KANSAS CITY INTERNATIONAL AIRPORT TERMINAL PROGRAM
Airport Construction Strategy Summit
Kansas City, MO | May 20-21, 2019

Panel Participants

✈ Moderator

– Dan Moylan - Edgemoor Infrastructure & Real Estate

✈ Panelists

– Ian Redhead - Kansas City Aviation Department

– Terry Cassidy - Paslay Management Group

– Robert Seewald - Paslay Management Group

Agenda

✈ Project Overview/Background

✈ Project Controls / Stakeholder Collaboration

✈ Operational Readiness, Activation, & Transition (ORAT)

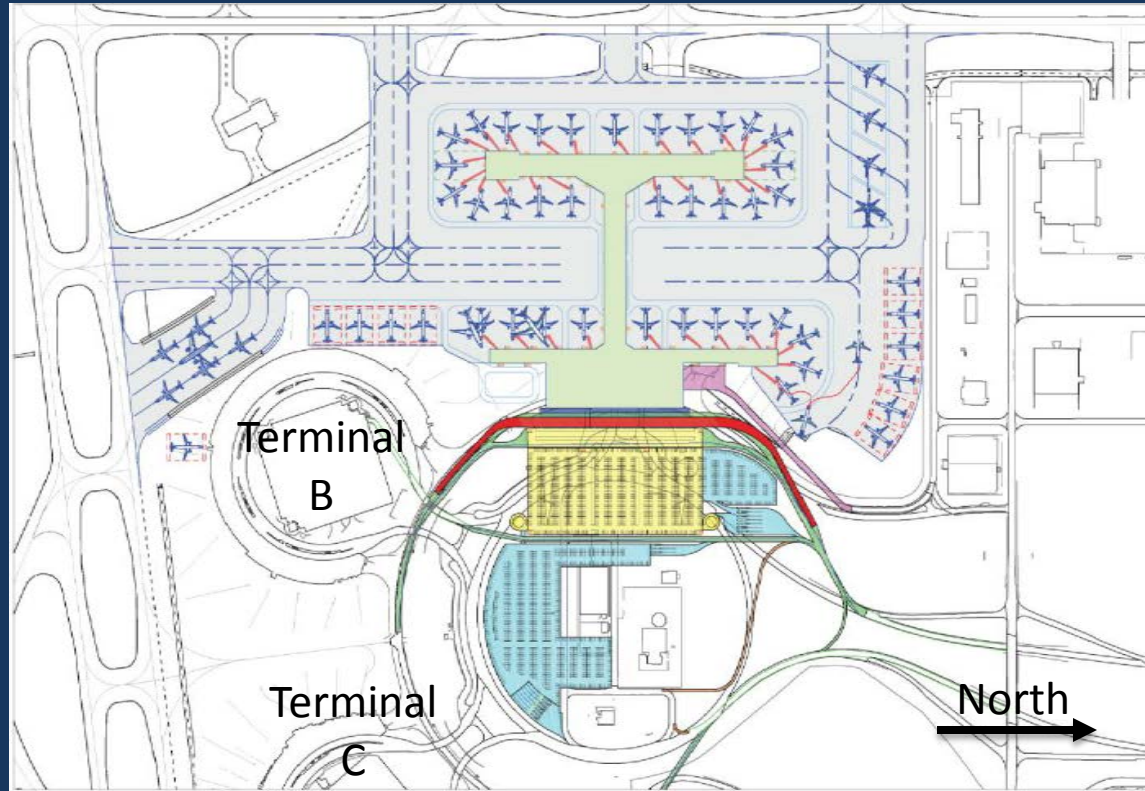✈ Implementing Asset Management in the New Facilities

KCI – Opened 1972

Terminal B

Terminal A

Terminal C

TERMINAL A CLOSED 2014

KCI – Centrally located

SEATTLE
3.5 HRS.

MINNEAPOLIS
1.5 HRS.

DETROIT
2 HRS.

NEW YORK
3 HRS.

CHICAGO
1.5 HRS.

PHILADELPHIA
2.5 HRS.

SALT LAKE CITY
2.5 HRS.

500 M

WASHINGTON DC
2.5 HRS.

SAN FRANCISCO
3.5 HRS.

DENVER
2 HRS.

CINCINNATI
2 HRS.

LAS VEGAS
3 HRS.

CHARLOTTE
2.5 HRS.

LOS ANGELES
3 HRS.

ALBUQUERQUE
2 HRS.

ATLANTA
2 HRS.

PHOENIX
3 HRS.

DALLAS
1.5 HRS.

NEW ORLEANS
2 HRS.

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"Exhibit K" Layout

Terminal B

Terminal C

North

Put Plan in Motion

→ Issue RFQ/P – Spring 2017 >>> Edgemoor

→ Add Referendum Vote to Nov 2017 Ballot

→ Inform Voters of the "Need"

Concurrent Efforts

➢ Environmental Assessment

➢ Negotiate and Execute MOU

  – Framework for Development Agreement

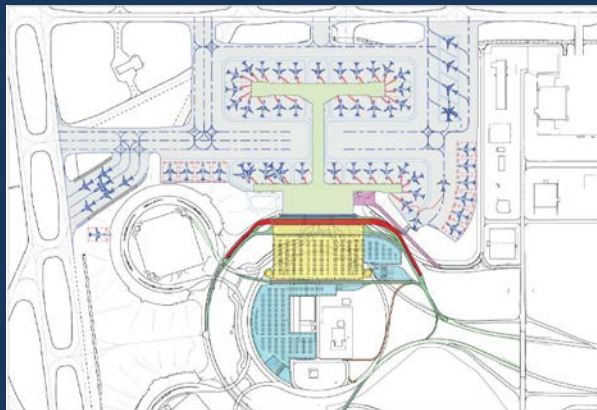➢ Secure Approval of City Council

➢ Program Validation

Primary Stakeholders

→ City of Kansas City, MO (KCMO)/Kansas City Aviation Department (KCAD)

→ Airlines (Southwest, United, American, Delta, Allegiant, Spirit, Frontier, Alaska)

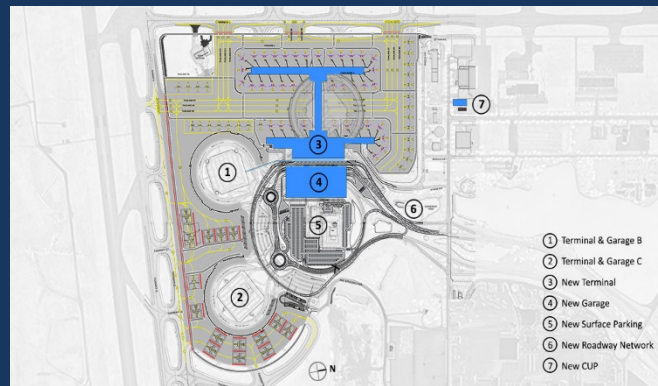→ Development Team (Edgemoor/CWC/SOM)

Program Validation
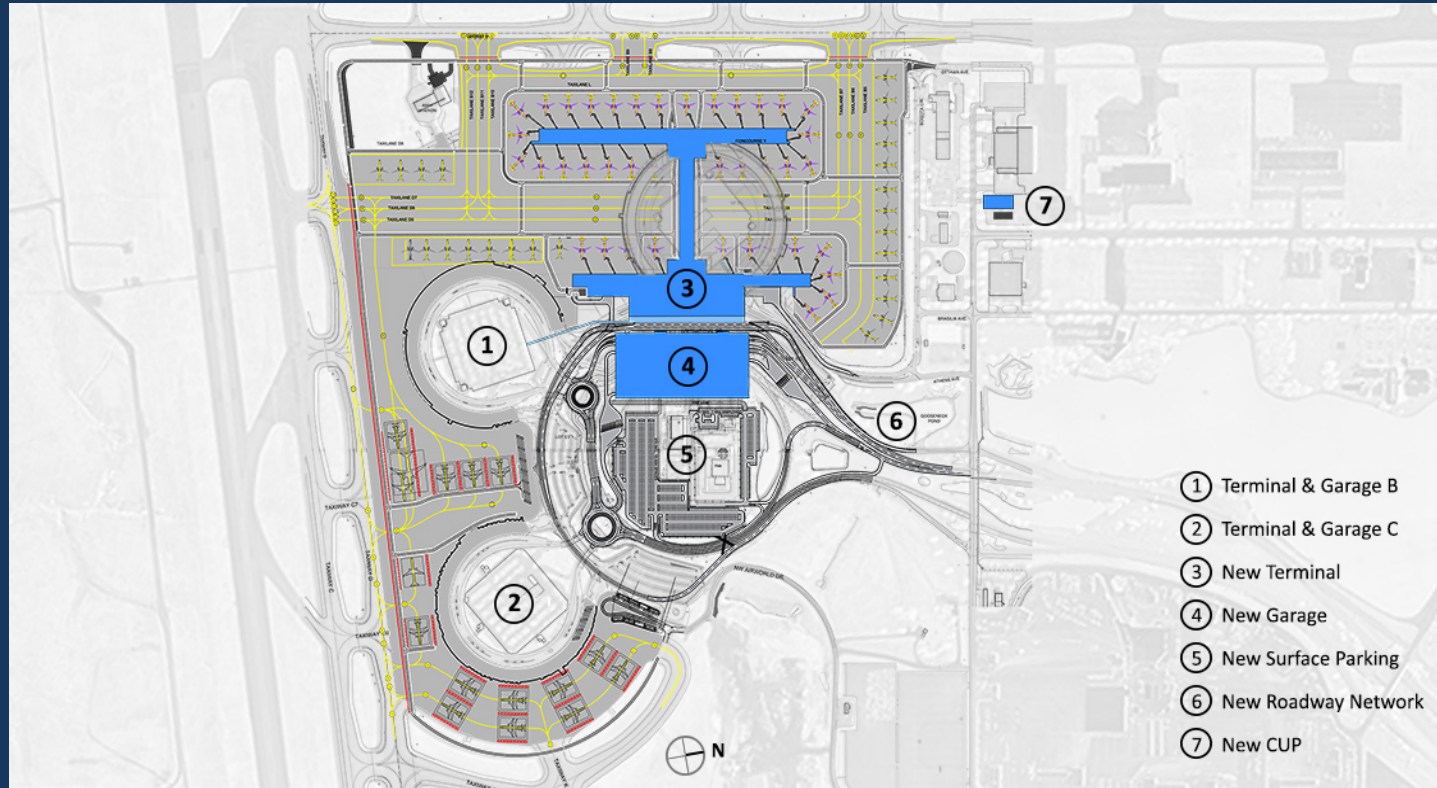
✈ Exhibit K Plan

- 35 Gates, 19 RONS
- 750K SF

✈ Current Concept

- 39 Gates, 25 RONS
  - (Expansion to 42+ Gates)
- 1M SF

PROGRAM VALIDATION WITH STAKEHOLDERS

1. Terminal & Garage B
2. Terminal & Garage C
3. New Terminal
4. New Garage
5. New Surface Parking
6. New Roadway Network
7. New CUP

Program Validation

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Community Design Involvement

✈ Nine (9) Community Design Meetings

  – 6 Key Design Themes:

  - Convenience
  - Amenity
  - Efficiency
  - Sustainability
  - Technology
  - Kansas City Identity

Legacy Project

→ World Class Passenger Experience

→ Sustainable – LEED Gold

→ Negotiated First-of-a-Kind Labor Agreement

→ Built by Kansas City's Local Workforce

  – 20% MBE / 15% WBE Goals

→ Terminal Workforce Enhancement Program

Deal Structure Overview

→ Developer-led Turn-Key Delivery Approach
  – Design-Build, Bond-Financed Project
  – 100% Paid for by Airport Revenues
  – Guaranteed Maximum Price (GMP)
  – $1.5B Overall Project Budget
  – Long-term Ops. & Maint. – KC Aviation Department

PROJECT CONTROLS / STAKEHOLDER COLLABORATION

Project Controls

✈ Risk Model-tailored

  – Change Mgt, Budget Control, Speed of Delivery

✈ Based on delivery method

  – DBB, CMAR, FDBOM, DB

✈ Key Performance Indicators

  – Schedule, Budget, Safety, M/WBE, Cash Burn Rate

Project Controls

✈ Procurement of Trade Work: self-perform / not

- — Major Systems
  - • Procure O&M with First Cost

- — Lifecycle Costs
  - • Total Cost of Ownership vs. First Cost

| Fire Alarm |
| Building Management System |
| Point of Sale |
| Automated People Mover |
| Vertical/Horizontal Transportation |
| Baggage Handling System |
| Passenger Boarding Bridges |
| Airport Information Systems |

✈ Fees: Profit & Overhead at all tiers

Project Controls

✈ KCI: Getting to Final Design-Build GMP

- GMP Design-to-Budget
  - Interim stage estimates
- Revised GMP at 60%
  - Interim stage estimates
- Final GMP at 90%

If exceed previous GMP, redesign or adjust Budget.

Stakeholder Collaboration

→ Key Stakeholders:

– Owner (City, Aviation Dept, Airport Authority, Privatized Operator)

– Airlines, Traveling Public, Local Business, Concessions, Federal, Trades

→ How much involvement is beneficial?

→ Project Management Cmte (PMC) & Steering Cmte (SC)

– Threshold events: operations, schedule, scope/cost, use & lease

→ How much involvement is too much?

– Decision timeliness impacts schedule & cost

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ORAT

ORAT

➤ Operational Readiness, Activation, and Transition

- ORAT Process

- Responsibilities & Timeline

- ORAT – Construction Process Integration

- Stakeholder Activities

- Mobilization & Transition

- Success Indicators

- Post-Opening Activities

ORAT Process

→ Goal: Stakeholder Readiness for Opening Day

- Seamless transition of operations

- Standard Operating Procedures

- Logistics; interim & final facility operations plans

- System and equipment commissioning

- Training

- Trials, exercises, and simulations

ORAT Process

✈ Lessons Learned

- Denver, 1995   ⚠ Baggage System
- Hong Kong, 1998   ⚠ Training, IT
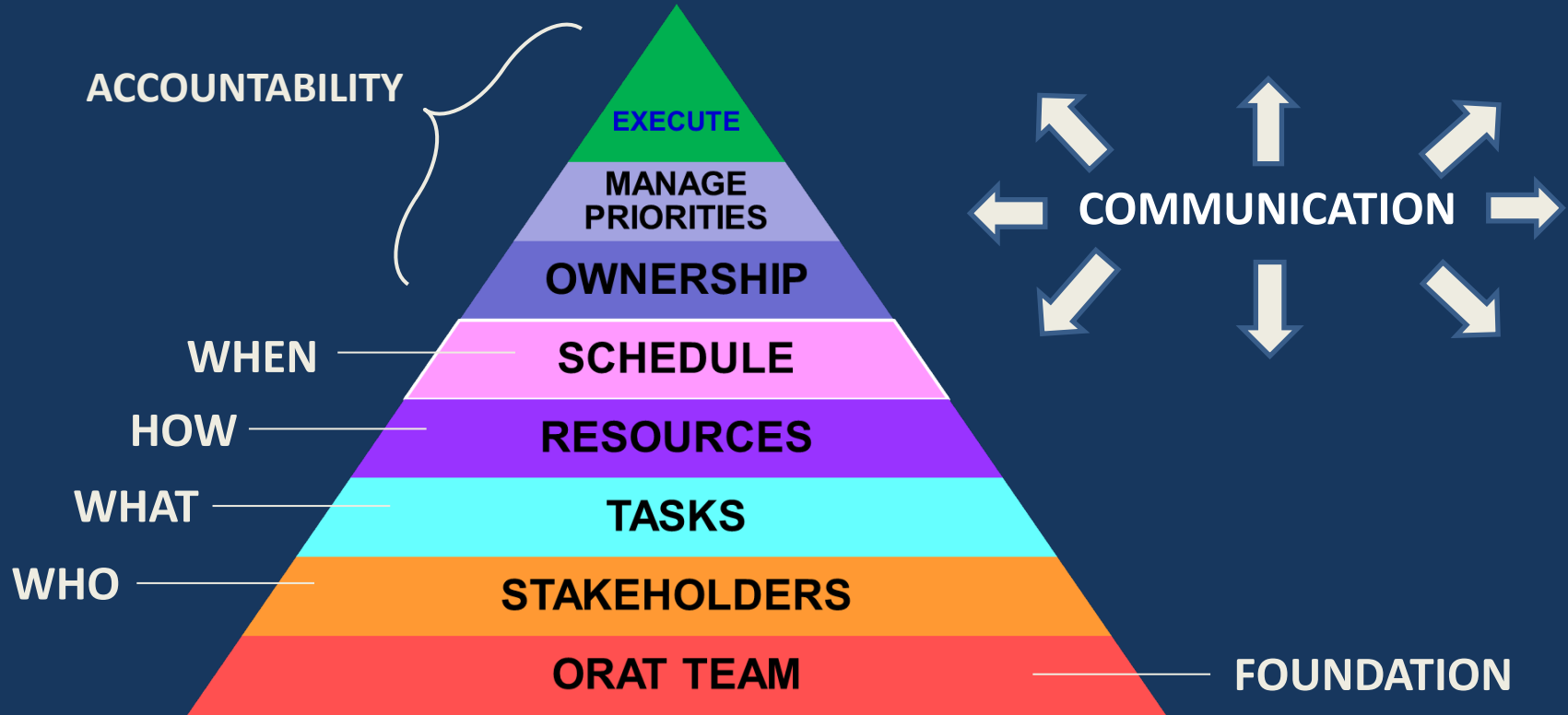- Heathrow T5, 2008   ⚠ Baggage System, IT

- Toronto Terminal 1, 2004 ✔
- Atlanta MHJ Int'l Terminal, 2012 ✔

ORAT Process

ORAT Responsibilities

✈ **Stakeholders**

- Designated point person
- Address SOPs and Ops Plans
- Tasks, Resources, Milestones
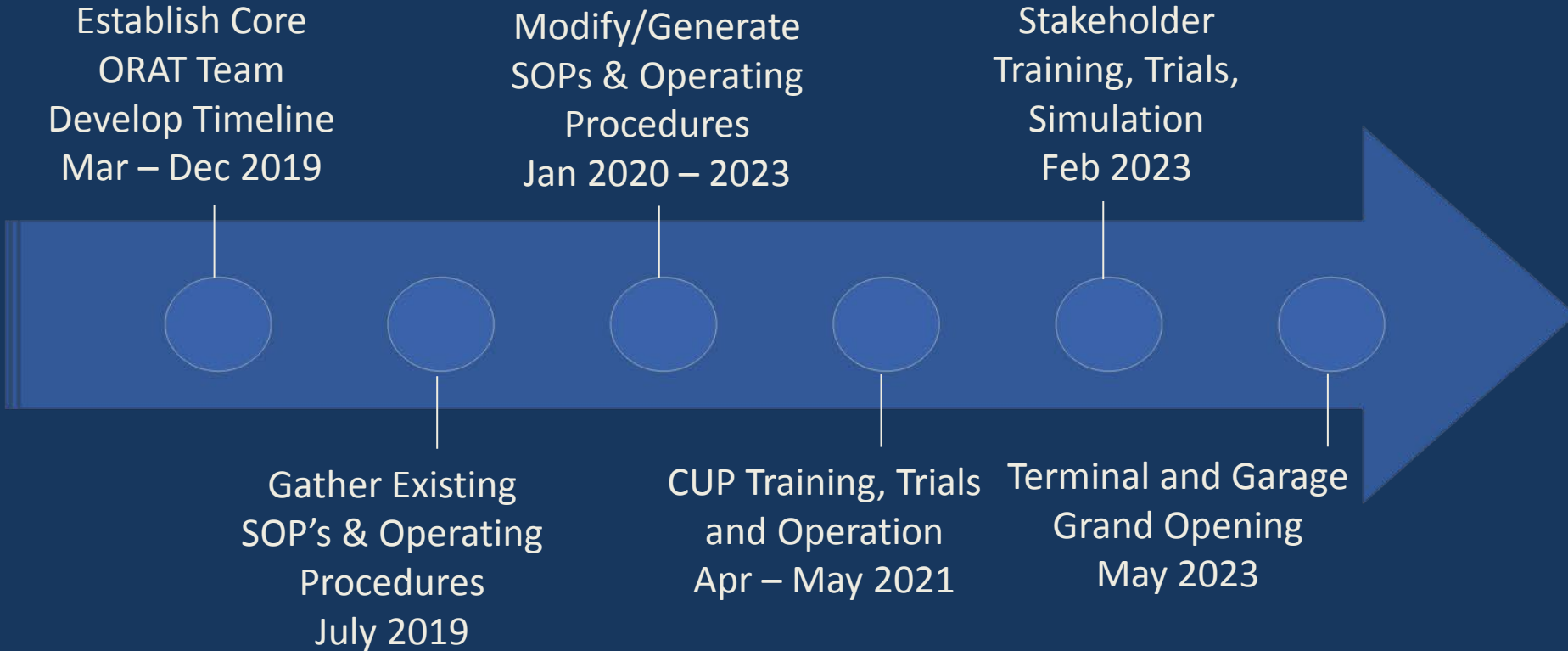- Communicate issues & mitigate constraints
- Avoid the blame game

✈ **Dept Heads & Managers**

- Drive ORAT participation
- Remove the "rocks in the road"
- Make timely decisions

✈ **Core ORAT Team**

- Central clearinghouse
- Coordination & oversight
- Tracking

ORAT Timeline (KCI)

Establish Core
ORAT Team
Develop Timeline
Mar – Dec 2019

Modify/Generate
SOPs & Operating
Procedures
Jan 2020 – 2023

Stakeholder
Training, Trials,
Simulation
Feb 2023

Gather Existing
SOP's & Operating
Procedures
July 2019

CUP Training, Trials
and Operation
Apr – May 2021

Terminal and Garage
Grand Opening
May 2023

Process Integration

Construction

Organize → Planning Phase → Design Phase → Construction Phase → Acceptance Phase → Transition

Owner: Identify Requirements, Coordinate, Document

ORAT Team: Design Comments & Submittal Review

Commissioning Training Verification Trials

Successful Opening & Operation

Organize → Develop Plan → Identify Tasks → Execute → Verify Readiness → Transition
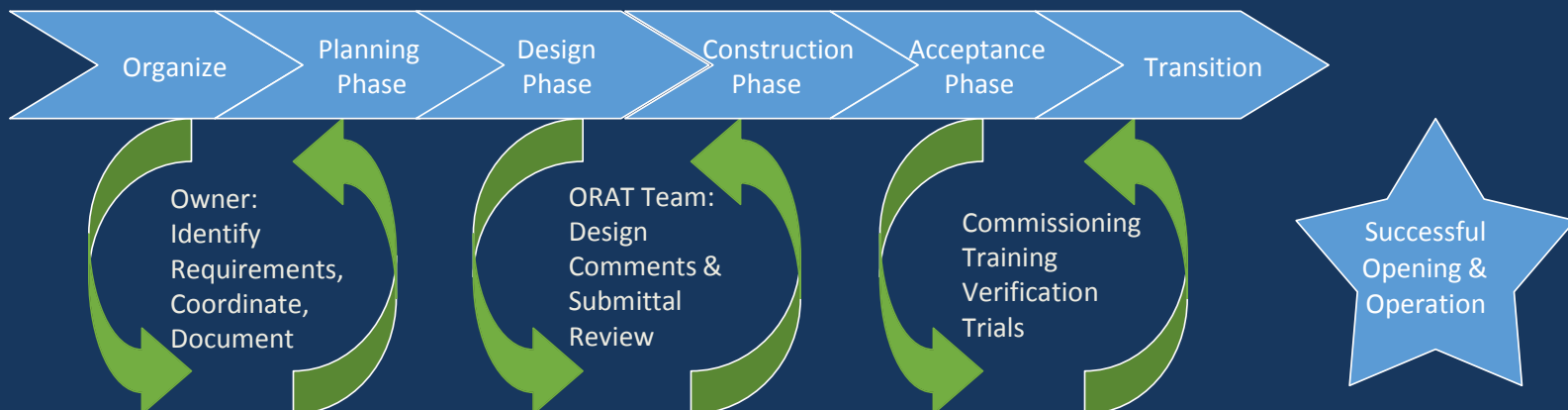
ORAT

ORAT Program

✈ Critical Stakeholder Activities

✈ Mobilization & Transition Plans

✈ Post-Opening Day Support

✈ Program Success Indicators

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