

# William P. Hobby Airport Hobby International Expansion Project

(Public Private Partnership)

February 4, 2013



PHOTOS COURTESY OF HOUSTON AIRPORT SYSTEM



# Agenda

- Selected Plan
- Schedule
- Use & Lease Agreement
- Customs & Border Protection



# Selected Plan



New Parking Garage

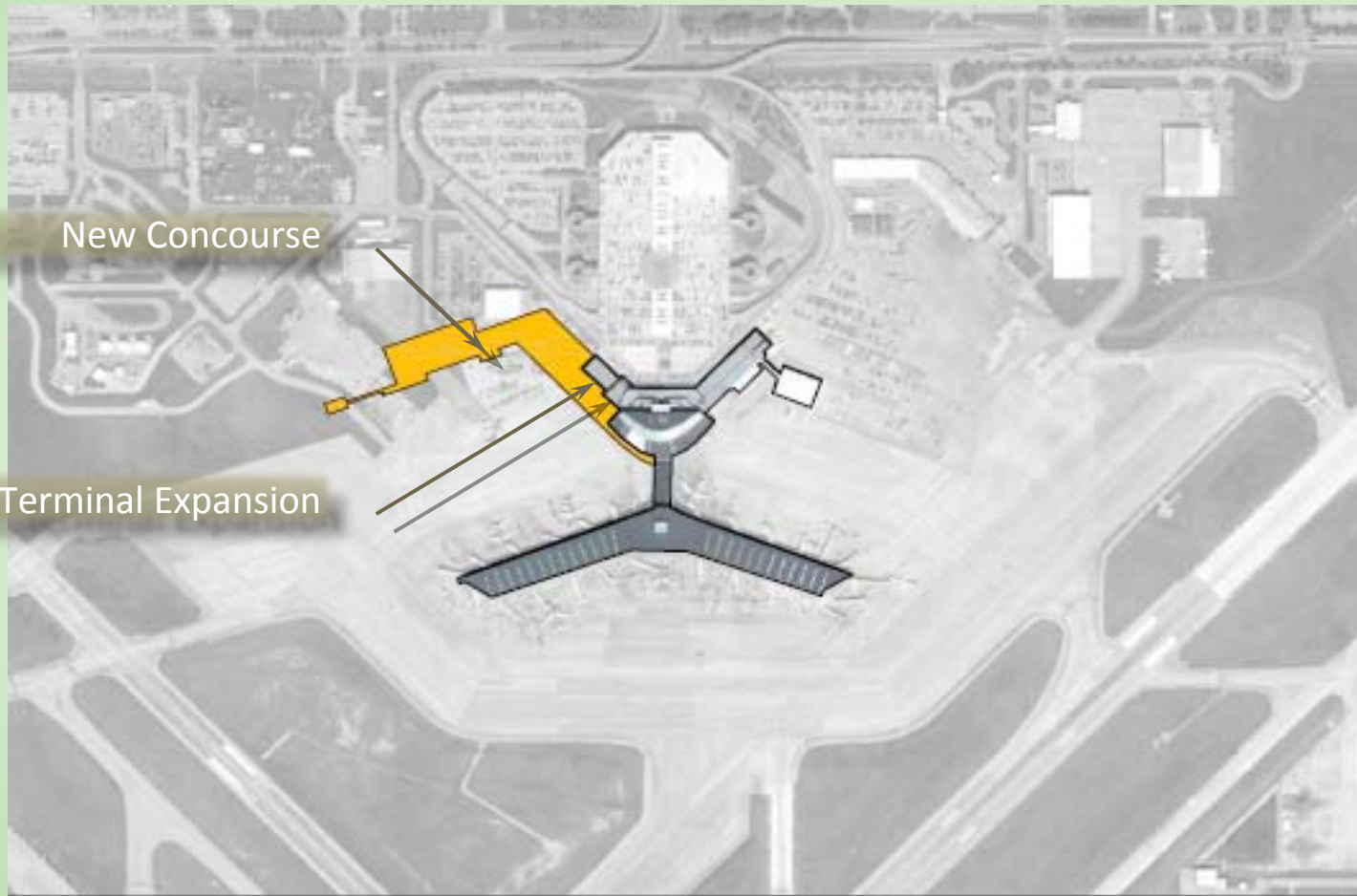
Entry Roadway Modifications

New Concourse

Terminal Expansion



# Selected Terminal Plan Concept

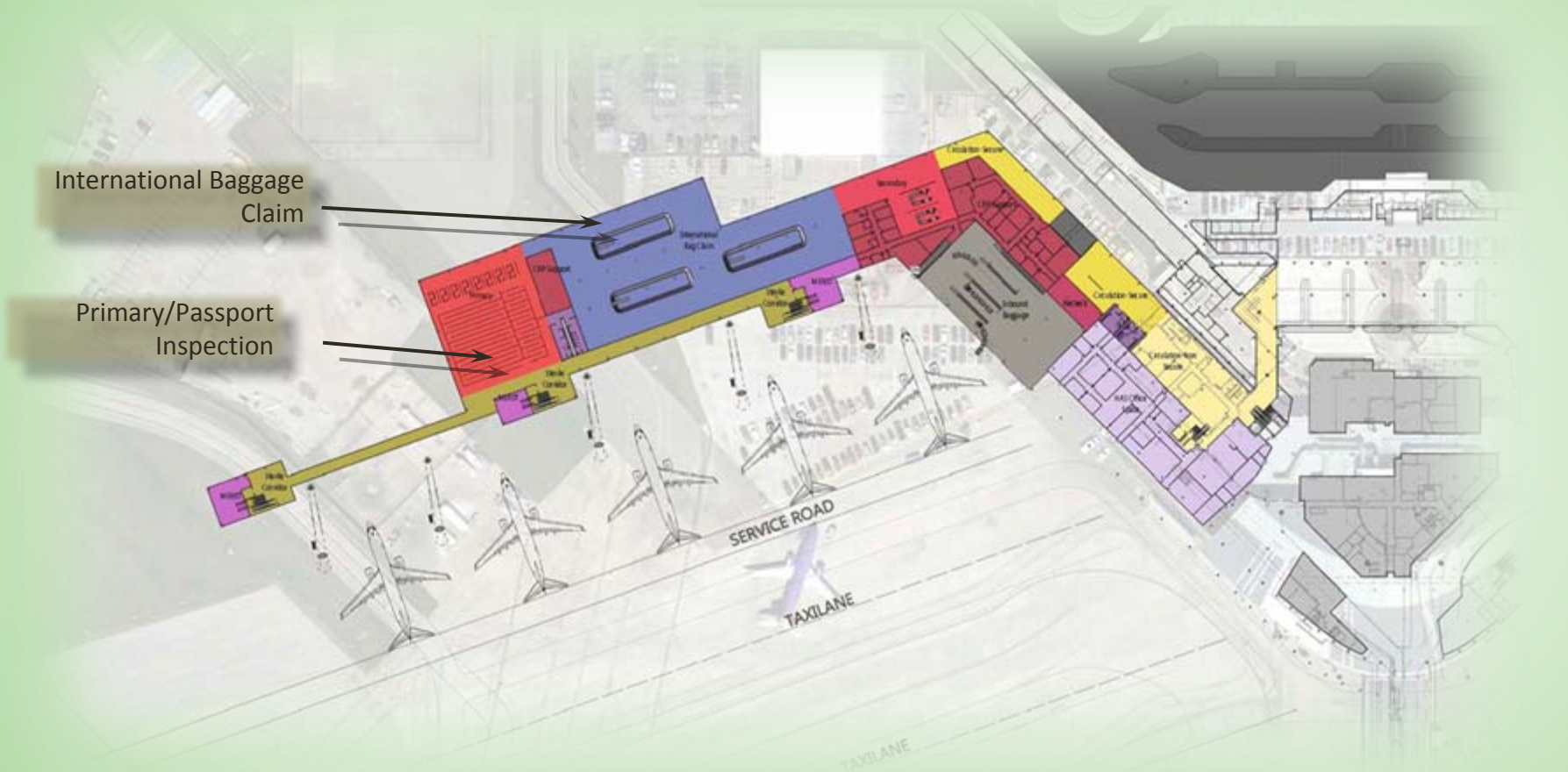


# Selected Terminal Plan Summary

- Two-level building approximately 280,000 square feet
- Ticket hall expansion
  - Existing ticket counter – 100 linear feet
  - New ticket counter – 120 linear feet
- Security Check Point expansion and relocation
  - Existing security lanes – 8
  - Future security lanes required – 14 (i.e., 6 additional)
- 5 new arrival/departure gates for Boeing 737 and A318-320 aircraft
  - New passenger loading bridges
  - New apron with hydrant fueling
- Federal Inspections Services (FIS) facility to accommodate 400 to 800 peak hour passengers, designed to current CBP standards
  - Primary/Passport inspection stations – 16
  - International baggage claim – 3 devices, 600 total linear feet

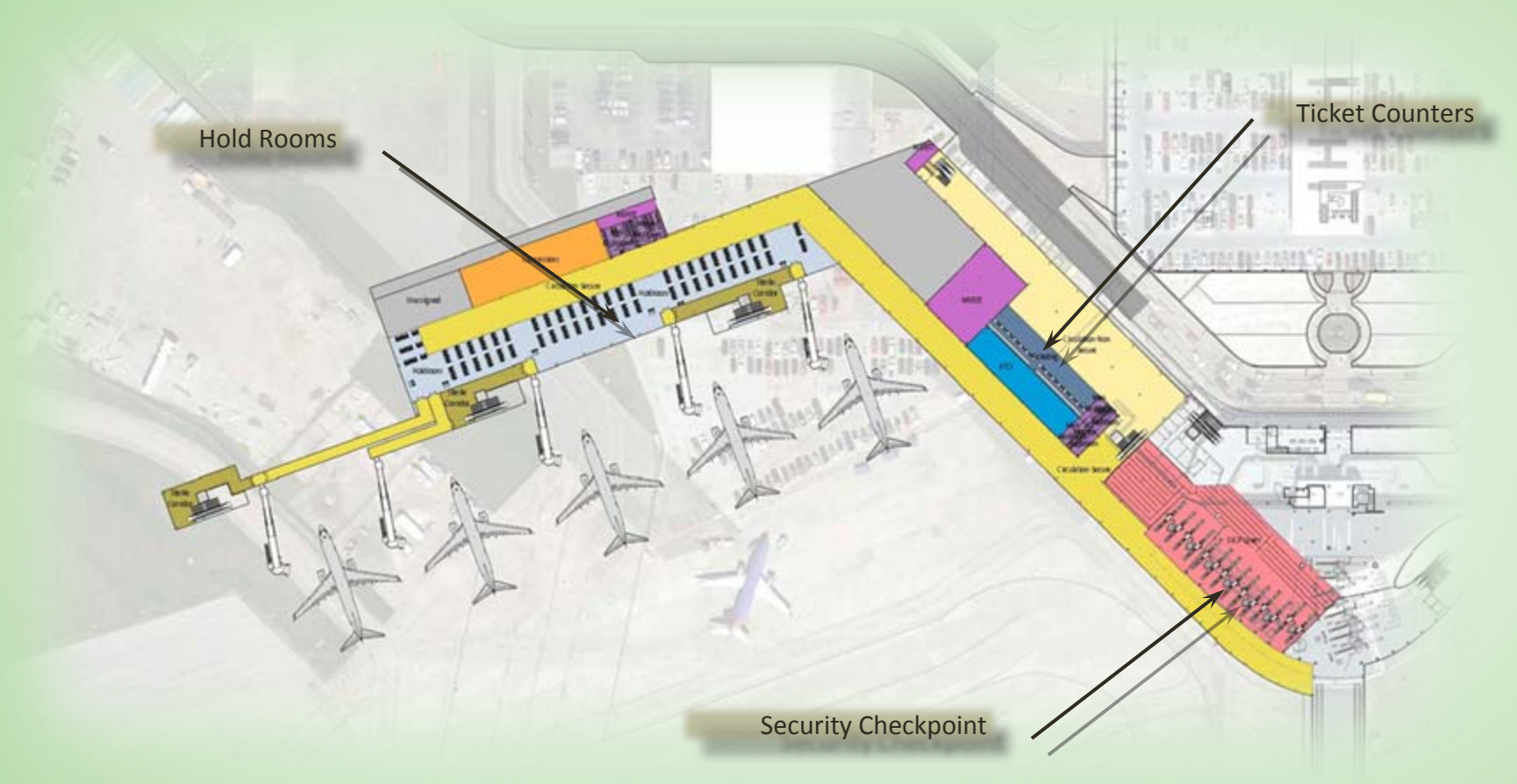


# Floor Plan, Apron Level





# Floor Plan, Concourse Level





DALLAS LOVE FIELD













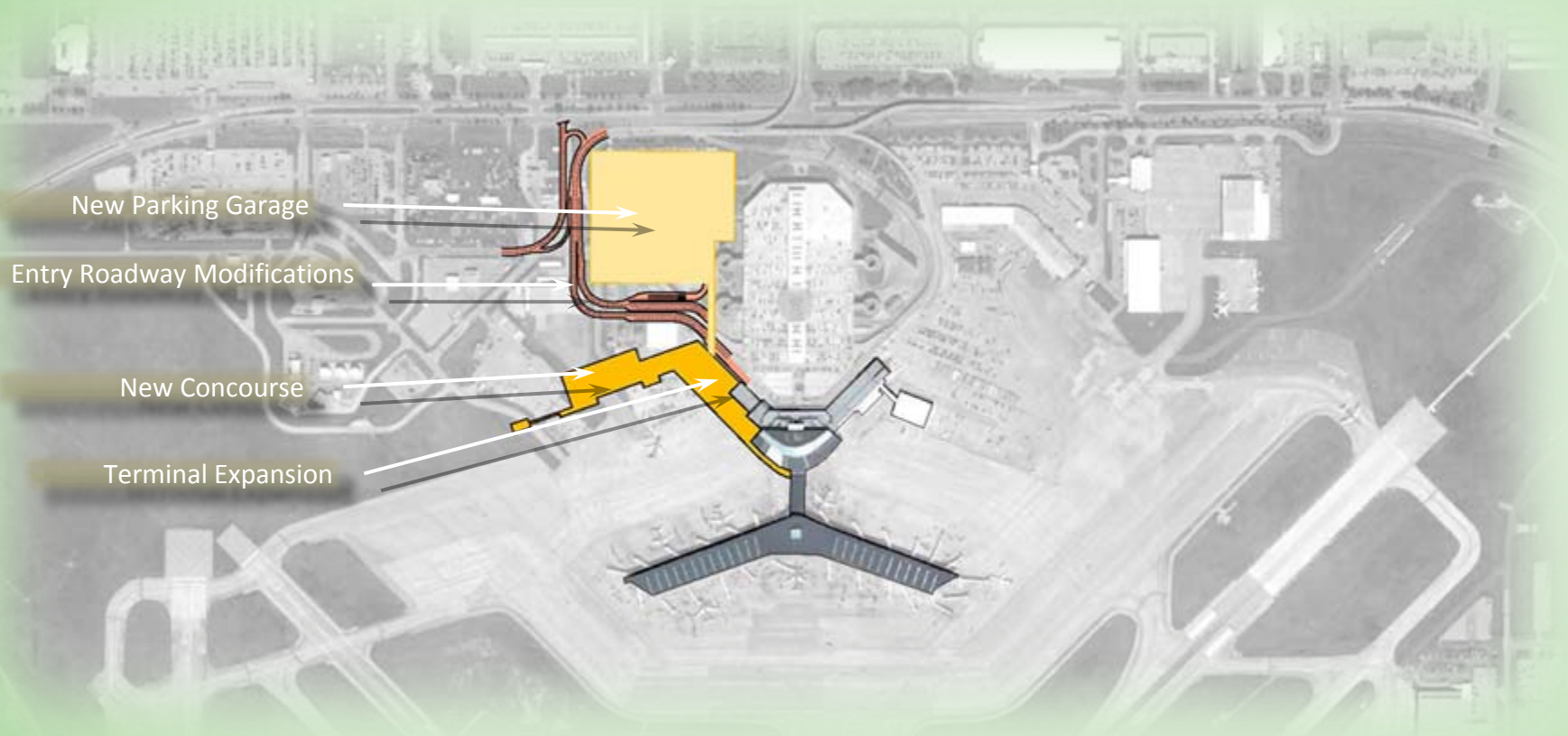




# Southwest Investment

- **Reconciled Estimate ~\$150 million**
- **Corgan Associates, Inc. has been selected as Designer and started work**
  - 25% MWBE goal on Professional Services
- **CM@Risk selected method for delivery**
  - 11 Prime Contractors have submitted
  - 4 have been shortlisted
  - 25% MWBE goal on Construction
  - 3% SBE goal on Construction

# Site Plan Concept



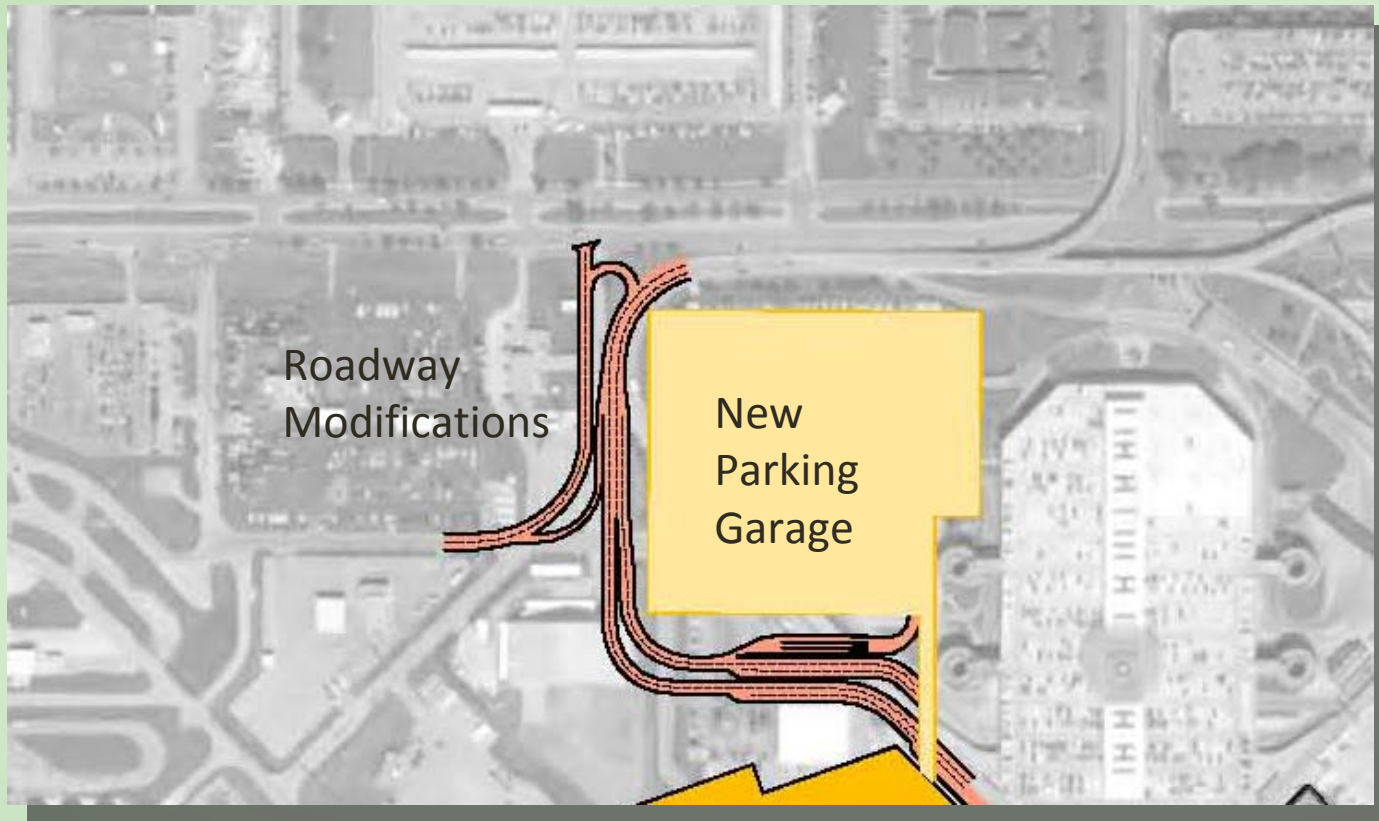
New Parking Garage

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# Associated HAS Projects





# Associated HAS Projects

- New Parking Garage
  - 2500+ parking spaces
  - Four to five parking floors
  - Smart parking space locator system
  - New revenue control system serving existing and new garages
  - Third-floor pedestrian bridge to terminal
  
- Roadway Modifications
  - “Square off” main entry road to accommodate garage
  - Elevated Roadway
  - Extended drop-off curb

# Associated HAS Investment

- New Parking Garage
  - Reconciled Estimate      **~\$55 million**
  
- Roadway Modifications
  - Reconciled Estimate      **~\$12 million**
  
- Investment to be funded with general airport revenues

# Schedule

PRELIMINARY DRAFT SCHEDULE		
	Start	Finish
<b>Planning</b>		
Site Selection	15-Aug-12	26-Sep-12
Planning Completed	9-Jan-13	30-Jan-13
<b>Design</b>		
Foundation Package	1-Jan-13	1-Aug-13
Final Design Package	1-Jan-13	1-Jan -14
<b>Construction</b>		
Industry Day	15-May-13	
Foundations	1-Sep-13	31-Jan-14
Vertical Construction	1-Feb-14	30-Sep-15



# Use and Lease Agreement Overview

- Agreement with Southwest - 25 Years
  - Adopts the business terms from the current agreement for the existing Terminal and Central Concourse
  - Incorporates the Memorandum of Agreement passed by Council in May 2012
    - Southwest will pay for construction of the International Expansion Project
    - Southwest will follow all city programs, including Houston First, Pay or Play, Art Program, and will achieve the following goals:
      - 25% MWBE on Professional Services
      - 25% MWBE on Construction
      - 3% SBE goal on Construction
- Other carriers will have the option of entering into a 25-year or a 5-year agreement (or less if after 2035), or operate on a common-use basis
  - Delta, American, and JetBlue have been briefed and support the concept
- HAS will operate and maintain all terminal facilities

# Use and Lease Agreement Financial Terms

## ➤ Rates and Charges

- In the Terminal and Central Concourse, airlines pay for the cost of the space they use
- In the new International Concourse, airlines will pay all costs, excluding costs for concession space
- Southwest will receive a credit for improvements in the existing Terminal per the MOA, such as security checkpoint expansion and relocation
  - Credits to Southwest will be recovered through rates and charges of existing terminal

## ➤ Cost Control Measure

- HAS will limit future increases in airline costs for current facilities to that of inflationary and enplanement growth

# Customs & Border Protection Continuing Dialogue

- June 2012
  - Official request to CBP
- August 2012
  - Project design kick-off meeting with CBP
- September 2012
  - SWA submitted letter of intent to request future landing rights from CBP
- October 2012
  - HAS-SWA-CBP Technical Design Standards meeting



# Customs & Border Protection

## Continuing Dialogue

### ➤ February 2013

- Congressional staffers informational tour of HAS airports (Hobby and Intercontinental)
- Remote Global Entry Enrollment Center opens at City Hall

### ➤ March 2013

- HAS CBP strategy for fiscal year 2015 federal appropriations cycle

### ➤ May 2013

- Mayor to visit White House, DHS & DOT, on behalf of HAS

### ➤ June 2013

- Promote Global Entry in Mexico

### ➤ July 2013

- Proposal for enhanced use of technology

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