current variance shortfall to eliminate this budget variance							(1,970)		

NOTES: 1) Total variance includes City support costs. Budget update on page 4 excludes City support costs.

Amount	Justification for the Release of Program Reserves	Date
\$ (2,040,000)	A33-Reclaimed Water System	10/14/08
\$ (52,928)	A34-Terminal A Baggage Screening Simulation	10/16/08
\$ (1,014,281)	A35-Equity Operations & Properties Tenant Improvements (Design)	11/05/08
\$ (40,725,978)	Total Release of Program Reserves	
\$ 14,769,777	Design-Build Program Reserve Balance (Excludes ConRAC/PPG PR of \$677,794)	

Design-Build Program

Use of Owner's Contingency

Amount	Justification for the Release of Owner Controlled Contingency	Date
\$ 32,888,071	Total Owner Controlled Contingency Available	
Items This Period		
\$ (1,435,000)	C25-ConRAC Roadway & Utility Funding Adjustment	10/02/08
\$ (1,750,000)	C26-ConRAC Telephone/Data & Public Parking Security	10/02/08
\$ (1,153,000)	C27-ConRAC East Façade Artwork Installation	10/02/08
\$ (352,687)	C28-ConRAC Fire Marshall Letter	10/29/08
\$ (79,777)	C29-ConRAC Fuel Farm Electrical	10/23/08
\$ (441,514)	C30-North Concourse FF&E	11/12/08
\$ (1,699,973)	C31-Roadways C.3 Storm Water Management	12/02/08
\$ (6,911,951)	Subtotal - This Period	
\$ (28,661,438)	Total Authorized Use of Owner Controlled Contingency	
\$ 4,226,633	Design-Build Program Owner Controlled Contingency Balance	

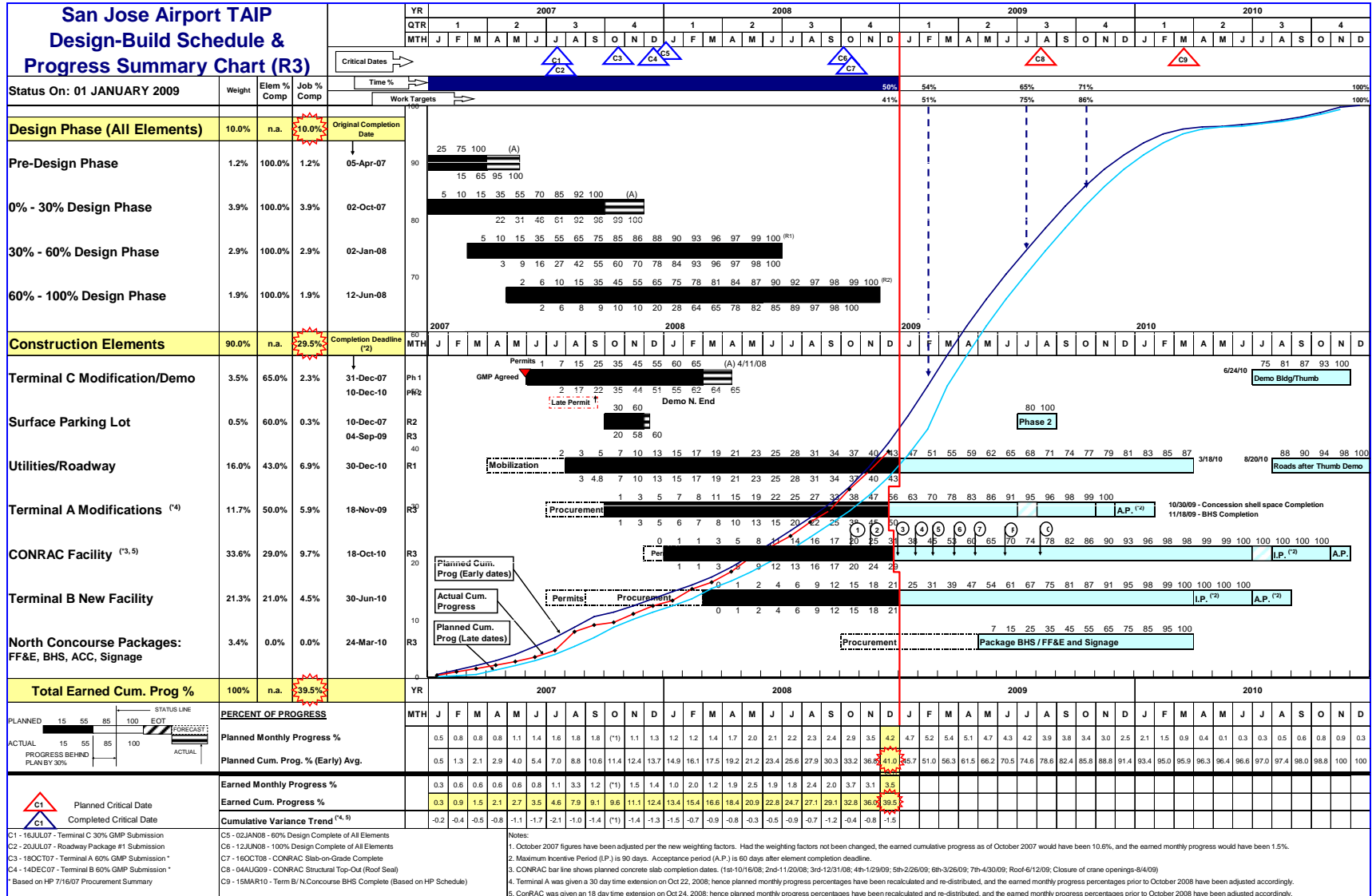
Design-Build Program

Use of City Manager's Contract Authority

Date	Contracting Authority Releases	CCO #	Funding Source	Total Contract Authority	Remaining Balance
10/17/06	Contracting Authority Amount			\$ 80,525,000	\$ 80,525,000
10/14/08	F04-ConRAC West Facade Enhancement	51	Program Reserves	\$ (8,000,000)	\$ 36,595,781
10/14/08	ConRAC-Delete East Façade Artwork Installation (credit does not increase auth)	52	Contract		\$ 36,595,781
10/14/08	C25-ConRAC Roadway & Utilities	53	Owner's Contingency	\$ (1,435,000)	\$ 35,160,781
10/14/08	C26-ConRAC IT Tele/Data, Parking Security	54	Owner's Contingency	\$ (1,750,000)	\$ 33,410,781
10/17/08	A33-Roadway Recycled Water	55	Program Reserves	\$ (1,852,851)	\$ 31,557,930
10/24/08	A34-Term A Baggage Screening Simulation	56	Program Reserves	\$ (52,928)	\$ 31,505,002
11/18/08	ConRAC-Delete Ground Floor Equipment	57	Contract		\$ 31,505,002
11/07/08	C28-ConRAC Fire Marshall Letter	58	Owner's Contingency	\$ (352,687)	\$ 31,152,315
11/07/08	C29-ConRAC Fuel Farm Electrical	59	Owner's Contingency	\$ (79,777)	\$ 31,072,538
11/12/08	C30-NC FF&E	60	Owner's Contingency	\$ (441,514)	\$ 30,631,024
12/02/08	C31-Roadway C.3 Storm Water Mgmnt	61	Owner's Contingency	\$ (1,699,973)	\$ 28,931,051
	Total Issued to Date			\$ (70,081,420)	
	Remaining Contract Authority Balance			\$ 28,931,051	

Design-Build Program

Schedule Progress Chart

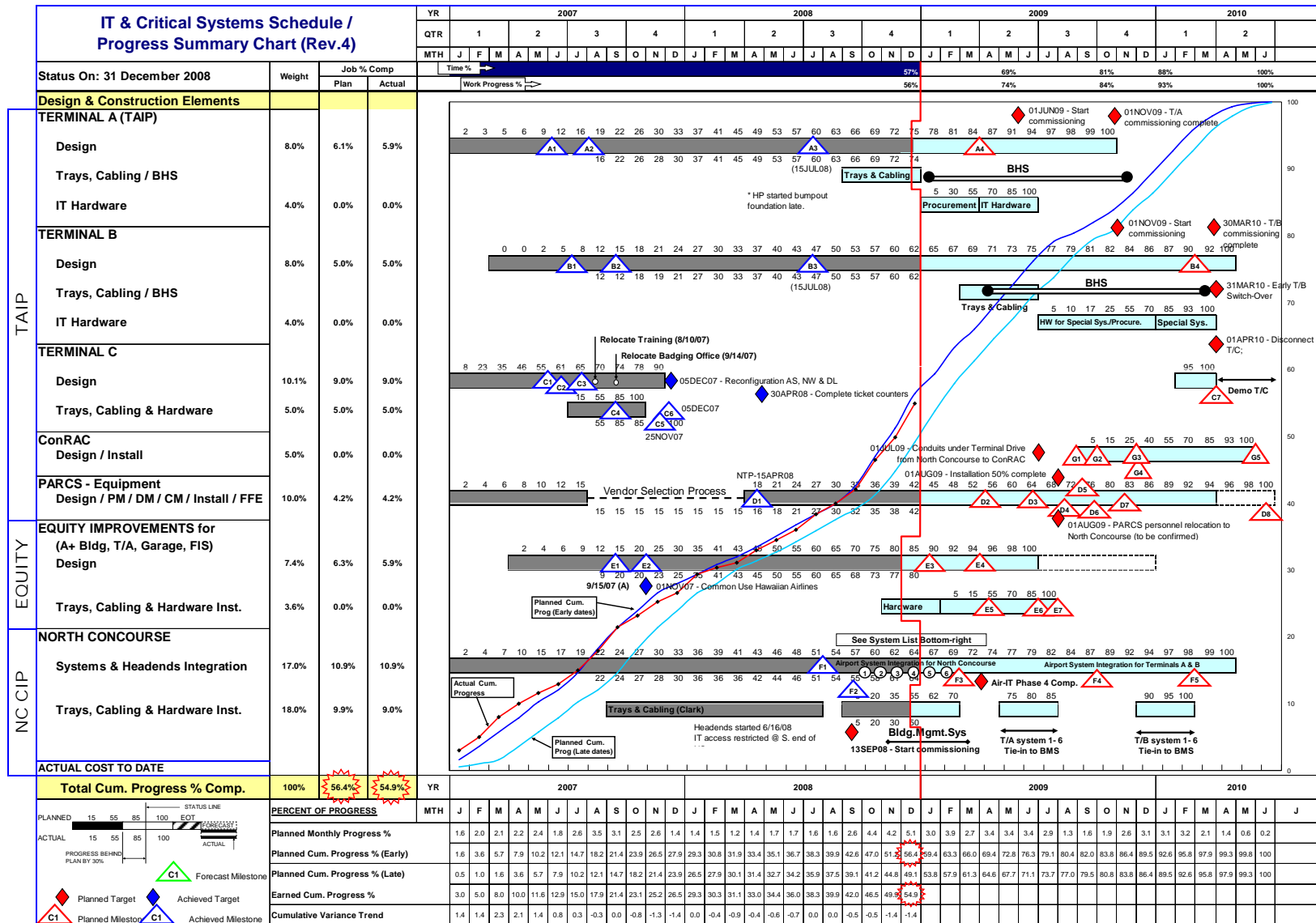


CONSTRUCTION PHASE BY ELEMENTS (Hensel Phelps Target Completion Dates)	AMENDED GMP (Dec 2008)	FORECAST (Dec 2008)	ACTUAL (Dec 2008)	VARIANCE (in days) Note: 1	Remark
Construction Start-up	22-Jun-07		24-Jul-07	-32	Deferred Actual Start due to Final Concept Design.
Terminal A Mods / Inline Baggage	18-Nov-09	30-Nov-09		-12	
Terminal B, Phase I / Inline Baggage	30-Jun-10	30-Jun-10		0	
Terminal C Modifications	31-Dec-07		31-Dec-07	0	
Terminal C Demolitions	N/A	06-Dec-10		N/A	
Surface Parking	TBD	17-Mar-09	10-Dec-07	N/A	Phase I completed. Phase II pending.
Roadways	29-Sep-10	22-Dec-10		-84	Deferred completion of final road section.
ConRAC	18-Oct-10	18-Oct-10		0	
North Concourse FF&E and Signage	N/A	24-Aug-09		N/A	

Note 1: Variance is the difference between the amended GMP planned and forecast completion dates. This value is not float.

Design-Build Program

Information Technology Systems Progress Chart



- Terminal A
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Cost Summary Inline Baggage
 - e. Schedules
 - f. Schematic Renderings & Photos
- Terminal B
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Schedule
 - e. Schematic Renderings & Photos
- Terminal C
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Schedule
 - e. Schematic Renderings & Photos
- Roadways/Surface Parking
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Schedule
 - e. Schematic Renderings & Photos
- Public Parking Garage
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Schematic Renderings & Photos
- ConRAC Garage
 - a. Accomplishments/Plans
 - b. Current Problems/Potential Resolutions
 - c. Cost Summary
 - d. Schedule
 - e. Schematic Renderings & Photos

Accomplishments This Quarter

- Completed steel erection of the Airside bump out and the South Ticket Lobby.
- Completed roof on both North and South Ticket Lobbies; started MEP and fire sprinkler work in both lobbies, and installed curtain wall system in both lobbies, essentially creating the warm shell.
- Started roof work on Airside bump out, and installed framing work for curtain wall system.
- Before Thanksgiving holiday, opened the North Escalator Lobby to the public with two new escalators placed into service. The South Escalator Lobby at Southwest curbside area closed for demolition.
- Relocated Southwest Training office from 1st floor to 3rd floor to allow for construction at former location.
- Started shop fabrication of Airside bump out baggage make-up canopy.
- Identified a location and coordinated with Mexicana Airlines to relocate their maintenance office. Actual relocation to take place during 1Q09.
- Identified a location and coordination with American Airlines to relocate their crew chief office. Actual relocation to take place during 1Q09.
- Complete installation of Freight elevator across from Gate A8.
- Started submittal process for Terminal A Baggage Handling System, and completed 3-D mapping work to identify construction challenges in proposed baggage make-up area.
- Continued negotiations with the TSA to clarify the grant reimbursement process for the installation of the Baggage Handling System.

Accomplishments This Quarter continued

- Started planning effort with Airport staff to perform a phased closure of the curbside drop-off area to start construction of the curbside concrete bollards.
- Completed all demolition at former north and south egress stairs behind new ticketing lobbies and completed demolition of former Mexicana offices.

Planned Next Quarter

- Obtain State inspection approval for freight elevator and open it for concessionaire use.
- Open South Escalator Lobby with two new escalators.
- Complete warm shell to approximately 80% complete for both North and South Ticket Lobbies and Airside bump out.
- Plan and coordinate upcoming Airline ticket counter operation moves from 2nd floor to 1st floor, and finalize planning effort.
- Start construction of Baggage Handling System to approximately Stage 1 (15% complete).
- Install ticket counters in ticket lobbies and coordinate to install IT equipment.
- Coordinate with Airline Ticketing Office programmer to finalize tenant improvement design and start construction on ATO offices. Plan for Airline moves into these offices.
- Coordinate with concessionaire program manager to finalize concessionaire plan, and coordinate work between Airport's contractor and concessionaire's contractor.

Problem:

Freight elevator did not pass State inspection, and one inspection criteria differs from San José Fire Marshall requirements.

Resolution:

Working on coordinating the requirements for both State inspection and local Fire Marshall inspection.

Problem:

New Airside bump out slab has developed cracking.

Resolution:

This area has been evaluated and determined that contractor will propose a repair solution.

Terminal A

Cost Summary

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
Terminal A Modifications	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C	E = (note 1)	F = E / C	G	H	I = C - E	J = E+G+H+I	K = C - J	L	M = L / E
1 Hensel Phelps PM Staff	4,585	3,007	66%	0	0	1,578	4,585	0	1,856	62%
2 Design	6,370	6,370	100%	0	0	0	6,370	0	5,310	83%
3 Construction - See Note 1	73,955	82,486	112%	10,302	0	(8,531)	84,257	(10,302)	16,206	20%
4 Subtotal of HP Costs	84,910	91,863	108%	10,302	0	(6,953)	95,212	(10,302)	23,372	25%
5 Owner's Contingency (OC)	910	0	N/A	0	N/A	910	910	0	0	N/A
6 Subtotal of HP Cost + OC (See Notes)	85,820	91,863	107%	10,302	0	(6,043)	96,122	(10,302)	23,372	25%
7 SJC Programwide	2,543	1,283	50%	0	N/A	1,260	2,543	0	1,078	84%
8 OCIP Insurance Allocation	3,330	1,398	42%	0	N/A	1,932	3,330	0	664	47%
9 City Staff + Consultant Costs	5,613	3,851	69%	0	N/A	1,762	5,613	0	3,016	78%
10 Procurement: FF&E + IT Equipment	3,144	1,471	47%	0	0	1,673	3,144	0	609	41%
11 Reserved for Construction	0	0	N/A	0	0	0	0	0	0	N/A
12 City Cost Congingency	117	0	N/A	0	N/A	117	117	0	0	N/A
13 Subtotal of City Costs	14,747	8,003	54%	0	0	6,744	14,747	0	5,367	67%
14 Grand Total	100,567	99,866	99%	10,302	0	701	110,869	(10,302)	28,739	29%

Terminal A

Cost Summary Inline Baggage

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				Variance	PAYMENTS	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					PAYMENTS TO DATE	
Terminal A Inline Baggage	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget	Payments made to date	% of Contracted Amount
	C	E=(note 1)	F=E/C	G	H	I=C-E	J=E+G+H+I	K=C-J	L	M=L/E
1 Hensel-Phelps PM Staff	2,098	1,431	68%	0	0	667	2,098	0	904	63%
2 Design	1,602	1,602	100%	0	0	0	1,602	0	1,432	89%
3 Construction	22,257	22,635	102%	429	0	(378)	22,686	(429)	200	1%
4 Subtotal of HP Costs	25,957	25,668	99%	429	0	289	26,386	(429)	2,536	10%
5 Owner's Contingency (OC)	1,324	0	N/A	0	N/A	1,324	1,324	0	0	0%
6 Subtotal of HP Cost + OC (See Notes)	27,281	25,668	94%	429	0	1,613	27,710	(429)	2,536	10%
7 SJC Programwide	779	416	53%	0	N/A	363	779	0	359	86%
8 OCIP Insurance Allocation	1,144	621	54%	0	N/A	523	1,144	0	308	50%
9 City Staff + Consultant Costs	1,019	550	54%	0	N/A	469	1,019	0	371	67%
10 Procurement: FF&E + IT Equipment	223	22	10%	0	0	201	223	0	16	73%
11 City Cost Contingency-ConRAC	0	0	N/A	0	N/A	0	0	0	N/A	0%
12 City Cost Contingency	346	0	N/A	0	N/A	346	346	0	N/A	0%
13 Subtotal of City Costs	3,511	1,609	46%	0	0	1,902	3,511	0	1,054	66%
14 Grand Total	30,792	27,277	89%	429	0	3,515	31,221	(429)	3,590	13%



Bump Out Steel Completed



North Ticket Lobby Framed



North Escalator Lobby Open to Public



Baggage Make-up Area

Accomplishments This Quarter

- Substantially completed structural steel erection 10/17/08.
- Began and completed metal decking for elevated slabs.
- Began utility rough-in and elevated concrete slab placements.
- Began ticket counter mock-up.
- Began underground utilities and concrete slab-on-grade at eastern portions of building.
- Completed first phase of apron paving.
- Began installation of roof decking.
- Negotiated and executed a Design Build Task Order amendment for the baggage handling system.
- Negotiated and executed a Design Build Task Order for the North Concourse fixed FF&E and signage.

Planned Next Quarter

- Complete elevated concrete slab placements.
- Complete ticket counter mock-up.
- Complete underground utilities within building footprint and concrete slab-on-grade placements.
- Complete roof decking.
- Begin structural steel fireproofing.
- Begin overhead mechanical, electrical & plumbing installation and select wall framing.

Problem:

The planned installation of a food and beverage concession on Level 2 poses a significant challenge with respect to providing gas service. The original design for the terminal did not have any gas demand; therefore, no gas lines were included in the design. The future Phase 2 work was planned to provide gas service to the Level 2 concessions. The nearest gas service line is a distance of approximately 1,200 feet from the terminal.

Resolution:

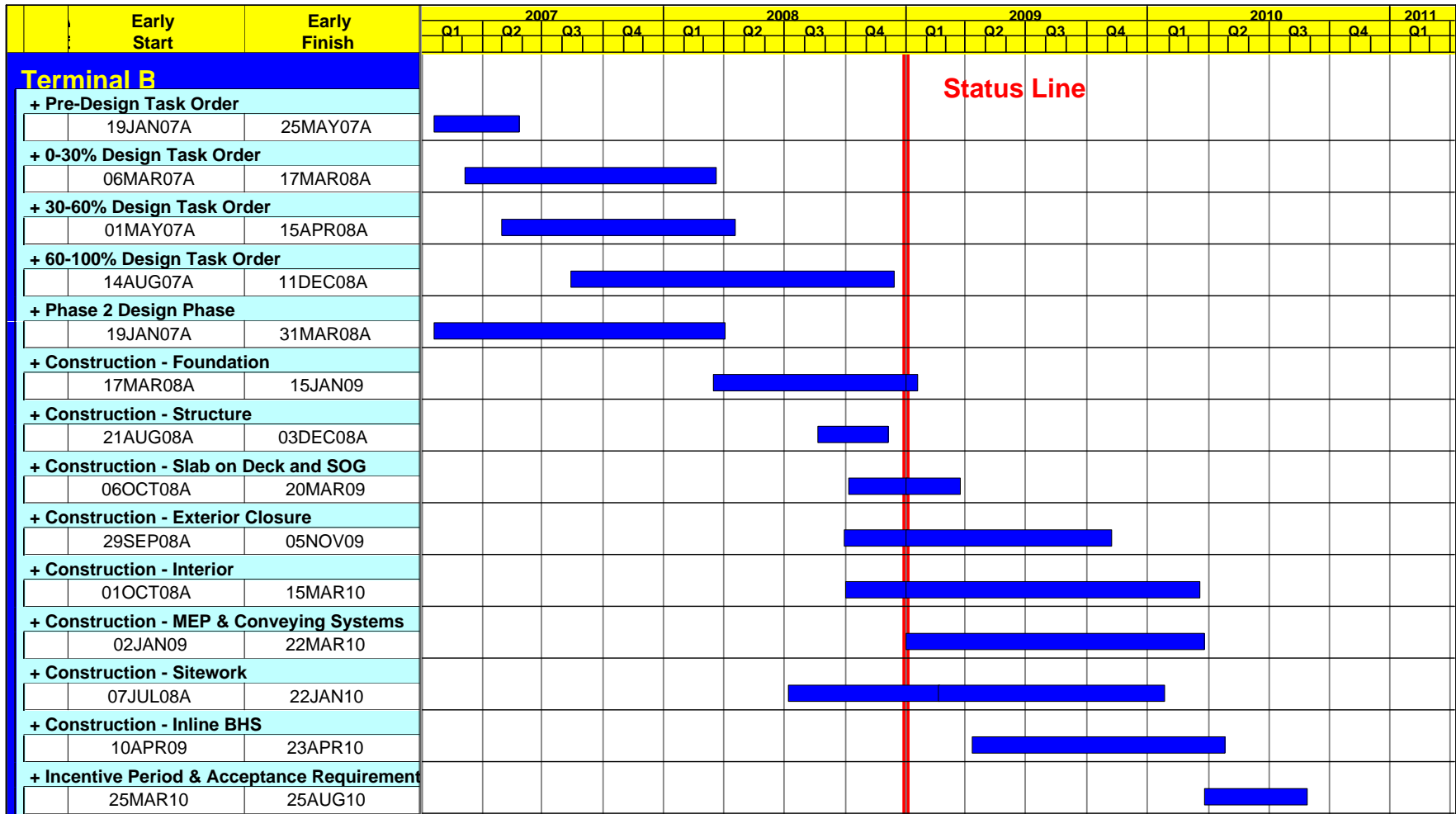
The project team is investigating the costs and impacts of three primary alternatives, each with varying lengths of piping inside the building versus outside in a trench.

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
Terminal B, Ph I & Util 1	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C	E= (note 1)	F= E/C	G	H	I= C - E	J =E+G+H+I	K = C - J	L	M = L / E
1 Hensel Phelps PM Staff	11,502	7,470	65%	0	0	4,032	11,502	0	4,581	61%
2 Design	10,563	10,555	100%	0	0	8	10,563	0	9,404	89%
3 Construction	105,085	104,857	100%	(163)	0	228	104,922	163	16,680	16%
4 Subtotal of HP Costs	127,150	122,882	97%	(163)	0	4,268	126,987	163	30,665	25%
5 Owner's Contingency (OC)	3,484	0	N/A	0	N/A	3,484	3,484	0	0	N/A
6 Subtotal of HP Cost + OC (See Notes)	130,634	122,882	94%	(163)	0	7,752	130,471	163	30,665	25%
7 SJC Programwide	4,441	1,724	39%	0	N/A	2,717	4,441	0	1,483	86%
8 OCIP Insurance Allocation	5,614	3,335	59%	0	N/A	2,279	5,614	0	1,629	49%
9 City Staff + Consultant Costs	8,327	4,168	50%	0	N/A	4,159	8,327	0	3,285	79%
10 Procurement: FF&E + IT Equipment	4,919	2,026	41%	0	0	2,893	4,919	0	146	7%
11 Boarding Bridge & NCC BHS (4)	7,541				N/A	7,541	7,541		N/A	0%
12 City Cost Contingency	81	0	N/A	0	N/A	81	81	0	N/A	0%
13 Subtotal of City Costs	30,923	11,253	36%	0	0	19,670	30,923	0	6,543	58%
14 Grand Total	161,557	134,135	83%	0	0	27,422	161,394	163	37,208	28%

Terminal B

Schedule





Structural Steel Topping Off Ceremony



Structural Steel Complete



Concrete Slab Placement



Level 2 Concrete Slab

Accomplishments This Quarter

- Processed final acceptance of the first phase of work.
- Negotiated and executed a Design Build Task Order for the relocation of the fiber optic cabling from the Airfield Lighting Vault/Terminal C to the Airfield Lighting Vault/North Concourse required to permit the eventual demolition of Terminal C. This Task Order also included new fiber optic cable.
- Completed the first phase of work for the fiber optic cabling relocation to prove out pathway through existing conduit and vaults.

Planned Next Quarter

- Complete relocation of fiber optic cabling.

Problem:

Weather delayed the fiber optic cabling relocation work. The majority of the work requires access to the airfield.

Resolution:

Delay is not critical since a temporary communication pathway was previously established.

Terminal C

Cost Summary

Status as of 30 November 08 (per FMS RC Level)

	All Figures In Thousands	BUDGET		COMMITMENTS		FORECAST		VARIANCE	INVOICES		
		NEW BUDGET	CONTRACTED - TO - DATE	ESTIMATED COST AT COMPLETION					INVOICES TO DATE		
	Terminal C, Temp & Demo	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
		C	E=(note 1)	F= E/C	G	H	I= C - E	J =E+G+H+I	K= C - J	L	M = L / E
1	Hensel Phelps PM Staff	2,511	1,541	61%	0	0	970	2,511	0	910	59%
2	Design	1,806	1,806	100%	0	0	0	1,806	0	1,806	100%
3	Construction	20,347	11,567	57%	(224)	0	8,780	20,123	224	10,983	95%
4	Subtotal of HP Costs	24,664	14,914	60%	(224)	0	9,750	24,440	224	13,699	92%
5	Owner's Contingency (OC)	503	0	0%	0	N/A	503	503	0	0	0%
6	Subtotal of HP Cost + OC (See Notes)	25,167	14,914	59%	(224)	0	10,253	24,943	224	13,699	92%
7	SJC Programwide	873	479	55%	0	N/A	394	873	0	421	88%
8	OCIP Insurance Allocation	1,126	697	62%	0	N/A	429	1,126	0	323	46%
9	City Staff + Consultant Costs	3,135	1,984	63%	0	N/A	1,151	3,135	0	1,873	94%
10	Procurement: FF&E + IT Equipment	3,736	2,230	60%	0	0	1,506	3,736	0	2,040	91%
11											
12	City Cost Contingency	320	0		0	N/A	320	320	0	N/A	0%
13	Subtotal of City Costs	9,190	5,390	59%	0	0	3,800	9,190	0	4,657	86%
14	Grand Total	34,357	20,304	59%	(224)	0	14,053	34,133	224	18,356	90%

Terminal C

Schedule

	Early Start	Early Finish	2007				2008				2009				2010				2011
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Temporary Terminal C			Status Line																
+ Pre-Design Task Order																			
	04JAN07A	03MAY07A	■																
+ 0-30% Design Task Order																			
	26FEB07A	31JUL07A	■																
+ 30-100% Design Task Order																			
	14MAY07A	08OCT07A	■																
+ Existing Terminal Modifications																			
	29JUN07A	20DEC07A			■														
+ North Ticketing Modifications																			
	15AUG07A	04JAN08A			■														
+ North End Demolition																			
	26DEC07A	11APR08A			■														
+ Acceptance Requirements & Extra Work																			
	31DEC07A	29AUG08A			■														
+ Thumb and Remainder Terminal C Demolition																			
	18JUN10	06DEC10															■		

Accomplishments This Quarter

- Completed falsework erection on the South Loop Overcrossing and placed the reinforcing steel. Contractor completed concrete pours for the box girder section of the overcrossing.
- Negotiated a GMP for the TAIP recycled water system.
- Negotiated a GMP to construct the TAIP C3 storm drainage requirements which include bioswales and underground filter tanks.
- Continued to work on utility installations.
- Began construction of the recycled water system in front of the North Concourse.
- Started grading and constructing roadway in front of the North Concourse.
- Paved the loading dock in front of the North Concourse.
- Continued with finalizing concepts for Taxi Staging and Belly Freight operations.
- Paved areas adjacent to the old ACM buildings which were demolished to support future Belly Freight operations.
- Constructed a section of the Ground Transportation island and inner Terminal Drive across from Terminal C baggage claim.
- Modified curbside drop off lanes in front of Terminal C to relieve traffic congestion.
- Prepared 60% design for Airport staff parking lot underneath the Bypass Loop Overcrossing

Planned Next Quarter

- Negotiate a GMP for TAIP landscaping work.
- Complete construction of the South Loop Overcrossing.
- Finalize a new plan for adding portable loading docks to the south side of the existing Belly Freight Building and begin construction.
- Finalize the permanent location for the Taxi staging area and begin the relocation.
- Close gates C-1 and C-2 so the Surface Parking Lot Phase II modifications can begin.
- Begin roadway construction in front of the future Terminal B Phase II and future South Concourse.
- Fabricate and install the first overhead sign on the east side of the Terminal A Garage.
- Continue with the installation of the recycled water system.
- Complete roadway construction in front of the North Concourse.

Problem:

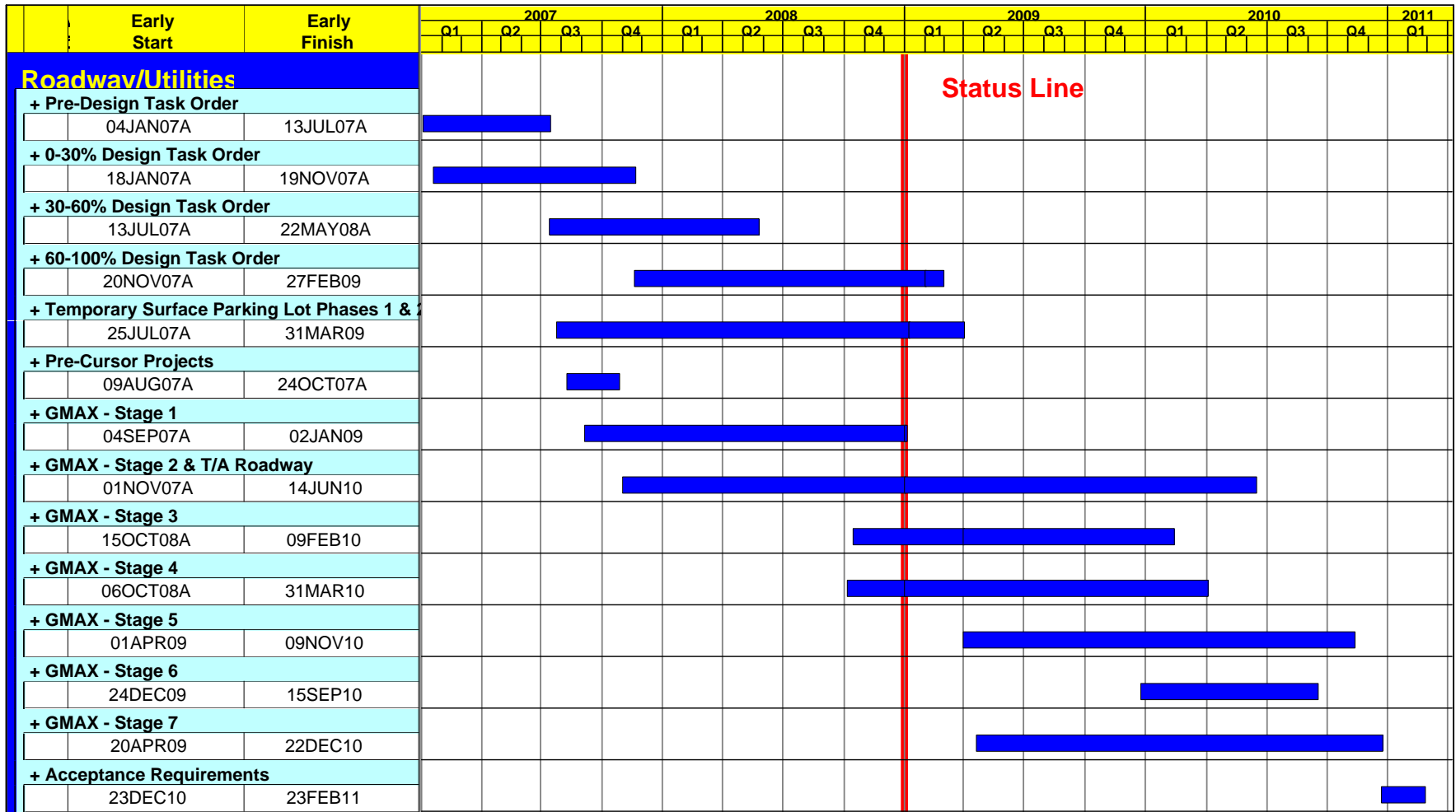
The additional loading docks designed for the north side of the Belly Freight building were moved to the south side. Adding the loading docks requires modifications to cargo operations and security procedures.

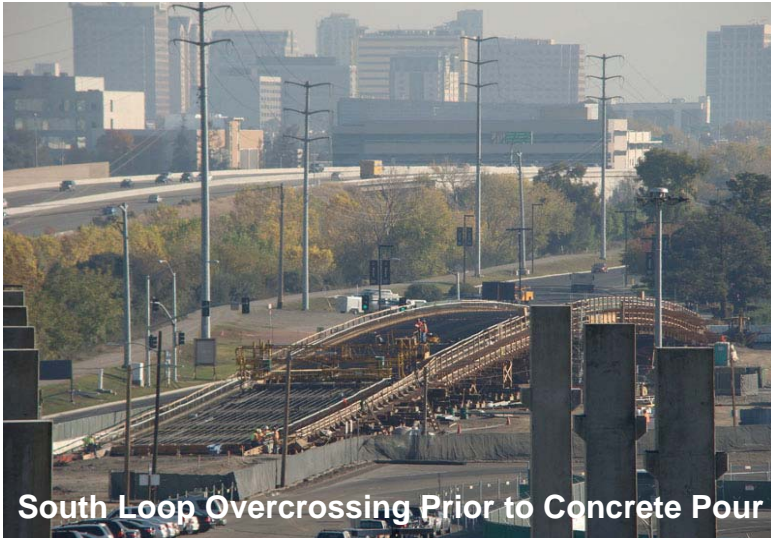
Resolution:

The team is working with TSA and the Airlines to resolve operation and security issues.

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
Roadways	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C	E= (note 1)	F= E/C	G	H	I= C - E	J =E+G+H+I	K= C - J	L	M = L / E
1 Hensel Phelps PM Staff	9,171	6,212	68%	0	0	2,959	9,171	0	3,908	63%
2 Design	12,586	12,586	100%	0	0	0	12,586	0	11,385	90%
3 Construction	99,001	92,112	93%	(1,800)	0	6,889	97,201	1,800	38,506	42%
4 Subtotal of HP Costs	120,758	110,910	92%	(1,800)	0	9,848	118,958	1,800	53,799	49%
5 Owner's Contingency (OC)	0	0	N/A	0	N/A	0	0	0	0	0%
6 Subtotal of HP Cost + OC (See Notes)	120,758	110,910	92%	(1,800)	0	9,848	118,958	1,800	53,799	49%
7 SJC Programwide	3,405	1,402	41%	0	N/A	2,003	3,405	0	1,223	87%
8 OCIP Insurance Allocation	4,929	2,729	55%	0	N/A	2,200	4,929	0	1,325	49%
9 City Staff + Consultant Costs	8,128	3,817	47%	0	N/A	4,311	8,128	0	3,323	87%
10 Procurement: FF&E + IT Equipment	115	64	56%	0	0	51	115	0	64	100%
11										
12 City Cost Contingency	746		0%	0	0	746	746	0	N/A	0%
13 Subtotal of City Costs	17,323	8,012	46%	0	0	9,311	17,323	0	5,935	74%
14 Grand Total	138,081	118,922	86%	(1,800)	0	19,159	136,281	1,800	59,734	50%





South Loop Overcrossing Prior to Concrete Pour



South Loop Overcrossing Concrete Pour



Concrete Pour at Terminal C Ground Transportation Island



Recycled Water Pipeline Installation

Problem:

Timing and funding remain an issue of concern. Construction of the project is defined by the demolition of Terminal C and completion of the loop road – placing it in 3Q10 or possibly 4Q10. Design should commence no later than 3Q09, and different forms of project delivery may be investigated before design proceeds. Funding will be based upon a combination of increased PFC levels (which are outside the Airport's control), net savings from the TAIP, and remaining Program Reserves.

Resolution:

Information relative to these issues will not be known with certainty until 2Q09.

Public Parking Garage

Cost Summary

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
Public Parking Garage - 30% Design	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C	E= (note 1)	F= E/C	G	H	I= C - E	J =E+G+H+I	K= C - J	L	M = L/E
1 Hensel Phelps PM Staff	536	446	83%	0	0	90	536	0	311	70%
2 Design	2,008	1,812	90%	0	0	196	2,008	0	1,589	88%
3 Construction	11,746	11,171	95%	0	0	575	11,746	0	2,653	24%
4 Subtotal of HP Costs	14,290	13,429	94%	0	0	861	14,290	0	4,553	34%
5 Owner's Contingency (OC)	189	0	N/A	0	N/A	189	189	0	0	0%
6 Subtotal of HP Cost + OC (See Notes)	14,479	13,429	93%	0	0	1,050	14,479	0	4,553	34%
7 SJC Programwide	588	553	94%	0	N/A	35	588	0	541	98%
8 OCIP Insurance Allocation	483	290	60%	0	N/A	193	483	0	133	46%
9 City Staff + Consultant Costs	623	489	78%	0	N/A	134	623	0	435	89%
10 Procurement: FF&E + IT Equipment	65	6	9%	0	0	59	65	0	6	100%
11 Programe Reserve - Part \$1.3m	0	0	0%	0	0	0	0	0	0	0%
12 City Cost Contingency	0	0	0%	0	N/A	0	0		N/A	0%
13 Subtotal of City Costs	1,759	1,338	76%	0	0	421	1,759	0	1,115	83%
14 Grand Total	16,238	14,767	91%	0	0	1,471	16,238	0	5,668	38%

Accomplishments This Quarter

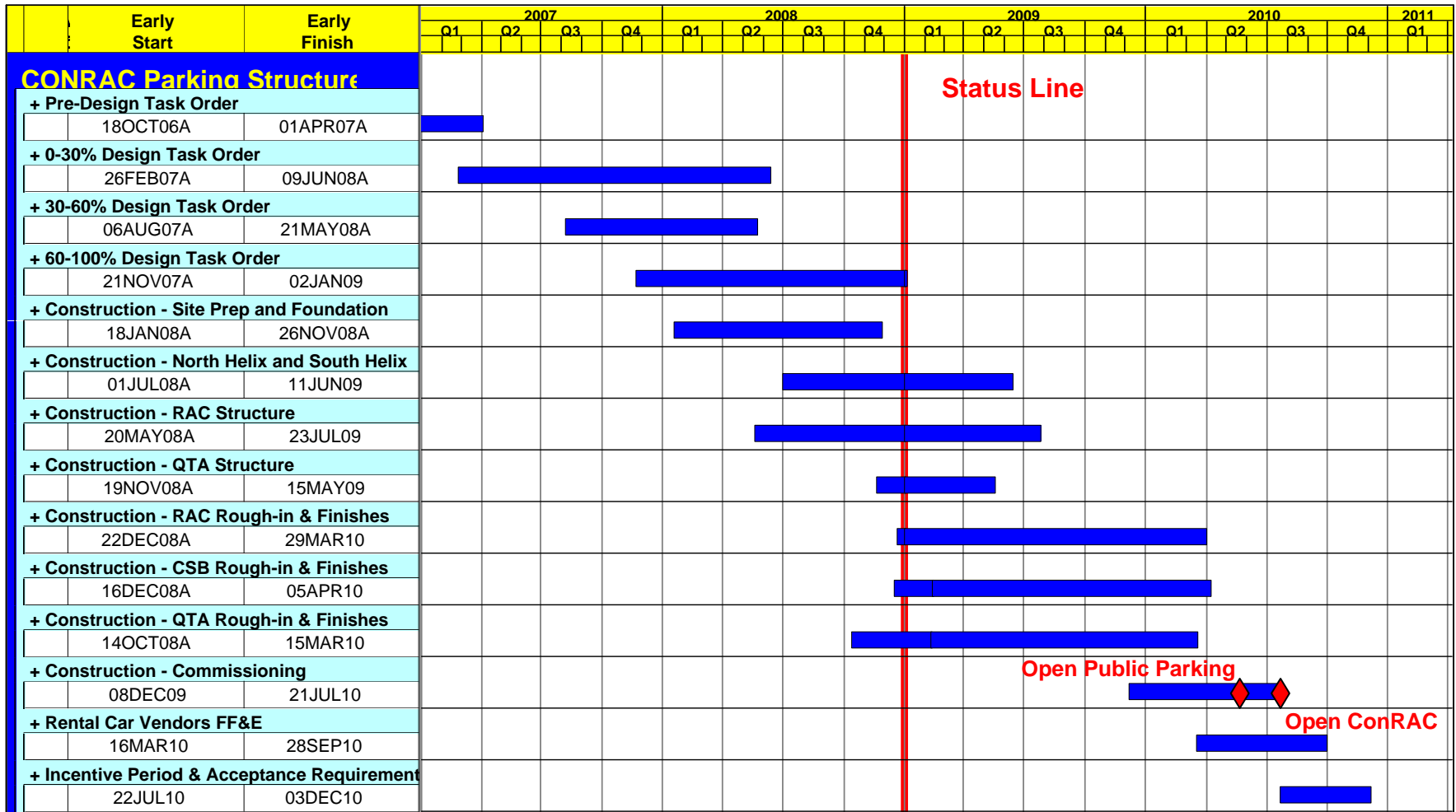
- Approved the design of the west façade modifications and construction documents completed for pricing.
- Approved LED lighting enhancements in the Customer Service Building ‘in-concept’; further studies/mock-ups underway.
- Continued monthly meetings with the rental car companies (RAC’s).
- Received Fire Department approval of Alternate Materials or Methods of Construction (AMMC) for unenclosed stairs and fueling – a major milestone that reduced cost impact to \$353K.
- Completed code review of the primary superstructure package.
- Received FAA approval to adjust the Airport Beacon in-place on the roof of the Terminal A Garage eliminating the need to relocate to the ConRAC.
- Significant construction milestones: (1) All pile cut-offs, foundations, and back fill completed; (2) All slab-on-grade work completed with the exception of the “leave-out bays”; (3) Temporary hard surface road installed along east side to further facilitate precast delivery and minimize off-site tracking during the wet weather conditions; (4) North helix completed; (5) At-grade ramp completed at the south helix; (6) All columns have been set; (7) Precast double T decks have been placed up through the entire 3rd level of the RAC area (2 elevated levels), and the first elevated level of the QTA; (8) Connecting ramps have been set, but not poured yet, between the RAC and QTA; (9) Permanent/temporary 12kv power brought to site; and (10) emergency generator delivered and placed in QTA.
- Approved \$5.2M in outstanding carry-over contingency allowance items including \$435k for the west façade modifications and \$8.4M in authorized program reserves released for the west façade modifications.

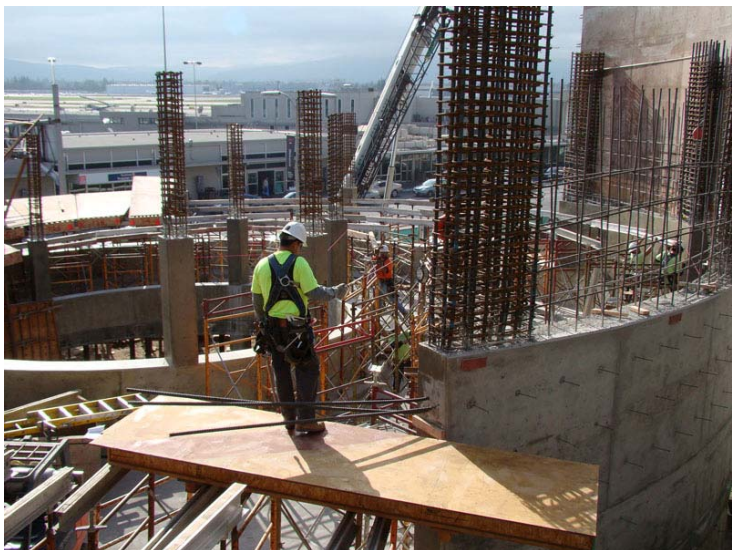
Planned Next Quarter

- Issue superstructure permit for all precast concrete decks, beams, & column; cast-in-place (CIP) concrete slabs-on-grade and topping slabs at all precast decks; and all elements of the post-tensioned helixes (PT).
- Finalize documentation and issue remaining permits for the complete project.
- Complete outstanding carry-over contingency allowance items and adjust the construction budget accordingly.
- Continue erection sequence across and upward across site.
- Install temporary and permanent stairs and install/relocate construction hoistways.
- Install fully built out mock-up bay for Airport/RAC review (lights, sprinklers and painted ceiling).
- Install fuel vaults at the QTA.

Status as of 30 November 08 (per FMS RC Level)

	All Figures In Thousands	BUDGET		COMMITMENTS		FORECAST		VARIANCE	INVOICES	
		NEW BUDGET	CONTRACTED - TO - DATE	ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
Consolidated RAC	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C	E= (note 1)	F= E/C	G(Note1)	H	I= C - E	J =E+G+H+I	K= C - J	L	M= L/E
1 Hensel Phelps PM Staff	9,398	6,845	73%	0	0	2,553	9,398	0	4,484	66%
2 Design	16,965	16,965	100%	0	0	0	16,965	0	13,062	77%
3 Construction	205,545	196,223	95%	0	0	9,322	205,545	0	46,443	24%
4 Subtotal of HP Costs	231,908	220,033	95%	0	0	11,875	231,908	0	63,989	29%
5 Owner's Contingency (OC)	3,338	0	N/A	0	N/A	3,338	3,338	0	0	0%
6 Subtotal of HP Cost + OC (See Notes)	235,246	220,033	94%	0	0	15,213	235,246	0	63,989	29%
7 SJC Programwide	6,281	2,499	40%	0	N/A	3,782	6,281	0	2,140	86%
8 OCIP Insurance Allocation	8,596	4,681	54%	0	N/A	3,915	8,596	0	2,195	47%
9 City Staff + Consultant Costs	8,940	3,940	44%	0	N/A	5,000	8,940	0	3,260	83%
10 Procurement: FF&E + IT Equipment	1,093	68	6%	0	0	1,025	1,093	0	66	97%
11 City Cost Contingency-ConRAC	75	0	N/A	0	N/A	75	75	0	N/A	0%
12 Reserved - \$10.6m (Reserved 2nd Amend)		0	N/A	0	0	0	0	0	0	0%
13 Subtotal of City Costs	24,985	11,188	45%	0	0	13,797	24,985	0	7,661	68%
14 Grand Total	260,231	231,221	89%	0	0	29,010	260,231	0	71,650	31%





Accomplishments This Quarter

- Removal and haul away of the existing generator from the FIS building.
- Completed new sterile corridor (FIS connector) for international travelers including all interior finishes, access control, IPTV cameras and fire alarm system.
- All elevators passed state certification and are currently in use.
- Continued building system commissioning.
- Completed all delayed egress doors at the concourse level.
- Completed all outstanding plumbing and building inspections. Electrical inspection is substantially complete with a few minor items remaining.
- Obtained Temporary Certificate of Occupancy for the Airport warehouse (apron level) and Utility Right-of-Way (basement).
- Activated the fire sprinkler system and other fire suppression systems. The fire alarm system was connected to Terminal A ACC.
- Successfully completed Emergency Generator Final Test, Elevator Final Test and Life Safety items (signage, exit signs, evacuation maps, door function and fire extinguishers).

Planned Next Quarter

- Continue building system commissioning, expected to be complete by the end of January 2009.
- Removal of the temporary sterile corridor.
- Complete installation of access control in the remaining doors.
- Install external IPTV cameras at all jet bridges and internal IPTV cameras at the apron level.
- Project Close Out.

North Concourse Program

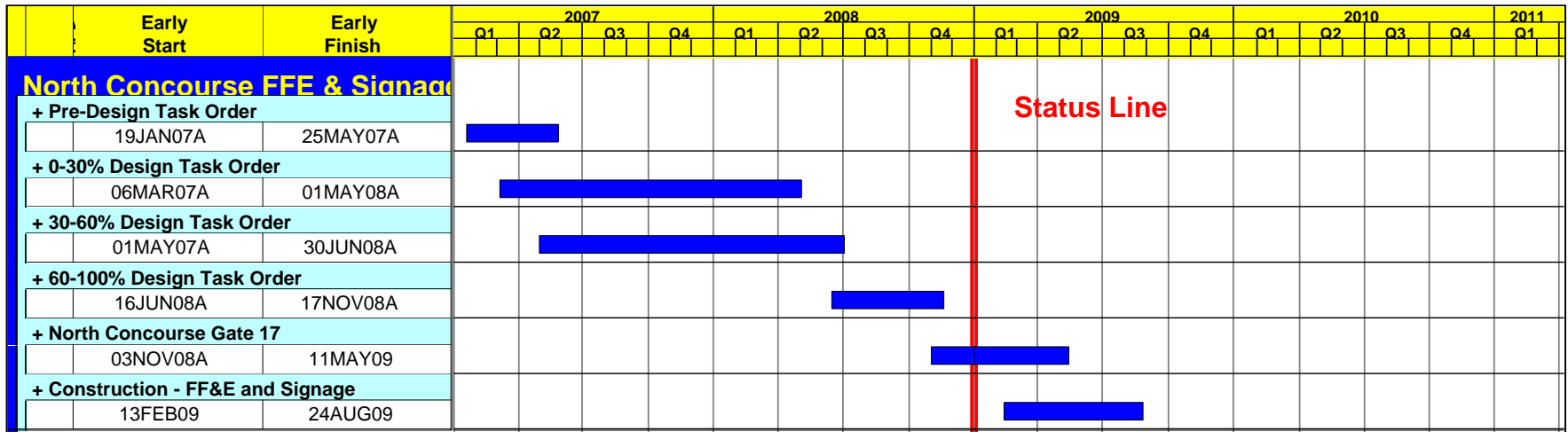
Cost Summary

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					INVOICES TO DATE	
North Concourse	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget	Payments made to date	% of Contracted Amount
	C = A + B	E	F = E / C	G	H	I = C - E	J = E + G + H + I	K = C - J	L	M = L / E
1 TAIP portion: NC Packages 3, 5, 6	17,456	5,539	31.7%	0	0	11,917	17,456	0	2,397	43%
2 Multi-Prime Contracts w/City Cost & Consultants	262,142	262,250	100.0%	933,363	0	(108)	1,195,505	(933,363)	256,482	98%
3 Subtotal	279,598	267,789	95.8%	933,363	0	11,809	1,212,961	(933,363)	258,879	97%
4 Owner's Construction Contingency (OCC)	With above	N/A	N/A	0	N/A	0	0	0	0	0%
5 Subtotal with MPC + OCC	With above	267,789	0.0%	933,363	0	11,809	1,212,961	(933,363)	258,879	97%
6 SJC Programwide (PM)	15,237	14,997	98.4%	0	N/A	240	15,237	0	14,763	98%
7 OCIP Insurance Allocation	7,814	6,514	83.4%	0	N/A	1,300	7,814	0	6,514	100%
8 NC Procurement: FFE, Signs, IT, PBBridges (Note 1)	18,716	15,877	84.8%	0	0	2,839	18,716	0	8,215	52%
9 Program Reserve (Note 2)	3,324	3,324	100.0%	0	0	0	3,324	0	0	0%
10 Subtotal of City Costs	45,091	40,712	90.3%	0	0	4,379	45,091	0	29,492	72%
11 Grand Total	324,689	308,501	95.0%	933,363	0	16,188	1,258,052	(933,363)	288,371	93%

NOTES: 1. BSH total cost is \$10.7m over the NC program budget. This cost overage is covered by other fund sources: 1) T/B city contingency and 2) Airline contributions from increase rates & charges.

Hensel Phelps





Day Time Exterior View



Night Time Exterior View

Accomplishments This Quarter

- Continued refinement of all TAIP (new) Airport and Airlines Tenant Improvement floor plan block diagrams working with both the airlines and Airport staff.
- Approval and PW Director's Award of two time and materials contracts – one for Terminal Modifications; Electrical/Data and one for Terminal Modifications for General Building to assist with project delivery of the Airport and Airlines Tenant Improvements.
- Approval and Notice to Proceed to Gensler & Associates for two service orders to provide Architectural Consultant Services for the TAIP Airport and Airlines Tenant Improvements Project – one for airline tenant spaces and one for Airport tenant spaces.
- Council award of a \$1,000,000 Master Agreement for special inspections and materials testing to CTS, Inc. to assist the City's responsibility required by various regulations and construction documents .

Planned Next Quarter

- Commence work on the Terminal A/A+ Equity Upgrade Project General Improvements.
- Work with the Finance Department to issue a procurement bid package for the loose furniture across the TAIP including A+.
- Complete the construction documents for the various TAIP Airport and Airlines Tenant Improvements Project with the architectural consultant, Gensler & Associates, and issue for low bid.
- Installation of six Passenger Boarding Bridges – four in North Concourse and three in A+.
- Award of the Terminal A Signage and Wayfinding Package 1.

Problem:

The Terminal A/A+ Equity General Improvements Project was identified during the program verification phase to be significantly over budget. Program reserve was requested to accommodate new scope that was not anticipated when the project was defined, however, there still was not enough budget for the defined project scope.

Resolution:

TAIP staff continues to work with Hensel Phelps to develop/refine a cost estimate and make the necessary scope adjustments to insure this program remains within the approved budget.

Terminal A/A+ Equity Program

Cost Summary

Status as of 30 November 08 (per FMS RC Level)

All Figures In Thousands	BUDGET	COMMITMENTS		FORECAST				VARIANCE	INVOICES	
	NEW BUDGET	CONTRACTED - TO - DATE		ESTIMATED COST AT COMPLETION					TO DATE	
All Equity Terminal Improvements	Amended Budget	Committed	% of Budget Contracted	Pending Changes + Trends	Unresolved Disputes	Remaining Budget	Forecast at Completion	Difference from Budget @ Completion	Payments Made to Date	% of Contracted Amount
	C = A + B	E = (note 1)	F = E / C	G	H	I = C - E	J = E + G + H + I	K = C - J	L	M = L / E
1 Design	2,300	1,528	66%	0	0	772	2,300	0	1,183	77%
2 Construction	22,923	448	2%	0	0	22,475	22,923	0	396	88%
3 Subtotal of D & C Costs	25,223	1,976	0%	0	0	23,247	25,223	0	1,579	80%
4 Owner's Contingency (OC)	965	0	N/A	0	N/A	965	965	0	0	N/A
5 Subtotal of HP Cost + OC	26,188	1,976	0%	0	0	24,212	26,188	0	1,579	80%
6 SJC Programwide (Overhead)	1,184	491	41%	0	N/A	693	1,184	0	401	82%
7 Professional Services	738	601	81%	0	N/A	137	738	0	298	50%
8 City Staff & Non-Labor Expenses	1,618	544	34%	0	N/A	1,074	1,618	0	543	100%
9 Procurement: FF&E, PBBs (1)	12,123	9,269	76%	0	0	2,854	12,123	0	1,691	18%
10 City Cost Contingency (2)	1,270	0	0%	0	N/A	1,270	1,270	0	0	N/A
11 Subtotal of City Costs	16,933	10,905	64%	0	0	6,028	16,933	0	2,933	27%
12 Grand Total	43,121	12,881	30%	0	0	30,240	43,121	0	4,512	35%

Project Approval & Delivery Approach

In November 2005, Council approved a revised Capital Improvement Program (CIP) Master Plan for the Norman Y. Mineta San José International Airport. That approval authorized the use of the Design-Build project delivery approach for a \$663 million component of the \$849 million Terminal Area Improvement Program (TAIP). Design-Build has three key advantages: 1) contracts a prime contractor to perform both the design and construction; (2) provides greater schedule flexibility over the traditional Design-Bid-Build approach by affording the City the opportunity to complete the terminal modifications and roadway improvements within a shorter time, and 3) minimizes

potential conflicts during the construction phases of the various Project Elements and thereby lessens impacts to customers.

On October 17, 2006, Council approved a \$513 million Design-Build contract with the Hensel Phelps team including: Fentress Bradburn Architects, Granite Construction, DMJM Transportation Engineers and TranSystems. Within this budget, \$25 million was provided for (and is controlled by) the City for its Construction Contingency. That approval also established a budget for Airport Reserves and City Support Costs.

Program Overview

The Airport Master Plan Improvement Program runs the full gamut of work from constructing and renovating new terminals; to expanding existing building systems; to demolishing obsolete facilities. All of this work will be accomplished while working within the active terminal and roadway areas. During Phase 1 of the Terminal Improvement portion of construction the current aircraft gate count will reduce from 32 to 28. Yet the existing customer services or air carrier operations will not only be maintained but enhanced by modernizing ticket counters

and installing Self-Service Ticket Devices strategically positioned in the Terminals' queuing lines.

At the completion of the second phase of Terminal B, the number of gates will increase to 40. The Design-Build contract has been divided into eight major Project Elements. In addition to the TAIP the Airport program includes the North Concourse projects and the Terminal Equity Improvement projects. The duration of the 3-1/2 year Design-Build Program has 24 months remaining and completion has changed to fourth quarter 2010.

Design-Build Program

1. Terminal A Modifications – During the renovation and expansion of Terminal A this structure will remain a fully functioning passenger processing facility for American, American Eagle, Hawaiian, Mexicana and Southwest Airlines. Work includes a new In-Line Baggage Handling and Screening System.

The Terminal A Modifications project will address the imbalance that currently exists between the number of aircraft gates and the inadequate number of check-in positions/queuing area, security checkpoints and concessions. **These customer service and operational enhancements are being targeted:**

- Move the passenger ticketing function to the ground level which affords the opportunity to expand the counters and queuing area by 60% and permits passengers to check-in international, over-sized and out-of-gauge bags at the ground level rather than having to carry them to the second level for check-in.
 - Consolidate the two existing security checkpoints and double the number of passenger screening lanes available for queuing and processing.
 - Double the size of the airside concessions and provide new (non-existent) landside concessions.
2. Terminal B – This project will be implemented in phases. The northern portion (Phase 1) is fully funded and will be constructed as part of the current Council-approved project. The southern portion (Phase 2) will be constructed at a future date triggered by passenger demand and flight activity.

This project will allow the demolition of the out-of-date and inadequately sized Terminal C. **These customer service and operational enhancements are being targeted:**

- Provide a full compliment of staffed and self service ticket counters, including sufficient queuing, security checkpoint screening lanes, baggage claim devices and concessions.
- Modern and efficient building systems.
- The opportunity to address a full array of sustainable design issues.

3. Temporary Terminal C – The existing terminal will be reconfigured to allow the demolition of the north portion of the facility. This work will require re-sizing the spaces used by nine airlines and three of the concessionaires currently operating in that facility. The work enables construction to commence on the new Terminal B. Once Terminal B Phase 1 is completed; the remaining portion of existing Terminal C will be demolished to allow the final stage of the enhanced (and straightened) Roadway system to be completed. Terminal C is currently utilized by Alaska, Continental, Delta, Frontier, JetBlue, Northwest, USAir, and United Airlines. After the completion of Terminal B, the present airline operations will be re-distributed between Terminals A and B.
4. Public Parking Garage Pre-design – This master planning effort is required to ensure the future (deferred) Public Parking Garage will function with the Consolidated Rental Car Garage since both facilities share a common site.
5. Consolidated Rental Car (ConRAC) Garage – Scheduled to coincide with the opening of the first phase of Terminal B, the ConRAC will provide passengers more direct access to rental car facilities.

These customer service and operational enhancements are being targeted:

- Provide amenities for visitors and business travelers using the Airport that are comparable and competitive with those of other major airports to which they travel.
 - Relocation of rental cars to the “terminal zone” – clearly a competitive advantage over other Bay Area airports that rely on remote and inconvenient rental car check-in facilities. This new garage will permit direct access for passengers from Terminal B.
6. Roadways – An enhanced roadway system that will provide greater vehicle capacity via more lanes, direct access to each terminal, a straighter alignment and better ground transportation options which will improve the way-finding geometry that exists today. When completed, the new roadway system will eliminate the “bottlenecks” and “choke points” that exist today. This infrastructure project will also modernize and improve the existing utilities that run both above and below the ground within the boundaries of the landside work site.
 7. Surface Parking – Existing surface parking associated with Terminal C will be reconfigured throughout the construction period to maintain adequate parking.
 8. North Concourse (FF&E, Signage and IT) – In order to ensure consistency, this project will provide all new furniture, fixtures and equipment (FF&E), direction and information signage and information technology (IT) systems in both the new Terminal B and the North Concourse.

North Concourse

The North Concourse is currently under construction and when completed will:

1. Add nine new gates and hold rooms.
2. Provide enhanced security via a permanent in-line explosive detection system (EDS) for baggage screening which replaces the existing temporary facilities.
3. Provide passenger amenities, e.g. retail, food and beverage concessions.
4. Expand the Central Plant.

Terminal Equity Improvements

The Terminal Equity Improvements project includes: the Parking Garage, Terminal A areas not covered by Hensel Phelps contract, Rehab of Terminal A+ and Baggage Claim area.

The project's objective is to upgrade and improve existing facilities to render them comparable to the new Terminal facilities implemented under the Design-Build and North Concourse Programs.

The scope of the work includes new furnishings and furniture, signage, painting, new carpet, new and upgraded restrooms, roof replacement, mechanical, electrical, fire alarm/security and technology improvements.

Airport Capital Projects	Funded
Design-Build Program (1)	\$ 747,900,000
Terminal Equity Improvement Projects	\$ 52,215,000
Other TAIP Funds	\$ 48,450,000
Subtotal - TAIP Projects	\$ 848,565,000
North Concourse, Central Plant Expansion & Public Art (2)	\$ 243,555,000
Prior expenses not in 2005 Ricondo model for North Concourse	\$ 80,901,000
Subtotal - North Concourse Program	\$ 324,456,000
Other CIP Projects	\$ 221,421,000
Total - Airport Capital Program + Prior Expenses	\$ 1,394,442,000

Information Only:

Total - Airport Capital Program Since 2006 (3)	\$ 1,313,541,000
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Notes:

1. This number excludes \$16,619 million for packages 3, 5, 6 by Hensel Phelps because this number report on North Concourse cost reporting.
2. This number excludes \$16,619 million for packages 3, 5, 6 by Hensel Phelps because this number report on North Concourse cost reporting.
3. This number includes all funding in Ricondo Model less expenses prior to 2005 when Ricondo was implemented.

DISTRIBUTION OF AIRPORT CAPITAL PROGRAM
(In Thousands)

30-Jun-07 From Finance
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Project ID	Project Description	All Elements	TAIP	Hensel Phelps	North Concourse	Other	Notes
Miscellaneous Other TAIP							
P1-01	Support 5 gate position areas	14,097	0			14,097	
P1-02	Airfield Lighting Control System Grant Funding	866				866	
P1-03	Taxiway Y Reconstruction (includes Taxiway L Widening)	38,360				38,360	
P1-04	Taxiway Z Alignment	3,110				3,110	
P1-05	Runway 11/29 REIL	80				80	
P1-06	West side--FBO taxiway access	21,312	0			21,312	
P1-07	Runway Guard Lighting Replacement Grant Funding	435				435	
P1-08	Relocate Parking Control Buildings	314				314	
P1-09	Public Art	3,640	0		3,640		Public Art item in NC
P1-10	Purchase of a new Fire Truck (grant portion)	1,000				1,000	
P1-11	Develop FMC site for RAC storage	16,277	0			16,277	
P1-12	Noise Attenuation Treatment-Category IB	31,818	0			31,818	
P1-13	Maintenance on warehouse buildings in SE corner	1,121	0			1,121	
P1-14	Art program as % function of qualifying funds	2,027	0			2,027	
P1-15	New Fuel Storage Facility (aka Fuel Farm Review/Fuel Storage Facility P	896	0			896	
P1-16	ARFF facility on east side	10,350	0			10,350	
P1-17	Clean up existing fuel farm area	7,408	0			7,408	
P1-18	ACM Demo	925				925	
P1-19	APM Terminal Zone Refinement (aka Trans Sys Int Plan/Trans Connect &	184				184	
P1-20	Advanced Planning	4,874				4,874	
P1-21	Noise Attenuation Treatment-Category II/III	796				796	
P1-22	Belly freight building	14,038				14,038	
P1-23	Green Island--Public parking on grade level lot	11,136				11,136	
P1-24	R&R Expenditures	39,997				39,997	
North Concourse							
P1-25	Central Plant Expansion	5,511			5,511	0	
P1-26	North Concourse - First 4 Gates	112,328	0	0	112,328		
P1-27	North Concourse - Last 5 Gates	122,076	See note ->	18,851	103,225		Quarterly report includes \$18,851 with North Concourse
note	Also see Page 2						

DISTRIBUTION OF AIRPORT CAPITAL PROGRAM
(In Thousands)

30-Jun-07 From Finance
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Project ID	Project Description	All Elements	TAIP	Hensel Phelps	North Concourse	Other	Notes
TAIP							
P1-28.1	PARC System and Building	8,534	8,534			0	
P1-28.2	Design for Build 4 gate North Concourse extension	8,541	8,541	8,541			
P1-29	International corridor in North Concourse	1,709	1,709			0	
P1-30	Ground floor ticketing at North and South sides of Terminal A	70,000	70,000	70,000	0	0	
P1-31	In-Line Baggage System	30,000	30,000	30,000	0	0	
P1-32	Terminal Equity Improvements	44,313	44,313			0	
P1-33	Rehab A+	7,902	7,902			0	
P1-34.1	Relocation of tenants/concessions	4,248	4,248	4,248	0	0	
P1-34.2	Terminal C - Temporary Use & Demolition (C3,3.1,4,6,7,12)	38,223	38,223	38,223	0	0	
P1-35	Sealing/stripping	5,337	5,337			0	
P1-36	Signage	5,479	5,479			0	
P1-37	Landscaping	5,479	5,479			0	Reserves out Old No. \$12,500k \$179,027k
P1-38	Terminal B, Phase I (NC11, Util 1A, 1B, 1C)	166,527	166,527	166,527			
P1-39	Design for Construct New Terminal C (5 gate concourse)	18,186	18,186	18,186			
P1-40	Public parking deck	10,851	10,851	10,851			
P1-41	Expand Red Lot to South	3,836	3,836	3,836			Prior ConRAC No. Delta \$128,574K \$108,926k
P1-42	RAC Garage & QTA facility - RAC Portion	237,500	237,500	237,500			
P1-43	RAC Garage & QTA facility - Public Parking Portion	12,500	12,500	12,500			
P1-44	Roadways (Road 1, 4, 17-23)	144,439	144,439	144,439			
P1-45	Feasibility for replace trunk lines servicing Terminal area in road--north pa	790	790	790			
P1-46	Feasibility for replace trunk lines servicing Terminal area in road--south pa	1,080	1,080	1,080			
P1-47	Feasibility for build new central plant	1,180	1,180	1,180			
P1-48	Airline Tenant Office Space	5,048	5,048				
P1-49	Off-Airport Traffic Mitigation (formerly Traffic Mitigation)	9,767	9,767				
P1-50	Airside corridor	2,890	2,890	0			
P1-51	Airside corridor	4,206	4,206		prior page	prior page	
P1-52	Principal and Interest Payments	0	0	0	0	0	
Totals		1,313,541	848,565	766,751	224,704	221,421	

Summary of Details Above	
1. TAIP	848,565 Of which \$766,751 is under Design-Build portion
2. North Concourse	224,704
3. Other	221,421
4. North Concourse portion included in Hensel Phelps contract	18,851
5. Total Airport CIP 30 Jun 07 from Ricondo 2005; excl. prior years expenses	1,313,541 Ties to Airport Finance Department system
6. Plus prior expenditures charged to NC prior to and not in Ricondo Budget	80,901 As discussed with Airport Finance Department
7. Total Airport CIP as of 30 June 07 provided in 2Q-07 Report	1,394,442 Quarterly Report Captures North Concourse prior expenses to reconcile project cost report to \$324m