

The Port Authority of New York and New Jersey
Committee on Capital Programs/Agency Planning Meeting Transcripts
February 25, 2010

Comm. A. Sartor: Today's meeting of the Committee on Capital Programs and Agency Planning is being held in public session in its entirety. In addition, this meeting is being broadcast live on the Port Authority's website for those interested in viewing today's proceedings via the Internet. For discussion purposes, Susan Baer is going to talk to us about the LaGuardia Airport Central Terminal Building modernization program and retention of expert planning, architectural, and engineering services. Susan?

S. Baer: As you know, we are currently undertaking the Phase II planning effort for the redevelopment of the Central Terminal Building at LaGuardia Airport. To advance this effort, we are seeking award of a contract for architectural and engineering services to provide for the conceptual design and analysis for the project. Today I'd like to review with you our recommended awardee for these services and to provide you an update on our progress to date and an overview of how we will be moving forward to complete planning for this critical project. As you will recall, we have completed Phase I planning for the CTB, which included evaluation of possible options including no build, partial renovation, and complete reconstruction. The analysis showed that the redevelopment of the terminal would best meet the needs of passengers and airlines and would be the most economically viable option. Following the completion of the preliminary planning in November of 2008, you authorized \$40 million for the Phase II planning effort. The objective of this planning effort is to complete the initial design and business plan for the redevelopment of the Central Terminal Building. Components of the planning effort include confirming the project scope and budget, advancing negotiations with the airlines on space utilization and fees and charges, determining economic feasibility. The work also includes value engineering, environmental reviews, preliminary design drawings, and detailed construction estimates. Since 2008, staff has worked to advance the business and financial plans for the terminal through discussions with the airlines. Staff has also worked to advance the most critical element of the program: assembling the right team to complete this work. Following your review in June of 2008, we awarded a contract for up to \$10 million to URS for as needed project management services. In conjunction with the project management team, staff has advanced the design development of the support infrastructure for the terminal. This includes designs for the replacement of the central electrical substation, replacement of the central heating and refrigeration plant, and taxiways. Staff is also working on utility management system updates, geotechnical base information development, landside access traffic modeling studies, and a sustainability plan. We expect that these studies will be completed by the summer. To complete the team, last fall we issued an RFP for architectural and engineering services to facilitate completion of the conceptual design of the terminal and other elements of the redevelopment program. I will review the results of that RFP selection process with you today. Staff conducted a publicly advertised solicitation for the selection of A&E services. We received 13 proposals and rated each in terms of their firm and staff experience and qualifications as well as their proposed management approach. The seven highest rated firms were asked to submit a more detailed proposal to allow staff to assess the technical approach of each firm. I have to say that the proposals were excellent. It's a tough environment out there, and we received a great number of excellent proposals. Skidmore, Owings and Merrill--SOM--

received the highest rating and demonstrated the best overall experience, management, and technical approach. The SOM team has extensive experience with complex terminal redevelopment projects, has demonstrated an understanding of the CTB business model, and proposed an innovative approach to planning for the project. SOM will provide services including program scheduling, airside, terminal, and landside planning, they will complete conceptual design of the terminal infrastructure including interline baggage screening, gates, and loading bridges, and building energy management systems. They will also work on the connectors and roadway structures. Other services will include a basis of design report, which provides the specs and code guidelines used by the engineer and architect to develop construction drawings. building information modeling, which will provide a 3D computer model of the project, construction staging analysis--very important at LaGuardia-- environmental review and support, all services necessary to comply with FAA standards and incorporate lead elements into the initial designs for the terminal. The total estimated cost for these services is \$30 million, which we expect will be fully recoverable through PFCs. As you know, Commissioners, redevelopment of the CTB at LaGuardia would enhance the overall operations of the airport and significantly improve the airport experience for our customers. Award of this contract for A&E services will assist us to complete the planning of this redevelopment program. With these services, we expect Phase II planning to be completed by the end of 2010 and completion of Stage I conceptual design by the first quarter of 2012. I request your concurrence with the award of this contract. Comm. A. Sartor: Thank you, Susan. Stan, any questions? Comm. S. Grayson: No, I don't think so. Comm. A. Sartor: Susan, what's the estimated cost of construction? S. Baer: That's one of the things we need to narrow down. Comm. A. Sartor: Yeah, I just want a ballpark number. S. Baer: The first construction numbers were up over \$4 billion, which included the terminal design as well as taking down the existing garage and replacing all those parking places. What we're doing with this next phase is evaluating the need to do all of that,

especially with the parking, as parking numbers have declined at LaGuardia. And also a lot of those dollars are in staging, and so we're looking at ways we can reduce the staging numbers so that we can bring that cost down because our goal is to get that cost down significantly. Comm. A. Sartor: So at the end of 2010 we'll have an indication of what the costs are. S. Baer: You'll have a much better indication. Comm. A. Sartor: Okay. S. Baer: And we can do an update along the way. Comm. A. Sartor: Okay, that would be good. I'd like that. Anything else, Stan? If not, I recommend we move this to the full Board. Comm. S. Grayson: I second. Comm. A. Sartor: Done. S. Baer: Thank you. [inaudible]

Comm. A. Sartor: Yeah. Okay, thank you. S. Baer: Thank you. Comm. A. Sartor: By the way, you've got the A team here on each one of these. S. Baer: Yeah, and by doing this second phase they provided us with all sorts of [audio stops]