



FY2019-2028 Capital Improvement Program

Fiscal Year 2019-2020 Program Status Update

October 1, 2020

Contents

- Capital Improvement Program (CIP) Overview
- CIP Current Status and Schedule
- Changes & Adjustments – Year 2
- Continual Improvement Targets



CTA East APM Station Construction

CIP Overview

- Reflects LAWA's Strategic and Capital Priorities and how they will be addressed
- Finalized in 2018, defining a baseline program of 94 projects and \$14.29B budget
- Made up of projects that specifically advance one or more of LAWA's Capital Priorities
- Grouped into six CIP Delivery Programs of related projects for project management, governance, and reporting. These Programs are:
 - Landside Access Modernization Program (LAMP)
 - Terminal Development & Improvement Program (TDIP)
 - Airports Development Program (ADP)
 - Facility Maintenance Program (FMP)
 - Midfield Satellite Concourse (MSC) Program
 - Security & Technology Enhancement Program (STEP)

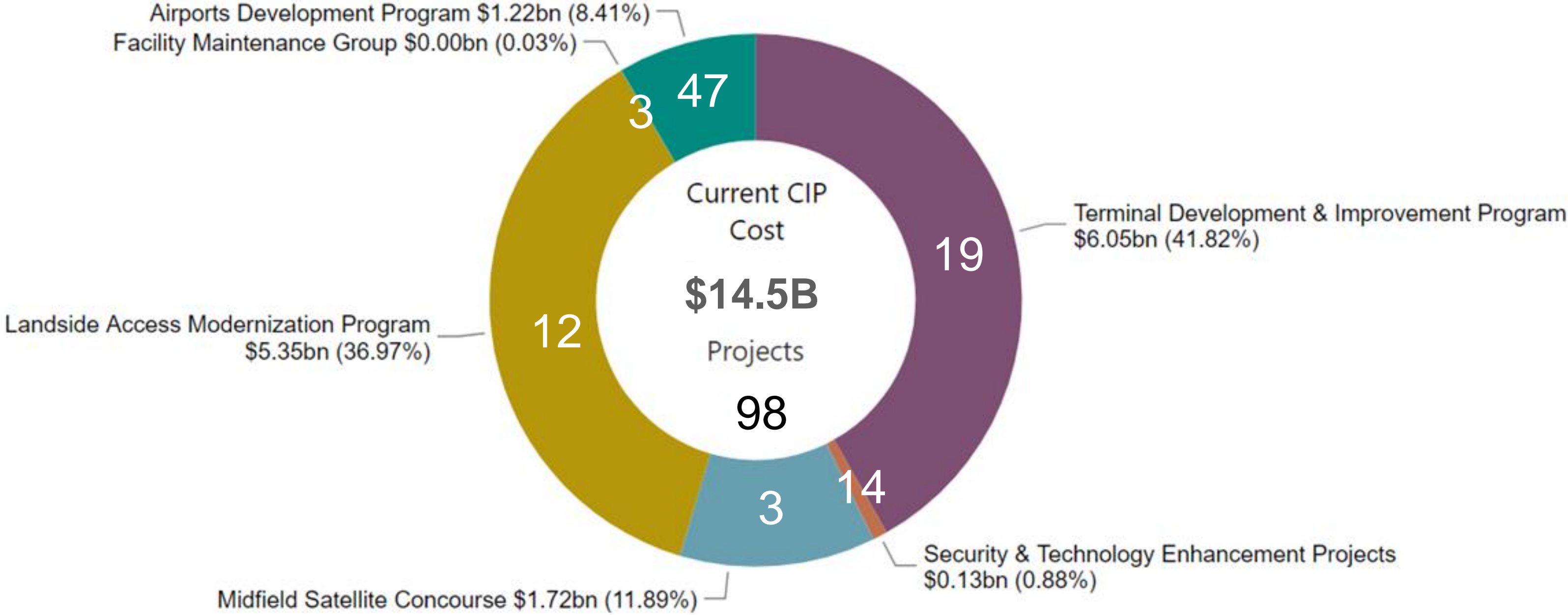


Terminal 1.5 Project

CIP Current Status (as of 6/30/2020)

The CIP Current Status represents the Program budget as of June 30, 2020. \$14.5B budget breaks down as follows:

- Hard Costs¹ – \$12.8B (89%)
- Soft Costs² – \$1.2B (8%)
- Contingency³ – \$560M budgeted, \$420M remaining (3%)



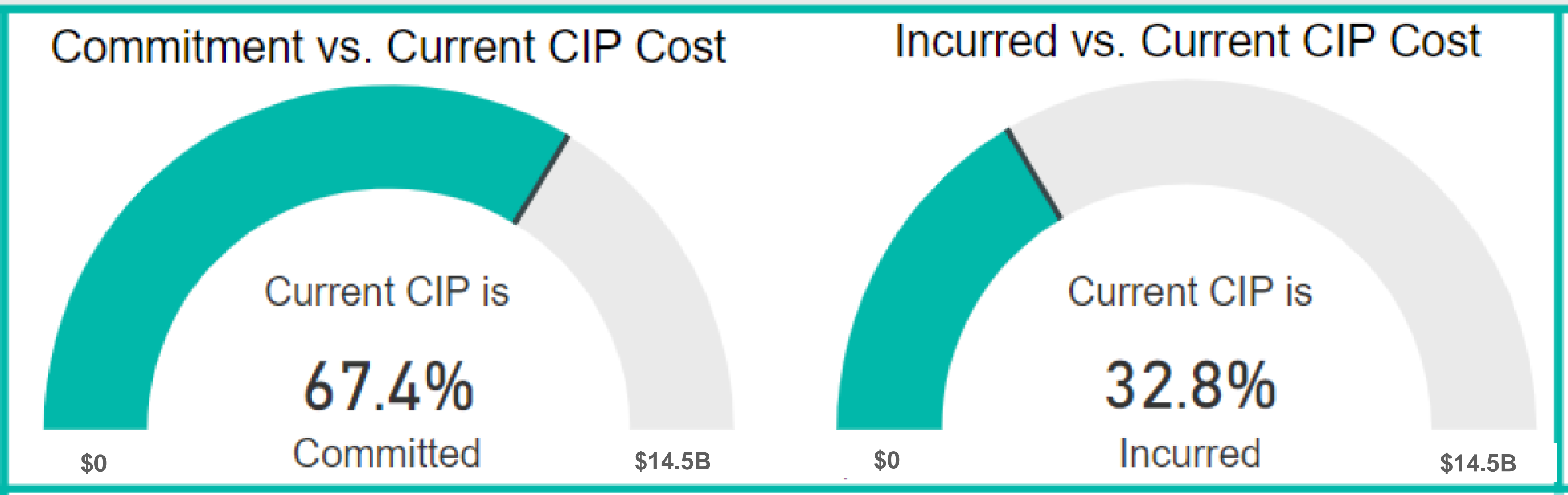
CIP by Delivery Program

Notes:

1. Includes Developer Funded Improvements in DBFOM projects.
2. Denotes Owner Soft Costs. Design is considered a Hard Cost for Design-Build Projects. Includes Program Services budget based on a portion of the current schedule.
3. Denotes Owner Contingency.



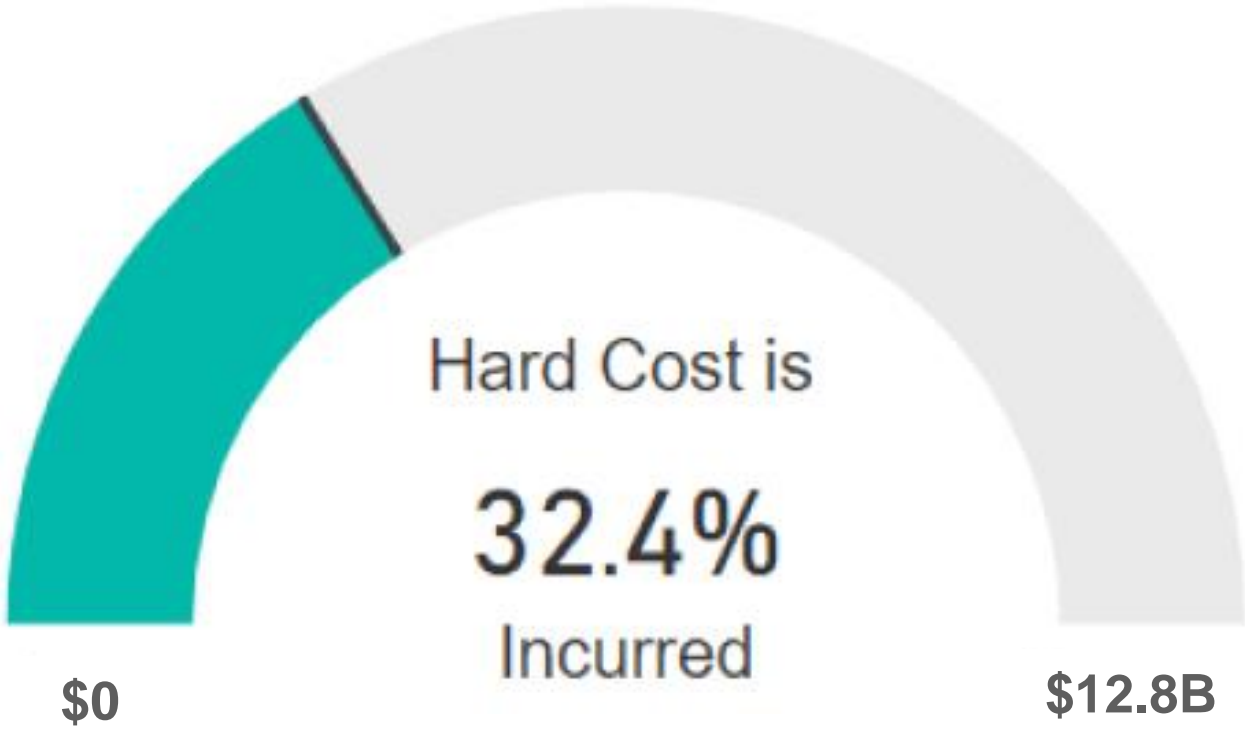
CIP Progress - Amounts Committed and Incurred



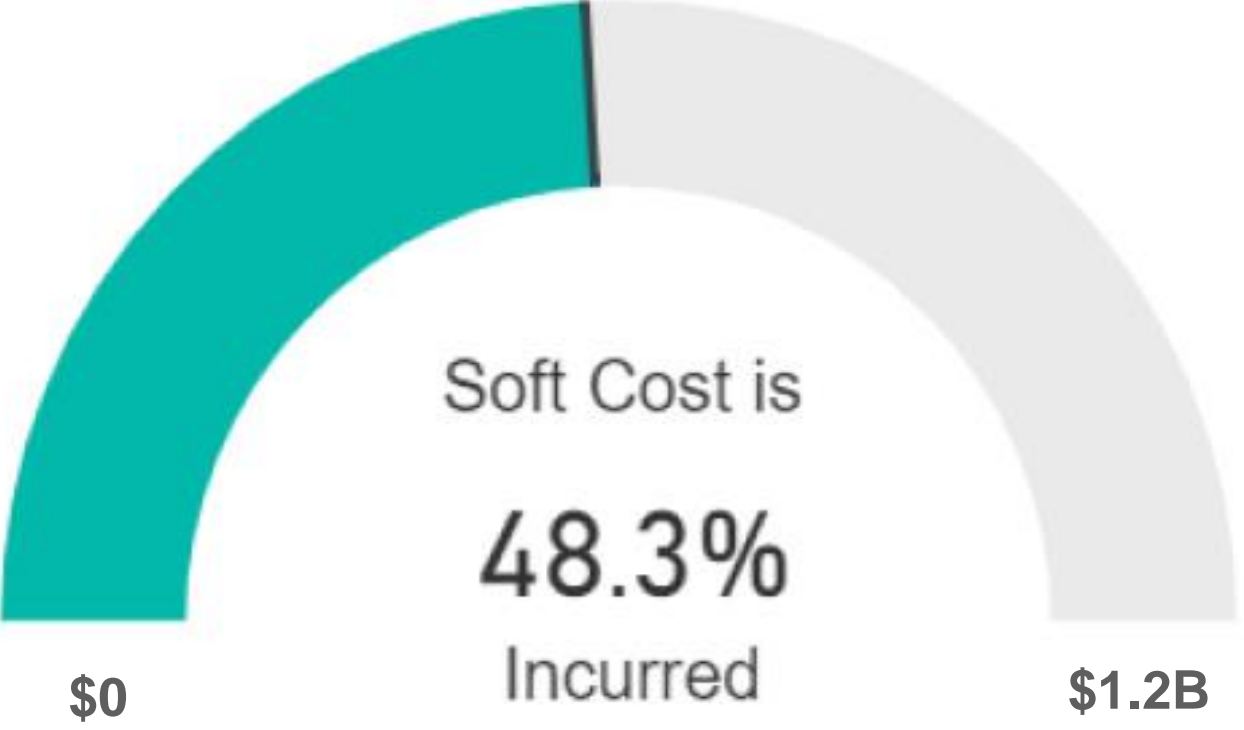
Committed = BOAC Action appropriating funds

Incurred = Amounts Invoiced or Billed to LAWA

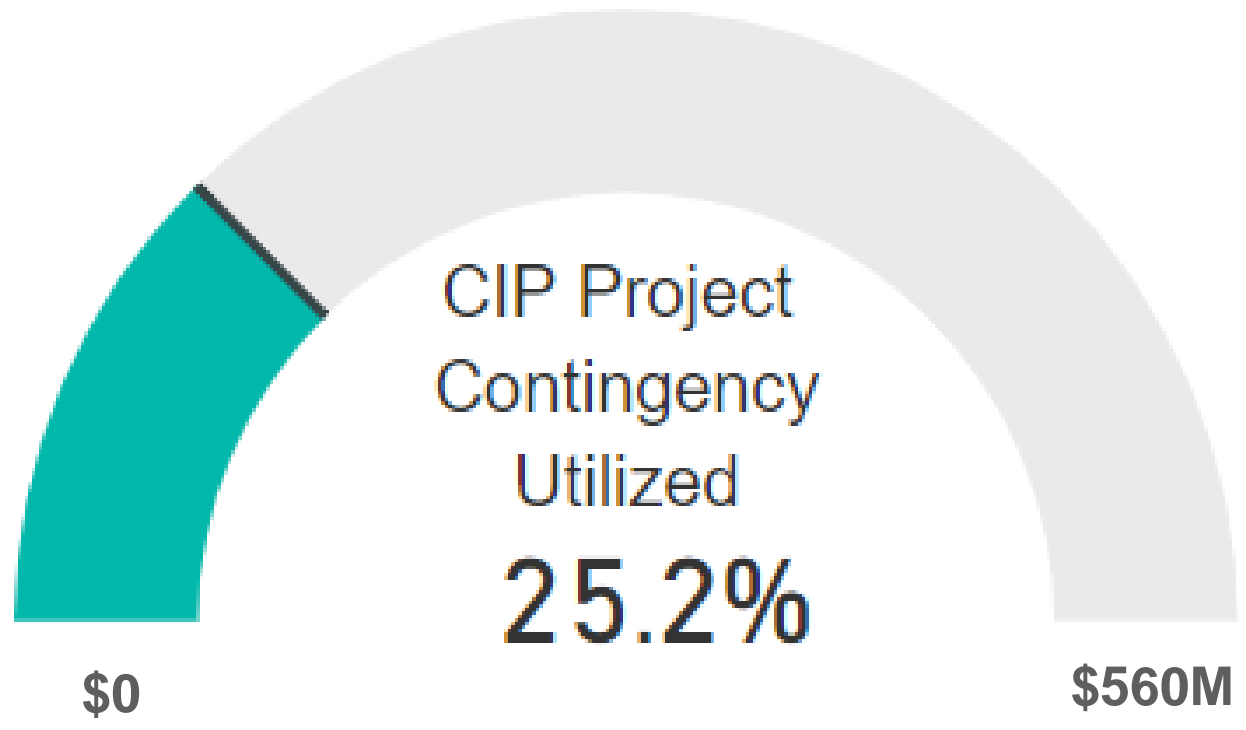
% of Current CIP Hard Cost Incurred



% of Current CIP Soft Cost Incurred*



CIP Project Contingency Utilization



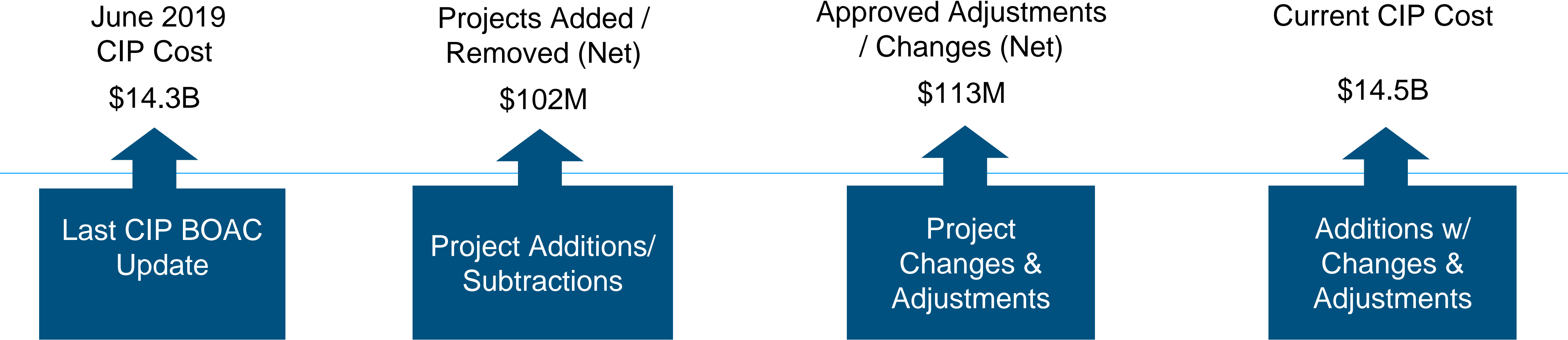
*Several categories of soft costs occur prior to construction, including planning, environmental, procurement, and estimation.

Current Construction Schedule – Awarded Projects

In just the 2nd year of the CIP, LAWA has already progressed through approximately one-third of the currently budgeted construction program. It is projected we will be at the halfway point in 2021, and two-thirds in 2022.



Changes & Adjustments (July 1, 2019 – June 30, 2020)



Adjustments to the CIP since the end of FY2019 include:

- \$102M for thirteen new projects added to the CIP.
- \$113M in net changes to projects already in the CIP, which includes:
 - \$142.2M in increased budget for projects primarily due to the addition of new scope, and/or cost increases realized in the bidding environment.
 - (\$29.3M) total budget reduction for projects in close out or closed.

CIP Project Changes & Additions

Since 6/30/2019, LAWA has made a number adjustments to the CIP, including project additions, changes, and completion. The following examples highlight the types of changes that have occurred during that time period.

New Projects Added to CIP Since 6/30/2019 (Samples)	CIP Budget Change	Project Description
VNY Runways & Taxiways Reconstruction/Rehabilitation ¹	\$ 51,238,000	Extending airfield service life
CTA Fire Water Pipe Replacement	\$ 20,411,000	Replaces aging pipes and provide service for terminal upgrades
North Terminal Power Upgrade & Redundancy Project	\$ 24,639,000	Increased power resiliency to the northside terminals

CIP Project Changes and Closeout Returns (Samples)	Change	CIP Budget Change	Change Description
Midfield Satellite Concourse North	Change	\$ 32,147,000	Addition of three Group III gates at the MSC
LAMP - Intermodal Transportation Facility (ITF West) Phase 1	Change	\$ 5,000,000	Guest experience upgrades: light wells, upgraded finishes, and improved circulation
Terminal 5.5 Vertical Core & APM Interface	Change	\$ 6,425,000	Upgraded Fire Water connection to serve Terminals 5 and 6; interfaces with new project listed above.
CTA Security Bollards - Phase 2	Close Out	\$ (3,032,000)	CTA sidewalk / terminal bollard protection completed under budget
Terminal 1 Improvement Program (by Southwest)	Close Out	\$ (8,002,000)	Terminal modernization completed under budget
Runway 25R Reconstruction	Close Out	\$ (7,700,000)	Runway reconstruction completed under budget



Notes:

1: This item is made up of three individual projects, all of which are anticipated to be 90% funded via FAA grant

Continual Improvement Targets

Schedule

- LAWA is re-evaluating the schedules for a series of projects in the CIP to account for changes in demand, interdependencies, schedule contingency, program-wide logistics, and resource pressures

Risk

- LAWA is expanding the use of new tools that better track and quantify project and program risks

Reporting

- In addition to these Bi-Annual Reports, LAWA will be bringing CIP Program updates to the BOAC on a quarterly basis

Governance & Decision-Making

- LAWA continues to enhance and improve on internal mechanisms and controls to ensure project delivery performance is transparent, that key decisions are timely and well-informed, and properly recorded