

Revised 10/2/12



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
12

Meeting Date: **OCTOBER 4, 2012**

Subject:

Authorize the Implementation and Collection of an Alternative Customer Facility Charge Rate Pursuant to California Civil Code §1936

Recommendation:

Adopt Resolution No. 2012-0111, authorizing the implementation and collection of an alternative customer facility charge pursuant to California Civil Code §1936(m)(2) in the amount of \$6.00 per transaction day effective November 1, 2012; \$7.50 per transaction day effective January 1, 2014; and \$9.00 per transaction day effective January 1, 2017, for purposes of financing the design and construction of a consolidated rental car facility and the design, construction and operation of the associated common use transportation system.

Background/Justification:

The rental car industry plays an important role in the success of San Diego International Airport (SDIA) by providing rental car services to SDIA customers and non-airline revenue to the Authority. The Authority and the rental car industry agree that the construction of a consolidated rental car facility (now known as the "Rental Car Center" (RCC)) and operation of common bussing operation at SDIA is in the best interests of the Authority and the industry, which when in operation will result in reductions in vehicle traffic, improved air quality, enhanced customer service, and more efficient operations. The RCC will provide a single facility located on the northern portion of SDIA from which all rental car companies serving SDIA will access the Airport. A single, common bussing operation will transport the traveling public seeking a rental car to and from the passenger terminals and the RCC. The RCC will provide: 1) on-airport rental car parking stalls and facility space for rental car companies who are tenants of the RCC and operate on-airport; and, 2) passenger bus transfers for companies that conduct their operations off-airport and do not become tenants in the RCC.

Relevant prior board actions and briefings relating to the RCC are as follows:

Date	Action / Briefing
May 1, 2008	Board certified Final Environmental Impact Report for the SDIA Master Plan which includes a consolidated rental car facility (CONRAC) at the program level (Resolution No. 2008-0048); and Board adopted the Airport Land Use Plan Element of the SDIA Master Plan (Resolution No. 2008-0049).
March 5, 2009	Board authorized \$10 per transaction Customer Facility Charge (CFC) for the purpose of designing, financing and constructing a potential CONRAC and associated common use transportation system for up to 18 months (Resolution No. 2009-0025R).
May 6, 2010	Board authorized continued collection of a \$10 per transaction CFC for the purpose of designing, financing and constructing a CONRAC and associated common use transportation system for a period of time that permits collection of sufficient funds not exceeding the reasonable costs to finance, design and construct the CONRAC and to operate a common use transportation system (Resolution No. 2010-0054)
September 1, 2011	Board certified the Final Supplemental Environmental Impact Report (SEIR) for the Northside Improvements, including CONRAC (Resolution No. 2011-0114).
October 6, 2011	Board authorized an increase in the Airport Capital Improvement Program (CIP) by \$264 million to accommodate projected CONRAC construction costs (Resolution No. 2011-0128); and Board authorized use of funds for design of CONRAC facility and design and construction of enabling projects in a total combined amount of \$60,000,000 (Resolution No. 2011-0126).
March 1, 2012	Board briefing regarding project delivery method and need for alternative CFC collection rate.
September 6, 2012	Board approved and authorized the President/CEO to execute a Construction Management-at-Risk Agreement with Austin/Sundt, A Joint Venture, for the construction of a proposed Rental Car Center (RCC)

California Civil Code §1936 allows a fee (CFC) to be imposed by an airport and collected by a rental car company from a renter for any of the following purposes: 1) to finance, design, and construct consolidated airport car rental facilities; (2) to finance, design, construct, and operate a common-use transportation system that moves passengers between airport terminals and those consolidated car rental facilities, and acquire vehicles for use in that system; and, (3) to finance, design, and construct terminal modifications solely to accommodate and provide customer access to common-use transportation systems. The aggregate amount to be collected shall not exceed the reasonable costs to finance, design, and construct those facilities. [Cal. Civ. Code

§1936(a)(4)(A) and (B)]. Consolidated car rental facility expenses not eligible for CFC funding include facility-related operating and maintenance expenses and ground rent. These expenses are the responsibility of the rental car industry and will be proportionately allocated among all on-airport rental car companies.

The Authority's RCC program components and estimated costs for the facility are as follows:

RCC Facility (design and construction)	\$264,000,000
Enabling Project Allocation (common infrastructure)	\$30,000,000
Total Estimated Development Cost	<u>\$294,000,000</u>

Annual Bussing Operating Expense (leasing of busses and O&M)	\$10,000,000
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In 2010, California Civil Code §1936 was amended to allow implementation and collection of an "Alternative CFC" under the following conditions:

- The airport first conducts a publicly noticed hearing pursuant to the Ralph M. Brown Act [Chapter 9 (commencing with §54950) of Part 1 of Division 2 of Title 5 of the Government Code] to review the costs of financing the design and construction of a consolidated rental car facility and the design, construction, and operation of any common-use transportation system in which all of the following occur:
 - (i) The airport establishes the amount of revenue necessary to finance the reasonable cost to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system, based on evidence presented during the hearing.
 - (ii) The airport finds, based on evidence presented during the hearing, that the \$10 per day original fee previously authorized will not generate sufficient revenue to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system.
 - (iii) The airport finds that the reasonable cost of the project requires the additional amount of revenue that would be generated by the proposed daily rate, including any rate increase, authorized pursuant to this paragraph.
 - (iv) The airport outlines each of the following:
 - Steps it has taken to limit costs.
 - Other potential alternatives for meeting its revenue needs other than the collection of the fee.
 - The extent to which rental car companies or other businesses or individuals using the facility or common-use transportation system will pay for the costs associated with these facilities and systems other than the fee from rental customers.

Consistent with Board briefings on October 6, 2011, and March 1, 2012, and to satisfy the statutory requirements to collect an alternative CFC, Ricondo and Associates (Ricondo) performed a financial feasibility analysis. The analysis concludes that the proposed alternative CFC will provide the revenue necessary to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate an associated common-use transportation system, and acquire vehicles for use in that system. Based upon Ricondo's analysis, the authorized current fee of \$10 per transaction will not generate sufficient revenue to finance, design and construct a consolidated rental car facility and to design, construct and operate a common use transportation system and acquire the vehicles for use in that system. The reasonable cost of the design and construction of the CONRAC and the design, construction and operation of a common use transportation system and vehicle acquisition requires the additional amount of revenue that would be generated by the following proposed daily rates and schedule of implementation:

Implementation Date	Rate	Estimated Annual CFC Revenue Generated
May 1, 2009	\$10.00 / rental transaction	\$11.5 million
November 1, 2012	\$6.00 / day ¹	\$22 million
January 1, 2014	\$7.50 / day ¹	\$28 million
January 1, 2017	\$9.00 / day ¹	\$35 million

¹ Limited to a maximum of 5 days per transaction, pursuant to Cal. Civil Code §1936(m)(2)(C)(iv).

The alternative CFC described above, if approved, will be imposed upon rental car transactions made on or after November 1, 2012.

California Civil Code §1936 (m)(1)(I)(ii) requires the Authority to conduct an audit every three years until such time as the fee authorization becomes inoperative. As the program is advanced and more precise cost estimates are determined (e.g., construction costs, bussing expenses, etc.), CFC rates in future years (beyond FY 2017) may be reduced from \$9.00 per day and/or the bond payment schedule accelerated to allow the overall CFC program to conclude sooner and prevent an over-collection of CFCs.

Staff has prepared the attached San Diego Rental Car Center Alternative CFC Report (CFC Report) (Attachment A) addressing broad issues related to the imposition of an alternative CFC. The CFC Report contains as an Exhibit the Financial Feasibility Report prepared by Ricondo demonstrating the need for the imposition and collection of an alternative CFC. As noted in the Financial Feasibility Report, if the CFC rate remains at \$10 per transaction, a deficiency of approximately \$20 million each year throughout the estimated 30-year CONRAC program would be required to be paid by the rental car industry.

The Authority has taken the following steps to limit costs and offers the following alternatives to meet its revenue needs other than collection of the fee:

Evaluation of Concepts:

Evaluation of many alternatives was undertaken through an extensive process, which included the development and analysis of numerous concept alternatives, consisting of the following steps:

1. Developing program component requirements
2. Developing and analyzing numerous operational models/concepts to meet Rental Car Center objectives
3. Maintaining consistency with Destination Lindbergh objectives for the North Side
4. Conforming to Master Plan land use criteria
5. Refining operational models
6. Identifying a preferred model

This process resulted in 12 different operational concepts for analysis. Four concepts were eliminated because of inefficient land use, operational inefficiencies and potentially high construction costs. The eight remaining concepts were further developed. Subsequently, five were eliminated due to operational inefficiencies, unacceptable levels of customer service, potentially high construction costs, inadequate customer wayfinding, and future transit connectivity. The remaining three concepts were further refined and ultimately a single concept was developed and presented to the Board.

Alternative Project Delivery Method:

The Construction Manager-at-Risk project approach was selected as the delivery method for the RCC project as it is viewed to have a "Best" rating as it relates to project budget and stakeholders. With the active input of stakeholders and early consideration of their needs and wants, change orders and other budget-impacting items can be reduced to the extent possible. The table below depicts the Project Delivery Evaluation Matrix previously presented to the Board.

Program Element	Construction Manager at Risk	Design Build	Third Party Developer
Budget	Best	Best	Best
Schedule	Best	Best	Best
Financing	Best	Best	Unnecessary
Procurement	Best	Best	Standard
Local Business	Best	Standard	Standard
Small Business	Best	Standard	Standard
DBE	Best	Standard	Standard
Design	Best	Standard	Standard
Stakeholders	Best	Standard	Standard

Evaluation of Use of Other Funds to Pay for CFC Eligible Expenses:

California Civil Code §1936 permits an airport sponsor to require rental car companies to collect from a renter a CFC to finance, design and construct a consolidated airport rental car facility; to finance, design, construct, and operate common-use transportation systems that move passengers between airport terminals and those consolidated car

rental facilities, and acquire vehicles for use in that system; and to finance, design, and construct terminal modifications solely to accommodate and provide customer access to common-use transportation systems.

The Authority has made arrangements to fund terminal modifications (e.g. shuttle bus pick-up islands, etc.) with other sources of Airport revenues and not use CFCs.

The Authority's capital needs frequently exceed the availability of funds. The Authority will soon complete an aggressive terminal expansion program with costs exceeding \$1 billion. The Authority has dedicated a very large portion of its bonding capacity for the terminal expansion program and does not have excess capacity to dedicate to the RCC.

Federal Aviation Administration grants are occasionally made available to the Authority through the Airport Improvement Program (AIP). Unfortunately, consolidated rental car facilities are not eligible for funding using AIP grants. Such grants are restricted in use to airfield related projects.

Similarly, Passenger Facility Charges (PFCs) (the \$4.50 fee paid by each traveler as part of an airline ticket) have restrictions on their use and, similar to AIP grants, PFCs cannot be used on a project such as the RCC.

The Authority is able to issue Special Facility Bonds for the RCC, but only if it is able to demonstrate that the Special Facility Bonds will be fully repaid from users of the RCC and not by the airlines or through other funds of the Authority. Thus, the plan of funding and the financial model demonstrate that the Special Facility Bonds would be solely repaid from the customers of the rental car companies in the form of a CFC.

The following table depicts the RCC-related cost items and the extent to which each funding center is responsible.

	Funding Center	
	CFCs	Rental Car Companies (RACs)
Facility Ground Rent	No (0%)	Yes (100%)
Facility Construction/Debt Service	Yes (100%)	No; but RACs will assume 100% of business risk in any CFC shortfall
Facility Operating and Maintenance expenses	No (0%)	Yes (100%)
Common Bussing Expenses	Yes (100%)	No; but RACs will assume 100% of business risk in any CFC shortfall

Authority staff has met with representatives from the rental car industry and discussed the extent to which rental car companies or other businesses or individuals using the facility or common-use transportation system will pay for the costs associated with these facilities and systems. The rental car companies have agreed in concept to be solely responsible for paying CFC-eligible costs in the event that CFC collections provide insufficient funding. In turn, Authority staff has agreed to recommend collection of CFCs in amounts sufficient to fund all CFC eligible expenses, to the extent allowed by law. As the RCC program advances, the Financial Feasibility Report prepared by Ricondo will be refined with updated program costs, activity levels, timing of expenditures, CFC revenues and funding strategies.

Authority staff and the SDIA rental car companies have met numerous times to identify key program elements and discuss the RCC program. Numerous letters from the rental car companies are attached supporting the implementation of the alternative CFC.

Fiscal Impact:

The existing \$10 per transaction CFC collection rate is insufficient to fully fund the RCC facility budget of \$264 million, the enabling project budgets of \$30 million, and the estimated annual bussing operational cost of \$10 million. To ensure adequate funding for these costs from CFC collections, CFC rate adjustments must be implemented as follows:

Implementation Date	Rate
November 1, 2012	\$6.00 / day ¹
January 1, 2014	\$7.50 / day ¹
January 1, 2017	\$9.00 / day ¹

¹ Limited to a maximum of 5 days per transaction, pursuant to Civil Code §1936.

These rate adjustments are projected to adequately fund the CONRAC facility, enabling projects, and bussing operations through a combination of payments made directly from the balance of CFCs collected and bond funding.

Staff recommends that Special Facility Bonds backed solely by CFC revenues be issued to fund the development of the RCC and the allocated portions of enabling projects eligible for CFC funding. Neither airport general funds nor general airport obligation funding instruments are planned for use within the RCC program, unless bond market conditions require consideration of General Airport Revenue Bond support.

It is intended that the rental car industry will be solely financially responsible for: 1) Non-CFC eligible items associated with the CONRAC such as facility operating and maintenance expenses and ground rent; and, 2) CFC collection shortfalls, if such were to occur, for CFC-eligible items (e.g. facility development costs and allocated portions of enabling projects). Staff and the rental car companies are currently negotiating the final Lease which is anticipated to be completed in the first quarter of calendar year 2013.

Findings:

Following the public hearing held pursuant to the Brown Act, staff is requesting that the Board make the following findings based on the evidence received during the hearing:

- (i) The schedule of rates stated herein and as authorized by Civil Code 1936 as an alternative CFC represents the amount of revenue necessary to finance the reasonable cost to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, and acquire vehicles for use in that system, based on evidence presented during the hearing.
- (ii) The current \$10 contract fee will not generate sufficient revenue to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, and to acquire vehicles for use in that system.
- (iii) The reasonable cost of the project requires the additional amount of revenue that would be generated by the proposed daily rate, including any rate increases, authorized pursuant to Civil Code 1936 as alternative CFCs.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

X Community Strategy X Customer Strategy Employee Strategy X Financial Strategy X Operations Strategy

Environmental Review:

- A. CEQA Review. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act Pub. Res. Code §30106.

Equal Opportunity Program:

Not Applicable.

Prepared by:

VERNON D. EVANS
VICE PRESIDENT, FINANCE/TREASURER

RESOLUTION NO. 2012-0111

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE IMPLEMENTATION AND COLLECTION OF AN ALTERNATIVE CUSTOMER FACILITY CHARGE PURSUANT TO CALIFORNIA CIVIL CODE §1936(M)(2) IN THE AMOUNT OF \$6.00 PER TRANSACTION DAY EFFECTIVE NOVEMBER 1, 2012; \$7.50 PER TRANSACTION DAY EFFECTIVE JANUARY 1, 2014; AND \$9.00 PER TRANSACTION DAY EFFECTIVE JANUARY 1, 2017, FOR PURPOSES OF FINANCING THE DESIGN AND CONSTRUCTION OF A CONSOLIDATED RENTAL CAR FACILITY AND THE DESIGN, CONSTRUCTION AND OPERATION OF THE ASSOCIATED COMMON USE TRANSPORTATION SYSTEM

WHEREAS, the rental car industry plays an important role in the success of San Diego International Airport (SDIA) by providing rental car services to SDIA customers and non-airline revenue to the Authority; and

WHEREAS, the Authority and the rental car industry agree that the construction of a consolidated rental car facility (now known as the "Rental Car Center" (RCC)) and operation of common bussing operation at SDIA is in the best interests of the Authority and the industry, which when in operation will result in reductions in vehicle traffic, improved air quality, enhanced customer service, and more efficient operations; and

WHEREAS, the RCC will provide a single facility located on the northern portion of SDIA from which all rental car companies serving SDIA will access the Airport and a single, common bussing operation will transport the traveling public seeking a rental car between the passenger terminals and the RCC; and

WHEREAS, California Civil Code §1936 allows a \$10 fee per rental car transaction (Original CFC) to be imposed by an airport and collected by a rental car company from a renter for any of the following purposes: 1) to finance, design, and construct consolidated airport car rental facilities; (2) to finance, design, construct, and operate a common-use transportation system that moves passengers between airport terminals and those consolidated car rental facilities, and acquire vehicles for use in that system; and, (3) to finance, design, and construct terminal modifications solely to accommodate and provide customer access to common-use transportation systems. The aggregate amount to be collected shall not exceed the reasonable costs to finance, design, and construct those facilities. [Cal. Civ. Code §1936(a)(4)(A) and (B)]; and

WHEREAS, the Authority's RCC program components and estimated costs for the facility are as follows:

- RCC Facility \$264,000,000
- Enabling Project Allocation \$30,000,000
- Total Development Cost \$294,000,000

- Annual Bussing Operating Expense \$10,000,000; and

WHEREAS, in 2010, California Civil Code §1936 was amended to allow implementation and collection of an "Alternative CFC" as an alternative to the \$10 fee per rental car transaction (Original CFC) under the following conditions:

The airport first conducts a publicly noticed hearing pursuant to the Ralph M. Brown Act [Chapter 9 (commencing with §54950) of Part 1 of Division 2 of Title 5 of the Government Code] to review the costs of financing the design and construction of a consolidated rental car facility and the design, construction, and operation of any common-use transportation system in which all of the following occur:

- (i) The airport establishes the amount of revenue necessary to finance the reasonable cost to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system, based on evidence presented during the hearing.
- (ii) The airport finds, based on evidence presented during the hearing, that the \$10 per day original fee previously authorized will not generate sufficient revenue to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system.
- (iii) The airport finds that the reasonable cost of the project requires the additional amount of revenue that would be generated by the proposed daily rate, including any rate increases, authorized pursuant to this paragraph.
- (iv) The airport outlines each of the following:
 - Steps it has taken to limit costs.
 - Other potential alternatives for meeting its revenue needs other than the collection of the fee.
 - The extent to which rental car companies or other businesses or individuals using the facility or common-use transportation system will pay for the costs associated with these facilities and systems other than the fee from rental customers; and

WHEREAS, to satisfy the statutory requirements to collect an Alternative CFC, Ricondo and Associates (Ricondo) performed a financial feasibility analysis (Analysis); and

WHEREAS, the Analysis concludes that the proposed Alternative CFC will provide the revenue necessary to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate an associated common-use transportation system, and acquire vehicles for use in that system; and

WHEREAS, based upon the Analysis, the authorized current Original CFC fee of \$10 per transaction will not generate sufficient revenue to finance, design and construct a consolidated rental car facility and to design, construct and operate a common use transportation system and acquire the vehicles for use in that system; and

WHEREAS, the reasonable cost of the design and construction of the RCC and the design, construction and operation of a common use transportation system and vehicle acquisition requires the additional amount of revenue that would be generated by the following proposed daily rates and schedule of implementation:

Implementation Date	Rate	Estimated Annual CFC Revenue Generated
May 1, 2009	\$10.00 / rental transaction	\$11.5 million
November 1, 2012	\$6.00 / day ¹	\$22 million
January 1, 2014	\$7.50 / day ¹	\$28 million
January 1, 2017	\$9.00 / day ¹	\$35 million

¹ Limited to a maximum of 5 days per transaction, pursuant to Cal. Civil Code §1936(m)(2)(C)(iv).

and;

WHEREAS, the Authority has taken the following steps to limit costs and offers the following alternatives to meet its revenue needs other than collection of the fee:

Evaluation of Concepts:

Evaluation of many alternatives was undertaken through an extensive process, which included the development and analysis of numerous concept alternatives, consisting of the following steps:

1. Developing program component requirements,
2. Developing and analyzing numerous operational, models/concepts to meet Rental Car Center objectives,
3. Maintaining consistency with Destination Lindbergh objectives for the North Side,

4. Conforming to Master Plan land use criteria,
5. Refining operational models, and
6. Identifying a preferred model

This process resulted in 12 different operational concepts for analysis. Four concepts were eliminated because of inefficient land use, operational inefficiencies and potentially high construction costs. The 8 remaining concepts were further developed. Subsequently, 5 were eliminated due to operational inefficiencies, unacceptable levels of customer service, potentially high construction costs, inadequate customer wayfinding, and future transit connectivity. The remaining 3 concepts were further refined and ultimately a single concept was developed and presented to the Board.

Alternative Project Delivery Method:

The Construction Manager-at-Risk project approach was selected as the delivery method for the RCC project as it is viewed to have a "Best" rating as it relates to project budget and stakeholders. With the active input of stakeholders and early consideration of their needs and wants, change orders and other budget-impacting items can be reduced to the extent possible.

Evaluation of Use of Other Funds to Pay for CFC Eligible Expenses:

The Authority has made arrangements to fund terminal modifications (e.g., shuttle bus pick-up islands, etc.) with other sources of Airport revenues and not use CFCs.

The Authority's capital needs frequently exceed the availability of funds. The Authority will soon complete an aggressive terminal expansion program with costs exceeding \$1 billion. The Authority has dedicated a very large portion of its bonding capacity for the terminal expansion program and does not have excess capacity to dedicate to the RCC.

Federal Aviation Administration grants are occasionally made available to the Authority through the Airport Improvement Program (AIP). Unfortunately, consolidated rental car facilities are not eligible for funding using AIP grants. Such grants are restricted in use to airfield related projects.

Similarly, Passenger Facility Charges (PFCs) (the \$4.50 fee paid by each traveler as part of an airline ticket) have restrictions on their use and, similar to AIP grants, PFCs cannot be used on a project such as the RCC.

The Authority is able to issue Special Facility Bonds for the RCC, but only if it is able to demonstrate that the Special Facility Bonds will be fully repaid from users of the RCC and not by the airlines or through other funds of the Authority. Thus, the plan of funding and the financial model demonstrate that the Special Facility Bonds would be solely repaid from the customers of the rental car companies in the form of a CFC; and

WHEREAS, McGladrey LLP (McGladrey) examined the Schedule of Forecasted Revenues and Expenses and Sources of Uses of Funds of the San Diego International Airport Rental Car Center for the periods within and from Inception (May 1, 2009) through July 1, 2043 (Forecasted Schedule); and

WHEREAS, McGladrey conducted its examination in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included such procedures that McGladrey considered necessary to evaluate both the assumptions used by the Authority management and the preparation and presentation of the Forecasted Schedule; and

WHEREAS, McGladrey finds that the Forecasted Schedule is presented in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants, and the underlying assumptions provide a reasonable basis for Authority management's forecast.

NOW, THEREFORE, BE IT RESOLVED that the Board FINDS:

- (i) The schedule of rates stated herein and as authorized by Civil Code 1936 as an Alternative CFC represents the amount of revenue necessary to finance the reasonable cost to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, and acquire vehicles for use in that system, based on evidence presented during the hearing;
- (ii) The current Original CFC contract fee of \$10 will not generate sufficient revenue to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, and to acquire vehicles for use in that system; and
- (iii) The reasonable cost of the project requires the additional amount of revenue that would be generated by the proposed daily rate, including any rate increases, authorized pursuant to Civil Code §1936 as Alternative CFCs; and

BE IT FURTHER RESOLVED that the Board AUTHORIZES the implementation of the following Alternative CFC Rates on the implementation dates set forth below:

Implementation Date	Rate
November 1, 2012	\$6.00 / day ¹
January 1, 2014	\$7.50 / day ¹
January 1, 2017	\$9.00 / day ¹

¹ Limited to a maximum of 5 days per transaction, pursuant to Cal. Civil Code §1936(m)(2)(C)(iv).

BE IT FURTHER RESOLVED that the Board FINDS the rate adjustments are projected to adequately fund the RCC, enabling projects, and bussing operations through a combination of payments made directly from the balance of CFCs collected and bond funding; and

BE IT FURTHER RESOLVED that the Board FINDS that neither airport general funds nor general airport obligation funding instruments are planned for use within the RCC program, unless bond market conditions require consideration of General Airport Revenue Bond support; and

BE IT FURTHER RESOLVED that it is intended that the rental car industry will be solely financially responsible for: 1) Non-CFC eligible items associated with the CONRAC such as facility operating and maintenance expenses and ground rent; and, 2) CFC collection shortfalls, if such were to occur, for CFC-eligible items (e.g., facility development costs and allocated portions of enabling projects); and

BE IT FURTHER RESOLVED the Board DIRECTS the President/CEO to take all necessary steps and execute all necessary documents to effectuate this CFC rate adjustment; and

BE IT FURTHER RESOLVED the Board DIRECTS the President/CEO to take all necessary steps and execute all necessary documents to adjust either upward or downward the CFC rate in the future to comply with applicable law; and

BE IT FURTHER RESOLVED the Board DIRECTS the President/CEO, to the extent necessary in the future, to increase the Alternative CFC rate to the maximum extent allowed by law to ensure all obligations are met in regard to any financing instrument and sufficient CFCs are collected to fund CFC eligible expenses; and

BE IT FURTHER RESOLVED the Board FINDS this action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; nor is it a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of October, 2012, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

SAN DIEGO INTERNATIONAL AIRPORT

Public Hearing and Board Presentation

Implementation of an Alternative Customer Facility
Charge

Consolidated Rental Car Facility and Common-Use
Transportation System

October 4, 2012

Presenter:

Vernon D. Evans, Vice President/ Finance/Treasurer



CONRAC Program Overview

- Consolidates airport car rental customer service and operations into one facility on North side of airport
- Provides a common-use transportation system between the CONRAC facility and passenger terminals via a limited-access Terminal-link Roadway
- Funded through Customer Facility Charge (CFC) revenues and rental car industry payments (i.e., facility O&M and ground rent)



Relevant Board Actions To Date

May 1, 2008

Approved SDIA Airport Master Plan, including CONRAC

March 5, 2009

Authorized \$10/transaction CFC for up to 2 years

May 6, 2010

Authorized on-going collection of CFC

September 1, 2011

Certified Environmental Impact Report for Airport Master Plan, including CONRAC

October 6, 2011

- Increased CIP to include CONRAC.
- Authorized use of CFC funds for 1) CONRAC Design and 2) Enabling Project Construction not to exceed \$60 Million

March 1, 2012

Board briefed regarding project delivery method and potential need for alternative CFC



CFC Eligible Costs

- Planning, Design & Construction
- Debt Service
- Renewal & Replacement Fund
- Common Bussing Fleet Acquisition
- Common Bussing Operation and Maintenance
- Related Infrastructure (Allocation of Enabling Projects)



Programmatic Cost Estimates

- CONRAC Facility \$264,000,000
- Enabling Project Allocations \$30,000,000
 - Including but not limited to:
 - Terminal Access Roadway
 - North Side Utilities
 - Interior North Side Road



Financial Feasibility Report

- Existing CFC Insufficient
 - \$20M annual deficiency



Financial Feasibility Report

Required CFC Rates

- May 1, 2009 - \$10.00 / rental transaction
- January 1, 2013 - \$6.00 / day ¹
- January 1, 2014 - \$7.50 / day ¹
- January 1, 2017 - \$9.00 / day ¹

¹ Limited to a maximum of 5 days per transaction, pursuant to Cal. Code §1936.



Financial Feasibility Report

- Alternative CFC is sufficient to cover eligible project costs, provided the Authority sets the CFC at the maximum rates permitted under the 2011 amendment to the California Civil Code §1936.



Independent Review

- California Civil Code §1936 requires an independent review of projected CFC revenues and related costs to ensure they are reasonable
- McGladrey LLP provided an attestation dated September 2012



Steps Taken to Limit Cost

- Evaluation of many facility concepts
- Alternative Project Delivery Method



Other Potential Alternatives to Meet Revenue Needs

- FAA Airport Improvement Grants
- Passenger Facility Charges (PFC)
- Airport General Revenues



Extent Project Paid For By Others (Not CFCs)

	Funding Center	
	CFCs	Rental Car Companies (RACs)
Facility Ground Rent	No (0%)	Yes (100%)
Facility Construction/Debt Service	Yes (100%)	No; but RACs will assume 100% of business risk in any CFC shortfall
Facility Operating and Maintenance expenses	No (0%)	Yes (100%)
Common Bussing Expenses	Yes (100%)	No; but RACs will assume 100% of business risk in any CFC shortfall



Project Cost and Funding

(dollars in thousands)	<u>Total Cost</u>	Rental Car Special Facility <u>Bond Proceeds</u>	<u>Paygo CFC^{1/}</u>
CONRAC Facility	\$264,000	\$159,608	\$104,392
Enabling Projects (CFC Eligible)	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Total Cost ^{2/}	\$294,000	\$189,608	\$104,392

Notes:

^{1/} CFCs collected and interest earned on CFCs collected prior to sale of bonds.

^{2/} Buses are assumed to be leased and are not included in this table. The lease expense (≈\$10,000,000) is included in the yearly operating expense for this analysis.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.



Bond Source & Uses of Funds

(dollars in thousands)

Source of Funds

Bond Proceeds	\$246,690
---------------	-----------

Uses of Funds

Deposit to Project Fund	\$189,608
Deposit to Debt Service Reserve Fund	20,038
Deposit to Capitalized Interest Fund	29,566
Deposit to Coverage Fund	5,010
Costs of Issuance	2,468

Total Uses

	<u><u>\$246,690</u></u>
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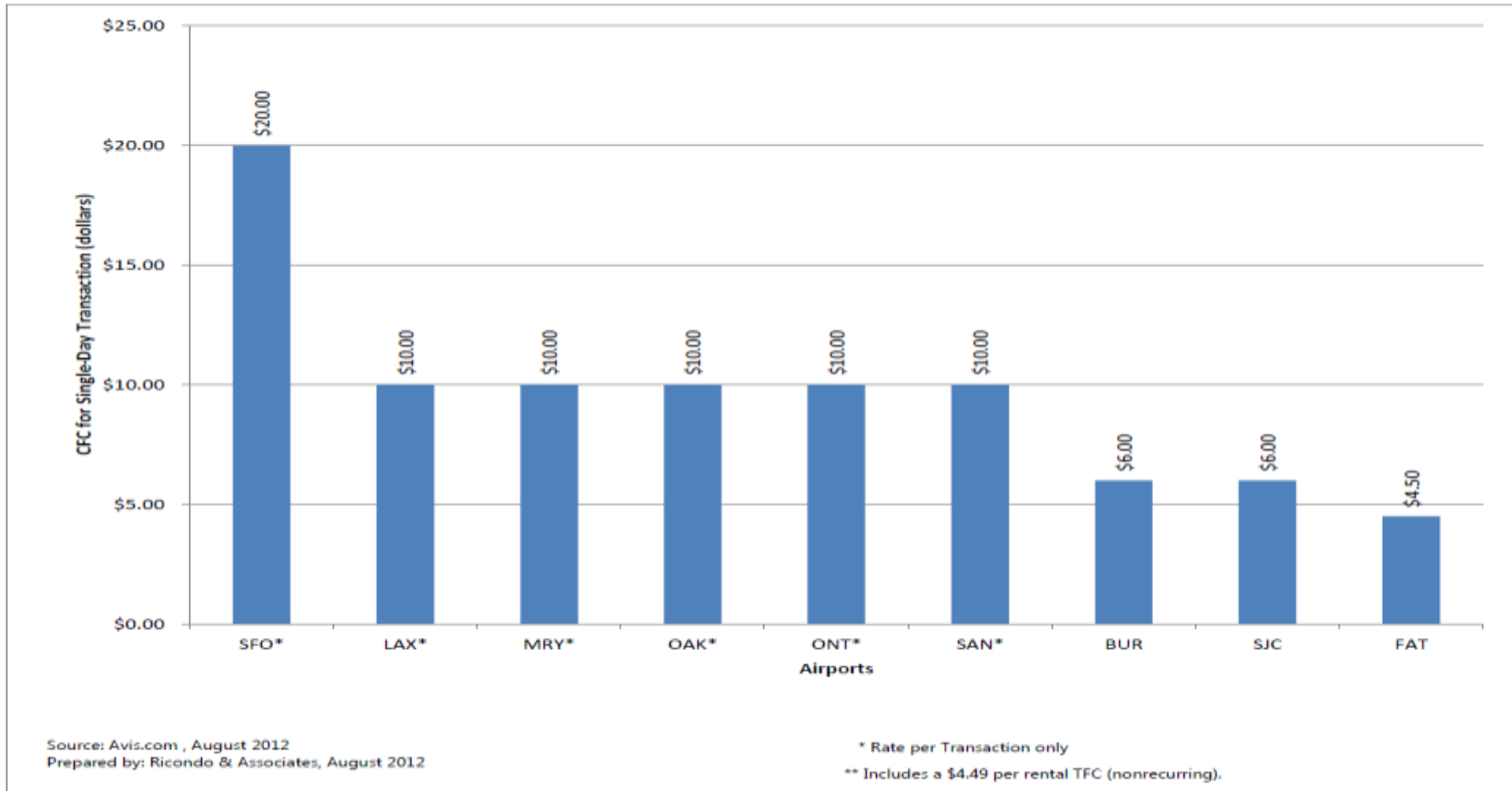
Note:

Interest Rate for the CONRAC Facility is assumed at 7.00% (Taxable), and interest rate for enabling projects are assumed at 6.00% (Tax-Exempt)

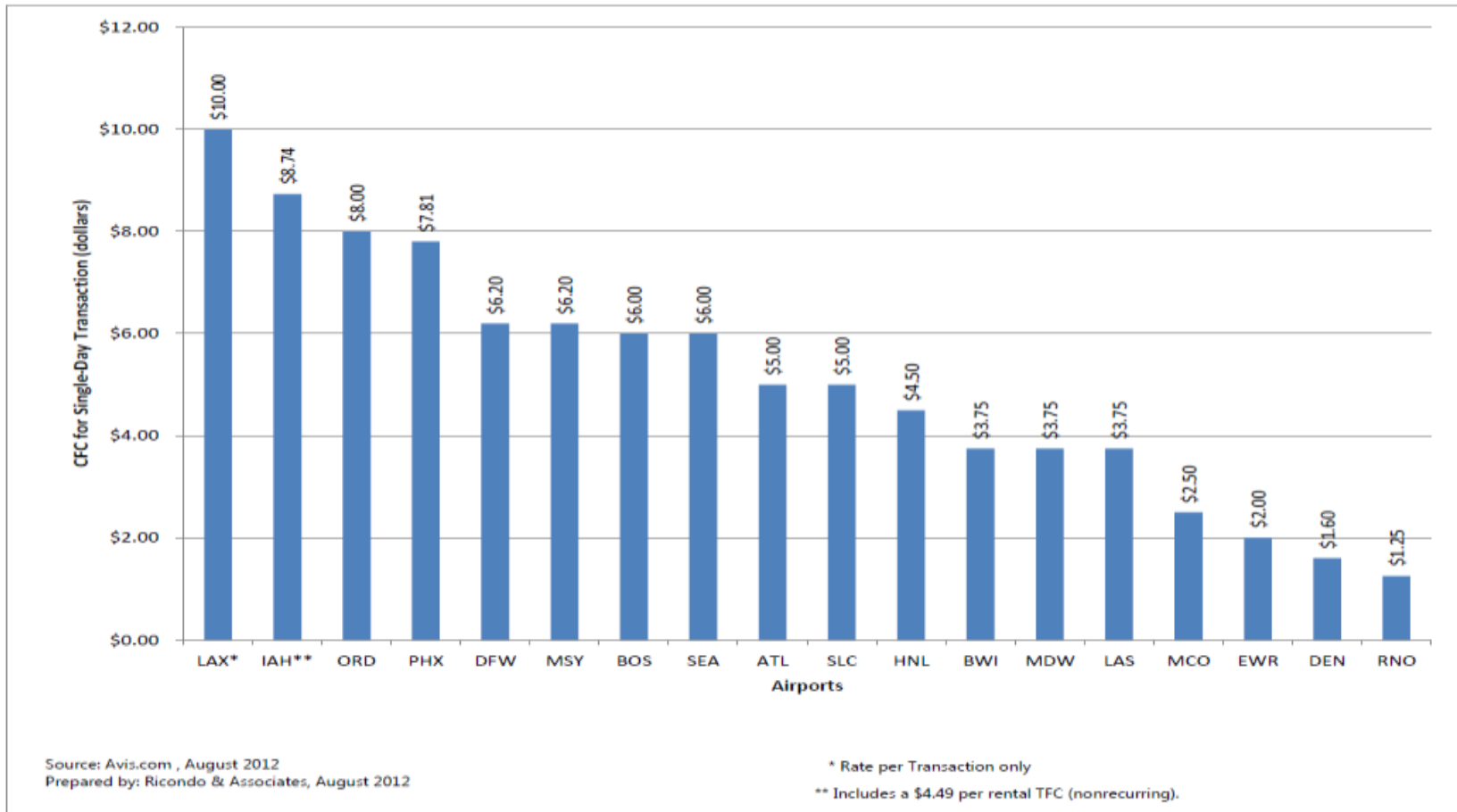
Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

CFC Rates Other Airports (CA)



CFC Rates Other Airports (US)



Program Target Dates

Alternative CFC Collection	November 2012
Bonds Issuance	Fall 2013
First Construction Package Issued	Summer 2013
CONRAC Complete	Summer 2015



Recommended Action

- Adopt Resolution No. _____ authorizing the implementation and collection of an alternative customer facility charge pursuant to California Civil Code §1936(m)(2) in the amount of \$6.00 per transaction day effective November 1, 2012; \$7.50 per transaction day effective January 1, 2014; and \$9.00 per transaction day effective January 1, 2017 for purposes of financing the design and construction of a consolidated rental car facility and the design, construction and operation of the associated common use transportation system.



Questions?



**SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY**

**San Diego International Airport
Consolidated Rental Car Center**

Customer Facility Charge Rate Modification Report

**For the Period From Project Inception
May 1, 2009 Through July 1, 2043**

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I. INTRODUCTION

Pursuant to California Civil Code 1936 (“Code”), the San Diego County Regional Airport Authority (“Authority”) that operates San Diego International Airport (“Airport”) located in San Diego, California, has prepared for review its Customer Facility Charge Rate Modification Report (“Report”) to enable an alternative Customer Facility Charge (“CFC”) collection rate to be enacted that provides for the financing, design, and construction of a consolidated rental car facility; and for the operation of a common use transportation system and acquisition of vehicles for use in that system (collectively “Rental Car Center”) at the Airport.

The Authority has determined the need for a consolidated rental car center to provide for the safe, secure and efficient processing of rental car transactions for the traveling public, to enhance the choice afforded to rental car customers, and to mitigate the environmental impacts of the current rental car operations on the Airport’s neighbors.

This Report provides an overview of the Rental Car Center project, its various components, and considerations the Authority undertook and continued to undertake while developing the project. Most importantly, however, Section IV of this Report contains the Schedule of Forecasted Revenues and Costs of the Rental Car Center (“Schedule”), notes to the Schedule which contain the significant forecast assumptions, and the Independent Accountant’s Report on the Schedule.

The accompanying Schedule presents, to the best of management’s knowledge and belief, the Authority’s expected revenues generated for and reasonable costs of the design, construction and financing of the Rental Car Center, and common use rental car shuttle bus operations and leasing expense, from inception of the project (May 1, 2009) to final payment of debt service on related bonds anticipated on July 1, 2043. Accordingly, the forecast Schedule reflects management’s judgment as of August 2012 of the expected conditions and expected course of action. This Report is intended for the use by the Authority and the State of California in evaluating the revenue forecast and plan of funding, including the need to collect the alternative CFC in accordance with Section 1936 subsection (m)(2) of the California Civil Code, in connection with the contemplated construction of the Rental Car Center and should not be used for any other purpose. The assumptions disclosed herein are those that management believes are significant to the accompanying Schedule. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

II. PURPOSE

This Report has been prepared to address the requirements of Section 1936 of the California Civil Code, including the following:

Excerpt from Civil Code §1936: (2) Any airport may require rental car companies to collect an alternative customer facility charge under the following conditions:

- A. The airport first conducts a publicly noticed hearing pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) to review the costs of financing the design and construction of a consolidated rental car facility and the design, construction, and operation of any common-use transportation system in which all of the following occur:
 - a. The airport establishes the amount of revenue necessary to finance the reasonable cost to design and construct a consolidated rental car facility and to design, construct, and operate any common-

use transportation system, and acquire vehicles for use in that system based on evidence presented during the hearing.

- b. The airport finds, based on evidence presented during the hearing, that the fee authorized in paragraph (1)¹ will not generate sufficient revenue to finance the reasonable costs to design and construct a consolidated rental car facility and to design, construct, and operate any common-use transportation system, and acquire vehicles for use in that system.
- c. The airport finds that the reasonable cost of the project requires the additional amount of revenue that would be generated by the proposed daily rate, including any rate increase, authorized pursuant to this paragraph.
- d. The airport outlines each of the following:
 - i. Steps it has taken to limit costs.
 - ii. Other potential alternatives for meeting its revenue needs other than the collection of the fee.
 - iii. The extent to rental car companies or other business or individuals using the facility or common-use transportation system will pay for the costs associated with these facilities and systems other than the fee from rental customers.

Publishing this Report in concert with a Public Hearing and San Diego County Regional Airport Authority Board Meeting scheduled for October 4, 2012, is intended to comply with the above identified requirements of the Code and enable the CFC applicable to the Airport to be adjusted as follows within Figure 1.

Figure 1: Alternative CFC Rates

Effective Date	CFC Amount
May 1, 2009	\$10/transaction
November 1, 2012	\$6.00 / day *
January 1, 2014	\$7.50 / day *
January 1, 2017	\$9.00 / day *

* Limited to a maximum of 5 days per transaction, pursuant to CA Civil Code §1936.

III. BACKGROUND

A. Profile of the Authority

The Authority was established pursuant to California State Act AB 93, which was signed into California State law in October 2001. The Act established the Authority on January 1, 2003, as a local agency of regional government with jurisdiction throughout the County of San Diego (“County”).

~~On January 1, 2002, Senate Bill 10, The San Diego County Regional Airport Authority Reform Act, was enacted into law expanding the responsibilities of the Airport.~~ The Airport is vested with five principal responsibilities: 1) the operation of the Airport; 2) the planning and operation of any future airport that could be developed as an addition to or replacement of the Airport; 3) development of a comprehensive land use plan for the airports in the County of San Diego; 4) to serve as the region’s Airport Land Use

¹ Paragraph 1 refers to the enabling section of the Code authorizing the \$10 per transaction level of CFC collection

Commission; and 5) to prepare a Regional Aviation Strategic Plan, which was completed in fiscal year 2011.

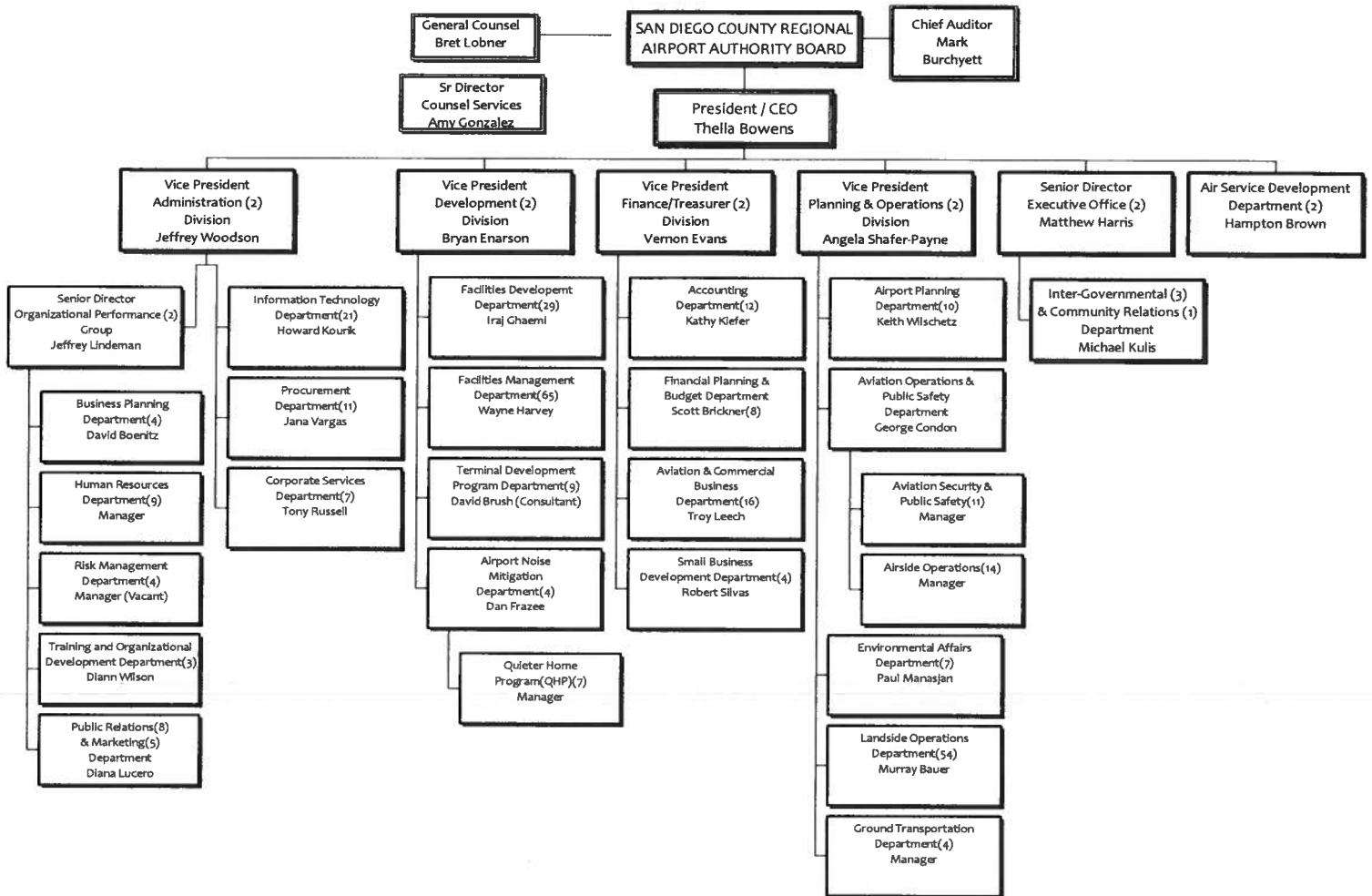
Senate Bill 1896 (stats. 2002, c. 978) amended AB 93 to provide for the San Diego Unified Port District to lease the Airport to the Authority. In addition to the Airport land parcel granted through the enabling legislation noted above, the San Diego Unified Port District and the Authority entered into a separate long-term lease of property consisting of approximately 89 acres located on the southerly side of Pacific Highway between the prolongation of Washington Street and the prolongation of Quince Street for sixty-six (66) years commencing January 1, 2003 and expiring December 31, 2068. It is on this parcel leased through the separate long-term lease that the future Rental Car Center will be constructed.

The Airport, commonly referred to as Lindbergh Field, was constructed in 1928 and serves a metropolitan region population of over 3 million people and in 2012 served 17.1 million passengers. When the Airport was constructed, the City of San Diego and surrounding region was significantly smaller. The City has grown around the Airport thus limiting the space in which to expand operations. Searches for an alternative location have not been unsuccessful, and the Authority is committed to the development of the current property to best serve customers and the region.

The Authority is governed by an appointed Board of Directors of nine members representing all areas of the County, and three additional members serving as non-voting, ex-officio Board members. Three Board members serve as the Executive Committee consisting of one Board member from each of the following "defined jurisdictions", City of San Diego, the County, and one Board member from among the east county cities, south county cities, or north county inland cities. The Board members serve three year terms in accordance with SB10.

Figure 2 on the following page depicts the organization chart for the Authority.

Figure 2: Authority Organizational Chart



Attached as exhibits are recent audits pertaining to the subject matter herein. Exhibit B attached hereto contains the audited financial statements as of June 30, 2011. Exhibit C contains the Customer Facility Charge Compliance Report as of June 30, 2011.

B. History of Consolidated Rental Car Facilities

A consolidated rental car facility (“CONRAC”) (in the specific case of San Diego it is referred to as “Rental Car Center²²⁹”) is a stand-alone facility at airports for car rental operations ~~which~~that includes administrative, customer service, quick-turn-around (“QTA”) and ready/return facilities for on-airport rental car companies. Administrative facilities include rental car back office operations and QTA facilities management. Customer service areas include counters and premium customer kiosks. QTA facilities include vehicle wash bays, fueling systems and dispensers, vacuum hoses and miscellaneous equipment necessary to prepare rental cars for the next customer. Ready/return facilities include parking spaces for rental car inventory.

Ricondo & Associates, Inc., a well-established airport consulting firm and advisor to the Authority, describes a CONRAC as follows:

“As airline passenger activity grew in the 1990s, so did airport landside congestion. Remote consolidated rental car facilities became a popular means for airport operators to address this congestion problem. Instead of each rental car company having its own shuttle bus system to transport customers to and from individual remote sites, a consolidated facility brings all the on-airport rental car companies together at a single location. A single transit system, typically a bus system, transports rental car customers to and from the terminal.

The first consolidated rental car facilities in the U.S. were completed in the late 1990s. Typically, the primary source of funding for these facilities has been Special Facility Bonds backed by a CFC, which is a fee imposed by an airport upon the customers of the rental car companies to fund a portion of the costs of these facilities. As previously mentioned, these fees are typically based on rental car transaction days, although some CFCs are charged on a per-contract basis.”¹

¹ Reported in the Report of the Airport Consultant in the Official Statement of the Rhode Island Economic Development Corporation, First Lien Special Facility Bonds (Rhode Island Airport Corporation Intermodal Facility Project), Series 2006, page A-55

The specific layout of CONRAC facilities at different airports depends primarily upon the available land area surrounding the airport for the development of the CONRAC (e.g., constrained or not constrained) and cost of the land and buildings for that development. When sufficient land is available, such as at Sacramento International Airport, the CONRAC may be in a remote location with a large single level parking lot with a customer service building, and various QTA facilities, with a common shuttle bus system to transport customers to and from the passenger terminals. At constrained airports, such as Mineta San José International Airport, the CONRAC has been designed as a multi-level structure with ready/return stalls on each floor and an elevated, stacked QTA. Due to the limited land area available for development, the San Diego International Airport Rental Car Center will follow the San José and the planned Bob Hope Airport multi-level CONRAC concepts.

C. Rental Car Center Project Background and Description

Airport Master Planning Efforts

On May 1, 2008, the Board adopted the Airport Master Plan which included the Rental Car Center at a program level. This Master Plan provided a financially and environmentally responsible guideline for future development. The Master Plan established a set of goals for future development of the Airport and identified the key overall objectives including improved levels of service and safety for Airport customers, efficient use of the property and facilities, and enhanced Airport access as part of the region’s transportation system.

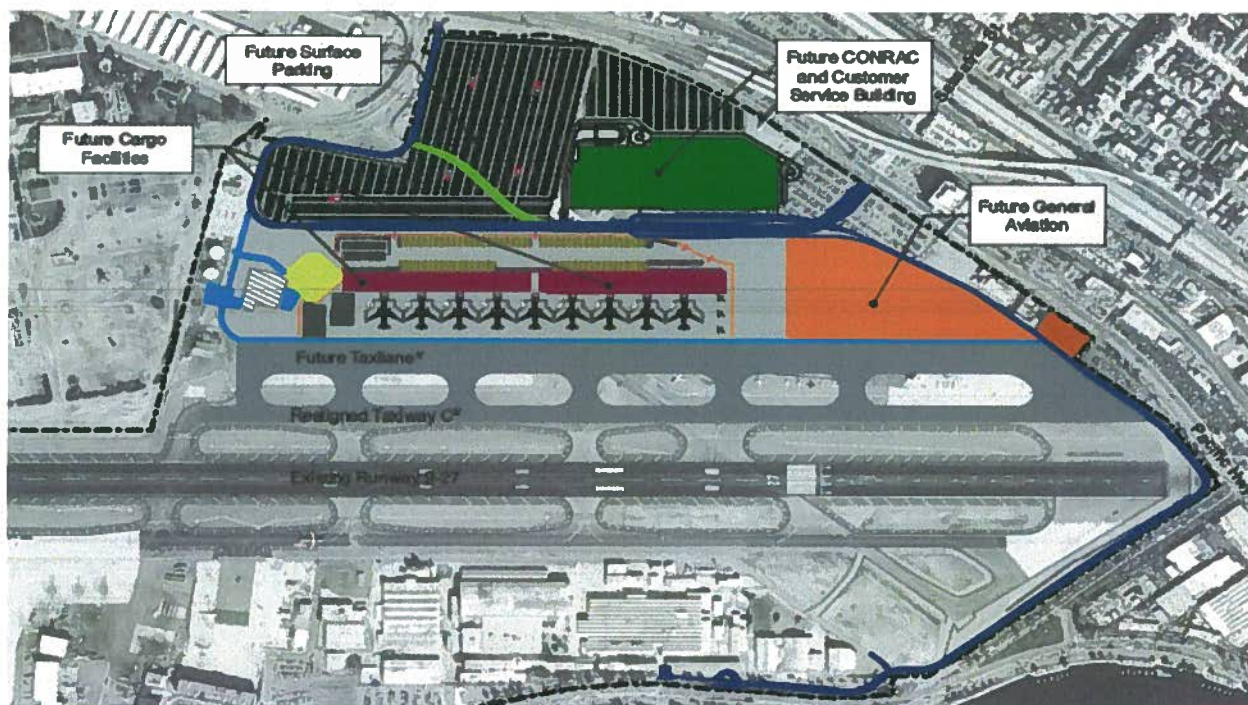
Destination Lindbergh which began in 2009 was a subsequent year-long planning process to: 1) determine the ultimate build-out configuration of the Airport, 2) evaluate and plan to minimize Airport-related traffic impacts to adjacent communities, and 3) improve intermodal access to the Airport. An alliance of the Authority, the City of San Diego and the San Diego Association of Governments (“SANDAG”) assisted by the Unified Port of San Diego, the County, Metropolitan Transit System, North County Transit District, and the U.S. Department of Defense engaged in the planning process. This process initiated the overall development effort and comprehensive analysis of the north airport parcel of land of which the Rental Car Center is one component.

The Destination Lindbergh recommended development plan included, among other facilities, an Intermodal Transit Center (“ITC”) which would ultimately contain trolley, rail and bus options in conjunction with a means to transport passengers within the Airport. One of the facilities contemplated within the concept of the ITC was the Rental Car Center.

The refinement of the Rental Car Center concept was incorporated in a supplement to the Master Plan in 2011 which identified improvements for the north side area of the Airport including the Rental Car Center. An environmental review determined that no additional violations would occur with the construction of the Rental Car Center. Accordingly, the [Supplemental](#) Environmental Impact Report was certified by the Authority on September 1, 2011.

Figure 3 depicts the San Diego International Airport and the development plan for various Airport parcels located on the northerly portion of the Airport.

Figure 3: Proposed Airport Implementation Plan – North Side Improvements (Rental Car Center)



Purpose and Need for Project

The Rental Car Center will provide the necessary on-site facilities to accommodate car rental operations at a single location. The Airport currently has no on-site locations for car rental companies. The rental car companies currently serving the Airport are located in various facilities surrounding the Airport. Each of these companies operates their own exclusive bus systems to pick up and drop off their customers at the Airport terminals. The future consolidated rental car facility will consist of areas for: customer service, ready/return vehicles, overflow rental vehicle storage, and vehicle fueling, cleaning and light maintenance. (Heavy vehicle maintenance and repair activities will continue to occur at off-Airport locations.) Rental car customers will be transported to the passenger terminals by means of a single common use bus system.

In addition to the general operating efficiencies created by the Rental Car Center, the Authority has made commitments to other governmental agencies to advance a more efficient and environmentally friendly rental car operating environment at the Airport. As part of Airport master planning efforts, the Authority and the State of California Attorney General's Office negotiated an agreement that addresses the issues of global climate change, greenhouse gas ("GHG") emissions, pollution, traffic congestion, and recycling. A single common rental car bussing system utilizing alternative fuels is a key consideration within the 2008 agreement entitled "*Memorandum of Understanding Between the Attorney General of the State of California and the San Diego County Regional Airport Authority Regarding the San Diego International Airport Master Plan*" (hereinafter "MOU"). The MOU contains provisions for operating the Airport in a manner which reduces GHG emissions. Establishment of the Rental Car Center and its corresponding common-use bussing system advances and is in concert with the goals of the MOU.

Project Alternatives

General

Overall Airport development alternatives were considered as part of the Master Plan. According to the Master Plan, the "no project" alternative represents the manner in which the Airport would accommodate the projected passenger demand but without the construction of any projects that have not received the required environmental approvals. In effect this would mean the Airport would not be able to add any Airport terminal gates or expand any of the associated terminal and roadway facilities. Theoretically the "no project" concept could accommodate the projected 2020 activity, but additional delays would likely result from high congestion, lack of flexibility or operational complexity, and extremely poor passenger service levels resulting from crowded terminal areas and congested roadways.

As a result, the "no project" concept was eliminated from consideration. The Master Plan presented the preferred alternative from which the Rental Car Center concepts were derived. That overall preferred Master Plan alternative had three (3) objectives:

1. Provide adequate facilities to accommodate air service demand while improving levels of services, Airport safety and security, and enhancing Airport access.
2. Develop facilities that use the current Airport property and facilities efficiently and in consideration of compatibility with surrounding land uses.
3. Provide for future public transit options in Airport land use planning.

Development of Rental Car Center Project Concepts

The Rental Car Center concept was conceived and discussed initially by Airport staff and preliminary design ideas were developed. In 2009, Connico, Inc., a consulting firm specializing in cost estimating, scheduling, and project management, prepared a preliminary rough order-of-magnitude cost estimate based on a preliminary facility concept. This cost estimate was used by Ricondo & Associates ("R&A") the Authority's rental car consultant, to determine whether a Rental Car Center project was financially feasible.

The Authority contracted with Demattei Wong Architecture, Inc. ("DWA"), a specialist in the planning and design of consolidated rental car facilities, to complete a comprehensive analysis of a number of different facility concept plans. DWA developed a space requirements program for the Rental Car Center and then developed a total of twelve (12) different operational models/concepts for analysis.

The Rental Car Center program requirements were a direct result of the operating information and requirements furnished by the rental car companies. Based on historic and projected rental car transaction

and operating data provided by the rental car companies and on airline passenger forecasts provided by the Authority, DWA developed forecasted space requirements for facility opening day and for ten (10) and twenty (20) year planning horizons. The Rental Car Center space requirements were initially projected as follows:

- Land site footprint – 27.5 acres
- Total facility size – 1.9 million square feet
- 3,500 ready/return parking stalls
- 1,170 staging/storage parking spaces
- 533 stacking spaces at the QTA
- 92 fueling positions
- 23 car-wash-bays
- 40,200 square foot customer service building

The facility concept alternatives analysis process consisted of the following steps:

1. Developing program component requirements
2. Developing and analyzing numerous operational models/concepts to meet Rental Car Center objectives
3. Maintaining consistency with Destination Lindbergh objectives for the Airports north side
4. Conforming to Master Plan and the north side land use criteria
5. Refining operational models
6. Identifying a preferred model

As stated above, this process resulted in twelve (12) different operational models/concepts for analysis. Four (4) concepts were eliminated because of inefficient land use, operational inefficiencies and potentially high construction costs. The eight (8) remaining concepts were further developed and five (5) were eliminated due to operational inefficiencies, unacceptable levels of customer service, potentially high construction costs, inadequate customer way finding, and inability to accommodate future transit connectivity. The remaining concepts were further refined into concepts A, B, and D.

- Concept A, 1,766,400 square feet, consisted of five levels of ready/return car spaces R/R with an adjacent three levels of QTA facility, all with overflow vehicle storage/employee parking above and located on a 23.8 acre site.
- Concept B, 1,800,207 square feet, consisted of three levels of R/R functions with an adjacent at-grade QTA facility, with overflow vehicle storage/employee parking above and located on a 32.67 acre site.
- Concept D, 1,659,400 square feet, consisted of an on-grade Customer Service Building, four levels of R/R car spaces with storage/employee parking above, and a three level (QTA) facility with overflow vehicle storage on the top level, located on a 28.64 acre site.

As part of DWA's comprehensive analysis, site location, and future roadway right of way requirements were evaluated resulting in a preferred location for the Rental Car Center. The preferred location utilizes the eastern-most corner of the north side area along the North Cargo area at the north end of the Airport bounded by Pacific Highway on the north, Sassafras Street on the east, the northside interior road on the south, and Washington Street on the west. Figure 3 entitled "Proposed Airport Implementation Plan – North Side Improvements" depicts the aforementioned location.

In March 2011, rough order-of-magnitude cost estimates (including both construction costs as well as design/program management and construction management services) were prepared for Concepts A, B

and D in order to provide more defined cost comparisons as well as individual facility component costs. The detailed cost estimates and comparisons are attached as Exhibit G.

Estimated project costs were as follows:

- Concept A – \$205 million
- Concept B – \$225 million
- Concept D – \$193 million

In July 2011, Concept D was further refined into Concepts D1 and D2 and incorporated the surrounding roadway realignment configuration which included a grade-separation overpass for dedicated common use shuttle bus access. D1 and D2 address the shuttle bus access at grade and at the second level of the facility respectively with nearly identical component configurations and site requirements.

Concept D1 occupies 16.77 acres of land and Concept D2, 17 acres. Concept D2, with the Customer Service Area on the second level, requires an elevated customer plaza and additional elevated roadway. The Rental Car Center shuttle bus return route remained elevated and used an additional overpass to avoid the on-grade merge with exiting Rental Car Center customers. Detailed cost estimates were prepared for each concept and are attached as Exhibit H.

Estimated project costs were as follows:

- Concept D1 – \$206 million
- Concept D2 – \$226 million

Concept D2 was selected as the preferred alternative. The Concept D2 estimated cost of \$226 million included \$180 million of construction cost and \$46 million design/program management and construction management costs. The Authority independently estimates design, program management, construction management, and program oversight costs. ~~Subsequently, within the Report, Upon adding the Authority's independent estimates;~~ the Rental Car Center facility development cost is estimated at \$264 million (\$189 million construction and \$75 million design, program management, construction management, and program oversight costs) using the Authority's design, PM and CM estimates.

Additionally, the Rental Car Center development require certain enabling projects, including Terminal Access Road, North Side Utilities, and the interior North Side Service Road. The cost of these enabling projects allocable to the Rental Car Center was estimated to be \$30.0 million.

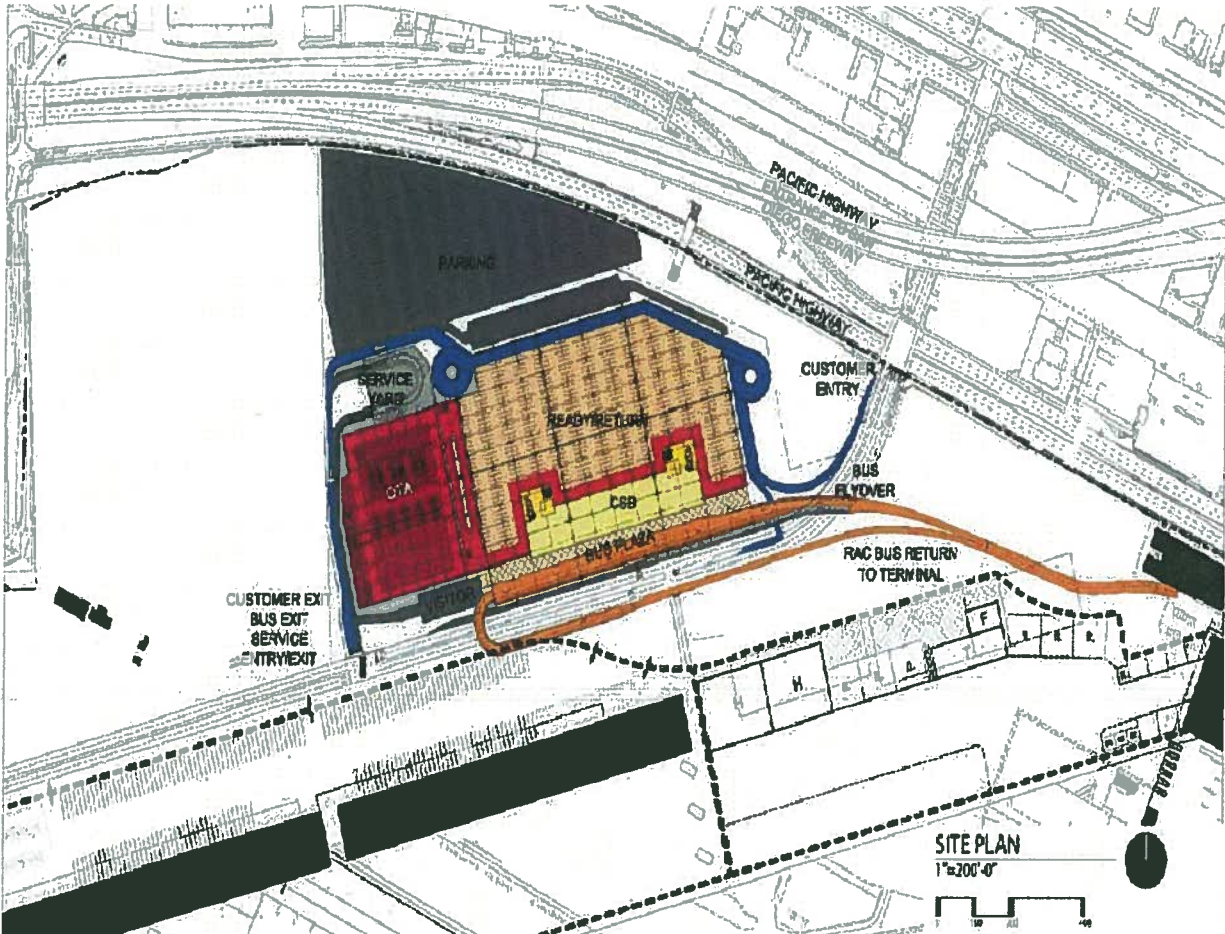
Key Components and Uses of the Rental Car Center

The key components of the Rental Car Center are as follows:

- 31,570 square foot customer service building
- 2,797 ready/return parking stalls;
- 1,884 staging/storage parking spaces;
- Quick Turnaround – multi level structure adjoining the ready/return garage;
- Fuel distribution and storage system; and
- Limited access roadway to and from the Airport passenger terminals for use by the common-use rental car customer shuttle bus.

Figure 4 below shows a general depiction of the proposed Rental Car Center as of July 2011.

Figure 4: Preliminary Program Layout Rental Car Center



Airport Rental Car Market

Rental Car Operators

The Airport rental car market consists of four (4) major rental car companies doing business under nine (9) national brands. In addition there are seven (7) regional and local brands doing business at the Airport. All companies operate from off-Airport facilities surrounding the Airport, using their own exclusive shuttle buses to transport customers to and from areas designated at each Airport terminal. Figure 5 on the next page lists rental car companies operating at the Airport.

Figure 5: List of Rental Car Companies with its Associated Brands Operating at the Airport

Hertz Corporation	DTG dba Thrifty
SimplyWhlz dba Advantage	Fox Rent A Car
Enterprise Rent A Car	South CA dba A1
Enterprise dba Alamo	Nevada Lease dba Payless
Enterprise dba National	RLZ dba Pacific
Avis Rent A Car	Pneuma dba TravCar
Newport dba Budget *	Midway Rent A Car
DTG dba Dollar	Gitibin dba Go Rentals LC

* Operated as a franchise of Avis Budget Group.

Each rental car company operating at the Airport is under a license agreement that requires payment of a concession fee of ten percent (10%) of the rental car company gross revenues to the Authority. Figure 6 indicates the gross revenues subject to concession fees for each rental car brand for the past three (3) fiscal years (ending June 30).

Figure 6: Gross Revenues FY12-FY10

Brand	FY12	FY11	FY10
Alamo	\$ -19,820,940	\$ 18,759,582	\$ 19,708,932
Avis	42,705,964	36,375,566	32,350,432
Dollar	17,734,017	14,881,324	14,116,769
Thrifty	8,845,893	8,849,652	9,142,711
Enterprise	28,788,513	26,187,148	24,999,532
Fox	11,933,563	8,326,481	6,083,892
Hertz	57,947,675	55,102,653	57,219,513
National	22,773,473	20,645,904	18,809,722
Budget	17,390,773	18,051,586	18,087,842
Payless	2,452,927	2,796,274	2,458,973
Advantage	4,163,681	4,927,861	3,333,616
Others	1,224,095	777,116	951,861
Total Gross Sales	\$235,781,515	\$215,681,148	\$207,263,796

Rental Car Bussing Operations

Currently all rental car companies are located off-airport. Each rental car company independently busses its customers to and from the Airport Terminals from their independent business locations.

Based upon visual observations and its experience at other airports, R&A, Authority's rental car consultant, estimates that all of the rental car companies currently serving the Airport operate a total of 50 to 60 shuttle buses. This represents 270,000 annual hours of operation with an annual combined operating cost estimated to be \$30 million. R&A estimates that the annual operating cost of the Rental Car Center's common use bus system will be approximately \$11 million in 2015, when the project is scheduled to open (including the cost of leasing the buses). Upon the facility opening, R&A estimates that the common use bus fleet will consist of 14-16 vehicles generating 70,000 to 75,000 annual hours of operation. Figure 7 below contains the bussing analysis completed by R&A.

Figure 7: Bussing Analysis

	Rental Car Center	Rental Car Company
Busses	14-16	50-60
Hours of Operation	70,000-75,000	270,000
Cost	\$111	\$130

Replacement of individual rental car company shuttle buses with the common use bus system will have a positive impact on traffic at, and surrounding, the Airport. Use of alternative fuel shuttle buses will be required, although the exact type of alternate fuel has not yet been determined.

D. Customer Facility Charge

Current CFC Collections

In March 2009, the Authority's Board authorized the implementation and collection of a ten dollar (\$10.00) per transaction CFC from Airport rental car customers for purposes of designing, financing and constructing a consolidated rental car facility and common use transportation system at the Airport. Implementation of the CFC allowed the Authority to perform the analyses necessary to determine the general feasibility of developing the facility and establishing a project scope for a Rental Car Center.

The CFC took effect and the rental car agencies began collection May 1, 2009. The Authority requires all rental car companies serving the Airport to collect a \$10 per transaction CFC from their customers. Figure 8 indicates the number of CFC transactions by each rental car brand for the past three (3) fiscal years.

Figure 8: CFC Transactions FY12-10

Brand	FY12	FY11	FY10
Alamo	\$ 91,582	\$ 95,806	\$ 96,628
Avis	198,116	180,551	168,708
Dollar	87,603	79,167	79,153
Thrifty	44,653	45,945	49,669
Enterprise	141,262	131,639	134,888
Fox	56,099	42,192	30,814
Hertz	257,872	256,766	262,440
National	121,234	112,738	103,145
Budget	91,925	96,579	105,965
Payless	17,123	17,188	16,211
Advantage	31,280	34,682	22,619
Others	9,011	5,391	8,693
Total Transactions	\$1,147,760	\$1,098,644	\$1,078,933

Applicability of Future Alternative CFC

The Authority intends to require all rental car companies serving the Airport to collect the alternative CFC from its customers. Non-tenant off-airport companies will be required to collect a reduced CFC from their customers for use of the common-use transportation system. Allocation of these costs is to be on a pro-rata split based on the number of rental car transactions in accordance with the Code. Figure 9 below provides an example of the general calculation to determine the CFC rate for off-airport companies only using the common bussing system.

Figure 9: Sample Off-Airport CFC Calculation

FY2012 Number of Transactions	1,147,760
Number of Rental Days ²	3,787,608
Estimated Annual Bussing Cost	\$11,000,000
Bussing Cost Divided by Rental Days Equals Estimated CFC Rate for Bussing Only	<u>\$2.90</u>

The above calculation is shown for illustrative purposes only and should not be interpreted as an indication of the actual fee that will be in place upon the opening of the Rental Car Center. The actual fee will be calculated using the most current information available at the time.

Upon implementation of the alternative CFC rate; the current CFC rate of \$10 per transaction will cease.

² Based upon an average of 3.3 rental days per transaction

Revenue Projections and Costs

R&A was engaged by the Authority to prepare a comprehensive study on whether development of the Rental Car Center at the Airport was financially feasible. Using the detailed cost estimates provided by Cumming Corporation and DWA in July 2011, R&A concluded the following:

- The projected CFC revenue stream assuming the alternative CFC collection rate of a daily fee of \$6.00 increasing to \$7.50 and ultimately \$9.00 will support debt service on bonds to finance construction of the estimated project cost of \$264 million and \$30 million of enabling projects as well as pay the cost of acquiring the common use shuttle buses and the annual cost of operations and maintenance of those buses.
- The CFC rate structure of \$10/transaction is *not* sufficient to pay both the construction of the estimated project cost of \$264 million and \$30 million of enabling projects as well as the cost of acquiring the common use shuttle buses and the annual cost of operations and maintenance of the buses.

R&A completed its analysis of the financial feasibility in March 2011 and has continually updated the analysis as more detailed program information has become known. The most recent analyses are attached hereto as Exhibit E and Exhibit F. The analyses include cash flow, debt service payments prepared by Frasca & Associates, the Authority's financial advisor, and debt service coverage, and flow of funds.

Annual CFC receipts at the current CFC collection level of \$10 per transaction were projected by R&A to be approximately \$10.8 million per year. Actual collections have closely tracked this estimate. With the preliminary annual debt service for the bonds used to fund the project estimated to be \$20.6 million, continued collection at the \$10 per transaction level would require the rental car companies to pay an approximate ~~\$9.8~~^{\$18} million annual deficit. Given the rental car companies' requirement to pay ongoing operating costs of the Rental Car Center such as utilities, janitorial, normal maintenance, taxes and ground rent, the Authority concluded that it would not be feasible to require the rental car companies to make up this annual deficit. Therefore, the Authority has determined it is necessary to collect the alternative CFC as follows:

\$6.00/rental day effective	November 1, 2012
\$7.50/rental day effective	January 1, 2014
\$9.00/rental day effective	January 1, 2017

The above referenced CFC rates and effective dates are as provided in 1936(m)(2) of the Code. The Code requires that the alternative CFC can only be collected for a maximum of five (5) days per rental contract.

Exhibit F attached hereto indicates the financial scenario assuming the CFC rate was left unadjusted at the \$10 per transaction level. Exhibit E attached hereto contains the financial scenario assuming the alternative CFC rate was implemented at the levels allowed by the Code.

The assumptions used in preparing R&A's August 2012 Financial Feasibility Report (Attached hereto as Exhibit E) are shown on Page 3 of the Exhibit and are further defined within the Financial Feasibility Report tables. R&A assumes collection of the \$6.00 per day alternate CFC will begin November 1, 2012, increase to \$7.50 per day in January 2014, and increase to \$9.00 per day in January 2017 as permitted under the current Code. There is an assumed annual growth rate in the collections of 1.5% beginning in FY2018 as the Authority's detailed passenger traffic forecast currently does not go beyond FY 2017. Collections are assumed to generate revenue sufficient to pay the debt service on the bond obligation for

the project, and common use shuttle bus acquisition and annual operating and maintenance costs. In addition, a renewal and replacement fund is assumed (equal to 5% of the original project cost), funded through CFCs over the first five (5) years of the Rental Car Center operation.

The total estimated project cost used in this analysis was \$294 million, including \$30 million for the CFC-eligible enabling projects (Terminal Access Road, North Side Utilities, Interior North Side Road, etc.). The analysis assumed that construction would take approximately two (2) years, and the facility would be open for use in July 2015.

Frasca & Associates provided the information used in the August 2012 R&A Financial Feasibility Report related to bond issuance and debt service requirements. Thirty (30) year Special Facility Bonds of ~~\$244.850~~246.690 million are currently assumed to be issued October 1, 2013 at an interest rate of 7.0% for taxable bonds and 6.0% for tax-exempt bonds. R&A has forecasted that collection of the CFC through the opening of the Rental Car Center on July 1, 2015, along with interest earned on those funds, is anticipated to generate \$104.392 million in equity to be applied as “pay-go” funding to the project cost and/or reserve requirements.

Neither the ground rent for the facility footprint nor facility operation and maintenance costs is CFC-eligible per the Code. Those costs will be borne by the rental car companies.

E. Project Team

Figure 10 below indicates the firms selected by the Authority to serve in key roles relating to the Rental Car Center development:

Figure 10: Key Firms Selected for Rental Car Center Development

Capacity	Name of Firm	About Firm
Architect/Design Firm	Demattei Wong Architecture	www.dwainc.net
Design Engineer	Parsons Brinkerhoff	www.parsonsbrinckerhoff.com
Rental Car Technical Advisor	Jacobson-Daniels Associates, LLC	www.jacobsendaniels.com
Construction Manager	Austin-Sundt	www.austin-ind.com
Business Advisor	Ricondo & Associates	www.ricondo.com
Financial Advisor	Frasca & Associates, LLC	www.frascallc.com

IV. SCHEDULE OF INCOME AND EXPENSES

Exhibit E attached hereto contains the full schedule of income and expenses anticipated for this project. Figure 11 below contains an overview of the entire project Forecasted Revenues and Expenses over the project schedule.

Figure 11: Forecasted Revenues and Expenses over the Life of the Project

San Diego County Regional Airport Authority Schedule of Forecasted Revenues and Costs of the San Diego International Airport Rental Car Center For the Period from Inception Through July 1, 2043				
	Actual from Inception Through June 30, 2011	Forecasted		Total
		Construction Period FY 2012-FY 2015	Financing Period FY 2016-FY 2043	
Revenues:				
Customer Facility Charges and Alternative CFCs:				
At base rate of \$10/transaction	\$ 22,435,206	\$ 15,266,657	\$ -	\$ 37,701,863
At base rate of \$6, \$7.50 and \$9/day	-	71,327,181	1,248,801,581	1,320,128,762
Total Customer Facility Charge Revenue	\$ 22,435,206	\$ 86,593,837	\$ 1,248,801,581	\$ 1,357,830,624
Bond Proceeds		\$ 189,608,000	\$ -	\$ 189,608,000
Interest Income	134,275	762,863	16,557,034	17,454,172
Total	\$ 22,569,481	\$ 276,964,700	\$ 1,265,358,615	\$ 1,564,892,797
Costs:				
Initial Planning and Design	\$ 1,595,079	\$ 1,632,923	\$ -	\$ 3,228,002
Enabling Projects	-	30,000,000	-	30,000,000
Consolidated Rental Car Facility Design & Construction	-	181,571,998	79,200,000	260,771,998
Busing Operations & Leasing Expenses	-	-	381,038,000	381,038,000
Annual Debt ServiceConsolidated Rental Car Facility Design & Construction	-	-	560,956,150	560,956,150
Renewal & Replacement Fund	-	-	13,200,000	13,200,000
Total costs	\$ 1,595,079	\$ 213,204,921	\$ 1,034,394,150	\$ 1,249,194,150
Net Unapplied Revenues	\$ 20,974,402	\$ 63,759,779	\$ 230,964,465	\$ 315,698,647

San Diego County Regional Airport Authority Proposed Consolidated Rental Car Center

Schedule of Forecasted Revenue and Expenses and Sources and Uses of Funds of the San Diego International Airport Rental Car Center

For the periods within and from inception (May 1, 2009) through July 1, 2043

For the years ending June 30,	Actual from Inception Through June 30, 2011	Construction and Financing Period July 1, 2011 through June 30, 2015	Rental Car Center Operating Period July 1, 2015 through July 1, 2043	Total
Total operating revenues:				
Revenue from CFC charges	\$ 22,435,206	\$ 86,593,837	\$ 1,248,801,581	\$ 1,357,830,624
Total operating revenues	22,435,206	86,593,837	1,248,801,581	1,357,830,624
Operating expenses:				
Operating	-	-	381,037,998	381,037,998
Depreciation	-	-	301,714,712	301,714,712
Other	-	2,467,725	-	2,467,725
Total operating expenses	-	2,467,725	682,752,710	685,220,435
Net operating revenue in excess of net operating expenses	22,435,206	84,126,112	566,048,871	672,610,189
Nonoperating revenues (expenses):				
Interest expense	-	-	(314,266,150)	(314,266,150)
Investment income	134,275	462,288	16,557,034	17,153,597
Net nonoperating revenues (expenses)	134,275	462,288	(297,709,116)	(297,112,553)
Increase in net assets	\$ 22,569,481	\$ 84,588,400	\$ 268,339,755	\$ 375,497,636
Sources of funds				
Increase in net assets	\$ 22,569,481	\$ 84,588,400	\$ 268,339,755	\$ 375,497,636
Add back:				
Depreciation expense	-	-	301,714,712	301,714,712
Interest expense	-	-	314,266,150	314,266,150
Other sources:				
Bond proceeds	-	246,690,000	-	246,690,000
Total sources of funds	22,569,481	331,278,400	884,320,617	1,238,168,498
Uses of funds				
Debt service payments:				
Principal	-	-	(246,690,000)	(246,690,000)
Interest	-	-	(314,266,150)	(314,266,150)
Total debt service payments	-	-	(560,956,150)	(560,956,150)
Constructed assets	-	(323,265,763)	-	(323,265,763)
Funds (restricted cash) created in accordance with indentures				
Debt service reserve fund	-	(20,038,350)	-	(20,038,350)
Coverage fund	-	(5,009,588)	-	(5,009,588)
Renewal and replacement	-	-	(13,200,000)	(13,200,000)
Total uses of funds	-	(348,313,701)	(574,156,150)	(922,469,851)
Increase (decrease) in cash and investments (unapplied revenues)	22,569,481	(17,035,301)	310,164,467	315,698,647
Beginning cash and investments (unapplied revenues)	-	22,569,481	5,534,180	-
Ending cash and investments (unapplied revenues)	\$ 22,569,481	\$ 5,534,180	\$ 315,698,647	\$ 315,698,647

The Authority understands and acknowledges that the Code does not allow collection of CFCs in excess of those specifically required to fund the project. As the Authority advances the program and specific costs become known (e.g. construction costs, bussing expenses, etc.) the Authority may adjust the alternative CFC rate for future years (beyond FY2017) downward from the \$9.00 per day level and/or the early repayment of the CFC bonds to allow the overall CFC program to conclude sooner.

The CFCs contemplated within this program will expire upon the earlier of full payment of the CFC financing bonds or July 1, 2043.

In any event, the Authority will take all actions necessary to ensure that CFC collections do not exceed CFC eligible costs.

V. SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS

In order to provide for the planning, design, construction, financing, and bus operation and lease expense of the Rental Car Center, the Authority initiated collection of a Customer Facility Charge of \$10.00 per rental transaction, in accordance with the Code, effective May 1, 2009. Based on its forecasted costs, forecasted revenue and plan funding, the Authority has determined that it is necessary to collect the alternative CFC (\$6.00 per rental day beginning January 1, 2013, \$7.50 per day beginning January 2014, and \$9.00 per day beginning January 1, 2017 as permitted under §1936(m)(2) of the Code. Each section below includes the significant assumptions of management.

Rental Car Center Financing Plan – Forecasted Cost: \$294 Million

Authority management has forecasted project costs of the Rental Car Center to total \$294million including \$30 million for CFC eligible enabling projects (terminal access road, north side utilities and interior north side road). Exhibit H attached hereto provides details used to determine the \$264 million facility cost. Figure 12 below indicates the methodology used for establishing the budgeted \$30 million for enabling projects.

Figure 12: Enabling Project Cost Calculation

	Cost Estimate	Rental Car Share	Rental Car Share %
104118 – Utilities			
Water	\$ 2,604,131	\$ 894,867	34%
Sewer	1,104,983	655,198	59%
Storm Drainage	21,439,513	8,575,805	40%
Natural Gas	1,971,459	852,000	43%
Electrical	2,669,906	988,854	37%
Telecommunications	2,276,937	1,379,962	61%
104135 – Interior North Side Road	3,907,540	2,744,860	70%
104134 – Terminal Link Road (TLR)	10,769,419	8,774,398	81%
Subtotal	\$46,743,888	24,865,944	
Contingency (20%)		4,973,189	
Total Estimated Enabling Projects Allocated:		\$29,839,132	

Stand-alone CFC Revenue Bonds

Funding for the project will be provided through (1) Special Facility Bonds issued by the Authority to be repaid from future alternative CFCs; (2) CFCs collected from July 1, 2009 through the end of the construction period; and (3) interest earned on certain funds eligible to be utilized toward project costs. The bonds are expected to be repaid solely from alternative CFCs collected from rental car customers using the Rental Car Center and/or Common use transportation system. The Rental Car Center is intended to be self-supporting with concession fees continuing to be credited to the Authority's general fund, and

no financial support from any other Authority source.

The Authority intends that the rental car companies will be responsible in the event there are any shortfalls in CFC revenues from time to time. The source and use as it relates to the CFC Bonds is as follows:

Source:

Airport Revenue Bonds	\$246,690,000
Estimated CFC and Interest Through Construction	104,392,000
Total	\$351,082,000

Uses:

Consolidated Rental Car Facility	\$104,392,000
Deposit to Project Fund	189,608,000
Deposit to Debt Service Reserve Fund	20,038,350
Deposit to Capitalized Interest Fund	29,566,338,337
Deposit to Coverage Fund	5,009,588
Costs of Bond Issuance	2,467,725
Total	\$351,082,001,000

The estimated financing costs of the Rental Car Center were developed by Frasca & Associates and the Authority.

Thirty (30) year Special Facility Bonds in the par amount of \$246.690 million are assumed to be issued October 1, 2013. Collection of the CFC from May 1, 2009 through October 31, 2012 and collection of the alternative CFC for the period November 1, 2012, through bond issuance, along with interest earned on those funds, is anticipated to generate \$104.392 million in equity to be applied to the project cost.

The \$246.690 million in Special Facility Bonds are expected to be issued in two series: (1) Series 2013 Taxable Bonds in the amount of \$209.365 million interest rate of 7.0%; and (2) Series 2013 Tax-Exempt (Non-AMT) Bonds in the amount of \$37.325 million interest rate of 6.0%.

The CFC bonds are assumed to be stand-alone revenue bonds secured only by a pledge of CFC's and, if needed, ~~any~~ "additional rentals" financial consideration paid by the Rental Car Companies if CFC's are insufficient to pay the costs associated with the project.

The CFC bonds are assumed to be rated in the "BBB+/A-" range. This rating level is consistent with other comparable stand-alone airport CFC bonds, including Atlanta (Baa1/A-A-), Nashville (Naa1/A-/Not Rated), Phoenix (A3/A-/Not Rated), BWI (A3/Not Rated/A-) and Houston (A3/A-/A) (where ratings are shown from Moody's S&P and Fitch respectively).

Interest rates are based upon current market rates plus approximately ~~150~~100 basis points (1.~~5000~~00%). Taxable rates are estimated based upon current U.S. Treasury rates adjusted for the A-/BBB+ credit spread plus a premium for a ten (10) year call provision plus ~~150~~basis100 basis points. Similarly, the tax-exempt rates are estimated based upon current Municipal Market Data scales plus an adjustment for the credit spread plus ~~150~~100 basis points. The adjustment of ~~150~~100 basis points reflects uncertainty over

future rates between the current estimated (based upon rates as of July 30, 2012) and the time of bond pricing in September 2013. The current taxable and tax-exempt rates, which are near historic lows, are approximately ~~150~~100 basis points below their five-year average.

Alternative CFC Receipts

Collection of the \$6.00 per day alternative CFC is anticipated to begin effective November 1, 2012, increase to \$7.50 per day on January 1, 2014, and increase to \$9.00 per day on January 1, 2017. There is an assumed annual growth rate in collections of 1.5% beyond FY2017. These revenues are forecasted to generate funds sufficient to pay the debt service on the bond obligation and annual common use busing operating and maintenance expenses.

In addition, a 5% renewal and replacement fund is to be established funded through CFC revenues over the first five (5) years of the Rental Car Center operation.

Rental Car Activity

Following is a summary of the assumption used by R&A when creating the Financial Feasibility Reports contained within Exhibits E & F attached hereto.

O&D Deplaned Passenger Growth FY 2010 - FY 2017	San Diego County Regional Airport Authority Forecast (January 2012)
FY 2018 - FY 2045	1.5% Annual Growth (R&A Assumption)
Rental Car Transactions per O&D Deplaned Passengers	0.135 (Using historical SAN data – See Figure 13 below)
Average Transaction Days per Transaction	4.6 (Using historical SAN data from one rental car brand)
Estimated Reduction Associated with Statutory 5-Day Maximum	27% (Using historical SAN data from one rental car brand)
Average CFC Transaction Days per Transaction (after adjustment)	3.3 (Calculated using assumption above)

Figure 13: Percentage Rental Car Transactions per O&D Passenger



The Authority will apply all CFC revenues on hand together with alternative CFC revenues to construction costs during the construction of the Rental Car Center. It is currently forecasted that the total CFC revenues, including interest, available to fund construction of the Rental Car Center will be \$104.392 million. The amount of actual CFC revenues collected and interest earned thereon will directly reduce the amount of revenue bonds that must be issued.

Facility Rental Income

The Authority will enter into Agreements with each rental car company to operate at the Airport that will use the Rental Car Center. The Agreement will require each rental car company to pay facility rent for its use of the Rental Car Center as well as its proportionate share of the cost of operating and maintaining the common use busing system. The obligation to pay facility rent and busing costs will be offset by annual CFC collections. In the event CFC collections are insufficient to pay these costs, each rental car company will be required to pay to the Authority its pro-rata share of any shortfall. In addition, the rental car companies will be responsible for paying the regular operating costs of the Rental Car Center such as utilities, janitorial, normal maintenance, and any and all applicable taxes (i.e., possessory interest taxes on the car rental companies’ leaseholds) and ground rent on the footprint of the Facility.

Facility-related costs will be allocated to each rental car company based on the percentage of space it occupies within the Rental Car Center. Common bussing costs will be allocated among all companies using the bussing system based on the number of transactions each rental car company generates.

Forecast Summary

Based on the forecasted rental transactions and alternative CFC collection, and estimated interest rates on the Special Facility Bonds (see Financing Assumptions below), the total forecast for revenues and expenses over the thirty (30) year term of bonds is as follows:

Revenues:

Alternative Customer Facility Charges	\$1,357,830,624
Interest Income	17,454,173
Total	<u>\$1,375,284,797</u>

Expenses:

Debt Service on Revenue Bonds	\$560,956,150
Bussing Operating and Leasing Expense	381,038,000
Total	<u>941,994,150</u>
Net Remaining Revenue *	<u>\$433,290,647</u>

* Before project cost and transfers to renewal and replacement fund

The forecasted alternative CFCs are net of approximately \$20.6 million not required due to debt payment from release of Debt Service Reserve Fund and Surplus Revenue Fund deposits.

Summary of Forecast Assumptions

The primary assumptions, updated as of August 2012, in the revenue forecast and plan of funding are as follows:

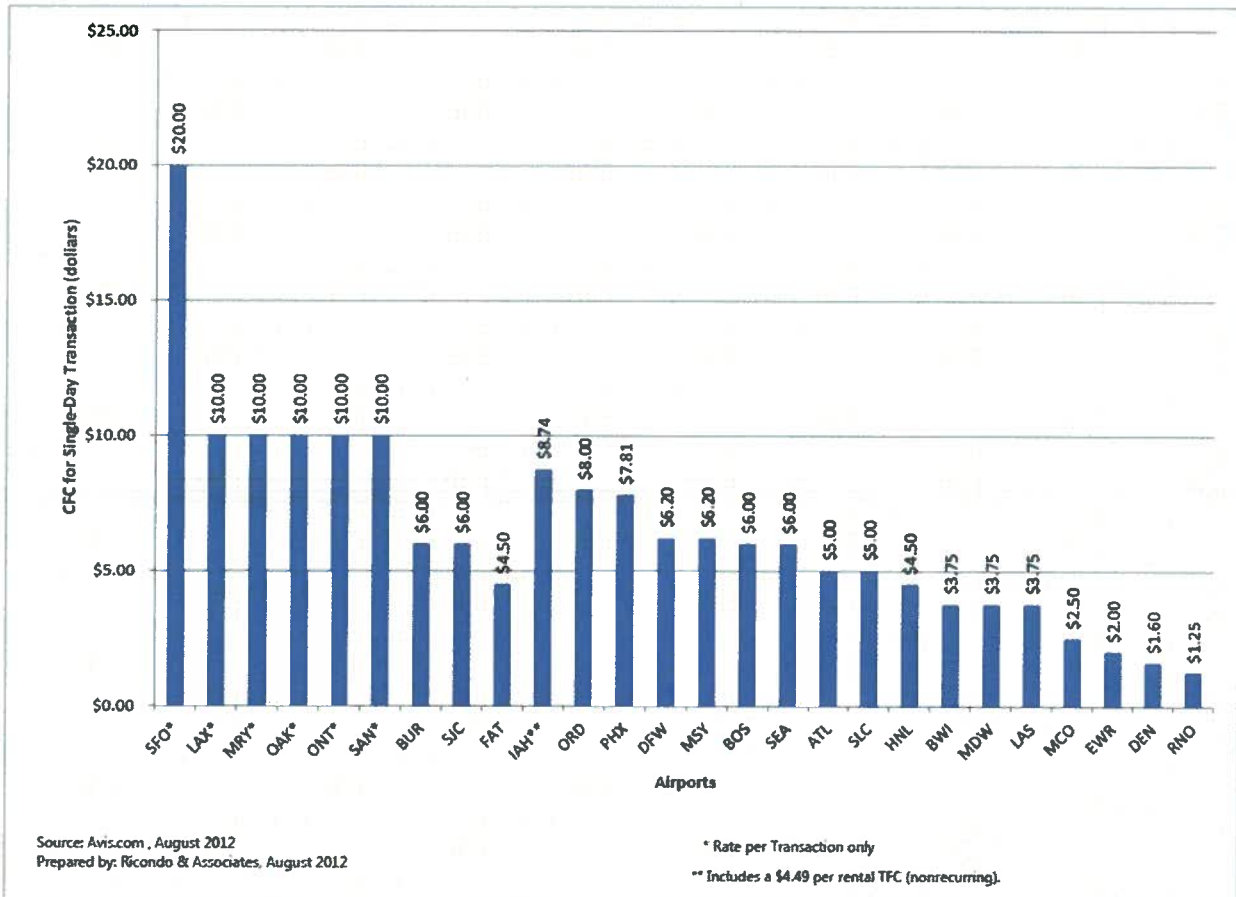
Financing Assumptions
1. Planning and design period of 16 months for design, cost development and bond issuance ending October 2013.
2. Construction period of 24 months ending July 1, 2015.
3. Commencement of Rental Car Center operations on July 1, 2015.
4. Debt Service Reserve Fund equal to one (1) year of the annual debt service.
5. Level annual debt service after the end of the capitalized interest period.
6. Interest capitalized through July 1, 2015
7. The forecasted project costs will not exceed \$294 million for the Rental Car Center and its associated enabling projects including design, project management, and insurance.
8. Interest rates on the Authority Revenue Bonds are estimated at 7.0% for the Taxable Special Facility Bonds and 6.0% for the tax exempt (Non-AMT) bonds.
9. Interest rates on the CFC account, Debt Service Reserve Fund, Coverage Account and R&R fund are estimated at 0.25% to 1.00%.

CFC and Facility Rents at Other Airports

The plans of funding used at various airports in the United States that have financed construction of CONRACs vary based on the specific factors at each airport.

Figure 14 below indicates the CFC rates for various airports within the United States to provide a range of CFCs experienced nationwide.

Figure 14: CFC Collection Rates at Airports in United States



VI. SUMMARY

To ensure that the Authority adequately and clearly addresses the specific requirements of California Civil Code section 1936, the Authority offers this Summation Section of this Report to briefly direct the reader to the applicable sections of the report addressing the subject matter. This Section is intended to mirror the requirements of the Code and provide a preview of the presentation to occur at the Code required Public Hearing scheduled for September 6/October 4, 2012.

A. Revenue Necessary for Rental Car Center Development

The Authority establishes the amount of revenue necessary to finance the reasonable cost to design and construct the Rental Car Center and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system through the report entitled “Consolidated Rental Car Center Development Financial Feasibility Report” prepared by Ricondo & Associates in conjunction with Frasca & Associates attached as Exhibit D hereto (“Feasibility Report”).

B. Existing CFC Insufficient

The Authority finds that the fee authorized in paragraph (1) of subsection (m) of section 1936 of the Code will not generate sufficient revenue to finance the reasonable costs to design and construct the Rental Car Center and to design, construct, and operate any common-use transportation system, or acquire vehicles for use in that system.

Exhibit F attached hereto indicates the financial scenario assuming the CFC rate was left unadjusted at the \$10 per transaction level. Annual CFC deficits are generated in amounts of approximately \$2018 million. Conceptually, a \$10 per transaction CFC collection level would cover the bussing costs with nothing remaining for facility debt service.

C. Alternative CFC Projected to Cover Costs

Based on the Feasibility Report the Authority believes that the reasonable cost of the project requires the additional amount of revenue that would be generated by the alternative CFC daily rate allowed by the Code as follows:

Effective Date	CFC Rate	Estimated Revenue
November 1, 2012	\$6.00 / day *	CFC Revenue \$22.0 million annually
January 1, 2014	\$7.50 / day *	CFC Revenue \$28.0 million annually
January 1, 2017	\$9.00 / day *	CFC Revenue \$35.0 million annually

* Limited to a maximum of 5 days per transaction, pursuant to CA Code §1936

D. Steps Taken to Limit Cost

Evaluation of Many Alternatives

As identified in Section 3(3) above, the Authority undertook an extensive process, which included the development and analysis of numerous concept alternatives, consisting of the following steps:

1. Developing program component requirements
2. Developing and analyzing numerous operational models/concepts to meet Rental Car Center objectives
3. Maintaining consistency with Destination Lindbergh objectives for the North Side
4. Conforming to Master Plan and the North Side land use criteria
5. Refining operational models
6. Identifying a preferred model

This process resulted in twelve (12) different operational concepts for analysis. Four (4) concepts were eliminated because of inefficient land use, operational inefficiencies and potentially high construction costs. The eight (8) remaining concepts were further developed and five (5) were eliminated due to operational inefficiencies, unacceptable levels of customer service, potentially high construction costs, inadequate customer wayfinding, and future transit connectivity. The remaining concepts were further refined into Concepts A, B, and D. This ultimately resulted in Concept D being further refined to a D1 and D2 concept.

Alternative Project Delivery Method

Figure 15 below depicts the Project Delivery Matrix the Authority used to select the appropriate project delivery method. The Authority selected the Construction ~~Manger-Manager-at-Risk~~ method as it was viewed to have a “Best” rating as it relates to project budget and as it relates to stakeholders. The Authority believes that with the active input of stakeholders and early consideration of their needs and wants, change orders and other budget-impacting items can be reduced to the extent possible.

Figure 15: Project Delivery Evaluation Matrix

Program Element	Construction Manager at Risk	Design Build	Third-Party Developer
Budget	Best	Best	Best
Schedule	Best	Best	Best
Financing	Best	Best	Unnecessary
Procurement	Best	Best	Standard
Local Business	Best	Standard	Standard
Small Business	Best	Standard	Standard
DBE	Best	Standard	Standard
Design	Best	Standard	Standard
Stakeholders	Best	Standard	Standard

Use of Other Funds to Pay for CFC Eligible Expenses

California Civil Code 1936, as amended by Senate Bill 1192 (“Code”), permits an airport sponsor to require rental car companies to collect from a renter a CFC to finance, design and construct a consolidated airport rental car facility; to finance, design, construct, and operate common-use transportation systems that move passengers between airport terminals and those consolidated car rental facilities, and acquire vehicles for use in that system; and to finance, design, and construct terminal modifications solely to accommodate and provide customer access to common-use transportation systems.

The Authority has made arrangements to fund terminal modifications (e.g. shuttle bus pick-up islands, etc.) with other sources of Airport revenues and not use CFCs.

E. Other Potential Alternatives to Meet Revenue Needs

The Authority’s capital needs frequently exceed the availability of funds. The Authority will soon complete an aggressive Terminal expansion program with costs exceeding \$1 billion. The Authority has had to dedicate a very large portion of its bonding capacity for the Terminal expansion program and does not have excess capacity to dedicate to the Rental Car Center.

Federal Aviation Administration grants are sometimes made available to the Authority through the Airport Improvement Program (AIP). Unfortunately, AIP grants are not eligible to be used for this type of program. Such grants are restricted to airfield related projects.

Similarly, Passenger Facility Charges (PFCs) (the \$4.50 fee paid by each traveler as part of their airline ticket) have restrictions on their use and, similar to AIP grants, PFCs are ineligible to be used on a project such as the Rental Car Center.

The Authority is able to issue Special Facility Bonds for the Rental Car Center but only if it is able to demonstrate that the Special Facility Bonds will be fully repaid from users of the Rental Car Center and not the airlines or other funds of the Authority. Thus, the plan of funding and the financial model demonstrate that the Special Facility Bonds would be solely repaid from the customers of the rental car companies in the form of a CFC.

F. Extent Project Paid For By Others Not Through CFC

The Authority will enter into Agreements with each rental car company to operate at the Airport that will use the Rental Car Center. The Agreement will require the rental car company to pay facility rent for its use of the Rental Car Center as well as its proportionate share of the cost of operating and maintaining the common use bussing system. The obligation to pay facility rent and bussing costs will be offset by annual CFC collections. In the event CFC collections are insufficient to pay these costs, each rental car company will be required to pay its pro-rata share of the annual shortfall to the Authority. In addition, the rental car companies will be responsible for paying the regular operating costs of the Rental Car Center such as utilities, janitorial, normal maintenance, and any and all applicable taxes (e.g., possessory interest taxes on the car rental companies’ leaseholds) and ground rent on the footprint of the Facility. Figure 16 on the following page charts the cost items and the source of funds.

Figure 16: Rental Car Center Cost Item Responsibility

	CFCs	Rental Car Companies
Ground Rent For Facility	No	Yes
Facility Construction/Debt Service	Yes	No – Assume 100% of business risk of passenger decline and CFC shortfall
Facility Operating and Maintenance Expenses	No	Yes
Common Bussing Expenses	Yes	No – Assume 100% of business risk of passenger decline and CFC shortfall

G. Letters Received From Rental Car Industry

Exhibit I, attached hereto and incorporated by this reference, ~~contains~~please find letters received from members of the rental car industry regarding the modification of the CFC collection rate to the rates proposed herein.

San Diego County Regional Airport Authority

Examined Forecast Relating to the Proposed
Consolidated Rental Car Center



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Independent Accountant's Report

To the Members of the Board
San Diego County Regional Airport Authority
San Diego, CA

We have examined the Schedule of Forecasted Revenues and Expenses and Sources and Uses of Funds of the San Diego International Airport Rental Car Center for the periods within and from Inception (May 1, 2009) through July 1, 2043 (Forecasted Schedule). The San Diego County Regional Airport Authority's (Airport Authority) management is responsible for the forecast. Our responsibility is to express an opinion on the forecast based on our examination. The "Actual From Inception Through June 30, 2011" column on the Forecasted Schedule represents financial data for the period from Inception through June 30, 2011 that has been derived from the Airport Authority's historical financial statements of the respective periods, and in our reports dated October 14, 2011 and October 15, 2010, respectively, we expressed unqualified opinions.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included such procedures that we considered necessary to evaluate both the assumptions used by management and the preparation and presentation of the Forecasted Schedule. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the accompanying Forecasted Schedule is presented in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants, and the underlying assumptions provide a reasonable basis for management's forecast. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying Forecasted Schedule and our report are intended solely for the information and use of the Board of Airport Directors, Airport Authority management and the California State Controller's Office, and are not intended to be, and should not be, used by anyone other than these specified parties.

McGladrey LLP

San Diego, CA
October 1, 2012

San Diego County Regional Airport Authority

Schedule of Forecasted Revenue and Expenses and Sources and Uses of Funds of the San Diego International Airport
 Rental Car Center
 For the Periods Within and From Inception (May 1, 2009) Through July 1, 2043

For the years ending June 30,	Actual From Inception Through June 30, 2011	Constrution and Financing Period July 1, 2011 Through June 30, 2015	Rental Car Center Operating Period July 1, 2015 Through July 1, 2043	Total
Total operating revenues:				
Revenue from CFC charges	\$ 22,435,206	\$ 86,593,837	\$ 1,248,801,581	\$ 1,357,830,624
Total operating revenues	22,435,206	86,593,837	1,248,801,581	1,357,830,624
Operating expenses:				
Operating	-	-	381,037,998	381,037,998
Depreciation	-	-	301,714,712	301,714,712
Other	-	2,467,725	-	2,467,725
Total operating expenses	-	2,467,725	682,752,710	685,220,435
Net operating revenue in excess of net operating expenses	22,435,206	84,126,112	566,048,871	672,610,189
Nonoperating revenues (expenses):				
Interest expense	-	-	(314,266,150)	(314,266,150)
Investment income	134,275	462,288	16,557,034	17,153,597
Net nonoperating revenues (expenses)	134,275	462,288	(297,709,116)	(297,112,553)
Increase in net assets	\$ 22,569,481	\$ 84,588,400	\$ 268,339,755	\$ 375,497,636
Sources of funds				
Increase in net assets	\$ 22,569,481	\$ 84,588,400	\$ 268,339,755	\$ 375,497,636
Add back:				
Depreciation expense	-	-	301,714,712	301,714,712
Interest expense	-	-	314,266,150	314,266,150
Other sources:				
Bond proceeds	-	246,690,000	-	246,690,000
Total sources of funds	22,569,481	331,278,400	884,320,617	1,238,168,498
Uses of funds				
Debt service payments:				
Principal	-	-	(246,690,000)	(246,690,000)
Interest	-	-	(314,266,150)	(314,266,150)
Total debt service payments	-	-	(560,956,150)	(560,956,150)
Constructed assets	-	(323,265,763)	-	(323,265,763)
Funds (restricted cash) created in accordance with indentures				
Debt service reserve fund	-	(20,038,350)	-	(20,038,350)
Coverage fund	-	(5,009,588)	-	(5,009,588)
Renewal and replacement	-	-	(13,200,000)	(13,200,000)
Total uses of funds	-	(348,313,701)	(574,156,150)	(922,469,851)
Increase (decrease) in cash and investments (unapplied revenues)	22,569,481	(17,035,301)	310,164,467	315,698,647
Beginning cash and investments (unapplied revenues)	-	22,569,481	5,534,180	-
Ending cash and investments (unapplied revenues)	\$ 22,569,481	\$ 5,534,180	\$ 315,698,647	\$ 315,698,647

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Pursuant to California Civil Code 1936 (the Code), the San Diego County Regional Airport Authority (Airport Authority) that operates San Diego International Airport (SDIA) located in San Diego, California, has prepared a financial forecast to enable an alternative Customer Facility Charge (CFC) collection rate to be enacted that provides for the financing, design and construction of a consolidated rental car facility; and for the operation of a common use transportation system and acquisition of vehicles for use in that system (collectively the Rental Car Center) at the Airport. This report is intended for the use by the Airport Authority and the State of California in evaluating the revenue forecast and plan of funding, including the need to collect the alternative CFCs in accordance with the Code, in connection with the proposed construction of the Rental Car Center, and should not be used for any other purpose.

The Airport Authority has determined the need for a Rental Car Center to provide for the safe, secure and efficient processing of rental car transactions for the traveling public, to enhance the choice afforded to rental car customers, and to mitigate the environmental impacts of the current rental car operations on the Airport's neighbors.

The accompanying financial forecast presents the schedule of revenues and expenses and sources and uses of funds for the period from inception of the project (May 1, 2009) through the final payment of debt (July 1, 2043) (Forecast Period) for the proposed Rental Car Center.

The accompanying financial forecast presents, to the best of management's knowledge and belief, the Airport Authority's expected sources of funds and revenues generated for and reasonable costs of the design, construction and financing of the Rental Car Center, and common use rental car shuttle bus operations and leasing expense, for the Forecast Period. Accordingly, the financial forecast reflects management's judgment as of October 1, 2012 of the expected conditions and expected course of action. The assumptions disclosed herein are those that the Airport Authority believes are significant to the forecast. Even if the assumptions were to be realized, however, there will be differences between forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Note 1. Summary of Significant Accounting Policies

Reporting entity: The Airport Authority, an autonomous public agency, was established as a result of legislation, Assembly Bill 93 (2001), as modified by Senate Bill 1896 (2002), which together comprise the San Diego County Regional Airport Authority Act (the Act). The Act required, among other things, the transfer of the assets and operations of the SDIA from the San Diego Unified Port District (the District) to the Airport Authority. Effective January 1, 2003 (inception), the District transferred all airport operations and certain related assets and liabilities to the Airport Authority, pursuant to the Act and the Memorandum of Understanding (MOU) dated as of December 31, 2002, between the Airport Authority and the District, which implemented the Act.

Senate Bill 10, the San Diego County Regional Airport Authority Reform Act, was effective January 1, 2008. Responsibilities of the Airport Authority include, among other things, the operation, maintenance, development, management and regulation of SDIA and its facilities. In addition, the Airport Authority has the responsibility to plan or to expand the existing SDIA. Under one of the requirements of Senate Bill 10, the Airport Authority completed a Regional Aviation Strategic Plan, and by December 31, 2013 the Airport Authority will prepare and adopt an Airport Multimodal Accessibility Plan. In addition, the Airport Authority acts as the Airport Land Use Commission within San Diego County.

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 1. Summary of Significant Accounting Policies (Continued)

In accordance with the *Codification of Governmental Accounting and Financial Reporting Standards*, the basic financial statements include all organizations, agencies, boards, commissions and authorities for which the Airport Authority is financially accountable. The Airport Authority has also considered all other potential organizations for which the nature and significance of their relationships with the Airport Authority are such that exclusion would cause the Airport Authority's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing the majority of an organization's governing body and (1) the ability of the Airport Authority to impose its will on that organization or (2) the potential for that organization to provide specific benefits to, or impose specific financial burdens on, the Airport Authority. Based on these criteria, there are no other organizations or agencies that should be included in these basic financial statements.

This presentation represents only the financial data and activities of the proposed Rental Car Center and does not represent the financial data and the activities of the Airport Authority as a whole.

Measurement focus and basis of accounting: The accounting policies of the Airport Authority conform to accounting principles generally accepted in the United States of America applicable to state and local government agencies, and as such, the Airport Authority is accounted for as a proprietary fund. The basic financial statements presented are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This measurement focus emphasizes the determination of the change in Airport Authority net assets. Private sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed by the Airport Authority to the extent that those standards do not conflict with or contradict guidance of the GASB. The Airport Authority also has the option of following subsequent private-sector guidance for its activities subject to the same limitation. The Airport Authority has elected to follow the standards set by the GASB, as opposed to subsequently issued private sector guidance.

Significant accounting policies:

Cash and cash equivalents: For purposes of cash flows, cash and cash equivalents includes unrestricted and designated cash on hand, demand deposits and debt securities with original maturities of three months or less when purchased.

Investments: The Airport Authority has an investment policy which addresses types of investments allowed (primarily debt securities), duration and credit quality. Also bond indentures limit what a trustee can invest bond funds in. In general, the Airport Authority's investments are limited to state and county investment pools, U.S. government and its agencies securities and high quality corporate debt. Investments are stated at fair value primarily based on quoted market prices. Investment income, which includes realized and unrealized gains and losses, is recognized when earned.

Capital assets: Capital assets are recorded at cost, except for property contributed by third parties, which is recorded at fair market value at the date of contribution, less an allowance for accumulated depreciation. The Airport Authority capitalizes incremental overhead costs and interest cost associated with the construction of capital assets.

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 1. Summary of Significant Accounting Policies (Continued)

Capital assets are defined by the Airport Authority as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Depreciation is computed by use of the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	30-40
Runways, taxiways, roads and parking areas	5-30
Buildings, structures and improvements	5-30
Machinery and equipment	3-10

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as construction in process as projects are constructed.

Under the forecasted Trust Indenture associated with the proposed bond financing (Note 6), the following funds are expected to be established and maintained:

Costs of Issuance Fund: The Costs of Issuance Fund is to be established by the Trustee from a deposit of a portion of the proceeds from issuance of the Series 2013 Customer Facility Charge Bonds to be used to pay certain costs of financing.

Project Fund: The Project Fund is to be established by the Trustee and to be funded with a portion of the proceeds of the Series 2013 Customer Facility Charge Bonds in order to provide for the payment of constructing and equipping the Project. The Project Fund includes a subaccount designated the Capitalized Interest Fund to pay 18 months of interest.

Coverage Fund: This is the amount used for purposes of satisfying the annual debt service coverage requirement.

Debt Service Reserve Fund: Amounts in the Debt Service Reserve Fund are to be used to restore any deficiency in the Coverage Fund on any scheduled payment date for the bonds and, if not needed prior thereto, are to be used to reduce the loan repayments to be made by the Airport Authority with respect to the final maturity of the bonds.

Designated assets: The Airport Authority's management designates funds for capital projects and other specific commitments; these funds would otherwise be available for operations.

Deferred financing costs: Financing costs associated with the issuance of long-term debt are expensed in the period incurred.

Revenue classifications: Revenue is recognized when earned. The Airport Authority will classify forecasted revenues as operating or nonoperating based on the following criteria:

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues are forecasted from the revenue sources that constitute the principal ongoing activities of the proposed Rental Car Center. The major components consist of revenue from CFCs. CFCs are typically classified as nonoperating revenues in the Airport Authority's basic financial statements. CFCs are classified as operating revenues in the accompanying stand-alone forecast related to the Rental Car Center because CFCs are the primary source of revenue for this proposed project.

Nonoperating revenues are forecasted from revenue sources related to financing activities and other activities, which do not constitute the principal ongoing activities of the Airport Authority's Rental Car Center operations. The major component of the nonoperating revenue source is interest and investment income from cash and investments.

Expense classifications: The Airport Authority will classify expenses as operating or nonoperating in the forecast based on the following criteria:

Operating expenses relate to the principal ongoing activities of the Airport Authority's proposed Rental Car Center operations. The major components of operating expense sources consist primarily of busing operations and lease expense and depreciation expense. The rental car companies will be responsible for paying the regular operating costs of the Rental Car Center such as utilities, janitorial, normal maintenance, applicable taxes and ground rent on the footprint of the Rental Car Center.

Nonoperating expenses relate to financing, investing and other activities that do not constitute the principal ongoing activities of the Airport Authority's operations. The major component of nonoperating expense is interest expense.

Use of estimates: The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risk management: The Airport Authority has developed a comprehensive Risk Management Program, including workers' compensation, which includes risk transfer, loss prevention, loss control and claims administration. The Airport Authority maintains \$50 million in limits for primary owners' and operators' general liability insurance with a War, Hijacking and Other Perils endorsement. The war endorsement may be terminated at any time by the underwriters and terminates automatically upon the outbreak of war (whether there has been a declaration of war or not) between any two or more of the following: France, the People's Republic of China, the Russian Federation, the United Kingdom or the United States, and certain provisions of the endorsement are terminated upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter. The Airport Authority maintains \$450 million of general liability insurance in excess of the \$50 million primary liability coverage. The Airport Authority's coverage includes a variety of retentions or deductibles.

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 1. Summary of Significant Accounting Policies (Continued)

The cost of earthquake coverage remains exorbitant and is not available in significant amounts. The Federal Emergency Management Agency (FEMA) and the California Disaster Assistance Act (CDDA) are designed to assist public entities such as the Airport Authority in the event of a catastrophe. FEMA will pay up to 75 percent of a loss and CDDA will pay a minimum of 25 percent of the balance for nationally declared disasters. In addition, the California legislature has paid any remaining loss costs for all declared disasters since 1989. The Airport Authority in the past relied on these laws to pay loss costs beneath the attachment point for insurance coverage and above the coverage limit purchased. Effective July 1, 2007, based on the status of these laws and the condition of the insurance marketplace, the Airport Authority removed the purchase of commercial earthquake insurance from the Risk Management Program and increased reliance on the laws designed to assist public entities.

A \$2 million contingency reserve has been established, within unrestricted net assets, by the Airport Authority's management to respond to uninsured and underinsured catastrophic losses. This fund is maintained pursuant to Board action only; there is no requirement that it be maintained.

The Airport Authority participates in an insurance purchasing program, with a \$1 billion pooled limit to provide all risk and flood coverage on physical assets. During fiscal year 2011, there were no significant reductions in insurance coverage from the prior year. For each of the past three fiscal years, settlements have not exceeded insurance coverage.

The Airport Authority has an active loss prevention program, staffed by a full-time risk manager, a risk analyst, a safety manager and a safety analyst. In addition, insurer property and casualty loss control engineers conduct safety surveys on a periodic basis. Employees receive regular safety training, and claims are monitored using a Web-based claims information system.

The significant accounting policies used in this forecast are consistent with those used in the historical financial statements of the Airport Authority and modified for stand-alone presentation of the Rental Car Center. Significant accounting policies are incorporated herein by reference.

Note 2. Consolidated Rental Car Facility Background

A consolidated rental car facility (CONRAC) is a stand-alone facility at airports for car rental operations which includes administrative, customer service, quick-turn-around (QTA) and ready/return facilities for on-airport rental car companies. Administrative facilities include rental car back office operations and QTA facilities management. Customer service areas include counters and premium customer kiosks. QTA facilities include vehicle wash bays, fueling systems and dispensers, vacuum hoses and miscellaneous equipment necessary to prepare rental cars for the next customer. Ready/return facilities include parking spaces for rental car inventory. In the specific case of the Airport Authority the proposed facility is referred to as a "Rental Car Center."

Note 3. Project Description

The proposed Rental Car Center consists of constructing and equipping an on-site facility to accommodate car rental operations at a single location (the Project).

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 3. Project Description (Continued)

The Project: On May 1, 2008, the Board adopted the Airport Master Plan which included the Rental Car Center at a program level. This Master Plan provided a financially and environmentally responsible guideline for future development. The Master Plan established a set of goals for future development of the Airport and identified the key overall objectives including improved levels of service and safety for Airport customers, efficient use of the property and facilities, and enhanced Airport access as part of the region's transportation system.

Destination Lindbergh, which began in 2009, was a subsequent year-long planning process to: (1) determine the ultimate build-out configuration of the Airport, (2) evaluate and plan to minimize Airport-related traffic impacts to adjacent communities, and (3) improve intermodal access to the Airport. An alliance of the Airport Authority, the City of San Diego and the San Diego Association of Governments (SANDAG) assisted by the Unified Port of San Diego, the County, Metropolitan Transit System, North County Transit District, and the U.S. Department of Defense engaged in the planning process. This process initiated the overall development effort and comprehensive analysis of the north airport parcel of land of which the Rental Car Center is one component.

The Destination Lindbergh recommended development plan included, among other facilities, an Intermodal Transit Center (ITC) which would ultimately contain trolley, rail and bus options in conjunction with a means to transport passengers within the Airport. One of the facilities contemplated within the concept of the ITC was the Rental Car Center.

The refinement of the Rental Car Center concept was incorporated in a supplement to the Master Plan in 2011, which identified improvements for the north side area of the SDIA, including the Rental Car Center. An environmental review determined that no additional violations would occur with the construction of the Rental Car Center. Accordingly, the Environmental Impact Report was certified by the Airport Authority on September 1, 2011.

The key components of the Rental Car Center are as follows:

- 31,570 square-foot customer service building
- 2,797 ready/return parking stalls
- 1,884 staging/storage parking spaces
- Quick Turnaround—multi level structure adjoining the ready/return garage
- Fuel distribution and storage system
- Limited access roadway to and from the airport passenger terminals for use by the common-use rental car customer shuttle bus

The forecasted cost of \$264 million includes \$180 million of construction costs and \$84 million in design, program management, construction management, and program oversight costs. Additionally, the Rental Car Center development requires certain enabling projects, including Terminal Access Road, North Side Utilities, and the interior North Side Service Road. The forecasted cost of these enabling projects allocable to the Rental Car Center was forecasted to be \$30 million.

Construction schedule: Construction is forecasted to commence on July 1, 2013, and is expected to be completed by July, 1, 2015. This equates into a construction period of 24 months.

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 4. Forecasted Revenue Assumptions

Historical Customer Facility Charge: In March 2009, the Airport Authority's Board authorized the implementation and collection of a ten dollar (\$10.00) per transaction CFC from airport rental car customers for purposes of designing, financing and constructing a Rental Car Center and common use transportation system at the Airport. Implementation of the CFC allowed the Airport Authority to perform the analyses necessary to determine the general feasibility of developing the facility and establishing a project scope for a rental car center. The CFC took effect and the rental car agencies began collection May 1, 2009.

Forecasted Alternative Customer Facility Charge: Collection of a forecasted \$6.00 per day alternative CFC is anticipated to begin effective November 1, 2012, increase to \$7.50 per day in January 2014, and increase to \$9.00 per day in January 2017, the maximum amounts permitted under the current Code. The Code requires that the alternative CFCs can only be collected for a maximum of five days per rental car contract.

Annual forecasted rental car transaction days subject to the CFC daily charge are as follows:

<u>Years ending June 30:</u>	
2013	3,854,337
2014	3,892,854
2015	3,951,076
2016	4,030,348
2017	4,114,995

Utilization is forecasted to increase approximately 1.5 percent per year for each fiscal year 2018 through 2043.

CFC revenue will be utilized to pay facility lease and busing costs. In the event CFC revenue is insufficient to pay these costs, each rental car company will be required to pay the Airport Authority its share of any shortfall through the lease and operating agreement.

Under the current Code the alternative CFCs collected cannot exceed the cost to finance and construct the Rental Car Center and finance, construct and operate the centralized busing system.

Note 5. Forecasted Operating Expense Assumptions

Operating expenses: Upon the facility opening, the common use bus fleet is expected to consist of 14 to 16 vehicles generating 70,000 to 75,000 annual hours of operation. The annual operating expense of the Rental Car Center's common use bus system is forecasted to be approximately \$11 million in 2015, when the project is scheduled to open (including the cost of leasing the buses). The operating expense for the common use bus system and other operating expenses are forecasted to increase by 2 percent each year. The rental car companies will be responsible for paying the regular operating costs of the Rental Car Center such as utilities, janitorial, normal maintenance, applicable taxes and ground rent on the footprint of the Rental Car Center.

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 5. Forecasted Operating Expense Assumptions (Continued)

Depreciation: Forecasted land improvements, buildings and equipment and the depreciation expense related to such property consists of assets included in the Project (see Note 3), the Airport Authority's anticipated capital expenditures (renewal and replacements) during the forecast period, and the equipment. An estimated useful life is assigned to each category of asset and depreciated on a straight-line basis over the useful life of the asset.

Debt issuance costs: The issuance costs related to the issuance of the bonds are forecasted to be \$2.467 million and are expensed as incurred.

Note 6. Forecasted Balance Sheet Debt Financing Assumptions

Funds held by Trustee: The funds held by Trustee include the Project Fund and the Debt Service Reserve Fund. The Project Fund at the onset of the Project is forecasted to be funded with bond proceeds in the amount of \$189.608 million, plus capitalized interest in the amount of \$29.566 million. The money deposited to the Project Fund, including the investment income earned thereon, plus the investment income earned on the Debt Service Reserve Fund during the construction period, is to be used to pay the costs of the Project and interest incurred during construction.

In addition to the aforementioned funds, a Renewal and Replacement Fund is to be established, funded through CFC revenues over the first five years of the Rental Car Center operation.

Long-term debt and interest expense: Long-term debt consists of the bonds which are expected to be issued. The bonds are forecasted to be issued and proceeds delivered on October 1, 2013. The \$246.690 million in Special Facility Bonds are expected to be issued in two series: (1) Series 2013 Taxable Bonds in the amount of \$209.365 million, interest rate of 7.0 percent; and (2) Series 2013 Tax-Exempt (Non-AMT) Bonds in the amount of \$37.325 million, interest rate of 6.0 percent. Interest is payable on each January 1 and July 1, commencing January 1, 2014. For forecast purposes, July 1 interest payments are forecasted to be paid on June 30. Actual interest rates and other financing requirements may be different than forecasted. A summary of forecasted long-term debt maturities for the forecast period follows:

	Bonds		Total
	Principal	Interest	
Years ending June 30:			
2013	\$ -	\$ -	\$ -
2014	-	12,671,288	12,671,288
2015	-	16,895,050	16,895,050
2016	3,140,000	16,895,050	20,035,050
2017	3,350,000	16,680,700	20,030,700
2018 – 2022	20,535,000	79,640,150	100,175,150
2023 – 2027	28,575,000	71,595,800	100,170,800
2028 – 2032	39,780,000	60,390,350	100,170,350
2033 – 2037	55,395,000	44,773,300	100,168,300
2038 – 2042	77,170,000	23,004,900	100,174,900
2043 – 2044	18,745,000	1,285,900	20,030,900
Total	\$ 246,690,000	\$ 343,832,488	\$ 590,522,488

San Diego County Regional Airport Authority

Summary of Significant Accounting Policies and Forecast Assumptions

Note 6. Forecasted Balance Sheet Debt Financing Assumptions (Continued)

The Bonds and interest thereon are payable solely and only from CFCs and moneys and investments held by the Trustee in a fund or account appropriated to the payment of the bonds.

**EXHIBIT B – SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
FINANCIAL REPORT JUNE 30, 2011**

San Diego County Regional Airport Authority

Financial Report
June 30, 2011

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Independent Auditor's Report

To the Members of the Board
San Diego County Regional Airport Authority
San Diego, CA

We have audited the accompanying basic financial statements of the San Diego County Regional Airport Authority (the Airport Authority) as of and for the years ended June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Airport Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Airport Authority as of June 30, 2011 and 2010, and the changes in its financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2011 on our consideration of the Airport Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

McGladrey & Pullen, LLP

San Diego, CA
October 14, 2011

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011

INTRODUCTION

This section of the San Diego County Regional Airport Authority's (the Airport Authority) Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the Airport Authority for the fiscal years ended June 30, 2011 and 2010.

The Airport Authority was established on January 1, 2002, as an independent agency. On January 1, 2003, the operations and assets of San Diego International Airport (SDIA), transferred from the San Diego Unified Port District (District) to the Airport Authority. The Airport Authority adopted a June 30 fiscal year and produced its first audited financial statements for the six months ended June 30, 2003.

USING THE FINANCIAL STATEMENTS

The financial section of this annual report consists of three parts: Management's Discussion and Analysis (MD&A), the basic financial statements, and the notes to the financial statements. The report includes the following three basic financial statements: the balance sheet, the statement of revenues, expenses and change in net assets, and the statement of cash flows. The accompanying notes to the financial statements are essential to a full understanding of the data contained in the financial statements.

The comparative Balance Sheets depict the Airport Authority's financial position as of a point in time—June 30, 2011, and June 30, 2010—and include all assets and liabilities of the Airport Authority. The Balance Sheets demonstrate that the Airport Authority's assets minus liabilities equal net assets. Net assets represent the residual interest in the Airport Authority's assets after liabilities are deducted. Net assets are displayed in three components: invested in capital assets, net of related debt; restricted; and unrestricted.

The comparative Statements of Revenues, Expenses and Change in Net Assets report total operating revenues, operating expenses, nonoperating revenues and expenses, and change in Airport Authority net assets for the years ended June 30, 2011 and 2010. Revenues and expenses are categorized as either operating or nonoperating, based upon management's policy as established in accordance with definitions set forth in Governmental Accounting Standards Board (GASB) No. 33 and GASB No. 34. Significant recurring sources of the Airport Authority's revenues, including Passenger Facility Charges (PFC), Customer Facility Charges (CFC) and investment income, are reported as nonoperating revenues. The Airport Authority's interest expense is reported as nonoperating expense. Capital grant contributions represent grants for capital improvement purposes.

The comparative Statements of Cash Flows present information showing how the Airport Authority's cash and cash equivalents position changed during the fiscal year. The Statements of Cash Flows classify cash receipts and cash payments resulting from operating activities, capital and related financing activities, and investing activities.

The Airport Authority is a self-sustaining entity receiving most of its revenues through airline user charges and rents from the concessionaires operating at or near SDIA. Since the Airport Authority is not funded by tax revenues, accounts are maintained in an enterprise fund on the accrual basis of accounting. Under accrual accounting, revenues are recognized as soon as they are earned, and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. Users of SDIA's facilities provide most of the revenues to operate, maintain, and acquire necessary services and facilities.

SAN DIEGO INTERNATIONAL AIRPORT

History of Ownership

The public policy decision to transfer responsibility for SDIA from the District to the newly created Airport Authority emanated from recommendations made by the San Diego Regional Efficiency Commission (Commission). The Commission was established to evaluate regional governance in San Diego County and report to the California State Legislature on measures to improve it.

Because of the significant regional consequences of airport development and operations, the Commission concluded that a regional decision-making process should address the future development of airport facilities in San Diego County. In October 2001, the enabling legislation, Assembly Bill 93 (AB 93) established the composition and jurisdiction of the Authority's governing body in a manner that is designed to reflect the collective interests of the entire San Diego region.

The policymakers recognized the complexity of transferring a commercial airport to a newly created entity. To ensure a smooth transition, the Airport Authority was vested with the responsibility to develop and execute an Airport Transition Plan with the complete support and cooperation of the District, the Federal Aviation Administration and the State of California.

Legislative Background

AB 93 was signed into California State law in October 2001. AB 93 established the Airport Authority on January 1, 2002, as a local agency of regional government with jurisdiction throughout the County of San Diego. Subsequent legislative changes to AB 93 were introduced and passed in California Senate Bill 1896 (the Act). The amendment addresses several points pertaining to the transfer of aviation employees, date of transfer, property leases, property acquisition and purchase of services from the District.

On January 1, 2008, Senate Bill 10, the San Diego County Regional Airport Authority Reform Act, was enacted into law expanding the responsibilities of the Airport Authority. The Airport Authority is vested with five principal responsibilities:

- (1) Operation of SDIA.
- (2) Planning and operation of any future airport that could be developed as a supplement or replacement to SDIA.
- (3) Development of comprehensive airport land use compatibility plans for the airports in the County of San Diego.
- (4) Serving as the region's Airport Land Use Commission.
- (5) Preparation of a Regional Aviation Strategic Plan, which was completed in fiscal year 2011.

Transfer of Assets and Liabilities/Joint Audit

The Airport Authority and District collaboratively developed a financial Memorandum of Understanding (MOU) outlining the essential aspects of the Airport Transfer, including the timely transfer and identification of assets and liabilities relating specifically to SDIA's asset and operations transfer on January 1, 2003. The MOU addresses the transfer process, litigation matters, utility obligations and treatment of employees.

The Airport Authority and the District commissioned a joint audit in accordance with the Act. Independent auditors, McGladrey & Pullen, LLP, issued an audit report dated June 13, 2003, on the Airport Authority's balance sheet as of January 1, 2003. In addition, they prepared an audit report dated October 17, 2003, on the Airport Authority's finances for the first six months of operation ending June 30, 2003.

Airport Activities Highlights

After experiencing enplanement growth in fiscal years 2008, the Airport Authority experienced a decline in enplanements in fiscal years 2009, 2010 and 2011 as did almost all commercial airports across the country due to the downturn in the economy.

The changes in the SDIA's major activities for the current and prior three fiscal years are as follows:

	FY 2009	FY 2010	FY 2011
Enplaned Passengers	8,535,774	8,453,886	8,441,120
% increase (decrease)	(9.1) %	(1.0) %	(0.2) %
Total Passengers	17,073,886	16,917,595	16,868,732
% increase (decrease)	(9.1) %	(0.9) %	(0.3) %
Aircraft Operations	206,675	194,508	186,181
% increase (decrease)	(11.8) %	(5.9) %	(4.3) %
Freight and Mail (in tons)	120,782	125,513	129,961
% increase (decrease)	(16.4) %	3.9 %	3.5 %
Landed Weight (in thousands)	11,279	10,893	10,606
% increase (decrease)	(9.7) %	(3.4) %	(2.6) %

SDIA is a destination airport and is not a hub for any airlines. Further, there is a balanced mixture of SDIA travelers of 50 percent leisure and 50 percent business. These factors generally add to the stability of SDIA enplanements in comparison to most airports. However, SDIA continued to decline in enplanements by 0.2 percent in fiscal year 2011 compared to 2010, and by 1.0 percent in fiscal year 2010 compared to 2009, as the U.S. and local economies went into a steep recession. Prior to the economic downturn, SDIA showed healthy growth of 5.6 percent in passenger enplanements in fiscal year 2008, despite continued financial turmoil in the airline industry.

Overall SDIA experienced declines in aircraft operations of 4.3 percent, an increase in freight and mail of 3.5 percent, and decreased landed weight of 2.6 percent in fiscal year 2011. Most of these reductions are attributed to the economic recession. In comparison to fiscal years 2009 and 2010 most of the declines have leveled off.

Statement of Revenues, Expenses and Change in Net Assets (in thousands)

The metric 'Change in Net Assets' is an indicator of whether the Authority's overall financial condition has improved or deteriorated during the fiscal year. Net assets consistently increased from a healthy 9.2 percent in 2010 to another healthy increase of 8.3 percent for the year ended June 30, 2011. Following is a summary of the statements of revenues, expenses and change in net assets (in thousands):

	FY2009	FY2010	FY2011
Operating revenues	\$ 130,977	\$ 133,695	\$ 144,007
Operating expenses	(153,474)	(159,712)	(166,979)
Nonoperating revenues, net	35,913	45,937	43,419
Capital grant contributions	4,645	27,350	26,355
Increase in net assets	18,061	47,270	46,802
Net assets, beginning of year	495,121	513,182	560,452
Net assets, end of year	\$ 513,182	\$ 560,452	\$ 607,254

Detailed descriptions of the components of operating revenues and expenses, and nonoperating revenues and expenses are described in the sections following.

FINANCIAL HIGHLIGHTS

Operating Revenues (in thousands)

	FY 2010	FY 2011	From 2010 to 2011	
			Increase (Decrease)	% Change
Airline revenue:				
Landing fees	\$ 18,672	\$ 18,578	\$ (94)	(0.5) %
Aircraft parking fees	3,406	2,921	(485)	(14.3) %
Building rentals	22,971	26,980	4,009	17.5 %
Security surcharge	11,900	14,887	2,987	25.1 %
Other aviation revenue	1,585	1,597	12	0.8 %
Total airline revenue	58,534	64,963	6,429	11.0 %
Non airline terminal rent	864	869	5	0.6 %
Concession revenue	36,249	37,103	854	2.4 %
Parking and ground transportation revenue	30,296	31,645	1,349	4.5 %
Ground rentals	5,923	7,787	1,864	31.4 %
Other operating revenue	1,829	1,640	(189)	(10.3) %
Total operating revenue	\$ 133,695	\$ 144,007	\$ 10,312	7.7 %

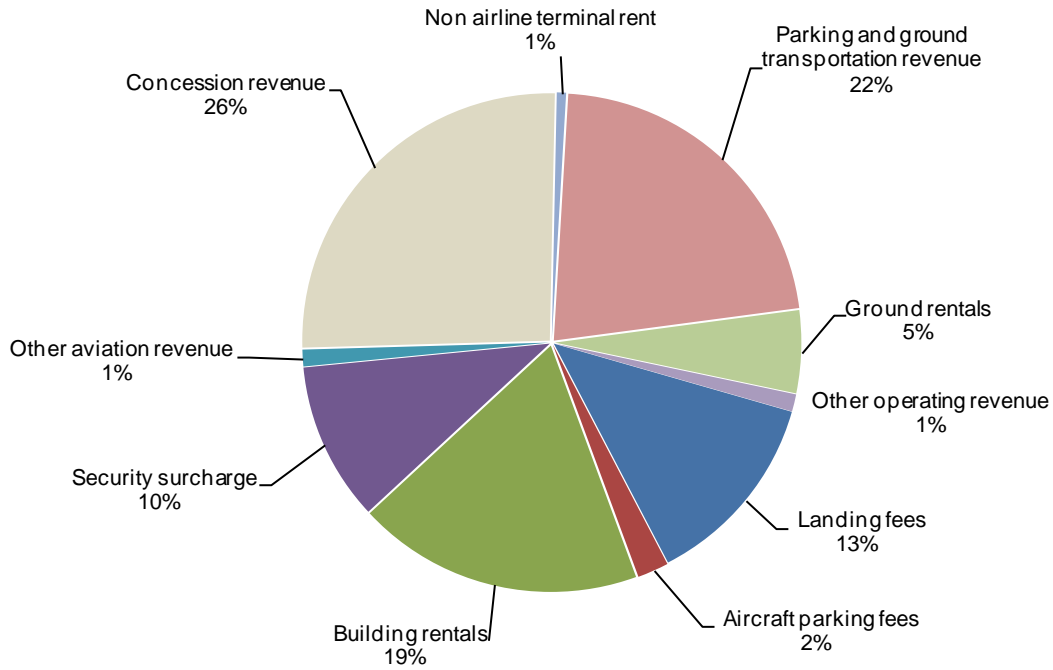
	FY 2009	FY 2010	From 2009 to 2010	
			Increase (Decrease)	% Change
Airline revenue:				
Landing fees	\$ 18,689	\$ 18,672	\$ (17)	(0.1) %
Aircraft parking fees	3,221	3,406	185	5.7 %
Building rentals	22,195	22,971	776	3.5 %
Security surcharge	10,204	11,900	1,696	16.6 %
Other aviation revenue	1,565	1,585	20	1.3 %
Total airline revenue	55,874	58,534	2,660	4.8 %
Non airline terminal rent	862	864	2	0.2 %
Concession revenue	36,280	36,249	(31)	(0.1) %
Parking and ground transportation revenue	31,492	30,296	(1,196)	(3.8) %
Ground rentals	5,776	5,923	147	2.5 %
Other operating revenue	693	1,829	1,136	163.9 %
Total operating revenue	\$ 130,977	\$ 133,695	\$ 2,718	2.1 %

Fiscal year 2011 compared to 2010: Airline revenue billed to the airlines on a progressive cost recovery system was slightly higher in fiscal year 2011 in comparison to 2010 by approximately \$6.4 million, due to the graduated rate increase from 50 percent to 55 percent for building rentals and 55 percent to 70 percent for security surcharge. Parking revenues increased by approximately \$1.3 million for 2011 due to rate increases for short term parking effective July, 2010 and also long term parking had rate increases in two locations in April, 2011. Ground rentals increased by \$1.9 million due to new lease agreements with FedEx, Southwest, and UPS.

Operating Revenues (Continued)

Fiscal year 2010 compared to 2009: Airline revenue billed to the airlines on a progressive cost recovery system was slightly higher in fiscal year 2010 in comparison to 2009 due to the graduated rate increase from 45 percent to 55 percent. Parking revenues decreased by approximately \$1.2 million for 2010 due to reduced enplanements and transactions compared to 2009. The 2010 increase in other operating revenue is primarily due to the federal grant reimbursement of approximately \$1.0 million for the Regional Aviation Strategic Plan (RASP), a requirement of SB 10.

**San Diego County Regional Airport Authority Fiscal Year Ended June 30, 2011
Operating Revenues**



Operating Expenses (in thousands)

	FY 2010	FY 2011	From 2010 to 2011	
			Increase (Decrease)	% Change
Salaries and benefits	\$ 35,386	\$ 38,267	\$ 2,881	8.1 %
Contractual services	27,999	26,113	(1,886)	(6.7) %
Safety and security	20,131	21,344	1,213	6.0 %
Space rental	10,906	10,907	1	-
Utilities	6,871	6,413	(458)	(6.7) %
Maintenance	9,231	8,174	(1,057)	(11.5) %
Equipment and systems	891	570	(321)	(36.0) %
Materials and supplies	413	344	(69)	(16.7) %
Insurance	1,166	1,066	(100)	(8.6) %
Employee development and support	990	1,041	51	5.1 %
Business development	2,033	2,275	242	11.9 %
Equipment rentals and repairs	1,271	1,327	56	4.4 %
Total operating expenses before depreciation and amortization	117,288	117,841	553	0.5 %
Depreciation and amortization	42,424	49,138	6,714	15.8 %
Total operating expenses	\$ 159,712	\$ 166,979	\$ 7,267	4.5 %

	FY 2009	FY 2010	From 2009 to 2010	
			Increase (Decrease)	% Change
Salaries and benefits	\$ 34,741	\$ 35,386	\$ 645	1.9 %
Contractual services	27,465	27,999	534	1.9 %
Safety and security	19,930	20,131	201	1.0 %
Space rental	10,888	10,906	18	0.2 %
Utilities	6,912	6,871	(41)	(0.6) %
Maintenance	8,002	9,231	1,229	15.4 %
Equipment and systems	678	891	213	31.4 %
Materials and supplies	641	413	(228)	(35.6) %
Insurance	1,096	1,166	70	6.4 %
Employee development and support	1,030	990	(40)	(3.9) %
Business development	2,509	2,033	(476)	(19.0) %
Equipment rentals and repairs	1,387	1,271	(116)	(8.4) %
Total operating expenses before depreciation and amortization	115,279	117,288	2,009	1.7 %
Depreciation and amortization	38,196	42,424	4,228	11.1 %
Total operating expenses	\$ 153,475	\$ 159,712	\$ 6,237	4.1 %

Operating Expenses (Continued)

Fiscal year 2011 compared to 2010: Fiscal year 2011 operating expenses before depreciation and amortization expense are only slightly higher, growing \$553 thousand, 0.5 percent, from \$117.3 million to \$117.8 million, when compared to 2010. Contributing to this increase are the following: increased salaries and benefits expense, \$2.9 million, primarily due to increased costs of medical and retirement benefits; increased security and safety by \$1.2 million due to utilization of emergency services reflecting the increased costs of salaries and benefits; and business development by \$242 thousand, due to marketing and promotions for the new British Airways daily international flight.

The small 2011 increase was due to continued cost containment and was also reflected by decreased contractual services by \$1.9 million, primarily due to decreased consultants for airport planning; decreased utilities by \$458 thousand due to implementation of energy and efficiency modifications to existing equipment; decreased maintenance by \$1.1 million due to decreased elevator and escalators expenses; equipment and systems decreased by \$321 thousand due to replacement schedule of computers and small equipment replaced in 2010; and insurance expense decreased by \$100 thousand, due to negotiated premium savings.

Total operating expenses increased \$7.3 million from \$159.7 million to \$166.9 million, or 4.5 percent, primarily due to depreciation and amortization expense of \$6.7 million. In fiscal year 2011, \$51.3 million of capital projects were completed and placed in service. They consisted of \$32 million in Taxiway C improvements, \$5 million in airfield signs, \$4 million in parking improvements, \$2 million in roadway access improvements, \$1 million in waterline fire suppression improvements, and many smaller projects.

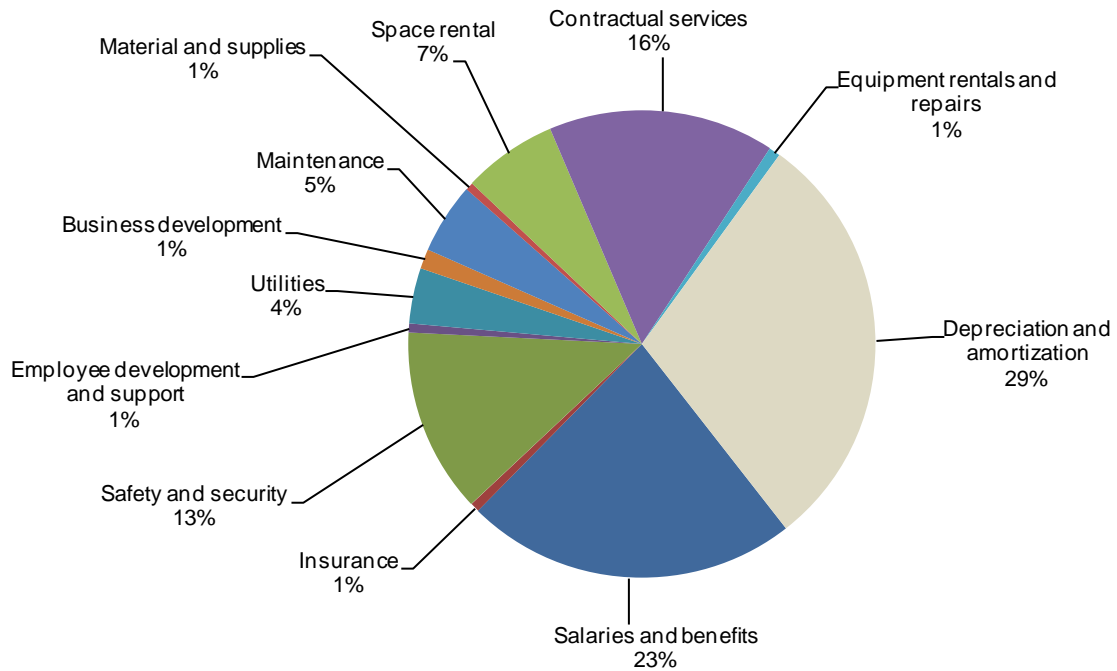
Fiscal year 2010 compared to 2009: Fiscal year 2010 operating expenses before depreciation and amortization expense are only slightly higher, growing \$2.0 million, or 1.7 percent, from \$115 million to \$117 million, when compared to 2009. Contributing to this increase are the following: increased salaries and benefits expense, \$645 thousand, primarily due to increase costs of medical and retirement benefits, (the continued hiring freeze contributes to a lower increased variance); increased contractual services, \$534 thousand, primarily due to a new Federal Acquisition Regulation 150 study to map qualified homeowners as candidates for the Quieter Home Program; increased security and safety by \$201 thousand, due to the required utilization of the Port Authority Harbor Police reflecting the increased costs of their salaries and benefits; increased maintenance expenses by \$1.2 million, due to increased maintenance of escalators, elevators, air conditioning system and pavement restriping; increased equipment and systems, \$213 thousand, due to replacement of small computer equipment and servers.

The small 2010 increase was due to continued cost containment and was also reflected by decreased materials and supplies expense by \$228 thousand, and business development expense by \$476 thousand, resulted from decreased travel and recovery of bad debt; as well as, decreased equipment rentals and repairs by \$116 thousand, primarily due to decreased costs of tenant leasehold improvements.

Total operating expenses increased \$6.2 million from \$153.5 million to \$159.7 million, or 4.1 percent, primarily due to depreciation and amortization expense of \$4.2 million. In fiscal year 2010, \$48 million of capital projects were completed and placed in service. They consisted of \$6 million in Terminal 1 electrical upgrades, \$7 million in security improvements, \$6 million in replacement of escalators, \$4 million in software for the engineering department, \$3.4 million in renovation and build out of offices, \$1 million, airport terminal EVIDS (Electronic Visual Information Display System), and many smaller projects.

Operating Expenses (Continued)

**San Diego County Regional Airport Authority Fiscal Year Ended June 30, 2011
Operating Expenses**



Nonoperating Revenues and Expenses (in thousands)

	FY 2010	FY 2011	From 2010 to 2011	
			Increase (Decrease)	% Change
Passenger facility charge	\$ 34,049	\$ 33,998	\$ (51)	(0.1) %
Customer facility charge	10,783	10,986	203	2.0 %
Quieter Home Program, net	(1,629)	(3,359)	(1,730)	(106.2) %
Joint Studies Program	(245)	(129)	116	47.7 %
Interest income	6,667	10,100	3,433	51.4 %
Interest expense	(2,684)	(8,084)	(5,400)	51.5 %
Other nonoperating income (expenses)	(1,004)	(93)	911	(90.8) %
Nonoperating revenues, net	\$ 45,937	\$ 43,419	\$ (2,518)	5.5 %

	FY 2009	FY 2010	From 2009 to 2010	
			Increase (Decrease)	% Change
Passenger facility charge	\$ 33,219	\$ 34,049	\$ 830	2.5 %
Customer facility charge	1,695	10,783	9,088	536.1 %
Quieter Home Program, net	(5,574)	(1,629)	3,945	70.8 %
Joint Studies Program	(179)	(245)	(66)	(36.9) %
Interest income	9,434	6,667	(2,767)	(29.3) %
Interest expense	(2,998)	(2,684)	314	10.5 %
Other nonoperating income (expenses)	316	(1,004)	(1,320)	423.8 %
Nonoperating revenues, net	\$ 35,913	\$ 45,937	\$ 10,024	27.9 %

Passenger Facility Charges (PFCs) were established by Congress in 1990 as part of the Aviation Safety and Capacity Expansion Act of 1990. The Authority collects a \$4.50 PFC from revenue enplaned passengers to pay for the cost to design and construct eligible Airport capital projects or to repay debt service issued to build such projects. PFCs are collected by the air carriers when passengers purchase their tickets and are remitted to the Authority the month following collection less a \$0.11 administration fee.

Customer Facility Charges (CFCs) in May, 2009 the Authority began collecting a \$10 per contract CFC on rental cars, which fees are authorized under Section 1936 of the California Civil Code and approved by legislation under Senate Bill 1510. The revenues collected will be used to plan and construct a consolidated rental car facility and improved transportation system. The rental car agencies remit to the Authority collection of the fee monthly.

Quieter Home Program includes sound attenuation construction improvements at all eligible single-family and multifamily dwellings with six or fewer units located in the Year 2000 65 dB Community Noise Equivalent Level contour. The project is eligible for the Airport Improvement Program (AIP). From inception to June 30, 2011, the Airport Authority has spent \$119.4 million and received reimbursement for \$96.2 million.

Interest income is derived from interest earned by the Airport Authority on investments, commercial paper reserves, bond reserves, Build America Bond rebates on 2010 Series B bond and notes receivable from the District.

Nonoperating Revenues and Expenses (Continued)

Interest expense includes interest paid and accrued on the 2005 and 2010 Series Bonds and Commercial Paper Series A, B and C.

Other nonoperating income (expense) includes proceeds and expenses for legal settlements, gain (loss) on the sale of fixed assets, unrealized gain (loss) on investments, and other miscellaneous revenue and expenses.

Capital Grant Contributions

The Airport Authority receives Airport Improvement Program (AIP) entitlement and discretionary grants through the Federal Aviation Administration (FAA) and other Federal and state organizations. These funds are recognized as revenue as the work is completed on the eligible projects. Variances relate to the amount of work completed on eligible projects during the fiscal year.

Fiscal year 2011 compared to 2010: Nonoperating revenue (net) decreased by \$2.5 million, or 5.5 percent. This is primarily due to the Quieter Home Program which decreased \$1.7 million, due to the timing of when invoices were paid to become eligible for FAA grant reimbursement. Interest expense increased \$5.4 million, due to the \$573 million 2010 bond issuance in October, 2010. Offsetting the decrease was the \$203 thousand increase in CFCs, \$116 thousand decrease in Joint studies, \$3.4 million increase in interest income on Build American bonds rebate on the 2010 Series B bonds issued October, 2010, and \$911 thousand increase in other nonoperating expenses.

Fiscal year 2010 compared to 2009: Nonoperating revenue (net) increased by \$10.0 million, or 27.9 percent. This is primarily due to the \$9.1 million of collection of CFCs, which began May, 2009. PFCs have slightly increased by \$830 thousand, due to the timing of when passengers book their flights, compared to the overall reduction of enplanements, at 1.2 percent. The Quieter Home Program increased \$3.9 million as a result of an expanded program and the timing of when invoices were paid to become eligible for FAA grant reimbursement. Interest income decreased \$2.8 million, primarily due to decreased rate of return on invested funds and interest expense decreased \$315 thousand, due to lower interest rates and despite a larger outstanding commercial paper balance. Other nonoperating expenses compared to 2009 increased \$1.3 million due to unrealized losses on market value of investments.

Assets, Liabilities and Net Assets

The balance sheets present the financial position of the Airport Authority at June 30, 2009, 2010 and 2011. The statements include all assets, liabilities and net assets of the Airport Authority. A summary comparison of the Airport Authority's assets, liabilities and net assets at June 30, 2009, 2010, and 2011 is as follows:

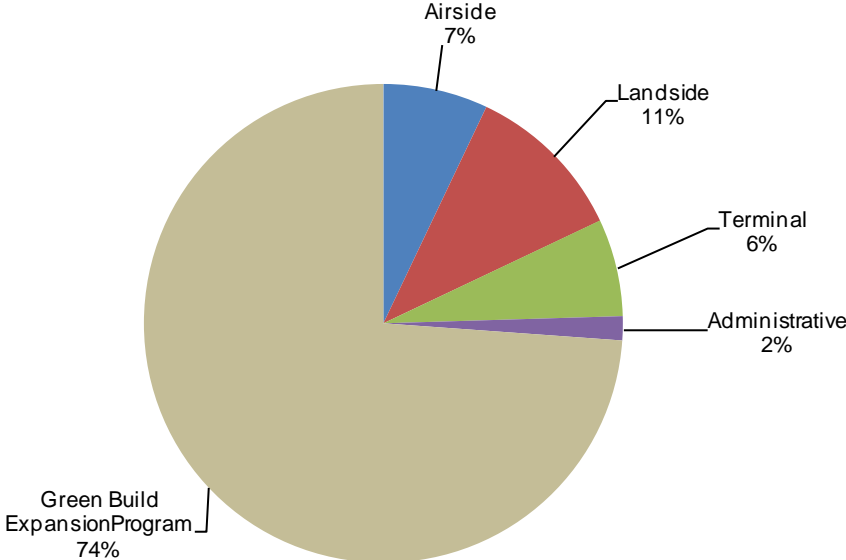
<i>(in thousands)</i>	FY2009	FY2010	FY2011
Assets			
Current assets	\$ 78,954	\$ 128,219	\$ 110,397
Capital assets, net	380,549	483,717	625,421
Noncurrent assets	231,716	212,207	610,823
Total assets	\$ 691,219	\$ 824,143	\$ 1,346,641
Liabilities			
Current liabilities	\$ 47,029	\$ 56,219	\$ 82,149
Long-term liabilities	131,007	207,472	657,238
Total liabilities	178,036	263,691	739,387
Net Assets			
Invested in capital assets, net of related debt	249,498	275,556	357,275
Bond reserves, unapplied PFCs and other restricted	167,827	139,672	147,513
Unrestricted	95,858	145,224	102,466
Total net assets	513,183	560,452	607,254
Total liabilities and net assets	\$ 691,219	\$ 824,143	\$ 1,346,641

As of June 30, 2011, the Airport Authority's assets exceeded liabilities by \$607 million, a \$47 million increase over June 30, 2010 and comparing 2010 to 2009, another \$47 million increase over June 30, 2009. The largest portion of the Airport Authority's net assets represents its investment in capital assets, less the amount of associated debt outstanding. The Airport Authority uses these capital assets to provide services to its passengers and other users of SDIA; consequently, these assets cannot be sold or otherwise liquidated. Although the Airport Authority's investment in its capital assets is reported net of related debt, it is noted that the funds required to repay this debt must be provided annually from operations. The remaining unrestricted net assets of \$102 million as of June 30, 2011, \$145 million as of 2010 and \$96 million as of 2009, may be used to meet any of the Airport Authority's ongoing obligations. As of June 30, 2011, 2010, and 2009 management has designated unrestricted funds in the amount of \$16 million, \$21 million and \$6 million, respectively, for capital contract commitments funded by Airport Authority cash, earthquake insurance and unspent commercial paper for capital projects. In addition, as of fiscal years ended 2011, 2010, and 2009, management has designated unrestricted net assets of \$8 million, \$6 million and \$5 million respectively for operating and insurance contingencies.

Capital Asset and Capital Improvement Program

The funds used for capital improvements or to expand SDIA’s facilities are derived from several sources, including the FAA, Transportation Security Administration or TSA and AIP grants, PFCs, CFCs, debt and SDIA funds. In fiscal year 2011, SDIA’s \$1.2 billion capital improvement program (CIP) was funded under two debt options. A pay-as-you-go approach utilizing commercial paper program, for short-term funding needs and long term funding needs included 2010 Airport Revenue Bonds to be used for the \$864 million Terminal Development Program/ “The Green Build.” The Green Build is projected to be completed by 2013. The current CIP, which includes projects through 2015, consists of \$156 million for airside projects, \$74.4 million for landside projects, \$120 million for terminal projects, and \$26 million for administrative projects. The current SDIA CIP does not include noise reduction, and related projects.

Capital Improvement Program (CIP) Projects by Type



Among the larger projects undertaken during fiscal year 2011 was the Taxiway C improvements, \$32 million, to expand the taxiway in compliance with FAA requirements.

Additional information of the Airport Authority’s capital assets can be found in Note 4 to the financial statements on pages 39-40 of this report.

Capital Financing and Debt Management

In October 2005, the Airport Authority sold \$56.3 million of San Diego County Regional Airport Authority Airport Revenue Refunding Bonds Series 2005. This refunded the outstanding Series 1995 Airport revenue bonds that were issued by the District in 1995 through the California Maritime Infrastructure Authority for the expansion of Terminal 2. The Series 2005 Bonds were issued in the aggregate principal amount of \$56.3 million and were structured as serial bonds that bear interest at rates ranging from 4.5 percent to 5.25 percent maturing in fiscal years 2007 to 2021. Interest on the bonds is payable semiannually on January 1 and July 1 of each year.

The Series 2005 Bonds are payable solely from and secured by "Pledged Revenues." Pledged Revenues are defined as all revenues and other cash receipts of the Airport Authority's airport operations, reduced by operation and maintenance expenses. Pledged Revenues do not include cash received from Passenger Facility Charges, PFCs, or federal grants.

The Series 2005 Bonds require that charges for services be set each fiscal year at rates sufficient to produce Pledged Revenues of at least 125 percent of debt service for that year.

As of June 30, 2011, \$41.2 million in bonds were outstanding. The ratings of the Series 2005 Bonds as of June 30, 2011 and 2010, are A+/A1/A+ by Standard & Poor's, Moody's Investors Service and Fitch Ratings, respectively. Additionally, the Airport Authority holds a fully funded debt service reserve equal to one year's annual debt service.

On October 5, 2010, the Airport Authority issued \$572.6 million of Series A, B and C subordinate airport revenue bonds. The subordinate Series 2010 Bonds were issued to finance certain capital improvements at SDIA, fund a portion of the interest accruing on the subordinate Series 2010 Bonds through and including January 1, 2013, refund \$142.2 million of the Airport Authority's outstanding commercial paper notes, fund the subordinate reserve fund and pay the costs of issuance of the subordinate Series 2010 Bonds.

The Series A and B bonds were structured as serial bonds that bear interest at rates ranging from 2 percent to 5 percent and mature in fiscal years 2012 to 2041. The Series C bonds were issued as Build America Bonds and include a cash subsidy payment from the U. S. Treasury equal to 35 percent of interest payable. The interest rate on the Series C bonds, net of subsidy, is 4.31 percent and the bonds mature in fiscal year 2041.

The subordinate Series 2010 Bonds are special obligations of the Airport Authority, payable from and secured by (a) a pledge of subordinate net revenues, which include certain income and revenue received by the Airport Authority from the operation of the airport system, less all amounts that are required to pay the operation and maintenance expenses of the airport system and all amounts necessary to pay debt service on and fund the reserves for the senior bonds; and (b) certain funds and accounts held by the subordinate trustee under the subordinate indenture. The subordinate Series 2010 Bonds were issued with a pledge of and lien on subordinate net revenues on parity with the Airport Authority's subordinate commercial paper notes. In addition, the Airport Authority has irrevocably committed a portion of the Passenger Facility Charges, PFCs, it has received and expects to receive through 2016. The amounts of irrevocably committed PFCs are \$14.7 million, for fiscal year 2013, and \$19 million annually for fiscal years 2014 through 2016. As of June 30, 2011, the principal balance on the subordinate Series 2010 Bonds was \$572.6 million.

As of June 30, 2011, \$21.5 million in commercial paper was outstanding. The commercial paper program was established in 1997 to fund the then-approved CIP and related Terminal 2 expansion projects. The Airport Authority's outstanding commercial paper, Series A (non AMT), Series B (AMT) and Series C (taxable) is secured by a pledge of airport revenues, subordinated to the pledge of net airport revenues securing the payment of the Series 2005 Bonds. The authorized program provides for borrowings up to \$250 million through September 1, 2027. Each commercial paper note matures at the end of a period not to exceed 270 days and can be continually rolled into another issuance until the earlier of September 10, 2014, or five days prior to the date. At that time, the total outstanding principal becomes due. The commercial paper notes require that the charges for services be set each year at rates sufficient to produce Pledged Revenues of at least 1.10 times the debt service on subordinate obligations, including the commercial paper notes, for that year.

Each series of notes are additionally secured by an irrevocable letter of credit issued by Lloyds TSB Bank plc and is rated A-1 by Standard & Poor's and P-1 by Moody's Investors Service. The letter of credit expires on September 10, 2014. Interest on the notes is paid at a rate based on the market for similar commercial paper notes.

Additional information of the Airport Authority's long-term debt can be found in Note 5 to the financial statements on pages 41-45 of this report.

The SDIA's PFC program was established in 1994, and currently authorizes the imposition of a \$4.50 fee on enplaning passengers. There are currently four active applications which provide collection authority through October 2036. A ninth application is expected to be approved January 2012.

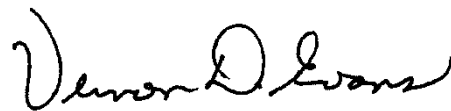
FAA entitlement and discretionary grants are awarded on a federal fiscal year running October 1 through September 30. The Airport Authority has received approximately \$10.1 million in grant awards for the federal fiscal year ended September 30, 2011, and \$51.6 million in 2010. Grant awards are recognized as income/contributions as eligible expenses are incurred.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Airport Authority's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed in writing to the Accounting Department, P.O. Box 82776, San Diego, CA 92138. The Accounting Department can also be reached at (619) 400-2807. A copy of the financial report is available at www.san.org.



Thella F. Bowens
Chief Executive Officer/President



Vernon D. Evans
Chief Financial Officer/
Vice President of Finance/Treasurer

San Diego County Regional Airport Authority

Balance Sheets

June 30, 2011 and 2010

Assets	2011	2010
Current Assets		
Unrestricted:		
Cash and cash equivalents (Note 2)	\$ 45,858,618	\$ 30,192,220
Investments (Note 2)	43,680,088	74,853,720
Tenant lease receivables, net of allowance of 2011 \$14,918 and 2010 \$59,341	5,593,539	6,133,899
Grants receivable	3,984,567	3,866,272
Notes receivable, current portion (Note 3)	1,696,413	1,612,790
Other current assets	5,272,763	7,318,364
Total unrestricted current assets	106,085,988	123,977,265
Restricted cash and cash equivalents with Trustee (Notes 2 and 5)	4,311,160	4,241,638
Total current assets	110,397,148	128,218,903
Noncurrent Assets		
Capital assets (Note 4):		
Land, land improvements and nondepreciable assets	24,901,120	23,874,208
Buildings and structures	466,463,764	462,867,893
Machinery and equipment	46,246,697	45,211,831
Runways, roads and parking lots	273,449,104	227,870,261
Construction in progress	322,289,133	183,013,695
	1,133,349,818	942,837,888
Less accumulated depreciation	(507,928,798)	(459,120,465)
Capital assets, net	625,421,020	483,717,423
Restricted assets (Notes 2 and 5):		
Restricted cash, cash equivalents and investments, not with Trustee	124,954,885	118,507,384
Restricted investments with Trustee	392,604,561	5,394,063
Passenger facility charges receivable	5,121,210	5,015,518
Customer facility charges receivable	1,029,040	1,235,660
Other restricted assets	6,239,213	6,400,000
Total restricted assets	529,948,909	136,552,625
Investments, noncurrent (Note 2)	16,827,172	950,564
Notes receivable, long-term portion (Note 3)	42,914,061	44,610,475
Cash and investments designated for specific capital projects and other commitments (Notes 2 and 12)	8,148,558	20,895,687
Deferred costs, bonds, net	4,998,888	788,084
Net pension asset and net OPEB asset (Notes 6 and 8)	7,760,767	8,409,409
Workers' comp security deposits	225,000	
	80,874,446	75,654,219
Total noncurrent assets	1,236,244,375	695,924,267
Total assets	\$ 1,346,641,523	\$ 824,143,170

See Notes to Financial Statements.

San Diego County Regional Airport Authority
Balance Sheets
June 30, 2011 and 2010

Liabilities and Net Assets	2011	2010
Current Liabilities		
Payable from unrestricted assets:		
Accounts payable	\$ 29,007,175	\$ 4,444,312
Accrued liabilities (Note 8)	28,695,759	44,795,725
Compensated absences, current portion (Note 5)	2,188,755	2,133,766
Deposits and other current liabilities	505,513	562,068
Total payable from unrestricted assets	60,397,202	51,935,871
Payable from restricted assets:		
Current portion of Series 2010 and 2005 Bonds and commercial paper (Note 5)	4,760,000	3,105,000
Accrued interest on bonds and commercial paper (Note 5)	16,992,426	1,178,102
Total payable from restricted assets	21,752,426	4,283,102
Total current liabilities	82,149,628	56,218,973
Noncurrent Liabilities		
Deferred rent liability (Note 11)	-	450,073
Compensated absences, net of current portion (Note 5)	484,683	397,836
Tenant security deposits and other noncurrent liabilities	1,170,513	1,014,896
Commercial paper notes payable (Note 5)	20,729,000	164,430,000
Series 2010 and 2005 Bonds and bond premium, less current portion, net of deferred refunding costs (Note 5)	634,853,456	41,178,973
Total noncurrent liabilities	657,237,652	207,471,778
Total liabilities	739,387,280	263,690,751
Commitments and Contingencies (Notes 6, 7, 8, 9, 10, 11 and 12)		
Net Assets		
Invested in capital assets, net of related debt (Note 1)	357,275,035	275,556,504
Restricted net assets:		
Bond reserves	50,493,766	51,103,386
Debt service, bond and commercial paper	4,835,970	3,181,539
Small business bond guarantee	4,000,000	4,000,000
Passenger facility charges	59,940,505	62,910,055
Customer facility charges	22,003,359	12,077,045
OCIP loss reserve	6,239,213	6,400,000
Total restricted net assets (Note 1)	147,512,813	139,672,025
Unrestricted net assets	102,466,395	145,223,890
Total net assets	607,254,243	560,452,419
Total liabilities and net assets	\$ 1,346,641,523	\$ 824,143,170

See Notes to Financial Statements.

San Diego County Regional Airport Authority

Statements of Revenues, Expenses and Change in Net Assets
Years Ended June 30, 2011 and 2010

	2011	2010
Operating revenues:		
Airline revenue:		
Landing fees	\$ 18,578,574	\$ 18,672,255
Aircraft parking fees	2,920,891	3,406,011
Building rentals (Note 10)	26,980,351	23,835,039
Security surcharge	14,886,586	11,900,070
Other aviation revenue	1,596,665	1,584,408
Concession revenue	37,103,485	36,248,999
Parking and ground transportation revenue	31,644,673	30,295,843
Ground rentals (Note 10)	8,656,005	5,923,301
Other operating revenue	1,639,621	1,828,757
Total operating revenues	144,006,851	133,694,683
Operating expenses:		
Salaries and benefits (Notes 6, 7 and 8)	38,266,477	35,386,258
Contractual services (Note 12)	26,112,942	27,998,903
Safety and security	21,343,967	20,131,013
Space rental (Note 11)	10,906,405	10,905,899
Utilities	6,413,206	6,871,136
Maintenance	8,174,021	9,230,943
Equipment and systems	570,394	890,964
Materials and supplies	344,471	412,911
Insurance	1,066,326	1,166,209
Employee development and support	1,040,787	990,129
Business development	2,275,311	2,032,861
Equipment rentals and repairs	1,327,158	1,270,944
Total operating expenses before depreciation and amortization	117,841,465	117,288,170
Income from operations before depreciation and amortization	26,165,386	16,406,513
Depreciation and amortization	49,137,886	42,424,317
Operating (loss)	(22,972,500)	(26,017,804)

(Continued)

San Diego County Regional Airport Authority

Statements of Revenues, Expenses and Change in Net Assets (Continued)
Years Ended June 30, 2011 and 2010

	2011	2010
Nonoperating revenues (expenses):		
Passenger facility charges	\$ 33,997,963	\$ 34,048,981
Customer facility charges	10,986,467	10,782,512
Quieter Home Program grant revenue	14,411,926	18,998,445
Quieter Home Program expenses	(17,770,495)	(20,627,644)
Joint Studies Program	(129,191)	(244,243)
Interest income	6,408,130	6,666,720
Interest expense (Note 5)	(8,084,334)	(2,683,595)
"Build America Bonds" Rebate	3,691,431	-
Other (expenses), net	(92,924)	(1,003,948)
Nonoperating revenue, net	43,418,973	45,937,228
Income before capital grant contributions	20,446,473	19,919,424
Capital grant contributions	26,355,351	27,350,431
Change in net assets	46,801,824	47,269,855
Net assets, beginning of year	560,452,419	513,182,564
Net assets, end of year	\$ 607,254,243	\$ 560,452,419

See Notes to Financial Statements.

San Diego County Regional Airport Authority

**Statements of Cash Flows
Years Ended June 30, 2011 and 2010**

	2011	2010
Cash Flows From Operating Activities		
Receipts from customers	\$ 146,473,362	\$ 131,978,851
Payments to suppliers	(80,454,483)	(90,872,611)
Payments to employees	(36,728,904)	(35,231,569)
Pension contribution	-	(4,600,000)
Other receipts (payments)	(50,815)	346,810
Net cash provided by operating activities	29,239,160	1,621,481
Cash Flows From Noncapital Financing Activities		
Settlement receipts	101,477	716,580
Quieter Home Program grant receipts	14,781,355	19,430,088
Quieter Home Program payments	(18,102,591)	(21,868,009)
Joint Studies Program payments	(84,068)	(191,865)
Net cash (used in) noncapital financing activities	(3,303,827)	(1,913,206)
Cash Flows From Capital and Related Financing Activities		
Capital outlay	(166,861,753)	(133,158,619)
Proceeds on BABs	3,691,431	-
Proceeds (payments) on sale of capital assets	3,820	(10,921)
Federal grants received (excluding Quieter Home Program)	25,867,627	26,207,830
Proceeds from passenger facility charges	33,892,271	33,974,761
Proceeds from customer facility charge	11,193,087	10,581,258
Proceeds from issuance of commercial paper	-	80,000,000
Proceeds from issuance of bonds	598,719,344	-
Payment of principal on bonds and commercial paper	(146,026,000)	(2,950,000)
Payment to Trustee for debt service	(82,375)	(81,250)
Interest and debt fees paid	(8,154,709)	(2,802,532)
Cost of debt issuance	(4,424,462)	-
Net cash provided by capital and related financing activities	347,818,281	11,760,527
Cash Flows From Investing Activities		
Sales of investments	24,342,907	46,581,401
Purchases of investments	(402,840,092)	(37,871,306)
Interest received on investments	1,680,735	2,816,795
Principal payments received on notes receivable	1,612,791	1,527,581
Interest received from notes receivable, commercial paper and bonds	4,369,314	3,797,890
Net cash provided by (used in) investing activities	(370,834,345)	16,852,361
Net increase in cash and cash equivalents	2,919,269	28,321,163
Cash and Cash Equivalents, beginning of year	51,087,907	22,766,744
Cash and Cash Equivalents, end of year	\$ 54,007,176	\$ 51,087,907

(Continued)

San Diego County Regional Airport Authority

Statements of Cash Flows (Continued)
Years Ended June 30, 2011 and 2010

	2011	2010
Reconciliation of Cash and Cash Equivalents to the Balance Sheets		
Cash and cash equivalents	\$ 45,858,618	\$ 30,192,220
Cash and investments designated for specific capital projects and other commitments	8,148,558	20,895,687
	\$ 54,007,176	\$ 51,087,907
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities		
Operating (loss)	\$ (22,972,500)	\$ (26,017,804)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation and amortization expense	49,137,886	42,424,317
Bad debt (recapture)	(44,423)	(322,387)
Changes in assets and liabilities:		
Tenant lease receivables	584,783	(297,304)
Net pension asset	556,313	(4,299,243)
Other current assets	2,475,298	(7,360,475)
Accounts payable (on noncapital items)	2,493,492	2,007,086
Accrued liabilities (on noncapital items)	(2,694,519)	(4,427,175)
Postretirement benefits obligation	31,736	26,374
Deposits	80,450	134,100
Deferred rent liability and other	(587,863)	(249,634)
Tenant security deposits	36,671	57,872
Compensated absences	141,836	(54,246)
Net cash provided by operating activities	\$ 29,239,160	\$ 1,621,481
Supplemental Disclosure of Noncash Investing, Capital and Financing Activities		
Additions (deductions) to capital assets included in accounts payable	\$ (13,118,472)	\$ 12,360,267
Loss on Investments	\$ (292,730)	\$ (869,842)

See Notes to Financial Statements.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Reporting entity: The San Diego County Regional Airport Authority (the Airport Authority), an autonomous public agency, was established as a result of legislation, Assembly Bill 93 (2001), as modified by Senate Bill 1896 (2002), which together comprise the San Diego County Regional Airport Authority Act (the Act). The Act required, among other things, the transfer of the assets and operations of the San Diego International Airport (SDIA) from the San Diego Unified Port District (the District) to the Airport Authority. Effective January 1, 2003 (inception), the District transferred all airport operations and certain related assets and liabilities to the Airport Authority, pursuant to the Act and the Memorandum of Understanding (MOU) dated as of December 31, 2002, between the Airport Authority and the District, which implemented the Act.

Senate Bill 10, the San Diego County Regional Airport Authority Reform Act, was effective January 1, 2008. Responsibilities of the Airport Authority include, among other things, the operation, maintenance, development, management and regulation of SDIA and its facilities. In addition, the Airport Authority has the responsibility to plan or to expand the existing SDIA. Under one of the requirements of Senate Bill 10, the Airport Authority completed a Regional Aviation Strategic Plan and by December 31, 2013 the Airport Authority will prepare and adopt an Airport Multimodal Accessibility Plan. In addition, the Airport Authority acts as the Airport Land Use Commission within San Diego County.

In accordance with the Codification of Governmental Accounting and Financial Reporting Standards, the basic financial statements include all organizations, agencies, boards, commissions and authorities for which the Airport Authority is financially accountable. The Airport Authority has also considered all other potential organizations for which the nature and significance of their relationships with the Airport Authority are such that exclusion would cause the Airport Authority's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing the majority of an organization's governing body and (1) the ability of the Airport Authority to impose its will on that organization or (2) the potential for that organization to provide specific benefits to, or impose specific financial burdens on, the Airport Authority. Based on these criteria, there are no other organizations or agencies which should be included in these basic financial statements.

Measurement focus and basis of accounting: The accounting policies of the Airport Authority conform to accounting principles generally accepted in the United States of America applicable to state and local government agencies, and as such, the Airport Authority is accounted for as a proprietary fund. The basic financial statements presented are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This measurement focus emphasizes the determination of the change in Airport Authority net assets. Private sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed by the Airport Authority to the extent that those standards do not conflict with or contradict guidance of the GASB. The Airport Authority also has the option of following subsequent private-sector guidance for its activities subject to the same limitation. The Airport Authority has elected to follow the standards set by the GASB, as opposed to subsequently issued private sector guidance.

The financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and related GASB pronouncements.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Evaluation of long-lived assets: The Airport Authority accounts for long-lived assets under GASB No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. The Airport Authority's capital assets include property, equipment and infrastructure assets. A capital asset is considered impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstances is outside the normal life cycle of the capital asset. The Airport Authority is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Common indicators of impairment include evidence of physical damage where restoration efforts are needed to restore service utility, enactment or approval of laws or regulations setting standards that the capital asset would not be able to meet, technological development or evidence of obsolescence, a change in the manner or expected duration of use of a capital asset or construction stoppage. This Statement requires the Airport Authority to report the effects of capital asset impairments in its financial statements when they occur and to account for insurance recoveries in the same manner. The Airport Authority's management has determined that no impairment of capital assets currently exists.

Use of estimates: The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments: Investments in the state and county investment pools are recorded at fair value based upon the Airport Authority's pro rata share of the fair value provided by the state and county investment pools for the entire respective pool. Guaranteed investment contracts are recorded at contract value. All other investments are stated at fair market value based on quoted market prices.

Tenant lease receivables: Tenant lease receivables are carried at the original invoice amount for fixed-rent tenants and at estimated invoice amount for concession (variable) tenants, less an estimate made for doubtful receivables for both fixed-rent and concession tenants, based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts by evaluating individual tenant receivables and considering a tenant's financial condition and credit history and current economic conditions. Tenant lease receivables are written off when deemed uncollectible. Recoveries of tenant lease receivables previously written off are recorded when received.

Restricted assets: Funds are set aside as restricted, and they are not available for current expenses, when constraints placed on their use are legally enforceable due to either:

- Externally imposed requirements by creditors (such as through debt covenants), grantors or contributors.
- Laws or regulations of other governments.
- Constitutional provisions or enabling legislation.

The Airport Authority's policy is to use restricted resources before unrestricted resources for expenses incurred for which both restricted and unrestricted net assets are available.

Designated assets: The Airport Authority's management designates funds for capital projects and other specific commitments; these funds would otherwise be available for operations. At June 30, 2011 and 2010, management had designated funds for specific approved capital projects, unspent commercial paper draws and other commitments totaling \$8,148,558 and \$20,895,687, respectively.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Capital assets: Capital assets are recorded at cost, except for property contributed by third parties, which is recorded at fair market value at the date of contribution, less an allowance for accumulated depreciation. The Airport Authority capitalizes incremental overhead costs and interest cost associated with the construction of capital assets.

Capital assets are defined by the Airport Authority as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Depreciation is computed by use of the straight-line method over the following estimated useful lives:

Land improvements	30 to 40 years
Runways, taxiways, roads and parking areas	5 to 30 years
Buildings, structures and improvements	5 to 30 years
Machinery and equipment	3 to 10 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as construction in process as projects are constructed.

Net pension asset: The Airport Authority budgets for a 90 percent funding ratio with respect to its defined pension plan which results in additional contributions to the plan over its annual required contribution (ARC). The difference between the Airport Authority's actual contributions and ARCs results in a net pension asset.

Airport Improvement Program (AIP): The District initially received approval from the Federal Aviation Administration (FAA) for Airport Improvement Program (AIP) grants. These grants transferred to the Airport Authority, effective January 1, 2003. AIP grants are authorized and disbursed by the FAA under the Airway Improvement Act of 1982, as amended, which provides funding for airport planning and development projects at airports included in the National Plan of Integrated Airport Systems. As such, the AIP grants must be used to pay for the allowable costs of approved projects. Receipts from federal programs are subject to audit to determine if the funds were used in accordance with the applicable regulations. The Airport Authority believes that no significant liabilities to the Airport Authority would result from such an audit.

Passenger facility charges (PFC): The District initially received approval from the FAA to impose a PFC at SDIA. The approval for the PFC was transferred by the FAA to the Airport Authority, effective January 1, 2003. The PFC program is authorized by the Aviation Safety and Capacity Expansion Act of 1990 (the Expansion Act). In accordance with the Expansion Act, the Airport Authority's AIP Passenger Entitlement Apportionment is reduced by certain percentages, dependent upon the level of PFC received by the Airport Authority.

In accordance with the program, the PFC revenue must be used to pay allowable costs for approved capital projects. As of June 30, 2011 and 2010, accrued PFC receivables totaled \$5,121,210 and \$5,015,518, respectively, and there were \$54,819,295 and \$57,894,537 PFC amounts collected but not yet applied for approved capital projects as of June 30, 2011 and 2010, respectively.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

On May 20, 2003, the FAA approved the Airport Authority's PFC charge per enplaned passenger from \$3.00 to \$4.50, beginning August 1, 2003. Currently, impose and use authority of \$1.3 billion from four active applications allows collection through October 1, 2036. The Airport Authority has formally closed three previously approved applications and withdrawn one pending application which has been integrated in a ninth application to impose and use of approximately \$42 million in PFC revenue. The ninth application is in process with completion anticipated by January 2012. In accordance with the Aviation Investment Reform Act (AIR-21), airports imposing a \$4.50 collection level are required to reduce AIP Passenger Entitlement Apportionment to 75 percent.

Customer facility charges (CFC): The Airport Authority received approval in May 2009 from the State of California under Section 1936 of the California Civil Code to impose a \$10 CFC per contract on rental cars at SDIA.

In accordance with the program, the CFC revenue must be used to pay allowable costs for approved capital projects. As of June 30, 2011 and 2010, accrued CFC receivables totaled \$1,029,040 and \$1,235,660, respectively. CFC amounts collected, including interest, but not yet applied for approved capital projects as of June 30, 2011 and 2010 were \$20,974,319 and \$10,841,385, respectively.

Retentions payable: The Airport Authority enters into construction contracts that may include retention provisions such that a certain percentage of the contract amount is held for payment until completion of the contract and acceptance by the Airport Authority. The Airport Authority's policy is to record the retention payable only after completion of the work and acceptance of the contractor invoices have occurred. Retentions payable on completed contracts are included with accounts payable on the accompanying balance sheets. Amounts related to unpaid retentions on uncompleted contracts are included in accrued liabilities.

Compensated absences: All employees of the Airport Authority earn annual leave that is paid upon termination or retirement. Annual leave is accrued at current rates of compensation.

Airport Authority net assets: Invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Invested in capital assets, net of related debt, excludes unspent debt proceeds.

Restricted net assets represent amounts that are appropriated or legally segregated for a specific purpose. Airport Authority net assets are reported as restricted when there are limitations imposed on its use, either through the enabling legislation adopted by the Airport Authority or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Invested in capital assets, net of related debt, as of June 30 is as follows:

	2011	2010
Capital assets	\$ 1,133,349,818	\$ 942,837,888
Less accumulated depreciation	(507,928,798)	(459,120,465)
Less outstanding debt	(268,145,985)	(208,160,919)
Invested in capital assets, net	\$ 357,275,035	\$ 275,556,504

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Restricted net assets as of June 30 are as follows:

	2011	2010
Bond reserves:		
Operations and maintenance reserve	\$ 29,773,617	\$ 30,230,832
Operations and maintenance subaccount reserve	9,924,539	10,076,944
Revenue and replacement reserve	5,400,000	5,400,000
Bond reserve with Trustee	5,395,610	5,395,610
Debt service principal	4,760,000	3,105,000
Commercial paper reserve	63,115	63,686
Commercial paper held by Trustee	12,855	12,853
Small Business Development Bond Guarantee	4,000,000	4,000,000
Passenger facility charges unapplied	54,819,295	57,894,537
Passenger facility charges receivable	5,121,210	5,015,518
Customer facility charges unapplied	20,974,319	10,841,385
Customer facility charges receivable	1,029,040	1,235,660
Owner Controlled Insurance Program (OCIP) loss reserve	6,239,213	6,400,000
Total restricted net assets	<u>\$ 147,512,813</u>	<u>\$ 139,672,025</u>

Unrestricted net assets as of June 30 include designations of net assets that represent tentative management plans that are subject to change, consisting of:

	2011	2010
Operating contingency	\$ 2,000,000	\$ 2,000,000
Insurance contingency (Note 9)	5,223,990	4,349,994
Net pension asset	7,760,767	8,317,080
Capital projects and other commitments (Note 12)	924,568	18,545,693
	<u>\$ 15,909,325</u>	<u>\$ 33,212,767</u>

Revenue classifications: Revenue is recognized when earned. The Airport Authority will classify revenues as operating or nonoperating based on the following criteria:

Operating revenues are from the revenue sources that constitute the principal ongoing activities of the Airport Authority's operations. The major components of the Airport Authority's operating revenue sources consist of landing fees and terminal building and ground rentals, concession and parking fees, and other miscellaneous fees and charges. Landing fees and terminal building rates are charged on the basis of recovery of actual costs for operating and maintaining the SDIA airfield and terminal areas. Ground rentals consist mainly of rent received for leased cargo facilities. Concession fees are determined as a percentage of gross monthly revenues generated by each concession lessee's monthly operations. Parking fees are generated from the airport parking lots.

Nonoperating revenues are from revenue sources related to financing activities and other activities, which do not constitute the principal ongoing activities of the Airport Authority's operations. The major components of the nonoperating revenue sources are interest income from cash and investments, certain legal settlement income, PFCs, CFCs and grant revenue related to the Quieter Home Program.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Expense classifications: The Airport Authority will classify expenses as operating or nonoperating based on the following criteria:

Operating expenses relate to the principal ongoing activities of the Airport Authority's operations. The major components of the Airport Authority's operating expense sources consist of salaries and benefits, contractual services, space rental, utilities, maintenance, equipment and systems, materials and supplies, insurance, employee development and support, business development, and equipment rentals and repairs.

Nonoperating expenses relate to financing, investing and other activities that do not constitute the principal ongoing activities of the Airport Authority's operations. The major components of nonoperating expenses sources are expenditures for the Quieter Home program, interest expense and other nonoperating expenses such as legal settlements and unrealized loss on investments.

Federal grants: When a grant agreement is approved and all eligibility requirements have been met, the expenditures are recorded as a federal grant receivable and as a capital grant contribution or nonoperating grant revenue, as appropriate.

Cash and cash equivalents: For purposes of the statements of cash flows, cash and cash equivalents includes unrestricted and designated cash on hand, demand deposits, commercial paper and repurchase agreements collateralized by the U.S. government or agency obligations with original maturities of three months or less from the date of acquisition.

Deferred bond costs: The revenue bond original discount and the revenue bond original issue premium, along with issuance costs, are deferred and amortized over the term of the bonds, using the effective interest rate method.

Implementation of new accounting pronouncement: GASB Statement No. 59, *Financial Instruments Omnibus*, was issued in June 2010 and implemented by the Airport Authority for the year ended June 30, 2011. This Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools.

Pronouncements issued, but not yet effective: The GASB issued pronouncements prior to June 30, 2011 that have an effective date that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following Statements may have on the financial statements of the Airport Authority:

- GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*
- GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*
- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*
- GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*
- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
- GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53*

Reclassifications: Certain reclassifications have been made to the 2010 financial information in order to conform to the 2011 presentation. These reclassifications had no impact on net income or Airport Authority net assets.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event

Summary of cash and investments: Cash and investments are reported in the accompanying balance sheets as follows at June 30:

	2011	2010
Unrestricted and undesignated:		
Cash and cash equivalents	\$ 45,858,618	\$ 30,192,220
Current investments	43,680,088	74,853,720
Noncurrent investments	16,827,172	950,564
Total unrestricted and undesignated	106,365,878	105,996,504
Designated for specific capital projects and other commitments, cash and cash equivalents	8,148,558	20,895,687
Restricted cash and investments:		
Bond reserves		
Operations and maintenance reserve	29,773,617	30,230,832
Operations and maintenance subaccount reserve	9,924,539	10,076,944
Renewal and replacement reserve	5,400,000	5,400,000
	45,098,156	45,707,776
Passenger facility charges unapplied	54,819,295	57,894,537
Customer facility charges unapplied	20,974,319	10,841,385
Small Business Development Bond Guarantee	4,000,000	4,000,000
Commercial paper reserve	63,115	63,686
Total restricted cash and investments	124,954,885	118,507,384
Total cash and investments not with Trustee	239,469,321	245,399,575
Investments held by Trustee:		
Money market funds	36,899,689	4,241,638
Guaranteed investment contract	5,394,063	5,394,063
Certificates of deposit	20,119,036	-
California Asset Management Program (CAMP)	23,363	-
Local Agency Investment Fund (LAIF)	99,791,287	-
San Diego County Investment Pool (SDCIP)	219,593,285	-
U.S. agency securities	15,094,998	-
Total held by Trustee	396,915,721	9,635,701
Total cash and investments	\$ 636,385,042	\$ 255,035,276

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Components of cash and investments at June 30 are summarized below:

	2011	2010
Unrestricted cash on deposit:		
Cash on hand	\$ 51,976	\$ 51,976
Cash in banks	14,259,815	47,823,670
Total unrestricted cash on deposit	<u>14,311,791</u>	<u>47,875,646</u>
Unrestricted cash equivalents:		
Money market funds	39,695,385	3,212,262
Unrestricted and restricted investments:		
Certificates of deposit	15,888,440	16,031,421
Local Agency Investment Fund	47,131,845	46,905,826
San Diego County Investment Pool	48,991,312	49,619,000
Corporate bonds	-	4,030,620
Commercial Paper	3,490,340	-
U.S. Treasury notes	11,037,820	9,610,384
U.S. agency securities	58,922,388	68,114,416
Total unrestricted and restricted investments	<u>185,462,145</u>	<u>194,311,667</u>
Total cash equivalents and investments not with Trustee	<u>225,157,530</u>	<u>197,523,929</u>
Investments held by Trustee:		
Money market funds	36,899,689	4,241,638
Bond reserve, guaranteed investment contract	5,394,063	5,394,063
Certificates of deposit	20,119,036	-
California Asset Management Program	23,363	-
Local Agency Investment Fund	99,791,287	-
San Diego County Investment Pool	219,593,285	-
U.S. agency securities	15,094,998	-
Total investments held by Trustee	<u>396,915,721</u>	<u>9,635,701</u>
Total cash equivalents and investments	<u>622,073,251</u>	<u>207,159,630</u>
Total cash, cash equivalents and investments	<u>\$ 636,385,042</u>	<u>\$ 255,035,276</u>

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Investments authorized in accordance with California Government Code Section 53601 and under the provisions of the Airport Authority's investment policy: The table below identifies the investment types that are authorized by the Airport Authority's investment policy and State Government Code. The table also identifies certain provisions of the Airport Authority's investment policy that address interest rate risk, credit risk and concentration of credit risk. This table does not address investments of bond proceeds held by the bond trustee that are governed by provisions of debt agreements of the Airport Authority, in addition to the general provisions of the Airport Authority's investment policy and State Government Code.

Authorized Investment Type	Maximum Maturity	Minimum Quality Requirements	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	5 years	N/A	None	None
U.S. agency securities	5 years	N/A	None	None
Banker's acceptances	180 days	AAA/Aaa	40 percent	10 percent
Commercial paper	270 days	A-1; P-1; F-1	25 percent	10 percent
Negotiable certificates of deposit	< 25 months	A	30 percent	10 percent
	25-36 months	AA	30 percent	10 percent
Medium-term notes	< 25 months	A	15 percent	5 percent
	25-36 months	AA	15 percent	5 percent
Repurchase agreements	1 year	A	None	None
Mortgage-backed securities	5 years	AAA	20 percent	None
Local Agency Investment Fund	N/A	N/A	None	\$50 million
San Diego County Investment Pool	N/A	N/A	None	\$50 million
Local Government Investment Pool	N/A	N/A	None	\$50 million
Money market mutual funds	N/A	AAA/Aaa	20 percent	10 percent
U.S. State and California agency indebtedness	5 years	A	20 percent	5 percent
Placement service certificates of deposits	3 years	N/A	30 percent	10 percent
Bank deposits (DOA/CDs)	N/A	*	20 percent	10 percent

* Financial institution must have at least an overall satisfactory rating under the Community Reinvestment Act for meeting the credit needs of California communities in its most recent evaluation. Collateralization required per Cal. Gov. Code Section 53630 et seq.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Investments authorized by debt agreements: Investments held by the bond trustee are governed by the provisions of the debt agreement, in addition to the general provisions of the California Government Code and the Airport Authority's investment policy. The table below identifies the investment types that are authorized for investments held by the bond trustee, according to the Master Trust Indenture. In the event of a conflict between the Airport Authority's investment policy and permitted investments associated with any Airport Authority debt issuance, the indentures shall control. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Minimum Quality Requirements	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	None	N/A	None	None
U.S. agency securities	None	N/A	None	None
Banker's acceptances	360 days	AAA/Aaa	None	None
Commercial paper	270 days	A-1; P-1; F-1	None	None
Repurchase agreements	None	N/A	None	None
Money market portfolio	None	Two highest ratings	None	None
Cash	None	N/A	None	None
Deposit accounts	None	N/A	None	None
Municipal bonds	None	Two highest ratings	None	None
Local Agency Investment Fund	None	N/A	None	None
San Diego County Investment Pool	None	N/A	None	None
Certificates of deposit	None	Two highest ratings	None	None
Investment agreements	None	N/A	None	None

The primary objective of the Airport Authority's investment policy is to invest public funds in a manner that will provide the highest security of the funds under management while meeting the daily cash flow demands of the Airport Authority. Assets of the Airport Authority that are not bond proceeds, which are invested in securities as permitted in the bond indenture, are described in the preceding table. In addition, there are various credit criteria as defined in the Airport Authority's investment policies:

- Banker's acceptances, eligible for purchase by the Federal Reserve System and are rated in the highest category by a nationally recognized statistical organization (NRSRO).
- Commercial paper of prime quality of the highest ranking or of the highest letter and number rating as provided for by an NRSRO.
- Negotiated certificates of deposit (NCD) issued by state or chartered bank or a state or federal savings institution, shall be rated "A" or better by an NRSRO. NCDs with an "A" rating shall be limited to 24 months maximum maturity; "AA"-rated NCDs shall be limited to 36 months.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

- Medium-term notes issued by corporations organized and operating within the United States shall be rated “A” or better by an NRSRO for maturities less than 24 months and “AA” for maturities less than or equal to 36 months.
- U.S. government-sponsored agencies rated “AAA/Aaa” issued mortgage-backed security with a maximum of five years maturity.
- Money market mutual funds with management companies that are money market funds registered with the Securities and Exchange Commission (SEC), investing in the securities and obligations as authorized by California Government Code 53601. These companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) retain an investment advisor registered with the SEC with not less than five years experience investing in the securities and obligation market as authorized by California Government Code 53601, subdivision (a) to (m) inclusive, and with assets under management in excess of \$500 million.

Investments held by Trustee: The Airport Authority has monies held by trustees pledged for the security and payment of certain debt instruments as required by the debt agreements. The Series 2005 Bonds require the Airport Authority to maintain reserve accounts with a bond trustee for security and the payment of the bonds. At June 30, 2011 and 2010, the investments held by the Trustee related to the Series 2005 Bonds were \$9,718,078 and \$9,635,701, respectively, which included the July 1 payment in the amount of \$4,309,613 and \$4,227,238, respectively. The subordinate Series 2010 Bonds require the Airport Authority maintain a reserve account and deposit all unused bond proceeds with a bond trustee. At June 30, 2011, the amount held by the Trustee related to the subordinate Series 2010 Bond was \$387,197,643, which included the July 1 payment in the amount of \$2,247,976. The commercial paper notes require the Airport Authority to maintain an interest reserve account with the note Trustee. At June 30, 2011 and 2010, the commercial paper interest held by the Trustee was \$12,855 and \$12,853, respectively.

Disclosures related to interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment is, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the Airport Authority manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities. These staggered maturities also provide consistent cash flow and fulfill liquidity needs for operations. The Airport Authority monitors interest rate risk inherent in its portfolio by measuring the segmented time distribution of its portfolio. The Airport Authority has no specific limitations with respect to this metric.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Information about the sensitivity of the fair values of the Airport Authority's investments (including investments held by bond trustee) to market rate fluctuations is provided by the following table, which shows the distribution of the entity's investments by maturity as of June 30, 2011:

Investment Type	Total	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Investments subject to interest					
rate risk:					
CAMP	\$ 23,363	\$ 23,363	\$ -	\$ -	\$ -
LAIF	146,923,132	146,923,132	-	-	-
SDCIP	268,584,597	268,584,597	-	-	-
Commercial paper	3,490,340	3,490,340	-	-	-
U.S. Treasury notes	11,037,820	8,034,880	3,002,940	-	-
U.S. agency securities	74,017,386	15,094,998	11,994,370	46,928,018	-
Guaranteed investment contract	5,394,063	-	-	-	5,394,063
Total investments subject to interest rate risk	509,470,701	442,151,310	14,997,310	46,928,018	5,394,063
Deposits not subject to interest					
rate risk:					
Money market funds	76,595,074	76,595,074	-	-	-
Certificates of deposit	36,007,476	36,007,476	-	-	-
Total deposits not subject to interest rate risk	112,602,550	112,602,550	-	-	-
	<u>\$ 622,073,251</u>	<u>\$ 554,753,860</u>	<u>\$ 14,997,310</u>	<u>\$ 46,928,018</u>	<u>\$ 5,394,063</u>

Custodial credit risk (deposits): Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Airport Authority maintains deposits at several institutions in order to minimize custodial credit risk. These deposits are collateralized by various instruments such as U.S. government securities (guaranteed) or U.S. agency securities (government sponsored). California Government Code requires a minimum of 105 percent collateralization of these deposits which are authorized by the Airport Authority's investment policy. Insurance through the Federal Deposit Insurance Corporation (FDIC) may be applicable to the first \$250,000 of institutional deposit accounts, with any balance above this amount covered by the collateralization requirement.

Custodial credit risk (investments): Custodial credit risk for investments is the risk that the Airport Authority will not be able to recover the value of its investments in the event of a counterparty failure. The Airport Authority uses third-party banks' custody and safekeeping services for its registered investment securities. Securities are held in custody at third-party banks registered in the name of the Airport Authority and are segregated from securities owned by those institutions or held in custody by those institutions. Certificates of deposit held by the Airport Authority's third-party custodians are fully insured by the FDIC, as the individual amounts do not exceed the FDIC-insured limits, or collateralized in accordance with the California Government Code.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Disclosures related to credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2011 for each investment type:

Investment Type	Total	Unrated	AAA/Aaa	A-1+/P-1
Investments subject to credit rate risk:				
CAMP	\$ 23,363	\$ -	\$ 23,363	\$ -
SDCIP	268,584,597	-	268,584,597	-
LAIF	146,923,132	146,923,132	-	-
Commercial paper	3,490,340	-	-	3,490,340
U.S. Treasury notes	11,037,819	- (1)	11,037,820	-
U.S. agency securities	58,922,387	- (1)	58,922,388	-
Guaranteed investment contract	20,489,061	-	20,489,061	-
Total investments subject to credit risk	509,470,699	146,923,132	359,057,229	3,490,340
Deposits subject to credit risk:				
Money market funds	76,595,074	76,595,074	-	-
Certificates of deposit	36,007,476	36,007,476	-	-
Total deposits subject to credit risk	112,602,550	112,602,550	-	-
	<u>\$ 622,073,249</u>	<u>\$ 259,525,682</u>	<u>\$ 359,057,229</u>	<u>\$ 3,490,340</u>

Source: Standard & Poor's, Moodys and Fitch

- (1) On August 5, 2011, Standard & Poor's (S&P) lowered the long-term sovereign credit rating of U.S. Government debt obligations from AAA to AA+. On August 8, 2011, S&P also downgraded the long-term credit ratings of U.S. government-sponsored enterprises. To date, Moody's and Fitch have maintained Aaa and AAA ratings, respectively, for both U.S. Government and U.S. government-sponsored enterprises' debt obligations. While there has been no immediately apparent adverse impact to the Authority's investment portfolio from the S&P action, the ultimate impacts on global markets and our business, financial condition, and liquidity are unpredictable given the unprecedented nature of negative credit rating actions with respect to U.S. government obligations.

Concentration of credit risk: The investment policy of the Airport Authority contains no limitations on the amount that can be invested by any one issuer beyond that stated above. Investments that represent 5 percent or more of the Airport Authority's investments as of June 30, 2011 are as follows:

Issuer	Type	Fair Value	Percentage of Portfolio
East West Bank	Money market funds and certificates of deposit	\$ 58,267,979	9.16%
Federal National Mortgage Assoc.	U.S. agency securities	46,105,368	7.24%
		<u>\$ 104,373,347</u>	<u>16.40%</u>

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Investment in state investment pool: The Airport Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Airport Authority's investment in this pool is reported in the accompanying financial statements at fair value based upon the Airport Authority's pro rata share of the amortized cost basis provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of each portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF.

Investment in county investment pool: The Airport Authority is a voluntary participant in the San Diego County Investment Pool (SDCIP) that is regulated by California Government Code Section 16429 under the oversight of the County Treasurer of San Diego. The Airport Authority's investment in this pool is reported in the accompanying financial statements at fair value based upon the Airport Authority's pro rata share of the amortized cost basis provided by SDCIP for the entire SDCIP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by SDCIP.

Investment in California Asset Management Program Pool: The Airport Authority is a voluntary participant in the California Asset Management Program Pool (CAMP or the Pool), which was established under provisions of the California Joint Exercise of Powers Act to provide California Public Agencies with comprehensive investment management services. The Airport Authority's investment in the Pool are reported in the accompanying financial statements at the net asset value per share as provided by CAMP.

CAMP is exempt from registration with the Securities and Exchange Commission under the Investment Company Act of 1940, but operates in a manner consistent with SEC Rule 2a-7, "Money Market Funds," of that Act. Accordingly, the Pool meets the definition of a "2a-7 like pool" set forth in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. While the Pool itself is exempt from SEC registration, the Pools Investment advisor and administrator, PFM Asset management LLC, is registered with the SEC as an investment advisor under the Investors Advisors Act of 1940. PFM Asset Management LLC has filed with the California Department of Corporations, as well as various other states, as an investment advisor under the state security laws. In addition, CAMP also meets the definition of "Municipal Fund Security" outlined by Municipal Rulemaking Board (MSRB) Rule 0-12. Therefore, contacts with prospective investors relating to shares of the pool are conducted through PFM Asset Management's wholly owned subsidiary, PFMAM, Inc., a broker/dealer that is registered with the SEC and MSRB, and is a member of (FINRA). CAMP files an income tax return annually with the Internal Revenue Service, though the new income of the Pool is generally exempt from federal income tax.

Small business development bond guarantee: The Airport Authority has established a \$4,000,000 line of credit with Union Bank, which is collateralized with a certificate of deposit. This line will be utilized to issue letters of credit to surety companies who are partnering with the Airport Authority to provide bonding assistance to contractors accepted into the bonding assistance program. Both the Airport Authority and the sureties participate in the risk under this program. The objective of this program is to ensure that local small, disadvantaged, disabled veteran, and other business enterprises have every opportunity to do business with the Airport Authority.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 2. Cash and Investments and Subsequent Event (Continued)

Investment recovery: In fiscal year 2010, the Airport Authority recognized a loss of \$166,515 on its investment in the Primary Liquidity Fund operated by The Reserve Money Management Corporation of New York (The Reserve Fund), the original investment of which was \$12,157,575. During fiscal year 2011, the Airport Authority received a payment \$49,238 from the fund that was reported as an investment recovery. Additionally, The Reserve Fund reduced the undistributed balance by \$93,400 for fees and expenses of the liquidation. The remaining undistributed balance of the investment in The Reserve Fund as of June 30, 2011 and 2010 was \$23,838 and \$166,515, respectively. The Airport Authority will continue to recognize amounts received from The Reserve Fund, if any, in the period collected.

Note 3. Notes Receivable

As part of the transfer of airport operations, pursuant to the MOU, the District issued a \$50,000,000 unsecured promissory note to the Airport Authority. Pursuant to an agreement with the District that commenced on January 1, 2006, the note is amortized over 25 years and matures on December 31, 2030, subordinate to all bond indebtedness of the District, at a fixed interest rate of 5.5 percent per annum. On October 3, 2005, the Airport Authority's Board authorized the District to issue an \$8,000,000 promissory note in favor of Carnival Corporation on parity with the \$50,000,000 note. At June 30, 2011 and 2010, the balance of the note receivable was \$43,993,521 and \$45,221,133, respectively. The current portion recorded on the note for the years ended June 30, 2011 and 2010 was \$1,290,520 and \$1,227,612, respectively.

As part of the transfer of airport operations, pursuant to the Act, the District reimburses the Airport Authority for the fair market value of the Pond 20 property. The District is required to pay the Airport Authority monthly principal and interest payments over a 10-year period at an interest rate of 5.25 percent. A receivable for the Pond 20 property was recorded by the Airport Authority on January 1, 2003 at the District's preliminary appraised value of \$2,378,000. Pursuant to the settlement agreement with the District, the negotiated appraised value was \$3,329,000. Repayment terms remain unchanged. June 30, 2011 and 2010, the note receivable was recorded at a value of \$616,954 and \$1,002,132, respectively. The current portion recorded on the note for the years ended June 30, 2011 and 2010 was \$405,893 and \$385,178, respectively.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 3. Notes Receivable (Continued)

The required principal payments owed from the District for notes receivable for the fiscal years ending June 30 are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2012	\$ 1,696,000
2013	1,581,000
2014	1,447,000
2015	1,529,000
2016	1,609,000
2017-2021	9,540,000
2022-2026	12,554,000
2027-2031	14,654,000
	<u>\$ 44,610,000</u>

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 4. Capital Assets

Capital asset activity was as follows:

	Balance at June 30, 2010	Increases	Decreases	Balance at June 30, 2011
Nondepreciable assets:				
Land	\$ 22,432,655	\$ -	\$ -	\$ 22,432,655
Construction in progress	183,013,695	190,737,326	(51,461,888)	322,289,133
Intangible asset	440,000	-	-	440,000
Total nondepreciable assets	205,886,350	190,737,326	(51,461,888)	345,161,788
Depreciable assets:				
Land improvements	1,001,553	1,026,912	-	2,028,465
Buildings and structures	462,867,893	4,399,285	(803,414)	466,463,764
Machinery and equipment	45,211,831	1,421,090	(386,224)	46,246,697
Runways, roads and parking lots	227,870,261	45,700,477	(121,634)	273,449,104
Total capital assets being depreciated	736,951,538	52,547,764	(1,311,272)	788,188,030
Less accumulated depreciation for:				
Land improvements	(1,001,553)	(47,295)	-	(1,048,848)
Building and structures	(270,556,272)	(28,272,258)	803,414	(298,025,116)
Machinery and equipment	(25,754,980)	(5,718,483)	286,161	(31,187,302)
Runaways, roads and parking lots	(161,807,660)	(15,981,506)	121,634	(177,667,532)
Total accumulated depreciation	(459,120,465)	(50,019,542)	1,211,209	(507,928,798)
Total capital assets being depreciated, net	277,831,073	2,528,222	(100,063)	280,259,232
Capital assets, net	\$ 483,717,423	\$ 193,265,548	\$ (51,561,951)	\$ 625,421,020

Construction in progress contains projects such as The Green Build, upgrading certain major equipment, and improvements to the runway, parking lots and terminals. Current contracts with the Airport Authority related to these projects are discussed in Note 12.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 4. Capital Assets (Continued)

	Balance at June 30, 2009	Increases	Decreases	Balance at June 30, 2010
Nondepreciable assets:				
Land	\$ 22,432,655	\$ -	\$ -	\$ 22,432,655
Construction in progress	103,275,230	145,391,874	(65,653,409)	183,013,695
Intangible asset	440,000	-	-	440,000
Total nondepreciable assets	<u>126,147,885</u>	<u>145,391,874</u>	<u>(65,653,409)</u>	<u>205,886,350</u>
Depreciable assets:				
Land improvements	1,129,612	-	(128,059)	1,001,553
Buildings and structures	411,197,780	54,863,979	(3,193,866)	462,867,893
Machinery and equipment	37,218,852	10,251,525	(2,258,546)	45,211,831
Runways, roads and parking lots	228,860,559	678,438	(1,668,736)	227,870,261
Total capital assets being depreciated	<u>678,406,803</u>	<u>65,793,942</u>	<u>(7,249,207)</u>	<u>736,951,538</u>
Less accumulated depreciation for:				
Land improvements	(1,108,980)	(7,115)	114,542	(1,001,553)
Building and structures	(250,281,933)	(23,468,205)	3,193,866	(270,556,272)
Machinery and equipment	(22,386,496)	(5,627,029)	2,258,545	(25,754,980)
Runaways, roads and parking lots	(150,227,942)	(13,248,452)	1,668,734	(161,807,660)
Total accumulated depreciation	<u>(424,005,351)</u>	<u>(42,350,801)</u>	<u>7,235,687</u>	<u>(459,120,465)</u>
Total capital assets being depreciated, net	254,401,452	23,443,141	(13,520)	277,831,073
Capital assets, net	<u>\$ 380,549,337</u>	<u>\$ 168,835,015</u>	<u>\$ (65,666,929)</u>	<u>\$ 483,717,423</u>

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 5. Debt

The following is a summary of changes in the long-term liability activity:

	Principal Balance at June 30, 2010	Additions/ New Issuances	Reductions/ Repayments	Principal Balance at June 30, 2011	Due Within One Year
Debt obligations:					
Commercial paper	\$ 164,430,000	\$ -	\$ (142,921,000)	\$ 21,509,000	\$ 780,000
Bonds payable:					
Series 2005 Bonds	44,330,000	-	(3,105,000)	41,225,000	3,265,000
Series 2010 Bonds		572,565,000		572,565,000	715,000
Bond premiums	2,272,704	26,154,344	(1,296,734)	27,130,314	-
Deferred amounts on refunding	(2,318,731)	-	231,873	(2,086,858)	-
Total bonds payable	44,283,973	598,719,344	(4,169,861)	638,833,456	3,980,000
Total debt obligations	208,713,973	598,719,344	(147,090,861)	660,342,456	4,760,000
Compensated absences	2,531,602	2,330,591	(2,188,755)	2,673,438	2,188,755
Total long-term liabilities	\$ 211,245,575	\$ 601,049,935	\$ (149,279,616)	\$ 663,015,894	\$ 6,948,755

	Principal Balance at June 30, 2009	Additions/ New Issuances	Reductions/ Repayments	Principal Balance at June 30, 2010	Due Within One Year
Debt obligations:					
Commercial paper	\$ 84,430,000	\$ 80,000,000	\$ -	\$ 164,430,000	\$ -
Bonds payable:					
Series 2005 Bonds	47,280,000	-	(2,950,000)	44,330,000	3,105,000
Bond premium	2,499,975	-	(227,271)	2,272,704	-
Deferred amounts on refunding	(2,550,605)	-	231,874	(2,318,731)	-
Total bonds payable	47,229,370	-	(2,945,397)	44,283,973	3,105,000
Total debt obligations	131,659,370	80,000,000	(2,945,397)	208,713,973	3,105,000
Compensated absences	2,585,848	2,079,520	(2,133,766)	2,531,602	2,133,766
Total long-term liabilities	\$ 134,245,218	\$ 82,079,520	\$ (5,079,163)	\$ 211,245,575	\$ 5,238,766

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 5. Debt (Continued)

Commercial paper Series A and B: On September 6, 2007, the Board authorized issuance of \$250,000,000 of subordinate commercial paper. Proceeds from the issuance were designated to be used to finance further improvements to SDIA. Subordinate obligations issued or incurred under the program is secured by a pledge of airport revenues, subordinated to the pledge of net airport revenues securing payment of the Series 2005 Bonds with parity to the subordinate Series 2010 Bonds revenue. Each commercial paper note matures at the end of a period not to exceed 270 days. Each issuance can be rolled into another issuance. The commercial paper is classified as a long-term liability because the Airport Authority has an irrevocable letter of credit provided by Lloyds TSB Bank that expires no later than September 10, 2014 and is available if the commercial paper is not reissued. If the letter of credit is drawn upon and is not paid off within 90 days of being drawn upon, quarterly payments equal to the amount drawn will be paid. Interest is paid at a rate based on the market for similar commercial paper notes held by the bank. The commercial paper notes are rated A-1 by Standard & Poor's and P-1 by Moody's Investors Service.

On October 6, 2010 and October 13, 2010, the Airport Authority refinanced \$115,776,000 and \$26,400,000, respectively, of Series A, B and C commercial paper with proceeds from the sale of subordinated Series 2010 Bonds. At June 30, 2011, the principal amount outstanding for Series B was \$21,509,000. The principal amounts of Series A and C were \$0. The average annual interest rates for Series A, B and C were 0.26 percent, 0.31 percent and 0.30 percent, respectively.

At June 30, 2010, the principal amount outstanding for Series A was \$67,376,000, with an average annual interest rate of 0.36 percent; the principal amount outstanding for Series B was \$57,254,000, with an average annual interest rate of 0.40 percent; and the principal amount outstanding for Series C was \$39,800,000, with an average annual interest rate of 0.35 percent.

Commercial paper interest expense for the years ended June 30, 2011 and 2010 amounted to \$189,788 and \$165,947, respectively, including accrued interest of \$63,115 and \$55,866, respectively.

The commercial paper notes require that the charges for services be set each year at rates sufficient to produce pledged revenues at least 110 percent times the debt service for that year. In addition, the commercial paper notes require the Airport Authority to maintain an interest reserve account with the note trustee and to reserve a certain amount in the Airport Authority's books. At June 30, 2011 and 2010, the amount held by the trustee was \$12,855 and \$12,853, respectively, and the amount reserved by the Airport Authority was \$63,115 and \$63,686, respectively.

Airport Revenue Bonds, Series 2005 and Refunded Series 1995: In fiscal year 1996, the California Maritime Infrastructure Authority issued Airport Revenue Bonds (Series 1995 Bonds) for the District, pursuant to a trust agreement dated December 1, 1995. The proceeds of the Series 1995 Bonds, together with investment income thereon, were used solely to pay a portion of the construction and installation of the West Terminal Expansion at SDIA, fund a Reserve Account and pay certain expenses in connection with the issuance of the Series 1995 Bonds. In conjunction with the transfer of airport operations to the Airport Authority on January 1, 2003, these bond obligations were assumed by the Airport Authority. The Series 1995 Bonds were issued in the aggregate principal amount of \$76,690,000, consisting of \$29,895,000 in serial bonds and \$46,795,000 in term bonds.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 5. Debt (Continued)

On November 9, 2005, the Airport Authority issued airport revenue refunding bonds. Series 2005 Bonds were issued in the aggregate principal amount of \$56,270,000 to refund outstanding Series 1995 Bonds. The Series 2005 Bonds were structured as serial bonds that bear interest at rates ranging from 4.5 percent to 5.25 percent and mature in fiscal years 2007 to 2021. The bonds were issued at a premium of \$3,333,300, with deferred amounts on refunding of \$3,400,800, which are being amortized over the life of the bonds. Interest on the bonds is payable semiannually on January 1 and July 1 of each year. Interest expense for the years ended June 30, 2011 and 2010 amounted to \$2,089,225 and \$2,244,475, respectively, including accrued interest of \$1,044,612 and \$1,122,237, respectively. The principal balance on the Series 2005 Bonds as of June 30, 2011 and 2010 was \$41,225,000 and \$44,330,000, respectively.

The Series 2005 Bonds are payable solely from and secured by pledged revenues. Pledged revenues are defined as all revenues and other cash receipts of the Airport Authority's airport operations, reduced by operation and maintenance expenses. Pledged revenues do not include cash received from PFCs or federal grants.

The Series 2005 Bonds require that charges for services be set each fiscal year at rates sufficient to produce pledged revenues at least 125 percent times the debt service for that year. In addition, the Series 2005 Bonds require the Airport Authority to maintain a reserve account with the bond trustee and to reserve certain amounts in the Airport Authority's books, as shown in Note 2. At the years ended June 30, 2011 and 2010, the amount held by the trustee was \$5,394,063 and \$5,394,063, respectively. An additional amount of \$4,309,613 and \$4,227,238 was held at June 30, 2011 and 2010, respectively, for the July 1 payments. The total amount reserved by the Airport Authority for 2011 and 2010 was \$45,098,156 and \$45,707,776, respectively. The underlying public ratings of the Series 2005 Bonds as of June 30, 2011 and 2010 are A+/A1/A+ by Standard & Poor's, Moody's Investors Service and Fitch Ratings, respectively.

The required debt service payments for the Series 2005 Bonds for the fiscal years ending June 30 are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 3,265,000	\$ 2,007,600	\$ 5,272,600
2013	3,430,000	1,840,225	5,270,225
2014	3,610,000	1,664,225	5,274,225
2015	3,790,000	1,479,225	5,269,225
2016	3,985,000	1,299,794	5,284,794
2017-2021	23,145,000	3,164,569	26,309,569
	<u>\$ 41,225,000</u>	<u>\$ 11,455,638</u>	<u>\$ 52,680,638</u>

A cumulative rebate liability relating to arbitrage of the Series 2005 Bonds was recorded for \$46,417 and \$183,422 as of the fiscal years ended June 30, 2011 and 2010, respectively. Ninety percent of the cumulative rebate liability is due to the United States no later than 60 days after July 1, 2011. Additionally, should the bonds be retired prior to July 1, 2011, 100 percent of the accumulated rebate liability will be due and payable within 60 days of the retirement date.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 5. Debt (Continued)

Subordinate Series 2010 Bonds: On October 5, 2010, the Airport Authority issued \$572,565,000 of Series A, B and C subordinate airport revenue bonds. The subordinate Series 2010 Bonds were issued to finance certain capital improvements at SDIA, fund a portion of the interest accruing on the subordinate Series 2010 Bonds through and including January 1, 2013, refund \$142,176,000 of the Airport Authority's outstanding commercial paper notes, fund the subordinate reserve fund and pay the costs of issuance of the subordinate Series 2010 Bonds.

The Series A and B bonds were structured as serial bonds that bear interest at rates ranging from 2.00 percent to 5.00 percent and mature in fiscal years 2012 to 2041. The Series C bonds were issued as Build America Bonds and include a cash subsidy payment from the U.S. Treasury equal to 35 percent of interest payable. The Build America Bonds interest subsidy for the year ended June 30, 2011 was \$3,691,431. The interest rate on the series C bonds, net of the subsidy, is 4.31 percent and the bonds mature in fiscal year 2041. The bonds were issued at a premium of \$26,154,344, which is being amortized under the effective interest method over the life of the bonds. The premium amortization for fiscal year 2011 was \$1,069,464. Interest on the subordinate Series 2010 Bonds is payable semiannually on January 1 and July 1 of each year. Interest expense for the year ended June 30, 2011 amounted to \$13,029,402, of which \$7,476,170 was capitalized to various capital projects. The principal balance on the subordinate Series 2010 Bonds as of June 30, 2011 was \$572,565,000.

The subordinate Series 2010 Bonds are special obligations of the Airport Authority, payable solely from and secured by (a) a pledge of subordinate net revenues, which include certain income and revenue received by the Airport Authority from the operation of the airport system, less all amounts that are required to pay the operation and maintenance expenses of the airport system and all amounts necessary to pay debt service on and fund the reserves for the senior bonds; and (b) certain funds and accounts held by the subordinate trustee under the subordinate indenture. The subordinate Series 2010 Bonds were issued with a pledge of and lien on subordinate net revenues on parity with the Airport Authority's subordinate commercial paper notes. In addition, the Airport Authority has irrevocably committed a portion of the Passenger Facility Charges, PFCs, it received and expects to receive through 2016. The amount of irrevocably committed PFCs are; \$14,703,838, \$19,208,838, \$19,206,113 and \$19,209,388 for fiscal years 2013, 2014, 2015 and 2016, respectively.

The subordinate Series 2010 Bonds require that charges for services be set each fiscal year at rates sufficient to produce pledged revenues at least 110 percent times the debt service for that year. In addition, the subordinate Series 2010 Bonds require the Airport Authority to maintain a reserve account with the bond Trustee. The amount held by the Trustee as of June 30, 2011 was \$387,197,643, which included the July 1 payment.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 5. Debt (Continued)

The required debt service payments for the subordinate Series 2010 Bonds for the fiscal years ending June 30 are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 715,000	\$ 31,762,248	\$ 32,477,248
2013	980,000	31,745,298	32,725,298
2014	1,000,000	31,720,498	32,720,498
2015	5,785,000	31,594,948	37,379,948
2016	8,665,000	31,318,098	39,983,098
2017-2021	49,550,000	149,979,317	199,529,317
2022-2026	62,945,000	136,240,023	199,185,023
2027-2031	80,190,000	118,557,929	198,747,929
2032-2036	161,025,000	85,746,886	246,771,886
2037-2041	201,710,000	31,615,634	233,325,634
	<u>\$572,565,000</u>	<u>\$680,280,879</u>	<u>\$ 1,252,845,879</u>

Compensated absences: Employee vacation that vests is recorded when earned. Accumulated sick leave is not accrued because employee rights to receive compensation for the unused portion terminate upon severance of employment.

Line of credit: In 2009 the Airport Authority established a \$4,000,000 line of credit with Union Bank, which is collateralized with a certificate of deposit. This line will be utilized to issue letters of credit to surety companies who are partnering with the Airport Authority to provide bonding assistance to contractors accepted into the bonding assistance program at the Airport Authority. As of June 30, 2011, nothing had been drawn on the line of credit and four letters of credit were issued, totaling \$1,297,957, for projects in progress. One of the letters of credit is due to expire January 19, 2012 and the remaining three will expire on February 27, 2012.

Note 6. Defined-Benefit Plan

Plan description: The Airport Authority's defined-benefit pension plan is separately administered by the City of San Diego's City Employees' Retirement System (CERS). The San Diego County Regional Airport Authority Retirement Plan and Trust provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CERS is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for the City of San Diego, the District and the Airport Authority, administered by the Retirement Board of Administration (the CERS Board). San Diego City Charter Section 144 and San Diego Municipal Code Sections 24.0100 et seq. assign the authority to establish and amend the benefit provisions of the plans that participate in CERS to the CERS Board. Additionally, the Airport Authority also contributes to the Federal Social Security Program. The CERS Board issues a publicly available financial report that includes financial statements and required supplementary information for CERS. The financial report may be obtained by writing to the San Diego City Employees' Retirement System, 401 B Street, Suite 400, San Diego, California 92101.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 6. Defined-Benefit Plan (Continued)

Funding policy: The City of San Diego municipal code requires member contributions to be actuarially determined to provide a specific level of benefit. Member contribution rates, as a percentage of salary, vary according to age at entry, benefit tier level and certain negotiated contracts, which provide for the Airport Authority to pay a portion of the employees' contributions. The Airport Authority contribution rate, as determined through actuarial valuation, was 16.60 percent for 2011, 12.08 percent for 2010 and 12.69 percent for 2009, and is expressed as a percentage of covered payroll.

Annual pension cost: For the years ended June 30, 2011, 2010 and 2009, the annual pension cost included in salaries and benefits was \$6,289,996, \$4,999,976 and \$4,926,093, respectively, for the CERS pension. Comparing 2010 to 2009, total membership increased by 4 percent. The increase was attributable to both the growth in inactive membership, terminated vested, disabled, retirees and beneficiaries and active membership. The active member payroll increased by 3.7 percent, which is slightly below the assumed payroll inflation of 4 percent. The actuarial liability increased by 12.6 percent but the actuarial value of assets increased by 24.4 percent. The funding ratio increased from 86.9 percent as of June 30, 2009 to 96 percent as of June 30, 2010. CERS employs a commonly used actuarial smoothing method on the market value that dampens market volatility, so the actuarial value of assets did not increase as much as the market value (31.8 percent).

As of June 30, 2011, significant actuarial assumptions are as follows:

- The rates of retirement are assumed that retirement will occur, provided they have at least five years of service on the later of attained age or the earlier of age 62 or 55 and at least 20 years of service.
- Termination rates vary based on selected ages and years of service. The rates range from age 20 at 12.78 percent to age 60 at 2.78 percent. Additionally, 20 percent of terminating employees with at least five years of service at termination are assumed to subsequently work for a reciprocal employer and receive 4.50 percent pay increases per year.
- Disability rates are assumed to be 60 percent from industrial disability retirements. Nonindustrial disability retirement is subject to a service requirement.
- Mortality rates for active Airport Authority members were set to the RP2000 Combined Healthy table projected to 2008.
- Mortality rates for retired Airport Authority members were set to the RP2000 Combined Healthy table.
- The investment return assumption was 7.75 percent.
- The inflation assumption was 4.00 percent.
- Cost of living adjustments were 2.00 percent.
- The actuarial funding method is entry age normal.
- The amortization method is level percent closed.
- The asset valuation method is expected value method.
- The remaining amortization period is 24.481 years; this includes 11 years for the outstanding balance of the 2007 UAL, 15 years for experience gains and losses, 30 years for changes in methods and assumptions, 20 years for benefit changes.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 6. Defined-Benefit Plan (Continued)

As of September 2006, the actuarial value of assets was equal to the market value of assets. The following year, the actuarial value was calculated by accepting 100 percent of the expected asset value plus 25 percent of the difference between the actual market value next year and the expected asset value. Any unfunded actuarially accrued liability would be funded as a level percentage of projected payrolls over a closed 18-year period. On September 16, 2004, the Airport Authority made a contribution payment in the amount of \$3,900,000, in addition to the ARC, to reflect a desired funded ratio of 90 percent. On June 21, 2005, the Airport Authority made an additional contribution of \$1,000,000. During the year ended June 30, 2006, the Airport Authority made an additional contribution of \$513,627. On June 30, 2010, the Airport Authority made a contribution of \$4,600,000 to increase the funded rate reported in the January 2010 CERS 2009 actuarial calculation from 86.9 percent to the desired funded ratio of 90 percent. At June 30, 2011, 2010 and 2009, the total contribution of \$10,013,627 less amortization of \$2,252,860, \$1,696,547 and \$1,395,790, respectively, is recorded as a net pension asset of \$7,760,767, \$8,317,080 and \$4,017,837, respectively. The contributions are being amortized over an 18-year period.

The Airport Authority's contribution for fiscal year 2012 measured as a percentage of membership payroll decreased from 16.60 percent to 15.06 percent. The required beginning-of-year contribution paid July 1, 2011 decreased by \$400,000.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 6. Defined-Benefit Plan (Continued)

Schedule of funding progress for CERS (dollars in thousands):

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/08	\$ 57,748	\$ 56,808	\$ (940)	101.7	\$ 23,488	(4.0%)
6/30/09	58,981	67,871	8,890	86.9	24,693	36.0%
6/30/10	73,401	76,447	3,047	96.0	25,709	11.9%

Actuarial Valuation Date	Annual Pension Cost	Airport Cost Funded	% ARC Funded	ARC	ARC Adjustment	Net Pension Asset (NPA) Balance	Increase (Decrease) NPA	Amortization of NPA	Interest on the NPA at 7.75%
6/30/08	\$ 4,894	\$ 4,894	100%	4,894	\$ -	\$ 4,319	\$ (300)	\$ 300	\$ 392
6/30/09	9,526	9,526	193%	4,926	4,600	4,018	4,300	300	433
6/30/10	5,000	5,000	100%	5,000	-	8,317	(556)	556	736
* 6/30/2011	6,290	6,290	100%	6,290	-	7,761	(556)	556	736

* Per audited financials, not per actuarial valuation date.

Note 7. Employees' Deferred Compensation Plan

The Airport Authority offers its employees a deferred compensation plan, which was created in accordance with Internal Revenue Code (IRC) Section 457. The plan, which is available to all full-time Airport Authority employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, total disability, death or unforeseeable emergency.

The plan is administered by the Airport Authority and contracted to an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are held in trust for employees.

As such, employee assets to be held in the IRC Section 457 plans are not the property of the Airport Authority and are not subject to the claims of the Airport Authority's general creditors. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—a rescission of GASB Statement No. 2 and an amendment of GASB Statement No. 31*, employee assets are not reflected in the Airport Authority's financial statements.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 8. Other Postemployment Benefits

In addition to pension benefits as described in Notes 6 and 7, the Airport Authority provides other postemployment benefits (OPEB).

The Airport Authority provides medical, dental and \$10,000 life insurance postretirement benefits for nonunion employees hired prior to May 1, 2006 and union employees hired prior to October 1, 2008. The employees are eligible for these benefits if they retire from active employment after age 55 with 20 years of service or age 62 with five years of service.

Plan description: As of May 8, 2009, the Board approved entering into an agreement with the California Employer's Retiree Benefit Trust (CERBT) fund. The CERBT fund is an irrevocable Section 115 trust. This is managed by California Public Employees Retirement System (CalPERS). CalPERS administers pension and health benefits for approximately 1.6 million California public employees, retirees and their families. CalPERS was founded in 1932 and is the largest public pension fund in the United States, managing more than \$1.879 billion in assets for more than 2,500 California employers. In 1988 and 2007, enabling statutes and regulations were enacted which permitted CalPERS to form the CERBT fund, a Section 115 Trust, for the purpose of receiving employer contributions that will prefund health and other postemployment benefit costs for retirees and their beneficiaries. Financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Funding policy: CERBT requires a valuation of the liabilities and annual costs for benefits by an approved actuarial consulting firm. It is the Airport Authority's intent to budget and prefund the ARCs. As of May 9, 2009, the agreement with CERBT was approved.

Annual OPEB cost and actuarial methods and assumptions: The July 1, 2009 actuarial valuation for the ARC, net of the employer contribution, was \$1,713,000 for fiscal year 2011, \$1,733,000 for 2010 and \$1,429,000 for 2009. The ARC was determined as part of an actuarial evaluation using the entry-age-actuarial-cost method, with unfunded liabilities amortized over a closed 30-year amortization period, which is the method utilized by CERBT. The actuarial assumptions used by CERBT include (a) a 7.75 percent investment rate of return, net of administrative expenses, and (b) projected salary increases of 3.25 percent. The inflation component ranged from 11 percent to 5 percent from one to seven years for medical and 7 percent to 5 percent for dental.

The entry-age-normal method spreads plan costs for each participant from entry date to the expected retirement date. Under the entry-age-normal cost method, the plan's normal cost is developed as a level percentage of payroll spread over the participants' working lifetime. The actuarial accrued liability is the cumulative value, on the valuation date, of prior service costs. For retirees, the actuarial accrued liability is the present value of all projected benefits.

The plan costs are derived by making certain specific assumptions as to the rates of interest, mortality, turnover and the like, which are assumed to hold for many years into the future. Actual experience may differ somewhat from the assumptions and the effect of such differences is spread over all periods. Due to these differences, the costs determined by the valuation must be regarded as estimates of the true plan costs.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 8. Other Postemployment Benefits (Continued)

Development of net OPEB obligation (NOO) and annual OPEB cost (dollars in thousands):

Actuarial Valuation Date	Fiscal Year	ARCs	Employer Contribution	NOO End of Year	Interest on NOO	Adjustment to the ARC	Annual OPEB Cost	Interest Rate	Salary Scale	Amortization Factor
7/1/2008	08/09	\$ 1,429	\$ 2,758	\$ (58)	\$ 97	\$ 77	\$ 1,449	7.75%	3.25%	16.3
7/1/2009	09/10	1,733	1,825	(150)	(4)	(4)	1,733	7.75%	3.25%	16.0
7/1/2010	10/11	1,791	1,791	(152)	(12)	(10)	1,789	7.75%	3.25%	15.7

Schedule of funding progress (dollars in thousands):

Type of Valuation	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll	Interest Rate	Salary Scale
Update	7/1/08	\$ -	\$ 10,327	\$ 10,327	0%	\$ 19,417	53.2%	7.75%	3.25%
Actual	7/1/09	2,674	12,206	9,532	21.9%	19,514	48.8%	7.75%	3.25%
Update	7/1/10	4,474	14,149	9,675	31.6%	20,148	48.0%	7.75%	3.25%

Schedule of employer contributions (dollars in thousands):

Fiscal Year Ended	Annual OPEB Costs	Employer Contribution	Percentage Contribution	Net OPEB Asset (Obligation)
6/30/09	\$ 1,449	\$ 2,758	190.3%	\$ 58
6/30/10	1,733	1,825	105.3%	92
6/30/11	1,713	1,713	100.0%	-

Note 9. Risk Management

The Airport Authority has developed a comprehensive Risk Management Program, including workers' compensation, which includes risk transfer, loss prevention, loss control and claims administration. The Airport Authority maintains \$50 million in limits for primary owners' and operators' general liability insurance with a War, Hijacking and Other Perils endorsement. The war endorsement may be terminated at any time by the underwriters and terminates automatically upon the outbreak of war (whether there has been a declaration of war or not) between any two or more of the following: France, the People's Republic of China, the Russian Federation, the United Kingdom or the United States, and certain provisions of the endorsement are terminated upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter. The Airport Authority maintains \$450 million of general liability insurance in excess of the \$50 million primary liability coverage. The Airport Authority's coverage includes a variety of retentions or deductibles.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 9. Risk Management (Continued)

The cost of earthquake coverage remains exorbitant and is not available in significant amounts. The Federal Emergency Management Agency (FEMA) and the California Disaster Assistance Act (CDDA) are designed to assist public entities such as the Airport Authority in the event of a catastrophe. FEMA will pay up to 75 percent of a loss and CDDA will pay a minimum of 25 percent of the balance for nationally declared disasters. In addition, the California legislature has paid any remaining loss costs for all declared disasters since 1989. The Airport Authority in the past relied on these laws to pay loss costs beneath the attachment point for insurance coverage and above the coverage limit purchased. Effective July 1, 2007, based on the status of these laws and the condition of the insurance marketplace, the Airport Authority removed the purchase of commercial earthquake insurance from the Risk Management Program and increased reliance on the laws designed to assist public entities. As of June 30, 2011 and 2010, the Airport Authority had \$5,223,990 and \$4,349,994 respectively, for an earthquake contingency reserve. This reserve is intended to increase as deemed by management.

A \$2,000,000 contingency reserve has been established, within unrestricted net assets, by the Airport Authority's management to respond to uninsured and underinsured catastrophic losses. This fund is maintained pursuant to Board action only; there is no requirement that it be maintained.

The Airport Authority participates in an insurance purchasing program, with a \$1 billion pooled limit to provide all risk and flood coverage on physical assets. During fiscal year 2011, there were no significant reductions in insurance coverage from the prior year. For each of the past three fiscal years, settlements have not exceeded insurance coverage.

The Airport Authority has an active loss prevention program, staffed by a full-time risk manager, a risk analyst, a safety manager and a safety analyst. In addition, insurer property and casualty loss control engineers conduct safety surveys on a periodic basis. Employees receive regular safety training and claims are monitored using a Web-based claims information system.

Note 10. Lease Revenues

The Airport Authority leases certain of its capital assets, such as loading bridges and building space, to signatory airlines and other tenants under operating leases. A majority of the lease payments are determined each year based upon actual costs of the airport. Such costs are allocated pro rata to each tenant based upon factors such as landed weights, enplanements, square footage, acres, etc. A majority of the Airport Authority's lease commitments are on a month-to-month basis and accordingly are not reflected in the schedule below.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 10. Lease Revenues (Continued)

The minimum future lease payments to be received under the above operating lease agreements as of June 30 are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2012	\$ 10,173,845
2013	7,396,982
2014	5,552,412
2015	4,485,090
2016	2,640,169
2017-2020	4,000,000
	<u>\$ 34,248,498</u>

The Airport Authority entered into a five-year lease agreement on January 9, 2009 with the San Diego World Trade Center (World Trade Center) for office space, with a fair market value of \$440,000. In lieu of rental payments, the Airport Authority received a 40 percent ownership of the World Trade Center license, which has a fair market value of \$440,000. The license is an intangible asset with no expiration date, and is included in non-depreciable assets in Note 4. As of June 30, 2011 and 2010, the Airport Authority recognized lease revenue of \$86,996 for each year under the World Trade Center lease.

For the past three years the Airport Authority has planned for a new concession program at SDIA to replace the primary concession tenant whose lease will expire December 2012. The Concession Development Program (CDP) will incorporate additional concession opportunities from the Terminal 2 West, The Green Build, and Terminal 2 East expansion projects and a new concept for most of the existing locations beginning in December 2012. In February, 2011, eight food service and eight retail concession packages were released for request for proposal. When completed, the CDP will expand from the current approximately 60,000 square feet to approximately 85,000 square feet of food service and retail space. At full build-out in 2014, the number of food service and retail concession locations will increase from 55 to 86.

Note 11. Lease Commitments

Capital Leases:

Office equipment leases: The Airport Authority entered into capital lease agreements for office equipment that require monthly lease payments of \$14,806.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 11. Lease Commitments (Continued)

The following is a schedule of future lease payments applicable to \$760,332 of assets capitalized under lease agreements, and the net present value of the future lease payments as of June 30, 2011:

<u>Years Ending June 30,</u>	<u>Amount</u>
2012	\$ 177,671
2013	177,671
2014	177,671
2015	25,131
Total lease payments	558,144
Less amount representing interest	(38,278)
Present value of future lease payments	<u>\$ 519,866</u>

Operating Leases:

General Dynamics lease: The Airport Authority is required, by legislation mandating the transfer of airport operations from the District, to lease from the District 89.75 acres of the former General Dynamics property on Pacific Highway adjacent to SDIA for 66 years commencing January 1, 2003. The lease agreement calls for predetermined rents through December 31, 2005, with future rents based upon a market rate established in late 2005 by an appraisal (or arbitration). The amended lease agreement calls for rent payments of \$6,750,000 annually through December 31, 2068. The Airport Authority received a credit for \$375,000 in reduced rent based on a previous lease agreement for the property in September 2006. The changes in terms for this lease were approved by the Airport Authority's Board on July 25, 2006. A portion of the land is leased to the District for employee parking for District administration building employees and is leased back by the District at the same fair market value rent paid by the Airport Authority.

SDIA lease: The Airport Authority is leasing from the District 480 acres of land on North Harbor Drive for \$1 per year, for 66 years, through December 31, 2068.

Teledyne Ryan lease: The Airport Authority is leasing from the District 46.88 acres on North Harbor Drive referred to as the Teledyne Ryan lease that commenced on January 1, 2005 and expires December 31, 2068, with \$3 million in annual rent.

Other District leases: The Airport Authority leases from the District three additional properties adjacent to SDIA. These properties require monthly rentals of \$86,083, \$12,521 and \$4,589 and expire in December 2013, December 2013 and April 2012, respectively. The Airport Authority received credits of \$106,452 in reduced rent based on previous lease agreements for the properties during fiscal year 2006.

On July 24, 2006, the Airport Authority's Board approved a lease with the District for the property located at 2415 Winship Lane, known as the Sky Chef property. The term of the lease is 60 years with \$350,000 in annual rent and commenced September 1, 2006.

Under current law, in the event SDIA is relocated and the District leases are no longer used by the Airport Authority for airport purposes, all District leases will terminate and use of the property will revert to the District.

Building lease: The Airport Authority leased modular buildings from an unrelated third party that requires monthly rental of \$1,366 through the expiration date of August, 2013.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 11. Lease Commitments (Continued)

Deferred rent (benefit) liability: The Airport Authority accrues rent expense for its leases with predetermined escalating payments by the straight-line method over the respective lease terms. The accumulated benefit of the reduced scheduled payments of those leases is recorded as a deferred rent liability of \$0 and \$450,073 as of June 30, 2011 and 2010, respectively.

The future rental commitment under the above operating lease agreements as of June 30 are due as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2012	\$ 11,428,105
2013	11,382,352
2014	10,741,176
2015	10,100,000
2016	10,100,000
2017-2021	50,500,000
2022-2026	50,500,000
2027-2031	50,500,000
2032-2036	50,500,000
2037-2041	50,500,000
2042-2046	50,500,000
2047-2051	50,500,000
2052-2056	50,500,000
2057-2061	50,500,000
2062-2066	50,500,000
2067-2069	25,250,000
	<u>\$ 584,001,633</u>

The total rental expense charged to operations for the years ended June 30 consists of the following:

	<u>2011</u>	<u>2010</u>
Rental payments made	\$ 11,356,478	\$ 11,355,972
(Decrease) in accumulated benefit of reduced rents	(450,073)	(450,073)
	\$ 10,906,405	\$ 10,905,899

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 12. Commitments and Contingencies

Commitments: As of June 30, 2011 and 2010, the Airport Authority had significant commitments for capital expenditures and other matters as described below:

- i. The Airport Authority has funds which have been classified as current assets, primarily for the unpaid contractual portion of capital projects that are currently in progress, and will not be funded by grants or additional debt, but will be funded through Airport Authority cash. These amounts are for the estimated cost of capital projects that have been authorized by the Board for construction planning to proceed and for the contractual costs of upgrading certain major equipment. At June 30, 2011 and 2010, these funds totaled \$924,568 and \$1,537,894, respectively, and are classified on the accompanying balance sheets as cash and investments designated for specific capital projects and other commitments.
- ii. Support services: As part of the MOU, services provided by the District Harbor Police are required to be purchased by the Airport Authority as long as SDIA continues to operate at Lindbergh Field. At the time of the transfer, the Airport Authority entered into a Master Services Agreement, a Police Services Agreement and a Communications Services Agreement with the District, which described the services that the Airport Authority could purchase and the manner of calculating the payments for such services. The largest amount that became payable under any of these agreements is under the Police Services Agreement, which is for Harbor Police services. The District provided monthly billings to the Airport Authority, with payment generally due 30 days after the date of the invoice, and provision of appropriate supporting documentation. During the years ended June 30, 2011 and 2010, the Airport Authority expensed \$14,132,510 and \$13,467,406, respectively, for these services.
- iii. In addition, the Airport Authority has a profit sharing plan as defined under Section 401(a) of the IRC. Under the plan, eligible employees receive annual discretionary employer contributions. Airport Authority contributions are immediately vested by the participants. For fiscal years 2011 and 2010, \$150,000 and \$145,000 were deposited, respectively.
- iv. Major contracts:
 - During 2007 the Airport Authority Board approved a contract with The Jones Payne Group for \$30 million for on-call architectural and engineering consultant services and support services associated with the capital improvement and airport master plan programs. At June 30, 2011, approximately \$15.9 million had been spent and the remaining contract is due to be completed during fiscal year 2012.
 - During 2006 the Airport Authority Board approved a contract with AECOM Aviation for \$37.8 million for program management and support services associated with the capital improvement program, major maintenance program and airport master plan program. The Board approved additional increases totaling \$43.9 million in fiscal years 2009 and 2010. In 2011, the Board approved \$45 million additional funds and approximately \$85.2 million had been spent to date. The remaining contract is due to be completed during fiscal year 2014.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 12. Commitments and Contingencies (Continued)

- In 2009 the Board approved two design-build contracts for the Terminal Expansion Program, or The Green Build. The program is estimated to cost \$864 million. The Green Build began in fiscal year 2010 and the projected completion date is 2013. The Green Build provides for 10 additional passenger gates, a new dual-level roadway at Terminal 2 and additional aircraft remain-overnight parking areas. The first Green Build contract was approved for the Terminal 2 West Building and Airside Expansion to Turner/PCL/FCI Joint Venture for \$14 million. Additional amounts were approved in fiscal years 2009, 2010 and 2011, for \$110.4 million, \$228 million and \$79 million respectively. As of June 30, 2011, \$132.1 million had been spent and the contract is due to be completed during fiscal year 2013.
- The second contract awarded was for the Terminal 2 Landside Improvements with the Kiewit/Sundt Joint Venture for \$43.8 million approved in 2009 and additional approvals in 2010 and 2011 for \$76.2 million and \$135 million respectively. As of June 30, 2011, \$58.2 million had been spent for the Kiewit/Sundt Joint Venture contract. This contract is scheduled for completion in fiscal year 2013.

Contingencies: As of June 30, 2011, the Airport Authority is subject to contingencies arising from legal matters as described below:

The Airport Authority has leases and operating agreements with various tenants. These agreements typically include provisions requiring the tenant/operators to indemnify the Airport Authority for any damage to property or losses to the Airport Authority as a result of the tenant's operations. Also, the leases and operating agreements typically require the Airport Authority to be named as an additional insured under certain insurance policies of the tenants/operators. The Airport Authority also tenders these claims to its own insurers once they become asserted claims. Thus, according to the Airport Authority's legal counsel, when these types of claims are asserted against the Airport Authority, the Airport Authority not only vigorously opposes them but also vigorously seeks contribution and/or indemnity from all tenants/operators involved, from the tenants'/operators' insurers and from its own insurers. The Airport Authority's legal counsel cannot predict the net exposure to the Airport Authority with respect to these matters, or the probability or remoteness of any outcome.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 12. Commitments and Contingencies (Continued)

Teledyne Ryan Industries, Inc. (TDY)/Allegheny Technologies Inc. and San Diego Unified Port District

The former TDY property consists of approximately 47 acres of property located at 2701 N. Harbor Drive, San Diego, California. During 2004 the Airport Authority initiated litigation against the District. The litigation (State Court Case 779490 and Federal Case 3:03CV1146) has concluded and resulted in a comprehensive settlement agreement between the District, the Airport Authority and TDY. The property is still the subject of a Cleanup and Abatement Order (CAO) that names TDY as the only responsible party for the contamination on the site.

CAO No. R9-2004-0258: This action is ongoing and involves an order by the California Regional Water Quality Control Board, San Diego Region, entitled CAO No. R9-2004-0258, Code No. ICU:02-0381.05 for TDY Industries, Inc., TDY Holdings, LLC, Teledyne Ryan Aeronautical Company and Allegheny Technologies Incorporated, 2701 North Harbor Drive, San Diego, California, dated October 4, 2004, ordering the cleanup and abatement of the Property pursuant to California Water Code Section 13304. The demolition of the buildings and improvements currently located on the property are the joint financial responsibility of the District and the Airport Authority. The Airport Authority's share of the cost is estimated to be \$7 million and will result in the creation of a long-term capital asset. As a result, the Airport Authority will capitalize its share of the demolition costs as these costs are incurred.

Accurate Engineering Integrated Construction Services, Inc.

Accurate Engineering Integrated Construction Services, Inc. (AEICS) and the Airport Authority entered into a contract dated June 16, 2010 for work related to the Authority's Quieter Home Program (QHP), Project 380506 (the Contract). On June 13, 2011, the Authority gave AEICS a Notice of Default for failure to comply with the Contract terms and provided AEICS until June 28, 2011 to cure. On June 20, 2011, AEICS requested an extension to the cure date, and while the Authority was not legally required to grant the extension, agreed to the extension based upon AEICS' representation that it could complete all outstanding items by July 29, 2011. On July 29, 2011, AEICS had not cured all of the outstanding items and continued in default. On August 4, 2011, the Airport Authority terminated the Contract for cause. AEICS has filed claims under the contract alleging that the termination is improper. No lawsuit has been filed. The Airport Authority's legal counsel cannot predict the net exposure to the Airport Authority with respect to this matter, or the probability or remoteness of any outcome.

San Diego County Regional Airport Authority

Notes to Financial Statements

Note 12. Commitments and Contingencies (Continued)

West-Tech Contracting, Inc. v. San Diego County Regional Airport Authority (San Diego Superior Court Case No. 37-2010-00106565CU-BC-CTL)

In April 2008, the Airport Authority entered into a public works contract with West-Tech for Project No. 103044-NTC Landfill Remediation-Phase 2 (the Landfill Contract) for the remediation of burn ash and other material at the old Naval Training Center. On June 25, 2010, West-Tech Contracting, Inc. (West-Tech) filed a claim pursuant to Government Code §910 alleging damages in the amount of approximately \$1,500,000 resulting from an alleged breach of contract by the Airport Authority. West-Tech alleges that the Airport Authority breached the Landfill Contract because: (1) it refused to allow West-Tech to use a landfill that West-Tech believed met the specifications set forth in the Landfill Contract and (2) the estimated amount of burn ash identified in the Landfill Contract as requiring removal was grossly underestimated; (3) West Tech was owed interest on late payments; (4) West Tech was owed attorneys fees on retention. On December 22, 2010, West Tech filed a lawsuit for breach of contract and declaratory relief. The claims in the lawsuit mirror the claims set forth in the claim filed pursuant to the Government Code. The Authority disputes all allegations. The Authority answered the complaint and filed a cross-complaint against West Tech for violations of the False Claims Act. The court has set a trial date of January 13, 2012. The Authority filed a Motion for Summary Adjudication/Motion for Summary Judgment seeking dismissal of the claims. The parties are engaged in discovery. The Airport Authority's legal counsel cannot predict the net exposure to the Airport Authority with respect to this matter, or the probability or remoteness of any outcome.

Theresa M. Hopkins, Warren B. Hopkins, Carl W. Hopkins

On June 9, 2011, the Airport Authority received a claim pursuant to Government Code §910 alleging damages arising from the death of Wayne Hopkins. Wayne Hopkins was employed by the Airport Authority from April 1, 2005 until December 10, 2010. While employed by the Airport Authority, Mr. Hopkins' office was located on the TDY site from April 2008 until December 2010. Before being employed by the Airport Authority, Mr. Hopkins worked for the Port District and Teledyne Ryan where his office was located on the TDY site. Mr. Hopkins worked for TDY for approximately 30 years. The claim alleges that Wayne Hopkins was wrongfully exposed to toxic material while he worked at the Teledyne Ryan Aeronautical Facility located at 2701 North Harbor Drive. As a result of the exposure, he developed Non-Hodgkin's Lymphoma which caused his death on December 12, 2010. The claim seeks damages exceeding \$3 million. The Airport Authority Board denied the claim on July 7, 2011. The Airport Authority's legal counsel cannot predict the net exposure to the Airport Authority with respect to this matter, or the probability or remoteness of any outcome.

**EXHIBIT C – CUSTOMER FACILITY CHARGE COMPLIANCE REPORT
JUNE 30, 2011**

San Diego County Regional Airport Authority

Customer Facility Charge
Compliance Report
June 30, 2011



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**Independent Auditor's Report on the
Supplementary Schedule of Customer Facility Charge
Collections and Expenditures**

To the Members of the Board
San Diego County Regional Airport Authority
San Diego, CA

We have submitted, under separate cover, the basic financial statements of the San Diego County Regional Airport Authority for the year ended June 30, 2011, and our report thereon, dated October 14, 2011, is as follows:

We have audited the accompanying basic financial statements of the San Diego County Regional Airport Authority (the Airport Authority) as of and for the years ended June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Airport Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Airport Authority as of June 30, 2011 and 2010, and the changes in its financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2011 on our consideration of the Airport Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Customer Facility Charge (CFC) Collections and Expenditures, prepared on a modified cash basis, is presented for purposes of additional analysis, as specified in California Civil Code Section 1936, and is not a required part of the basic financial statements. It provides relevant information that is not provided by the basic financial statements, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America or a complete presentation in accordance with the accounting basis used for modified cash basis purposes. Under the modified cash basis, CFC collections are recognized when received rather than when earned, and expenditures are recognized when the obligation is incurred. Such supplemental modified cash basis information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

San Diego, CA
October 14, 2011

San Diego County Regional Airport Authority

Schedule of Customer Facility Charge (CFC) Collections and Expenditures
Year Ended June 30, 2011 and for Each Quarter During the Year Ended June 30, 2011

Description	Beginning Balance, Unapplied CFC	CFC Revenues ¹	Interest Earned	Expenditures	Ending Balance, Unapplied CFC ²
Cash receipts and expenditures, quarter ended September 30, 2010	\$ 10,841,385	\$ 2,940,347	\$ 18,455	\$ 48,022	\$ 13,752,165
Cash receipts and expenditures, quarter ended December 31, 2010	13,752,165	2,744,913	21,463	762,217	15,756,324
Cash receipts and expenditures, quarter ended March 31, 2011	15,756,324	2,668,865	23,752	(122,726)	18,571,667
Cash receipts and expenditures, quarter ended June 30, 2011	18,571,667	2,838,960	27,374	463,600	20,974,401
Cash receipts and expenditures, year ended June 30, 2011		<u>\$ 11,193,085</u>	<u>\$ 91,044</u>	<u>\$ 1,151,113</u>	

¹ CFC revenues are reported when the cash is received.

² Unapplied CFCs are collections that have not been applied to approved CFC projects.

See Notes to Schedule of Customer Facility Charge (CFC) Collections and Expenditures.

San Diego County Regional Airport Authority

Notes to Schedule of Customer Facility Charge Collections and Expenditures

Note 1. General

In May 2009, Assembly Bill 491 of the 2001-2002 California Legislature (codified in California Civil Code Section 1936 et seq.) authorized the Airport Authority to impose a \$10 customer facility charge (CFC) per contract on rental cars at San Diego International Airport.

In accordance with the program, the CFC revenue must be used to pay allowable costs for approved capital projects. The capital project the Airport Authority is utilizing CFC revenue for is the development of a consolidated rental car facility plan. The primary objectives of this project are to reduce vehicle traffic volume on terminal curb fronts and Harbor Drive, provide a long-term rental car facility and site for airport passengers and rental car concessionaires, and to implement a common-use busing system.

Note 2. Basis of Presentation

The accompanying Schedule of Customer Facility Charge Collections and Expenditures includes the CFC activity of the San Diego County Regional Airport Authority and is presented on the modified cash basis of accounting. The information in this schedule is presented for purposes of additional analysis, as specified in California Civil Code Section 1936. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CFC expenditures may consist of direct project costs, administrative costs, debt service costs and bond financing costs. The accompanying Schedule of Customer Facility Charge Collections and Expenditures includes the eligible expenditures that have been applied against CFCs collected as of June 30, 2011.



**Independent Auditor's Report on Compliance With Requirements That
Could Have a Direct and Material Effect on its Customer Facility
Charge Program and Internal Control Over Compliance**

To the Members of the Board
San Diego County Regional Airport Authority
San Diego, CA

Compliance

We have audited the San Diego County Regional Airport Authority's (the Airport Authority) compliance with the compliance requirements described in the California Civil Code Section 1936, for its customer facility charge (CFC) program for the year ended June 30, 2011. Compliance with the requirements of laws and regulations applicable to its CFC program is the responsibility of the Airport Authority's management. Our responsibility is to express an opinion on the Airport Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the CFC program occurred. An audit includes examining, on a test basis, evidence about the Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Airport Authority's compliance with those requirements.

In our opinion, the Airport Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its CFC program for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Airport Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to the CFC program. In planning and performing our audit, we considered the Airport Authority's internal control over compliance with requirements that could have a direct and material effect on the CFC program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Airport Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a

federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board, management of the Airport Authority, and the California State Controller's Office, and is not intended to be, and should not be, used by anyone other than those specified parties.

McGladrey & Pullen, LLP

San Diego, CA
October 14, 2011

EXHIBIT D – RICONDO BUSSING ANALYSIS



Rental Car Shuttle Bus Operations Evaluation San Diego International Airport

Status Update

February 2011
(revised March 2011)



Discussion Outline

- Operational specifications
- Bus layout
- Route structure
- Fleet requirements
- Curbside requirements
- Cost estimate
- Bus operator structure considerations
- Alternative fuel technology evaluation
- Preliminary schedule



Operational Specifications

Hours of Operations

- 24 Hours / 7 Days a week

Double Busing

- Mandatory for those companies not participating in the project
- The common bus will be the only bus picking up/dropping off passengers at the terminal
- Off-airport operators will pick up their customers at the facility

Headways

- Analysis compared passenger driven (eliminate leave behinds), and time driven headways
- Maximum headway goal
 - 4 minutes between 5:00 am and 11:00 pm
 - 15 minutes between 11:00 pm to 5:00 am (provided passenger activity is minimal and customer service is maintained)
- Some peak hour, demand driven headways are below 4.0 minutes in order to eliminate leave behinds



Operational Specifications

Route Structure

- Operating one bus route to all three terminals during peak periods often results in headways of 2.0 minutes or lower and generates numerous leave behinds
 - Operating two independent routes during peak periods increases headways to 4.0 minutes or higher, with a few exceptions during the absolute peak hour

- Off Peak
 - One route serves Terminal 1, Terminal 2, and Commuter Terminal
 - To and from site via Harbor Drive and new service road
 - 3.5 miles each direction
 - 35 minutes total travel time; includes drop off 2:00 minutes, pick-up 3:00 minutes at each stop (3:00 minutes total at Commuter Terminal)

- Peak
 - Two routes
 - Route 1 serves Terminal 1 and Commuter
 - Route 2 serves Terminal 2
 - To and from site via Harbor Drive and new service road
 - 2.8-3.0 miles each direction
 - 24-26 minutes total travel time; includes drop off 2:00 minutes, pick-up 3:00 minutes at each stop (3:00 minutes total at commuter terminal)



Operational Specifications

Curbside Attendant Program

- Assist customers in loading and unloading of buses
- Assist with the dispatching of buses and the safe movement of customers on the terminal or customer service building curbside

Customer Demand for Design Day

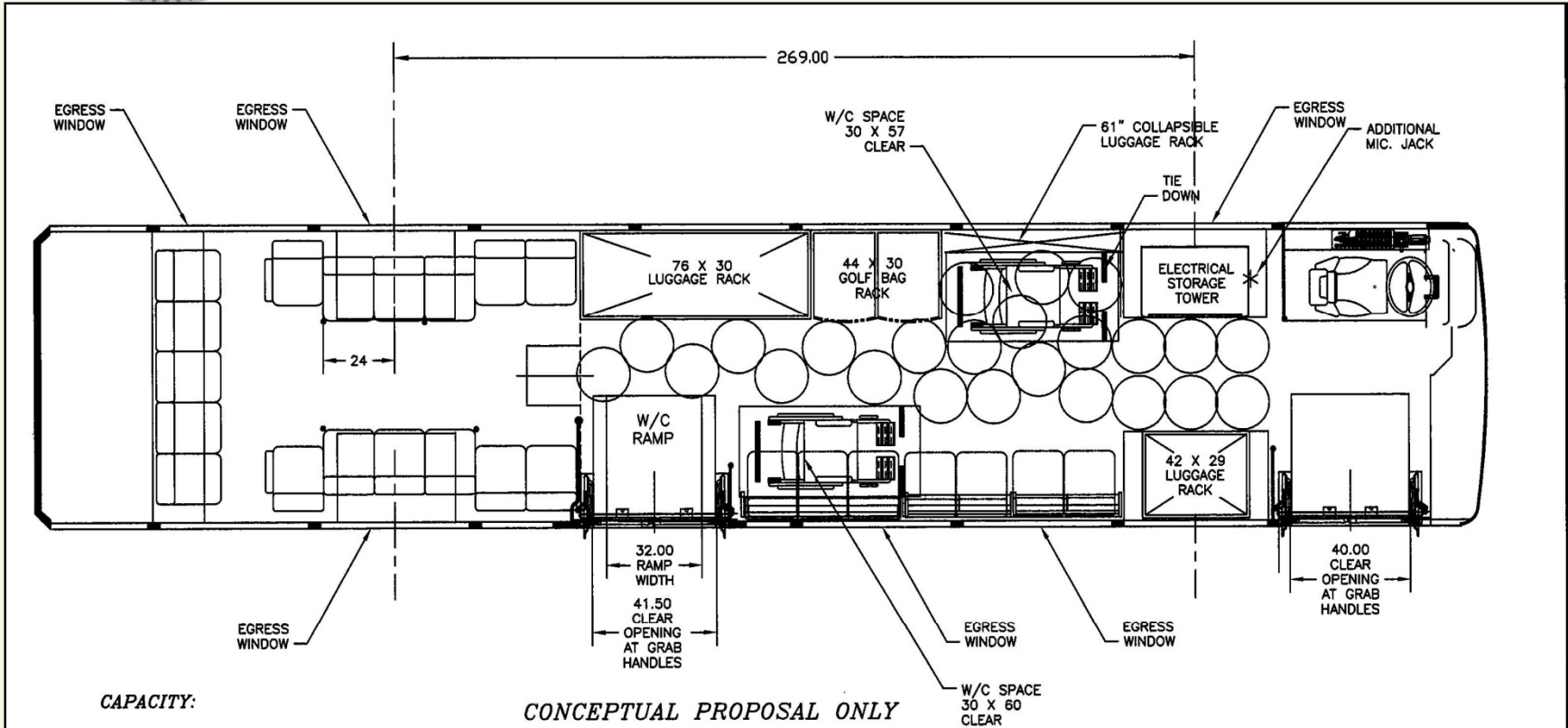
- Total peak day demand based on information received from DWA
- Assumes 15% of demand occurs during peak hour
- Remaining 85% of demand was normalized and distributed throughout the rest of day according to flight schedules
- Passenger per vehicle ratio = 1.5 (based on Inventory chapter of 2008 Master Plan)
- Based on peak hour activity for:
 - 20.3 MAP (2015 DBO)
 - 25.3 MAP (2025)
 - 28.3 MAP (2030)
 - 33 MAP

Bus Characteristics

- 40 feet in length
- Each bus accommodates 30 passengers (combined sitting and standing)



Typical Bus Layout



CAPACITY:

- 21 PASSENGERS WITH 2 WHEEL CHAIR POSITIONS OR
- 24 PASSENGERS PLUS DRIVER
- FREEDMAN DIABLO SEATS
- 23 STANDEES

CONCEPTUAL PROPOSAL ONLY

THIS DRAWING IN DESIGN & DETAIL IS THE PROPERTY OF ELDORADO NATIONAL & MUST NOT BE USED EXCEPT IN CONNECTION WITH OUR WORK. ALL RIGHTS OF DESIGN OR INVENTION ARE RESERVED.

ITEM	PART OR DWG. NO.	QTY.	SIZE	DESCRIPTION	SPEC.
B					
A					
DRAWN BY LOREN LAKE		DATE 6/4/04		Eldorado National 13900 Sycamore Way Chino, CA 91710 Phone (909) 591-9557	
APPROVED		A THOR Company		TITLE FLOOR PLAN 40'	
SCALE 1=28		SIZE B		MODEL AXESS	
TOLERANCES UNLESS OTHERWISE SPECIFIED		DECIMAL ± 1/32		DWG NO. 94800134B	
94800134B		± 1'		SHEET 1 OF 1	
				REV B	



Typical Bus Layout



ITEM	PART OR DWG. NO.	QTY.	SIZE	DESCRIPTION	SPEC.
DRAWN BY LOREN L		DATE 12/10/03		AXESS 40' TRANSIT BUS	
APPROVED				13900 Sycamore Way Chino, CA 91710 Phone (909) 591-9557	
ECN NO		REV	DATE	BY	
NEXT ASSEMBLY					
SCALE		1=40	SIZE	TITLE	
DO NOT SCALE THIS DWG.			B	ELEVATION	
TOLERANCES UNLESS OTHERWISE SPECIFIED					
FRACTIONS	DECIMAL	DEGREES			
± 1/32	± 0.03	± 1°	MODEL AXESS DWG NO. 99800301C SHEET 1 OF 1 REV		
99800301C					

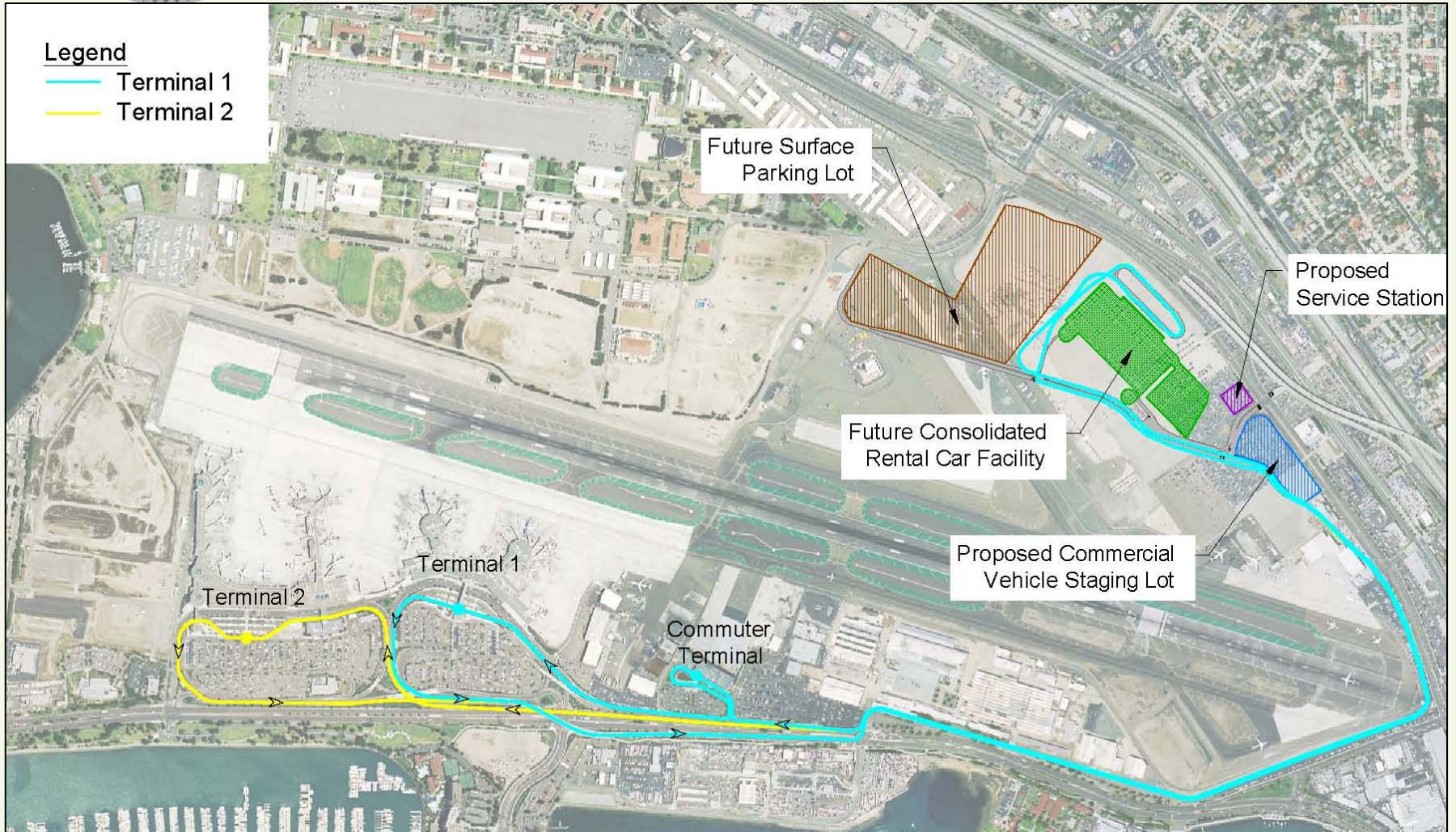


One Route Structure





Two Route Structure





Bus Requirements

	Peak Hour Passengers	Passenger Driven Headway Requirements			4.0 Minute Headway Requirements			Number of Hours Two Routes are Required
		Requirement	Headway	Bus Trips	Requirement	Headway	Bus Trips	
20.3 MAP (2015 DBO)	837	14 (0)	4.0 minutes	30	14 (0)	4.0 minutes	30	2
25.3 MAP (2025)	1,042	16 (0)	3.3 minutes	36	14 (12)	4.0 minutes	30	4
28.3 MAP (2030)	1,166	18 (0)	3.0 minutes	40	14 (20)	4.0 minutes	30	7
33 MAP	1,359	19 (0)	2.7 minutes	44	14 (28)	4.0 minutes	30	9

- Bus requirement number is shown first, second number, in parentheses, are the leave behinds
- Requirements would also include 25% contingency to account for regularly scheduled maintenance and unforeseen breakdowns



Common Rental Car Shuttle Bus Fleets at Selected Airports

Western US

- PHX 60+
- LAS 45+
- OAK 20
- ONT 20
- ABQ 17

Mid and Eastern US

- BWI 25
- MCI 22
- CLE 15

SAN will need approximately 18-20 buses to accommodate opening day demand assuming passenger driven headways



Terminal and Customer Service Building (CSB) Curbside Requirements

	Bus Positions at each Terminal and CSB	Curbside Length (feet)
20.3 MAP (2015 DBO)	5	225
25.3 MAP (2025)	6	270
28.3 MAP (2030)	6	270
33 MAP	6	270

- 40 foot bus length + 5 feet for maneuvering = 45 feet
- One pickup/drop-off location at each terminal, and customer service building
- Based on passenger driven headway requirements



Annual Busing Costs

40-foot Bus Hourly Cost Assumptions

	OAK	SJC	Average
Operator Profit	\$5.41	\$5.41	\$5.41
Labor	\$68.54	\$62.51	\$65.53
O&M	\$48.62	\$29.48	\$39.05
TOTAL	\$122.57	\$97.40	\$109.99

- Based on operation of 40-foot long CNG vehicles
- OAK O&M costs is higher than SJC because OAK is currently operating older model buses which require additional maintenance



Annual Busing Costs

25-foot Bus Hourly Cost Assumptions

- In addition to the full time operation of 40-foot buses, a cost scenario was developed where 25-foot buses would operate during off-peak non-peak hours (11:00 pm to 5:00 am) and 40-foot buses would operate during peak hours (5:01 am to 10:59 pm)
- No airport currently operates a consolidated rental car bus fleet using a combination of 25-foot and 40-foot buses
- No comparable hourly cost information was available therefore hourly costs were taken from a 2007 Federal Transit Administration report describing the smaller/mid-size cutaway bus industry
 - The hourly cost to operate a 25-foot bus was assumed to be \$75.00 per hour



Annual Busing Hours Assumptions and Estimated Costs

	Annual Hours	Hourly Rate	Annual Expense
20.3 MAP (2015 DBO)	71,540	40 foot buses only	\$7,868,000
		25 and 40 foot buses	\$7,562,000
25.3 MAP (2025)	75,920	40 foot buses only	\$8,350,000
		25 and 40 foot buses	\$8,044,000
28.3 MAP (2030)	82,125	40 foot buses only	\$9,033,000
		25 and 40 foot buses	\$8,726,000
33 MAP	87,965	40 foot buses only	\$9,675,000
		25 and 40 foot buses	\$9,368,000

- Annual hours based on accommodating passenger driven headway's



Bus Operator Structure Considerations

- Who owns and operates the bus fleet (i.e.; airport, RACs, third party)?
- Who manages the operator contract's) (i.e.; airport, RACs)?
- Who provides maintenance for the fleet (i.e.; airport, RACs, third party)?
- How is the operator to be selected (i.e.; private or public, RFQ/P process or other)?



Pros and Cons of Managing Bus System

- Managed by the Airport
 - Pros:
 - More control over operation and costs
 - Easier to set and enforce level of service standards
 - Cons:
 - Requires ongoing Airport management and oversight of bus operation and third party bus operator
 - Must deal with ongoing complaints from RACS on customer service and costs

- Managed by the Rental Car Companies
 - Pros:
 - Airport assumes no on-going management obligation, but can retain oversight role
 - Cons
 - Less control over customer service standards and bus maintenance



Alternative Fuel Technology Evaluation Matrix (1 of 4)

Evaluation Criteria	Hybrid Electric with Gasoline	Hybrid Electric with Diesel	Compressed Natural Gas (CNG)	Ultra Low Sulfur Diesel (ULSD)	Propane / Liquefied Petroleum Gas (LPG)
Technology Description	<ul style="list-style-type: none"> A small gasoline engine is connected to an electrical generator that powers the electric traction motors. Mostly applicable to passenger/ light-duty vehicles. Not popular for transit buses. 	<ul style="list-style-type: none"> A small diesel engine is connected to an electrical generator that powers the electric traction motors. Popular with heavy-duty vehicles such as transit buses. Due to torque characteristics, diesel engines are preferred option for hybrids. 	<ul style="list-style-type: none"> High octane rating; spark-ignited internal combustion engines. Non-toxic, non-corrosive, and non-carcinogenic. CNG tank can be installed either on top or under the bus. CNG is a fossil fuel, formed over millions of years of geological pressures and changes. Natural gas is primarily methane comprised of hydrogen and carbon. 	<ul style="list-style-type: none"> Diesel contains 500 parts per million (ppm) of Sulfur. Ultra-low sulfur diesel (ULSD) is diesel fuel with 15ppm or lower sulfur content. DOE and EPA is mandating that all diesels be ULSD by 2010, therefore fuel will be readily available in the US. 	<ul style="list-style-type: none"> Released pressure vaporizes and turns into gas used for combustion. Extracted from gas and oil wells. Engine technology similar to CNG.
Base Acquisition Cost per Bus	\$500,000	\$450,000	\$350,000	\$300,000	\$375,000
Acquisition Cost at Delivery per Bus	\$600,000	\$600,000	\$420,000	\$375,000	\$475,000
Typical Technology Useful Life	10-12 years	10-12 years	8-10 years	10-12 years	8-10 years
Jan. 2010 Price of Fuel (Nat'l Average)	\$2.60 per gallon	\$2.80 per gallon	\$2.60 per gasoline gallon equivalent	\$2.80 per gallon	\$3.80 per gasoline gallon equivalent
Estimated Annual O&M Cost (2010 \$, per mile) ¹	\$0.87	\$0.86	\$0.80	\$0.82	\$0.85
Total Capital Infrastructure Cost (not including fleet)	\$6.2 million	\$6.2 million	\$6.8 million	\$6.2 million	\$6.3 million
Estimated Total Life Cycle Cost per bus (2010 \$, 10 years) ²	\$1.3 million	\$1.3 million	\$1.1 million	\$1.0 million	\$1.1 million



Alternative Fuel Technology Evaluation Matrix (2 of 4)

Evaluation Criteria	Hybrid Electric with Gasoline	Hybrid Electric with Diesel	Compressed Natural Gas (CNG)	Ultra Low Sulfur Diesel (ULSD)	Propane / Liquefied Petroleum Gas (LPG)
Advantages	<ul style="list-style-type: none"> At low speeds the drive system switches to electrical, thus using less fossil fuel, lowering emissions and improving fuel economy. 30 – 50% fuel savings compared to traditional diesel. 40 – 60% lower exhaust emissions and lower noise levels compared to traditional diesel. Lower operating cost on per mile basis). 	<ul style="list-style-type: none"> At low speeds the drive system switches to electrical, thus using less fossil fuel, lowering emissions and improving fuel economy. 40 – 60% fuel savings compared to traditional diesel. 40 – 60% lower exhaust emissions and lower noise levels compared to traditional diesel. Due to the popularity of diesel hybrids for heavy-duty buses, several models are available. Lower operating cost on per mile basis). 	<ul style="list-style-type: none"> Nearly 87% of U.S. natural gas used is domestically produced - readily available and affordable. Lower carbon content per unit energy, thus lower carbon dioxide emissions (CO2). 60 - 90% less smog-producing pollutants than gasoline. On a life-cycle basis, CNG (along with LPG) give the lowest contribution to air pollutant emissions (non-GHG, NOx, and Methane Emissions). 15 - 30% less greenhouse gas emissions than gasoline No Particulate Matter emission. Can demonstrate a reduction in ozone-forming emissions. Lower operating cost on per mile basis. Due to the popularity of CNG for heavy-duty buses, several models are available. Purchase price on the low-end of alternative fuel technologies. 	<ul style="list-style-type: none"> Recent engine technology advancements significantly minimize noise and vibration, traditionally associated with diesel vehicles. Combined with cleaner, low sulfur diesel fuel, new engines and emission control technologies can reduce pollution by 90% or more. Due to the popularity of Diesel for heavy-duty buses, several models are available. Purchase price on the low-end of alternative fuel technologies. 	<ul style="list-style-type: none"> Fewer toxic and smog-forming air pollutants. No Particulate Matter emission. On a life-cycle basis, LPG (along with CNG) give the lowest contribution to air pollutant emissions (non-GHG, NOx, and Methane Emissions). Emission Reductions (from conventional gasoline): CO (30-35%), HC (20-40%), and NOx (15-99%). Federal tax on fuel is less than gasoline.



Alternative Fuel Technology Evaluation Matrix (3 of 4)

Evaluation Criteria	Hybrid Electric with Gasoline	Hybrid Electric with Diesel	Compressed Natural Gas (CNG)	Ultra Low Sulfur Diesel (ULSD)	Propane / Liquefied Petroleum Gas (LPG)
Disadvantages	<ul style="list-style-type: none"> Use of gasoline does produce some emissions. High cost of purchase. Requires purchase of battery every 3-7 years (\$25,000 - \$45,000). 	<ul style="list-style-type: none"> Must have purchase particulate matter filters that decrease the content of particulate matter in exhaust. Use of diesel does produce some emissions. High cost of purchase Requires purchase of battery every 3-7 years (\$25,000 - \$45,000). 	<ul style="list-style-type: none"> Low fuel efficiency (20 – 40% less fuel efficient than diesel) leads to lower driving range. Hydro-carbon emissions may be increased by CNG vehicles. 	<ul style="list-style-type: none"> Improved emissions from Diesel, but not as strong as other alternative fuels. 	<ul style="list-style-type: none"> Less readily available than gasoline & diesel. No new passenger cars or trucks commercially available (vehicles can be retrofitted for LPG). Low fuel efficiency leads to lower driving range. Fuel itself is cheap but transporting and storing increases the overall cost.
Safety Issues	<ul style="list-style-type: none"> No recurring operational accidents reported. 	<ul style="list-style-type: none"> No recurring operational accidents reported. 	<ul style="list-style-type: none"> Flammable, incidents reported at BWI. All were due to poor maintenance. Also, buses were retrofitted with CNG, not originally built as CNG. Tanks must be safely fixed inside a vehicle, to ensure that the pipe line stress during high speed refueling and vibrations while on the move are limited and gas leaks are avoided. 	<ul style="list-style-type: none"> Flammable but non-explosive. General precautionary measures such as proper storage and handling of fuel should be observed. 	<ul style="list-style-type: none"> Flammable, explosive. No recurring operational accidents reported.
Miles per Gallon	4 - 5	5 - 6	3 - 5	4 - 5	2 - 3
Range (miles)	350-400	500 - 750	320 - 350	400 - 600	350
Time required to fill a 100 Gallon tank (minutes) assuming Fast-Fill method	2 - 3	2 - 3	5	2 - 3	N/A
Fuel Supply and Availability	Readily available all across the US.	Readily available all across the US.	Readily available all across the US. No CNG station on SAN property.	All diesels will be ULSD by Dec 2010 making it uniformly available.	Readily available all across the US.



Alternative Fuel Technology Evaluation Matrix (4 of 4)

Evaluation Criteria	Hybrid Electric with Gasoline	Hybrid Electric with Diesel	Compressed Natural Gas (CNG)	Ultra Low Sulfur Diesel (ULSD)	Propane / Liquefied Petroleum Gas (LPG)
Fuel Life	<ul style="list-style-type: none"> • Non-perishable under proper storage. • Contaminants such as water vapor can deteriorate the fuel. • Batteries need to be replaced every 3-5 years for lead acid and 5-7 years for nickel-metal hydride (NiMH). • Replacement battery estimated at \$25,000 for lead acid and \$35,000-\$40,000 for nickel-metal hydride (NiMH). 	<ul style="list-style-type: none"> • Non-perishable under proper storage. • Contaminants such as water vapor can deteriorate the fuel. • Batteries need to be replaced every 3-5 years for lead acid and 5-7 years for nickel-metal hydride (NiMH). • Replacement battery estimated at \$25,000 for lead acid and \$35,000-\$40,000 for nickel-metal hydride (NiMH). 	<ul style="list-style-type: none"> • Barring leaks, CNG is non-perishable under air-tight storage. 	<ul style="list-style-type: none"> • Non-perishable under proper storage. • Contaminants such as water vapor can deteriorate the fuel. 	<ul style="list-style-type: none"> • Barring leaks, LPG is non-perishable under air-tight storage.
New Shuttles (Lead Time Requirements for Delivery)	12 months	12 to 14 months	12 to 14 months	12 to 14 months	12 to 14 months

Sources: U.S. Department of Transportation, *Transit Bus Life Cycle Cost and Year 2007 Emissions Estimation*, July 2007; Manufacturer Specifications; Ricondo & Associates, Inc., February 2011
 Prepared by: Ricondo & Associates, Inc. February 2011

**EXHIBIT E – RICONDO FINANCIAL FEASIBILITY REPORT
(ALTERNATIVE CFC RATE)**

San Diego International Airport



Consolidated Rental Car Center Development Financial Feasibility Report

PREPARED FOR:

San Diego County Regional Airport Authority

PREPARED BY:

RICONDO & ASSOCIATES, INC.



RICONDO[®]
& ASSOCIATES

August 2012

Ricondo & Associates, Inc. (R&A) prepared this document for the stated purposes as expressly set forth herein and for the sole use of San Diego County Regional Airport Authority and its intended recipients. The techniques and methodologies used in preparing this document are consistent with industry practices at the time of preparation.

\$6.00-\$9.00 per
Transaction Day Scenario

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SAN DIEGO INTERNATIONAL AIRPORT

FINANCIAL FEASIBILITY ANALYSIS--SAN DIEGO RENTAL CAR CENTER

Key Assumptions

August 2012

CFC Collections

Start date	May 1, 2009
CFC level (per transaction)(May 1, 2009)	\$10.00
CFC level (per transaction day)(November 1, 2012)	\$6.00
CFC level (per transaction day)(January 1, 2014)	\$7.50
CFC level (per transaction day)(January 1, 2017)	\$9.00
CFCs Eligible Costs:	Project planning & design costs, debt service, deposits to the R&R Fund, and busing operations & lease expense.

Project

Construction period	24 Months
Construction start	July 1, 2013
Construction end	June 30, 2015
Facility open (DBO date)	July 1, 2015
Project Cost (escalated to midpoint of construction)	\$264,000,000
Enabling Projects (Portion allocated to Project)	\$30,000,000
Total Project Cost Funded with CFC	\$294,000,000

Rental Car Activity

O&D deplaned passenger growth	San Diego County Regional Airport Authority Forecast (August, 2012)
FY 2010 - FY 2017	1.5% Annual Growth (R&A Assumption)
FY 2018 - FY 2043	
Rental car transactions per O&D deplaned passenger	0.142 [Using historical SAN data]
Average Transaction Days per Transaction	4.6 [Using historical SAN data from four rental car brands]
Estimated Reduction Associated with statutory 5-Day Maximum	27% [Using historical SAN data from one rental car brand]
Average CFC Transaction Days per Transaction (after adjustment)	3.3 [Calculated using assumptions above]

Debt (Frasca & Associates, L.L.C)

Type of bonds	Special Facility Bonds
Term of bonds (years)	30
Interest rate	7.0% (6.0% for enabling projects)
Date of issuance	Assumed to be October 1, 2013 for purposes of this analysis
Debt Service Reserve Fund	Equal to 1 year of debt service (post-DBO). Funded with bond proceeds.
Capitalized interest	18 month
Debt Service Coverage	Equal to 25% of annual debt service (rolling) - funded with bond proceeds

Rental Car Industry Payments	Assume rental car companies are responsible for any CFC shortfall for annual busing cost, renewal & replacement fund, and annual debt service.
Projected Annual CFC Revenue Collection Shortfall	None

Rate assumed for interest earnings

CFC Account	0.25%
Debt Service Reserve Fund	1.00%
Coverage Account	1.00%
R&R Fund	0.25%

Ground Rent

Not CFC Eligible per State Statute

Common Busing Annual Operating Expenses (2012 \$)

\$9,500,000

Annual escalation	2.00%
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Facility Operation and Maintenance Expenses

Not CFC Eligible per State Statute

Renewal and Replacement Fund

Requirement amount (% of project cost)	5%
Funded from	CFCs
Schedule	Fund over 5 years, replenished as necessary

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

Table 1 (Page 1 of 2)

Customer Facility Charge Projections

(Fiscal Years Ending June 30)

		Projected																
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Airport Deplanned Passengers ^{1/}	[A]	8,535,774	8,453,886	8,441,120	8,493,683	8,606,000	8,692,000	8,822,000	8,999,000	9,188,000	9,325,820	9,465,707	9,607,693	9,751,808	9,898,085	10,046,557	10,197,255	10,350,214
Annual % Change			-1.0%	-0.2%	0.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Percent of Origin-Destination (O&D) Deplanned Passengers per Total Deplanned Passengers ^{2/}	[B]	96.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
O&D Deplanned Passengers	[C = A * B]	8,194,343	7,946,653	7,934,653	7,984,062	8,089,640	8,170,480	8,292,680	8,459,060	8,636,720	8,766,271	8,897,765	9,031,231	9,166,700	9,304,200	9,443,763	9,585,420	9,729,201
Annual % Change			-3.0%	-0.2%	0.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Rental Car Transactions per Origin-Destination Deplanned Passenger	[D]	0.021	0.136	0.141	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142
Rental Car Transactions	[E = C * D]	169,527	1,078,933	1,119,309	1,136,930	1,151,965	1,163,476	1,180,878	1,204,570	1,229,869	1,248,317	1,267,042	1,286,047	1,305,338	1,324,918	1,344,792	1,364,964	1,385,438
Annual % Change				3.7%	1.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Average Rental Car Transaction Days per Transaction ^{2/}	[F]			4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Estimated Transaction Days	[G = E * F]			5,124,028	5,204,698	5,273,522	5,326,221	5,405,881	5,514,342	5,630,156	5,714,609	5,800,328	5,887,333	5,975,643	6,065,277	6,156,256	6,248,600	6,342,329
Estimated Reduction Associated with 5-Day Maximum ^{3/}	[H = G * -27%]			(1,378,954)	(1,400,664)	(1,419,185)	(1,433,367)	(1,454,805)	(1,483,994)	(1,515,161)	(1,537,888)	(1,560,957)	(1,584,371)	(1,608,137)	(1,632,259)	(1,656,743)	(1,681,594)	(1,706,818)
Rental Car Transaction Days CFC Applies To in FY12-FY17	[I = G + H]			3,745,074	3,804,034	3,854,337	3,892,854	3,951,076	4,030,348	4,114,995	4,176,720	4,239,371	4,302,961	4,367,506	4,433,019	4,499,514	4,567,006	4,635,512
Annual % Change				1.6%	1.3%	1.0%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Adjusted Average Rental Car Transaction-Days Per Transaction	[J = I / E]			3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
CFC Level (Per Transaction) ^{4/}	[K]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CFC Level (Per Transaction Day) ^{5/}	[L]	n/a	n/a	n/a	n/a	\$6.00	\$6.00	\$7.50	\$7.50	\$7.50	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
						7/1/12-10/31/12;	7/1/13-12/31/13;	7/1/14-6/30/14;			7/1/16-12/31/16;							
							\$7.50 for	\$9.00 for										
CFC Revenue Collections (Per Transaction Basis) ^{4/}	[M = E * K]	\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$3,839,882	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CFC Revenue Collections (Per Transaction Day Basis) ^{5/}	[N = I * L]	0	0	0	0	15,417,348	26,276,761	29,633,071	30,227,614	33,948,710	37,590,481	38,154,338	38,726,653	39,307,553	39,897,167	40,495,624	41,103,058	41,719,604
Total CFC Revenue Collections ^{5/}	[O = M + N]	\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$19,257,231	\$26,276,761	\$29,633,071	\$30,227,614	\$33,948,710	\$37,590,481	\$38,154,338	\$38,726,653	\$39,307,553	\$39,897,167	\$40,495,624	\$41,103,058	\$41,719,604
Annual % Change				6.9%	2.1%	68.5%	36.5%	12.8%	2.0%	12.3%	10.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

Notes:
 1/ Estimated by the San Diego County Regional Airport Authority.
 2/ Based on FY 2011 data received from four on airport rental car brands.
 3/ Based on FY 2011 data received from one rental car brand operating at the airport.
 4/ CFC collections on a per transaction basis began on May 1, 2009.
 5/ Displays projected CFC Revenues if a CFC rate of \$6.00 per transaction day would be implemented on January 1, 2013, a CFC rate of \$7.50 per transaction day would be implemented on January 1, 2014, and a CFC rate of \$9.00 per transaction day would be implemented on January 1, 2017.

Sources: San Diego County Regional Airport Authority, Rcondo & Associates, Inc., August 2012.
 Prepared by: Rcondo & Associates, Inc., August 2012.

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Table 1 (Page 2 of 2)

Customer Facility Charge Projections
(Fiscal Years Ending June 30)

		Projected																	Total 2009-2043
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	
Total Airport Deplaned Passengers ^{1/}	[A]	10,505,467	10,663,049	10,822,995	10,985,340	11,150,120	11,317,372	11,487,132	11,659,439	11,834,331	12,011,846	12,192,023	12,374,904	12,560,527	12,748,935	12,940,169	13,134,272	13,331,286	13,531,255
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Percent of Origin-Destination (O&D) Deplaned Passengers per Total Deplaned Passengers ^{2/}	[B]	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
O&D Deplaned Passengers	[C = A * B]	9,875,139	10,023,266	10,173,615	10,326,219	10,481,113	10,638,329	10,797,904	10,959,873	11,124,271	11,291,135	11,460,502	11,632,410	11,806,896	11,983,999	12,163,759	12,346,216	12,531,409	12,719,380
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Rental Car Transactions per Origin-Destination Deplaned Passenger	[D]	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142
Rental Car Transactions	[E = C * D]	1,406,220	1,427,313	1,448,723	1,470,454	1,492,510	1,514,898	1,537,622	1,560,686	1,584,096	1,607,858	1,631,975	1,656,455	1,681,302	1,706,521	1,732,119	1,758,101	1,784,473	1,811,240
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Average Rental Car Transaction Days per Transaction ^{3/}	[F]	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Estimated Transaction Days	[G = E * F]	6,437,464	6,534,026	6,632,036	6,731,517	6,832,490	6,934,977	7,039,002	7,144,587	7,251,756	7,360,532	7,470,940	7,583,004	7,696,749	7,812,200	7,929,383	8,048,324	8,169,049	8,291,585
Estimated Reduction Associated with 5-Day Maximum ^{3/}	[H = G * - 27%]	(1,732,420)	(1,758,406)	(1,784,782)	(1,811,554)	(1,838,727)	(1,866,308)	(1,894,303)	(1,922,717)	(1,951,558)	(1,980,831)	(2,010,544)	(2,040,702)	(2,071,313)	(2,102,382)	(2,133,918)	(2,165,927)	(2,198,416)	(2,231,392)
Rental Car Transaction Days CFC Applies To in FY12-FY17	[I = G + H]	4,705,044	4,775,620	4,847,254	4,919,963	4,993,762	5,068,669	5,144,689	5,221,869	5,300,197	5,379,700	5,460,396	5,542,302	5,625,436	5,709,818	5,795,465	5,882,397	5,970,633	6,060,193
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Adjusted Average Rental Car Transaction-Days Per Transaction	[J = I / E]	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
CFC Level (Per Transaction) ^{4/}	[K]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CFC Level (Per Transaction Day) ^{5/}	[L]	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
CFC Revenue Collections (Per Transaction Basis) ^{4/}	[M = E * K]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CFC Revenue Collections (Per Transaction Day Basis) ^{5/}	[N = I * L]	42,345,398	42,980,579	43,625,288	44,279,667	44,943,862	45,618,020	46,302,291	46,996,825	47,701,777	48,417,304	49,143,564	49,880,717	50,628,928	51,388,362	52,159,187	52,941,575	53,735,699	54,541,734
Total CFC Revenue Collections ^{5/}	[O = M + N]	\$42,345,398	\$42,980,579	\$43,625,288	\$44,279,667	\$44,943,862	\$45,618,020	\$46,302,291	\$46,996,825	\$47,701,777	\$48,417,304	\$49,143,564	\$49,880,717	\$50,628,928	\$51,388,362	\$52,159,187	\$52,941,575	\$53,735,699	\$54,541,734
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	

Notes:
 1/ Estimated by the San Diego County Regional Airport Authority.
 2/ Based on FY 2011 data received from four on airport rental car brands.
 3/ Based on FY 2011 data received from one rental car brand operating at the airport.
 4/ CFC collections on a per transaction basis began on May 1, 2009.
 5/ Displays projected CFC Revenues if a CFC rate of \$6.00 per transaction day would be implemented on January 1, 2013, a CFC rate of \$7.50 per transaction day would be implemented on January 1, 2014, and a CFC rate of \$9.00 per transaction day would be implemented on January 1, 2017.

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Table 2

Rental Car Center Costs

	Total Cost	Rental Car Special Facility Bond Proceeds	CFC Equity ^{1/}
Consolidated Rental Car Facility	\$264,000,000	\$159,608,000	\$104,392,000
Enabling Projects (CFC Eligible)	30,000,000	30,000,000	0
Total Cost	\$294,000,000	\$189,608,000	\$104,392,000

Notes:

^{1/} CFCs collected and interest earned on CFCs collected prior to commencement of bond debt service.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 3

Bond Sizing

(Fiscal Years Ending June 30)

	Total
<hr/>	
<u>Sources of Funds</u>	
Par	\$246,690,000
Premium / (Discount)	0
Total Sources	<hr/> \$246,690,000
 <u>Uses of Funds</u>	
Deposit to Project Fund	\$189,608,000
Deposit to Debt Service Reserve Fund	20,038,350
Deposit to Capitalized Interest Fund	29,566,338
Deposit to Coverage Fund	5,009,588
Costs of Issuance ^{1/}	2,467,725
Total Uses	<hr/> \$246,690,000

Note:

1/ Includes rounding.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 4 (Page 1 of 2)

Annual Debt Service
(Fiscal Years Ending June 30)

	Projected ^{1/}											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Debt Service:												
Series 2013 ^{1/}	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200
Total Debt Service	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200

Notes:
^{1/} The Series 2013 Bonds are projected to be issued on October 1, 2013.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 4 (Page 2 of 2)

Annual Debt Service

(Fiscal Years Ending June 30)

	Projected ^{1/}																	Total 2016-2043	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
Annual Debt Service:																			
Series 2013 ^{1/}	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Total Debt Service	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150

Notes:

^{1/} The Series 2013 Bonds are projected to be issued on October 1, 2013.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 5 (Page 1 of 2)

Estimated Common Busing O&M Expense
(Fiscal Year Ending June 30)

	Projected										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Busing Expenses Funded with CFCs included in this analysis ^{1/}											
Busing Operations & Lease Expense	\$0	\$10,283,000	\$10,489,000	\$10,699,000	\$10,913,000	\$11,131,000	\$11,354,000	\$11,581,000	\$11,813,000	\$12,049,000	\$12,290,000
Total Busing Expenses	\$0	\$10,283,000	\$10,489,000	\$10,699,000	\$10,913,000	\$11,131,000	\$11,354,000	\$11,581,000	\$11,813,000	\$12,049,000	\$12,290,000

Note:

1/ Busing Operations & Leases Expense is assumed to grow by 2.0 percent per year.

Sources: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 5 (Page 2 of 2)

Estimated Common Busing O&M Expense
(Fiscal Year Ending June 30)

	Projected																	Total 2016-2043	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
Busing Expenses Funded with CFCs included in this analysis ^{1/}																			
Busing Operations & Lease Expense	\$12,536,000	\$12,787,000	\$13,043,000	\$13,304,000	\$13,570,000	\$13,841,000	\$14,118,000	\$14,400,000	\$14,688,000	\$14,982,000	\$15,282,000	\$15,588,000	\$15,900,000	\$16,218,000	\$16,542,000	\$16,873,000	\$17,210,000	\$17,554,000	\$381,038,000
Total Busing Expenses	\$12,536,000	\$12,787,000	\$13,043,000	\$13,304,000	\$13,570,000	\$13,841,000	\$14,118,000	\$14,400,000	\$14,688,000	\$14,982,000	\$15,282,000	\$15,588,000	\$15,900,000	\$16,218,000	\$16,542,000	\$16,873,000	\$17,210,000	\$17,554,000	\$381,038,000

Note:

1/ Busing Operations & Leases Expense is assumed to grow by 2.0 percent per year.

Sources: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 6 (Page 1 of 2)

CFC Cash Flow

(Fiscal Year Ending June 30)

		2009	2010	2011	2012	Projected												
						2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Facility Revenues:																		
CFC Revenue Collections		\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$19,257,231	\$26,276,761	\$29,633,071	\$30,227,614	\$33,948,710	\$37,590,481	\$38,154,338	\$38,726,653	\$39,307,553	\$39,897,167	\$40,495,624	\$41,103,058	\$41,719,604
Interest Earnings		964	43,231	91,044	94,904	82,585	198,629	385,781	363,656	269,621	283,173	301,483	320,722	340,901	362,023	384,114	407,190	431,258
Total Facility Revenues	[A]	\$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$19,339,816	\$26,475,390	\$30,018,852	\$30,591,270	\$34,218,332	\$37,873,654	\$38,455,821	\$39,047,375	\$39,648,454	\$40,259,189	\$40,879,738	\$41,510,248	\$42,150,862
Less:																		
Annual Debt Service		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200
Busing Operation & Leasing Expense		0	0	0	0	0	0	0	10,283,000	10,489,000	10,699,000	10,913,000	11,131,000	11,354,000	11,581,000	11,813,000	12,049,000	12,290,000
Total Operating Expenses and Debt Service	[B]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,318,050	\$30,519,700	\$30,730,950	\$30,950,450	\$31,161,850	\$31,390,750	\$31,619,150	\$31,847,000	\$32,082,250	\$32,324,200
Net Remaining Revenue ^{2/}	[C = A - B]	\$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$19,339,816	\$26,475,390	\$30,018,852	\$273,220	\$3,698,632	\$7,142,704	\$7,505,371	\$7,885,525	\$8,257,704	\$8,640,039	\$9,032,738	\$9,427,998	\$9,826,662

Notes:

^{1/} The Facility is assumed to open on July 1, 2015.

^{2/} Before Project Cost and transfers to Renewal and Replacement Fund. See table 8 for Flow of Fund and CFC Account ending balance.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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		Projected																	Total 2009-2043	
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
Facility Revenues:																				
CFC Revenue Collections		\$42,345,398	\$42,980,579	\$43,625,288	\$44,279,667	\$44,943,862	\$45,618,020	\$46,302,291	\$46,996,825	\$47,701,777	\$48,417,304	\$49,143,564	\$49,880,717	\$50,628,928	\$51,388,362	\$52,159,187	\$52,941,575	\$53,735,699	\$54,541,734	\$1,357,830,624
Interest Earnings		456,330	482,420	509,543	537,719	566,957	597,265	628,659	661,162	694,786	729,535	765,436	802,511	840,759	880,194	920,845	962,720	1,005,837	1,050,217	17,454,173
Total Facility Revenues	[A]	\$42,801,728	\$43,462,999	\$44,134,831	\$44,817,386	\$45,510,820	\$46,215,286	\$46,930,949	\$47,657,987	\$48,396,563	\$49,146,839	\$49,909,000	\$50,683,228	\$51,469,686	\$52,268,556	\$53,080,032	\$53,904,295	\$54,741,535	\$55,591,951	\$1,375,284,797
Less:																				
Annual Debt Service		\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Busing Operation & Leasing Expense		12,536,000	12,787,000	13,043,000	13,304,000	13,570,000	13,841,000	14,118,000	14,400,000	14,688,000	14,982,000	15,282,000	15,588,000	15,900,000	16,218,000	16,542,000	16,873,000	17,210,000	17,554,000	381,038,000
Total Operating Expenses and Debt Service	[B]	\$32,571,100	\$32,821,250	\$33,077,950	\$33,334,100	\$33,603,000	\$33,876,900	\$34,154,400	\$34,432,100	\$34,723,550	\$35,020,350	\$35,314,400	\$35,617,900	\$35,937,100	\$36,252,550	\$36,575,750	\$36,908,250	\$37,244,250	\$37,584,900	\$941,994,150
Net Remaining Revenue ^{2/}	[C = A - B]	\$10,230,628	\$10,641,749	\$11,056,881	\$11,483,286	\$11,907,820	\$12,338,386	\$12,776,549	\$13,225,887	\$13,673,013	\$14,126,489	\$14,594,600	\$15,065,328	\$15,532,586	\$16,016,006	\$16,504,282	\$16,996,045	\$17,497,285	\$18,007,051	\$433,290,647

Notes:

^{1/} The Facility is assumed to open on July 1, 2015.

^{2/} Before Project Cost and transfers to Renewal and Replacement Fund. See table 8 for Flow of Fund and CFC Account ending balance.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Debt Service Coverage

(Fiscal Years Ending June 30)

		Projected																
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Facility Revenues	[A]	\$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$19,339,816	\$26,475,390	\$30,018,852	\$30,591,270	\$34,218,332	\$37,873,654	\$38,455,821	\$39,047,375	\$39,648,454	\$40,259,189	\$40,879,738	\$41,510,248	\$42,150,862
Debt Service Coverage Account	[B]	0	0	0	0	0	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588
Net Facility Revenues	[C] = [A]-[B]	771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$19,339,816	\$31,484,978	\$35,028,440	\$35,600,857	\$39,227,919	\$42,883,242	\$43,465,409	\$44,056,963	\$44,658,041	\$45,268,777	\$45,889,325	\$46,519,836	\$47,160,450
Total Debt Service	[D]	\$0	\$0	\$0	\$0	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200	
Debt Service Coverage Ratio	[C] / [D]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.78	1.96	2.14	2.17	2.20	2.23	2.26	2.29	2.32	2.35

Source: Ricondo & Associates, Inc., August 2012.
 Prepared by: Ricondo & Associates, Inc., August 2012.

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Debt Service Coverage
(Fiscal Years Ending June 30)

		Projected															Total 2009-2043			
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040		2041	2042	2043
Facility Revenues	[A]	\$42,801,728	\$43,462,999	\$44,134,831	\$44,817,386	\$45,510,820	\$46,215,286	\$46,930,949	\$47,657,987	\$48,396,563	\$49,146,839	\$49,909,000	\$50,683,228	\$51,469,686	\$52,268,556	\$53,080,032	\$53,904,295	\$54,741,535	\$55,591,951	\$1,375,284,797
Debt Service Coverage Account	[B]	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	150,287,625
Net Facility Revenues	[C] = [A]-[B]	\$47,811,315	\$48,472,587	\$49,144,419	\$49,826,973	\$50,520,407	\$51,224,873	\$51,940,537	\$52,667,574	\$53,406,150	\$54,156,426	\$54,918,587	\$55,692,816	\$56,479,274	\$57,278,144	\$58,089,619	\$58,913,883	\$59,751,123	\$60,601,539	\$1,525,572,422
Total Debt Service	[D]	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Debt Service Coverage Ratio	[C] / [D]	2.39	2.42	2.45	2.49	2.52	2.56	2.59	2.63	2.67	2.70	2.74	2.78	2.82	2.86	2.90	2.94	2.98	3.03	

Source: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 8 (Page 1 of 2)

Flow of Funds

(Fiscal Years Ending June 30)

	Projected																
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CFC Account:																	
Beginning Balance	\$0	\$771,454	\$1,842,349	\$2,975,367	\$30,864,122	\$35,203,937	\$23,507,329	\$84,734,182	\$3,167,402	\$4,226,033	\$8,728,737	\$13,594,109	\$18,839,634	\$27,097,338	\$35,737,377	\$44,770,115	\$54,198,113
Deposit: CFC Collection	770,490	10,471,630	11,193,086	11,426,774	19,257,231	26,276,761	29,633,071	30,227,614	33,948,710	37,590,481	38,154,338	38,726,653	39,307,553	39,897,167	40,495,624	41,103,058	41,719,604
Deposit: RAC Industry Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposit: Bond Proceeds	0	0	0	0	0	0	189,608,000	0	0	0	0	0	0	0	0	0	0
Expend: Enabling Projects	0	0	0	0	15,000,000	15,000,000	0	0	0	0	0	0	0	0	0	0	0
Expend: Consolidated Rental Car Facility Design & Construction	0	443,966	1,151,113	1,632,923	0	23,171,998	158,400,000	79,200,000	0	0	0	0	0	0	0	0	0
Expend: Busing Operations & Leasing Expenses	0	0	0	0	0	0	0	10,283,000	10,489,000	10,699,000	10,913,000	11,131,000	11,354,000	11,581,000	11,813,000	12,049,000	12,290,000
Expend: Annual Debt Service	0	0	0	0	0	0	0	20,035,050	20,030,700	20,031,950	20,037,450	20,030,850	20,036,750	20,038,150	20,034,000	20,033,250	20,034,200
Transfer: Renewal & Replacement Fund	0	0	0	0	0	0	0	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	0	0	0	0
Interest Earned	964	43,231	91,044	94,904	82,585	73,389	135,302	109,877	9,242	16,193	27,904	40,542	57,421	78,543	100,634	123,710	147,779
Deposit: Interest Earnings from other Funds ^{1/}	0	0	0	0	0	125,240	250,479	253,779	260,379	266,979	273,579	280,179	283,479	283,479	283,479	283,479	283,479
Ending Balance	\$771,454	\$10,842,349	\$20,975,367	\$30,864,122	\$35,203,937	\$23,507,329	\$84,734,182	\$3,167,402	\$4,226,033	\$8,728,737	\$13,594,109	\$18,839,634	\$27,097,338	\$35,737,377	\$44,770,115	\$54,198,113	\$64,024,775
Debt Service Reserve Fund																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Deposit: Bond Proceeds	0	0	0	0	0	20,038,350	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	100,192	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384
Transfer Interest Earnings to CFC Account	0	0	0	0	0	100,192	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Coverage Account																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Deposit: Bond Proceeds	0	0	0	0	0	5,009,588	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	25,048	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096
Transfer Interest Earnings to CFC Account	0	0	0	0	0	25,048	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Renewal & Replacement Fund																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,640,000	\$5,280,000	\$7,920,000	\$10,560,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000
Deposit from CFC Account	0	0	0	0	0	0	0	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	0	0	0	0	0
Expend: Renewal & Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	0	0	3,300	9,900	16,500	23,100	29,700	33,000	33,000	33,000	33,000	33,000
Transfer Interest Earnings to CFC Account	0	0	0	0	0	0	0	3,300	9,900	16,500	23,100	29,700	33,000	33,000	33,000	33,000	33,000
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,640,000	\$5,280,000	\$7,920,000	\$10,560,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000

Notes:

^{1/} Interest earnings from the Debt Service Reserve Fund, Coverage Account, and Renewal & Replacement Fund.

Source: Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 8 (Page 2 of 2)

Flow of Funds

(Fiscal Years Ending June 30)

	Projected																	Total 2009-2043	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
CFC Account:																			
Beginning Balance	\$64,024,775	\$74,255,403	\$84,897,152	\$95,954,034	\$107,437,320	\$119,345,140	\$131,683,525	\$144,460,075	\$157,685,961	\$171,358,974	\$185,485,463	\$200,080,063	\$215,145,391	\$230,677,978	\$246,693,984	\$263,198,266	\$280,194,311	\$297,691,596	\$0
Deposit: CFC Collection	42,345,398	42,980,579	43,625,288	44,279,667	44,943,862	45,618,020	46,302,291	46,996,825	47,701,777	48,417,304	49,143,564	49,880,717	50,628,928	51,388,362	52,159,187	52,941,575	53,735,699	54,541,734	1,357,830,624
Deposit: RAC Industry Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	189,608,000
Expend: Enabling Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000,000
Expend: Consolidated Rental Car Facility Design & Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	264,000,000
Expend: Busing Operations & Leasing Expenses	12,536,000	12,787,000	13,043,000	13,304,000	13,570,000	13,841,000	14,118,000	14,400,000	14,688,000	14,982,000	15,282,000	15,588,000	15,900,000	16,218,000	16,542,000	16,873,000	17,210,000	17,554,000	381,038,000
Expend: Annual Debt Service	20,035,100	20,034,250	20,034,950	20,030,100	20,033,000	20,035,900	20,036,400	20,032,100	20,035,550	20,038,350	20,032,400	20,029,900	20,037,100	20,034,550	20,033,750	20,035,250	20,034,250	20,030,900	560,956,150
Transfer: Renewal & Replacement Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,200,000
Interest Earned	172,850	198,941	226,064	254,239	283,478	313,786	345,179	377,683	411,306	446,056	481,957	519,032	557,279	596,715	637,365	679,241	722,357	766,738	9,223,531
Deposit: Interest Earnings from other Funds ^{1/}	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	8,230,642
Ending Balance	\$74,255,403	\$84,897,152	\$95,954,034	\$107,437,320	\$119,345,140	\$131,683,525	\$144,460,075	\$157,685,961	\$171,358,974	\$185,485,463	\$200,080,063	\$215,145,391	\$230,677,978	\$246,693,984	\$263,198,266	\$280,194,311	\$297,691,596	\$315,698,647	\$315,698,647
Debt Service Reserve Fund																			
Beginning Balance	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,038,350
Interest Earned	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	5,911,313
Transfer Interest Earnings to CFC Account	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	5,911,313
Ending Balance	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Coverage Account																			
Beginning Balance	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,009,588
Interest Earned	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	1,477,828
Transfer Interest Earnings to CFC Account	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	1,477,828
Ending Balance	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Renewal & Replacement Fund																			
Beginning Balance	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$0
Deposit from CFC Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,200,000
Expend Renewal & Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	841,500
Transfer Interest Earnings to CFC Account	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	841,500
Ending Balance	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000

Notes:

^{1/} Interest earnings from the Debt Service Reserve Fund, Coverage Account, and Renewal & Replacement Fund.

Source: Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

San Diego County Regional Airport Authority
Schedule of Forecasted Revenues and costs of the San Diego International Airport Rental car Center
For the Period from Inception Through July 1, 2043

	Actual from Inception Through June 30, 2012	Forecasted		Total
		Construction Period FY 2013-FY 2015	Financing Period FY 2016-FY 2043	
Revenues:				
Customer Facility Charges and Alternative CFCs:				
At base rate of \$10/transaction	\$ 33,861,980	\$ 3,839,882	\$ -	\$ 37,701,863
At base rate of \$6, \$7.50 and \$9/day	-	71,327,181	1,248,801,581	1,320,128,762
Total Customer Facility Charge Revenue	\$ 33,861,980	\$ 75,167,063	\$ 1,248,801,581	\$ 1,357,830,624
Bond Proceeds		\$ 189,608,000	\$ -	\$ 189,608,000
Interest Income	230,143	666,995	16,557,034	17,454,173
Total	\$ 34,092,124	\$ 265,442,058	\$ 1,265,358,615	\$ 1,564,892,797
Costs:				
Initial Planning and Design	\$ 3,228,002	\$ -	\$ -	\$ 3,228,002
Enabling Projects	-	30,000,000	-	30,000,000
Consolidated Rental Car Facility Design & Construction	-	181,571,998	79,200,000	260,771,998
Busing Operations & Leasing Expenses	-	-	381,038,000	381,038,000
Annual Debt ServiceConsolidated Rental Car Facility Design & Construction	-	-	560,956,150	560,956,150
Renewal & Replacement Fund		-	13,200,000	13,200,000
Total costs	\$ 3,228,002	\$ 211,571,998	\$ 1,034,394,150	\$ 1,249,194,150
Net Unapplied Revenues	\$ 30,864,122	\$ 53,870,060	\$ 230,964,465	\$ 315,698,647

EXHIBIT F – RICONDO FINANCIAL FEASIBILITY REPORT (\$10 PER TRANSACTION CFC RATE)

San Diego International Airport



Consolidated Rental Car Center Development Financial Feasibility Report

PREPARED FOR:

San Diego County Regional Airport Authority

PREPARED BY:

RICONDO & ASSOCIATES, INC.



RICONDO[®]
& ASSOCIATES

August 2012

Ricondo & Associates, Inc. (R&A) prepared this document for the stated purposes as expressly set forth herein and for the sole use of San Diego County Regional Airport Authority and its intended recipients. The techniques and methodologies used in preparing this document are consistent with industry practices at the time of preparation.

\$10.00 Per Transaction Scenario

DRAFT FOR DISCUSSION PURPOSES ONLY - SUBJECT TO CHANGE AND REVISION AT ANY TIME

SAN DIEGO INTERNATIONAL AIRPORT

FINANCIAL FEASIBILITY ANALYSIS--SAN DIEGO RENTAL CAR CENTER

Key Assumptions

August 2012

CFC Collections

Start date	May 1, 2009
CFC level (per transaction)(May 1, 2009)	\$10.00
CFC level (per transaction day)(January 1, 2013)	
CFC level (per transaction day)(January 1, 2014)	
CFC level (per transaction day)(January 1, 2017)	
CFCs Eligible Costs:	Project planning & design costs, debt service, deposits to the R&R Fund, and busing operations & lease expense.

Project

Construction period	24 Months
Construction start	July 1, 2013
Construction end	June 30, 2015
Facility open (DBO date)	July 1, 2015
Project Cost (escalated to midpoint of construction)	\$264,000,000
Enabling Projects (Portion allocated to Project)	\$30,000,000
Total Project Cost Funded with CFC	\$294,000,000

Rental Car Activity

O&D deplaned passenger growth	San Diego County Regional Airport Authority Forecast (August, 2012)
FY 2010 - FY 2017	1.5% Annual Growth (R&A Assumption)
FY 2018 - FY 2043	
Rental car transactions per O&D deplaned passenger	0.142 [Using historical SAN data]
Average Transaction Days per Transaction	4.6 [Using historical SAN data from four rental car brands]
Estimated Reduction Associated with statutory 5-Day Maximum	27% [Using historical SAN data from one rental car brand]
Average CFC Transaction Days per Transaction (after adjustment)	3.3 [Calculated using assumptions above]

Debt (Frasca & Associates, L.L.C)

Type of bonds	Special Facility Bonds
Term of bonds (years)	30
Interest rate	7.0% (6.0% for enabling projects)
Date of issuance	Assumed to be October 1, 2013 for purposes of this analysis
Debt Service Reserve Fund	Equal to 1 year of debt service (post-DBO). Funded with bond proceeds.
Capitalized interest	18 month
Debt Service Coverage	Equal to 25% of annual debt service (rolling) - funded with bond proceeds

Rental Car Industry Payments	Assume rental car companies are responsible for any CFC shortfall for annual busing cost, renewal & replacement fund, and annual debt service.
Projected Annual CFC Revenue Collection Shortfall	FY 2016 - FY 2043, approx. \$17.9 to \$18.4 million per year

Rate assumed for interest earnings

CFC Account	0.25%
Debt Service Reserve Fund	1.00%
Coverage Account	1.00%
R&R Fund	0.25%

Ground Rent

Not CFC Eligible per State Statute

Common Busing Annual Operating Expenses (2012 \$)

\$9,500,000
Annual escalation 2.00%

Facility Operation and Maintenance Expenses

Not CFC Eligible per State Statute

Renewal and Replacement Fund

Requirement amount (% of project cost)	5%
Funded from	CFCs
Schedule	Fund over 5 years, replenished as necessary

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

Table 1 (Page 1 of 2)

Customer Facility Charge Projections

(Fiscal Years Ending June 30)

		Projected																
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Airport Deplanned Passengers ^{1/}	[A]	8,535,774	8,453,886	8,441,120	8,493,683	8,606,000	8,692,000	8,822,000	8,999,000	9,188,000	9,325,820	9,465,707	9,607,693	9,751,808	9,898,085	10,046,557	10,197,255	10,350,214
Annual % Change			-1.0%	-0.2%	0.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Percent of Origin-Destination (O&D) Deplanned Passengers per Total Deplanned Passengers ^{2/}	[B]	96.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
O&D Deplanned Passengers	[C = A * B]	8,194,343	7,946,653	7,934,653	7,984,062	8,089,640	8,170,480	8,292,680	8,459,060	8,636,720	8,766,271	8,897,765	9,031,231	9,166,700	9,304,200	9,443,763	9,585,420	9,729,201
Annual % Change			-3.0%	-0.2%	0.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Rental Car Transactions per Origin-Destination Deplanned Passenger	[D]	0.021	0.136	0.141	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142
Rental Car Transactions	[E = C * D]	169,527	1,078,933	1,119,309	1,136,930	1,151,965	1,163,476	1,180,878	1,204,570	1,229,869	1,248,317	1,267,042	1,286,047	1,305,338	1,324,918	1,344,792	1,364,964	1,385,438
Annual % Change				3.7%	1.6%	1.3%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Average Rental Car Transaction Days per Transaction ^{2/}	[F]			4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Estimated Transaction Days	[G = E * F]			5,124,028	5,204,698	5,273,522	5,326,221	5,405,881	5,514,342	5,630,156	5,714,609	5,800,328	5,887,333	5,975,643	6,065,277	6,156,256	6,248,600	6,342,329
Estimated Reduction Associated with 5-Day Maximum ^{3/}	[H = G * -27%]			(1,378,954)	(1,400,664)	(1,419,185)	(1,433,367)	(1,454,805)	(1,483,994)	(1,515,161)	(1,537,888)	(1,560,957)	(1,584,371)	(1,608,137)	(1,632,259)	(1,656,743)	(1,681,594)	(1,706,818)
Rental Car Transaction Days CFC Applies To in FY12-FY17	[I = G + H]			3,745,074	3,804,034	3,854,337	3,892,854	3,951,076	4,030,348	4,114,995	4,176,720	4,239,371	4,302,961	4,367,506	4,433,019	4,499,514	4,567,006	4,635,512
Annual % Change				1.6%	1.3%	1.0%	1.5%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Adjusted Average Rental Car Transaction-Days Per Transaction	[J = I / E]			3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
CFC Level (Per Transaction) ^{4/}	[K]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
CFC Level (Per Transaction Day) ^{5/}	[L]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CFC Revenue Collections (Per Transaction Basis)^{4/}	[M = E * K]	\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$11,519,647	\$11,634,764	\$11,808,776	\$12,045,701	\$12,298,689	\$12,483,170	\$12,670,417	\$12,860,473	\$13,053,381	\$13,249,181	\$13,447,919	\$13,649,638	\$13,854,382
CFC Revenue Collections (Per Transaction Day Basis)^{5/}	[N = I * L]	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total CFC Revenue Collections^{5/}	[O = M + N]	\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$11,519,647	\$11,634,764	\$11,808,776	\$12,045,701	\$12,298,689	\$12,483,170	\$12,670,417	\$12,860,473	\$13,053,381	\$13,249,181	\$13,447,919	\$13,649,638	\$13,854,382
Annual % Change				6.9%	2.1%	0.8%	1.0%	1.5%	2.0%	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	

Notes:

1/ Estimated by the San Diego County Regional Airport Authority.

2/ Based on FY 2011 data received from four on airport rental car brands.

3/ Based on FY 2011 data received from one rental car brand operating at the airport.

4/ CFC collections on a per transaction basis began on May 1, 2009.

5/ Displays projected CFC Revenues if a CFC rate of \$6.00 per transaction day would be implemented on January 1, 2013, a CFC rate of \$7.50 per transaction day would be implemented on January 1, 2014, and a CFC rate of \$9.00 per transaction day would be implemented on January 1, 2017.

Sources: San Diego County Regional Airport Authority, Rcondo & Associates, Inc., August 2012.

Prepared by: Rcondo & Associates, Inc., August 2012.

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Table 1 (Page 2 of 2)

Customer Facility Charge Projections
(Fiscal Years Ending June 30)

		Projected																	Total 2009-2043	
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
Total Airport Deplaned Passengers ^{1/}	[A]	10,505,467	10,663,049	10,822,995	10,985,340	11,150,120	11,317,372	11,487,132	11,659,439	11,834,331	12,011,846	12,192,023	12,374,904	12,560,527	12,748,935	12,940,169	13,134,272	13,331,286	13,531,255	
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Percent of Origin-Destination (O&D) Deplaned Passengers per Total Deplaned Passengers ^{2/}	[B]	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%	
O&D Deplaned Passengers	[C = A * B]	9,875,139	10,023,266	10,173,615	10,326,219	10,481,113	10,638,329	10,797,904	10,959,873	11,124,271	11,291,135	11,460,502	11,632,410	11,806,896	11,983,999	12,163,759	12,346,216	12,531,409	12,719,380	
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Rental Car Transactions per Origin-Destination Deplaned Passenger	[D]	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	
Rental Car Transactions	[E = C * D]	1,406,220	1,427,313	1,448,723	1,470,454	1,492,510	1,514,898	1,537,622	1,560,686	1,584,096	1,607,858	1,631,975	1,656,455	1,681,302	1,706,521	1,732,119	1,758,101	1,784,473	1,811,240	
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Average Rental Car Transaction Days per Transaction ^{3/}	[F]	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	
Estimated Transaction Days	[G = E * F]	6,437,464	6,534,026	6,632,036	6,731,517	6,832,490	6,934,977	7,039,002	7,144,587	7,251,756	7,360,532	7,470,940	7,583,004	7,696,749	7,812,200	7,929,383	8,048,324	8,169,049	8,291,585	
Estimated Reduction Associated with 5-Day Maximum ^{3/}	[H = G - 27%]	(1,732,420)	(1,758,406)	(1,784,782)	(1,811,554)	(1,838,727)	(1,866,306)	(1,894,303)	(1,922,717)	(1,951,558)	(1,980,831)	(2,010,544)	(2,040,702)	(2,071,313)	(2,102,382)	(2,133,918)	(2,165,927)	(2,198,416)	(2,231,392)	
Rental Car Transaction Days CFC Applies To in FY12-FY17	[I = G + H]	4,705,044	4,775,620	4,847,254	4,919,963	4,993,762	5,068,669	5,144,699	5,221,869	5,300,197	5,379,700	5,460,396	5,542,302	5,625,436	5,709,818	5,795,465	5,882,397	5,970,633	6,060,193	
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Adjusted Average Rental Car Transaction-Days Per Transaction	[J = I / E]	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	
CFC Level (Per Transaction) ^{4/}	[K]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	
CFC Level (Per Transaction Day) ^{5/}	[L]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
CFC Revenue Collections (Per Transaction Basis) ^{4/}	[M = E * K]	\$14,062,198	\$14,273,131	\$14,487,228	\$14,704,536	\$14,925,104	\$15,148,981	\$15,376,216	\$15,606,859	\$15,840,962	\$16,078,576	\$16,319,755	\$16,564,551	\$16,813,019	\$17,065,215	\$17,321,193	\$17,581,011	\$17,844,726	\$18,112,397	\$486,563,778
CFC Revenue Collections (Per Transaction Day Basis) ^{5/}	[N = I * L]	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Total CFC Revenue Collections ^{5/}	[O = M + N]	\$14,062,198	\$14,273,131	\$14,487,228	\$14,704,536	\$14,925,104	\$15,148,981	\$15,376,216	\$15,606,859	\$15,840,962	\$16,078,576	\$16,319,755	\$16,564,551	\$16,813,019	\$17,065,215	\$17,321,193	\$17,581,011	\$17,844,726	\$18,112,397	\$486,563,778
Annual % Change		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	

Notes:
 1/ Estimated by the San Diego County Regional Airport Authority.
 2/ Based on FY 2011 data received from four on airport rental car brands.
 3/ Based on FY 2011 data received from one rental car brand operating at the airport.
 4/ CFC collections on a per transaction basis began on May 1, 2009.
 5/ Displays projected CFC Revenues if a CFC rate of \$6.00 per transaction day would be implemented on January 1, 2013, a CFC rate of \$7.50 per transaction day would be implemented on January 1, 2014, and a CFC rate of \$9.00 per transaction day would be implemented on January 1, 2017.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.
 Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 2

Rental Car Center Costs

	Total Cost	Rental Car Special Facility Bond Proceeds	CFC Equity ^{1/}
Consolidated Rental Car Facility	\$264,000,000	\$159,608,000	\$104,392,000
Enabling Projects (CFC Eligible)	30,000,000	30,000,000	0
Total Cost	\$294,000,000	\$189,608,000	\$104,392,000

Notes:

^{1/} CFCs collected and interest earned on CFCs collected prior to commencement of bond debt service.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 3

Bond Sizing

(Fiscal Years Ending June 30)

	Total
<hr/>	
<u>Sources of Funds</u>	
Par	\$246,690,000
Premium / (Discount)	0
Total Sources	<hr/> \$246,690,000
 <u>Uses of Funds</u>	
Deposit to Project Fund	\$189,608,000
Deposit to Debt Service Reserve Fund	20,038,350
Deposit to Capitalized Interest Fund	29,566,338
Deposit to Coverage Fund	5,009,588
Costs of Issuance ^{1/}	2,467,725
Total Uses	<hr/> \$246,690,000

Note:

1/ Includes rounding.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 4 (Page 1 of 2)

Annual Debt Service
(Fiscal Years Ending June 30)

	Projected ^{1/}											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Debt Service:												
Series 2013 ^{1/}	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200
Total Debt Service	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200

Notes:
^{1/} The Series 2013 Bonds are projected to be issued on October 1, 2013.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 4 (Page 2 of 2)

Annual Debt Service

(Fiscal Years Ending June 30)

	Projected ^{1/}																		Total 2016-2043
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	
Annual Debt Service:																			
Series 2013 ^{1/}	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Total Debt Service	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150

Notes:

^{1/} The Series 2013 Bonds are projected to be issued on October 1, 2013.

Source: Frasca & Associates, L.L.C., Ricondo & Associates, Inc. August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 5 (Page 1 of 2)

Estimated Common Busing O&M Expense
(Fiscal Year Ending June 30)

	Projected										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Busing Expenses Funded with CFCs included in this analysis ^{1/}											
Busing Operations & Lease Expense	\$0	\$10,283,000	\$10,489,000	\$10,699,000	\$10,913,000	\$11,131,000	\$11,354,000	\$11,581,000	\$11,813,000	\$12,049,000	\$12,290,000
Total Busing Expenses	\$0	\$10,283,000	\$10,489,000	\$10,699,000	\$10,913,000	\$11,131,000	\$11,354,000	\$11,581,000	\$11,813,000	\$12,049,000	\$12,290,000

Note:

1/ Busing Operations & Leases Expense is assumed to grow by 2.0 percent per year.

Sources: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Estimated Common Busing O&M Expense
(Fiscal Year Ending June 30)

	Projected																	Total 2016-2043	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
Busing Expenses Funded with CFCs included in this analysis ^{1/}																			
Busing Operations & Lease Expense	\$12,536,000	\$12,787,000	\$13,043,000	\$13,304,000	\$13,570,000	\$13,841,000	\$14,118,000	\$14,400,000	\$14,688,000	\$14,982,000	\$15,282,000	\$15,588,000	\$15,900,000	\$16,218,000	\$16,542,000	\$16,873,000	\$17,210,000	\$17,554,000	\$381,038,000
Total Busing Expenses	\$12,536,000	\$12,787,000	\$13,043,000	\$13,304,000	\$13,570,000	\$13,841,000	\$14,118,000	\$14,400,000	\$14,688,000	\$14,982,000	\$15,282,000	\$15,588,000	\$15,900,000	\$16,218,000	\$16,542,000	\$16,873,000	\$17,210,000	\$17,554,000	\$381,038,000

Note:

1/ Busing Operations & Leases Expense is assumed to grow by 2.0 percent per year.

Sources: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Table 6 (Page 1 of 2)

CFC Cash Flow

(Fiscal Year Ending June 30)

	2009	2010	2011	2012	Projected												
					2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Facility Revenues:																	
CFC Revenue Collections	\$770,490	\$10,471,630	\$11,193,086	\$11,426,774	\$11,519,647	\$11,634,764	\$11,808,776	\$12,045,701	\$12,298,689	\$12,483,170	\$12,670,417	\$12,860,473	\$13,053,381	\$13,249,181	\$13,447,919	\$13,649,638	\$13,854,382
Interest Earnings	964	43,231	91,044	94,904	82,585	198,629	385,781	363,656	269,621	283,173	301,483	320,722	340,901	362,023	384,114	407,190	431,258
Total Facility Revenues	[A] \$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$11,602,232	\$11,833,392	\$12,194,558	\$12,409,358	\$12,568,310	\$12,766,342	\$12,971,900	\$13,181,195	\$13,394,281	\$13,611,204	\$13,832,033	\$14,056,827	\$14,285,640
Less:																	
Annual Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200
Busing Operation & Leasing Expense	0	0	0	0	0	0	0	10,283,000	10,489,000	10,699,000	10,913,000	11,131,000	11,354,000	11,581,000	11,813,000	12,049,000	12,290,000
Total Operating Expenses and Debt Service	[B] \$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,318,050	\$30,519,700	\$30,730,950	\$30,950,450	\$31,161,850	\$31,390,750	\$31,619,150	\$31,847,000	\$32,082,250	\$32,324,200
Net Remaining Revenue ^{2/}	[C = A - B] \$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$11,602,232	\$11,833,392	\$12,194,558	(\$17,908,692)	(\$17,951,390)	(\$17,964,608)	(\$17,978,550)	(\$17,980,655)	(\$17,996,469)	(\$18,007,946)	(\$18,014,967)	(\$18,025,423)	(\$18,038,560)

Notes:

^{1/} The Facility is assumed to open on July 1, 2015.

^{2/} Before Project Cost and transfers to Renewal and Replacement Fund. See table 8 for Flow of Fund and CFC Account ending balance.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.
 Prepared by: Ricondo & Associates, Inc., August 2012.

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CFC Cash Flow (Fiscal Year Ending June 30)		Projected																	Total	
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2009-2043
Facility Revenues:																				
CFC Revenue Collections		\$14,062,198	\$14,273,131	\$14,487,228	\$14,704,536	\$14,925,104	\$15,148,981	\$15,376,216	\$15,606,859	\$15,840,962	\$16,078,576	\$16,319,755	\$16,564,551	\$16,813,019	\$17,065,215	\$17,321,193	\$17,581,011	\$17,844,726	\$18,112,397	\$486,563,778
Interest Earnings		456,330	482,420	509,543	537,719	566,957	597,265	628,659	661,162	694,786	729,535	765,436	802,511	840,759	880,194	920,845	962,720	1,005,837	1,050,217	17,454,173
Total Facility Revenues	[A]	\$14,518,528	\$14,755,551	\$14,996,771	\$15,242,255	\$15,492,062	\$15,746,246	\$16,004,875	\$16,268,021	\$16,535,747	\$16,808,111	\$17,085,191	\$17,367,062	\$17,653,778	\$17,945,409	\$18,242,038	\$18,543,731	\$18,850,563	\$19,162,614	\$504,017,951
Less:																				
Annual Debt Service		\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Busing Operation & Leasing Expense		12,536,000	12,787,000	13,043,000	13,304,000	13,570,000	13,841,000	14,118,000	14,400,000	14,688,000	14,982,000	15,282,000	15,588,000	15,900,000	16,218,000	16,542,000	16,873,000	17,210,000	17,554,000	381,038,000
Total Operating Expenses and Debt Service	[B]	\$32,571,100	\$32,821,250	\$33,077,950	\$33,334,100	\$33,603,000	\$33,876,900	\$34,154,400	\$34,432,100	\$34,723,550	\$35,020,350	\$35,314,400	\$35,617,900	\$35,937,100	\$36,252,550	\$36,575,750	\$36,908,250	\$37,244,250	\$37,584,900	\$941,994,150
Net Remaining Revenue ^{2/}	[C = A - B]	(\$18,052,572)	(\$18,065,699)	(\$18,081,179)	(\$18,091,845)	(\$18,110,938)	(\$18,130,654)	(\$18,149,525)	(\$18,164,079)	(\$18,187,803)	(\$18,212,239)	(\$18,229,209)	(\$18,250,838)	(\$18,283,322)	(\$18,307,141)	(\$18,333,712)	(\$18,364,519)	(\$18,393,687)	(\$18,422,286)	(\$437,976,199)

Notes:

^{1/} The Facility is assumed to open on July 1, 2015.

^{2/} Before Project Cost and transfers to Renewal and Replacement Fund. See table 8 for Flow of Fund and CFC Account ending balance.

Sources: San Diego County Regional Airport Authority, Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

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Debt Service Coverage

(Fiscal Years Ending June 30)

		Projected																
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Facility Revenues	[A]	\$771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$11,602,232	\$11,833,392	\$12,194,558	\$12,409,358	\$12,568,310	\$12,766,342	\$12,971,900	\$13,181,195	\$13,394,281	\$13,611,204	\$13,832,033	\$14,056,827	\$14,285,640
Debt Service Coverage Account	[B]	0	0	0	0	0	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588
Net Facility Revenues	[C] = [A]-[B]	771,454	\$10,514,861	\$11,284,130	\$11,521,678	\$11,602,232	\$16,842,980	\$17,204,145	\$17,418,945	\$17,577,898	\$17,775,930	\$17,981,488	\$18,190,782	\$18,403,869	\$18,620,791	\$18,841,620	\$19,066,415	\$19,295,228
Total Debt Service	[D]	\$0	\$0	\$0	\$0	\$0	\$0	\$20,035,050	\$20,030,700	\$20,031,950	\$20,037,450	\$20,030,850	\$20,036,750	\$20,038,150	\$20,034,000	\$20,033,250	\$20,034,200	
Debt Service Coverage Ratio	[C] / [D]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.87	0.88	0.89	0.90	0.91	0.92	0.93	0.94	0.95	0.96

Source: Ricondo & Associates, Inc., August 2012.
 Prepared by: Ricondo & Associates, Inc., August 2012.

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Debt Service Coverage
(Fiscal Years Ending June 30)

		Projected																	Total	
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2009-2043
Facility Revenues	[A]	\$14,518,528	\$14,755,551	\$14,996,771	\$15,242,255	\$15,492,062	\$15,746,246	\$16,004,875	\$16,268,021	\$16,535,747	\$16,808,111	\$17,085,191	\$17,367,062	\$17,653,778	\$17,945,409	\$18,242,038	\$18,543,731	\$18,850,563	\$19,162,614	\$504,017,951
Debt Service Coverage Account	[B]	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	5,009,588	150,287,625
Net Facility Revenues	[C] = [A]-[B]	\$19,528,115	\$19,765,139	\$20,006,359	\$20,251,842	\$20,501,649	\$20,755,834	\$21,014,462	\$21,277,608	\$21,545,335	\$21,817,699	\$22,094,779	\$22,376,650	\$22,663,366	\$22,954,997	\$23,251,625	\$23,553,319	\$23,860,150	\$24,172,202	\$654,305,576
Total Debt Service	[D]	\$20,035,100	\$20,034,250	\$20,034,950	\$20,030,100	\$20,033,000	\$20,035,900	\$20,036,400	\$20,032,100	\$20,035,550	\$20,038,350	\$20,032,400	\$20,029,900	\$20,037,100	\$20,034,550	\$20,033,750	\$20,035,250	\$20,034,250	\$20,030,900	\$560,956,150
Debt Service Coverage Ratio	[C] / [D]	0.97	0.99	1.00	1.01	1.02	1.04	1.05	1.06	1.08	1.09	1.10	1.12	1.13	1.15	1.16	1.18	1.19	1.21	

Source: Ricondo & Associates, Inc., August 2012.
Prepared by: Ricondo & Associates, Inc., August 2012.

DRAFT FOR DISCUSSION PURPOSES ONLY - SUBJECT TO CHANGE AND REVISION AT ANY TIME

Table 8 (Page 1 of 2)

Flow of Funds

(Fiscal Years Ending June 30)

	Projected																
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CFC Account:																	
Beginning Balance	\$0	\$771,454	\$1,842,349	\$2,975,367	\$30,864,122	\$27,466,354	\$1,127,748	\$44,530,306	(\$55,218,386)	(\$75,809,776)	(\$96,414,383)	(\$117,032,933)	(\$137,653,588)	(\$155,650,057)	(\$173,658,003)	(\$191,672,971)	(\$209,698,393)
Deposit: CFC Collection	770,490	10,471,630	11,193,086	11,426,774	11,519,647	11,634,764	11,808,776	12,045,701	12,298,689	12,483,170	12,670,417	12,860,473	13,053,381	13,249,181	13,447,919	13,649,638	13,854,382
Deposit: RAC Industry Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposit: Bond Proceeds	0	0	0	0	0	0	189,608,000	0	0	0	0	0	0	0	0	0	0
Expend: Enabling Projects	0	0	0	0	15,000,000	15,000,000	0	0	0	0	0	0	0	0	0	0	0
Expend: Consolidated Rental Car Facility Design & Construction	0	443,966	1,151,113	1,632,923	0	23,171,998	158,400,000	79,200,000	0	0	0	0	0	0	0	0	0
Expend: Busing Operations & Leasing Expenses	0	0	0	0	0	0	0	10,283,000	10,489,000	10,699,000	10,913,000	11,131,000	11,354,000	11,581,000	11,813,000	12,049,000	12,290,000
Expend: Annual Debt Service	0	0	0	0	0	0	0	20,035,050	20,030,700	20,031,950	20,037,450	20,030,850	20,036,750	20,038,150	20,034,000	20,033,250	20,034,200
Transfer: Renewal & Replacement Fund	0	0	0	0	0	0	0	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	0	0	0	0
Interest Earned	964	43,231	91,044	94,904	82,585	73,389	135,302	109,877	9,242	16,193	27,904	40,542	57,421	78,543	100,634	123,710	147,779
Deposit: Interest Earnings from other Funds ^{1/}	0	0	0	0	0	125,240	250,479	253,779	260,379	266,979	273,579	280,179	283,479	283,479	283,479	283,479	283,479
Ending Balance	\$771,454	\$10,842,349	\$20,975,367	\$30,864,122	\$27,466,354	\$1,127,748	\$44,530,306	(\$55,218,386)	(\$75,809,776)	(\$96,414,383)	(\$117,032,933)	(\$137,653,588)	(\$155,650,057)	(\$173,658,003)	(\$191,672,971)	(\$209,698,393)	(\$227,736,953)
Debt Service Reserve Fund																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Deposit: Bond Proceeds	0	0	0	0	0	20,038,350	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	100,192	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384
Transfer Interest Earnings to CFC Account	0	0	0	0	0	100,192	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Coverage Account																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Deposit: Bond Proceeds	0	0	0	0	0	5,009,588	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	25,048	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096
Transfer Interest Earnings to CFC Account	0	0	0	0	0	25,048	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Renewal & Replacement Fund																	
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,640,000	\$5,280,000	\$7,920,000	\$10,560,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000
Deposit from CFC Account	0	0	0	0	0	0	0	2,640,000	2,640,000	2,640,000	2,640,000	2,640,000	0	0	0	0	0
Expend Renewal & Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	0	0	0	0	0	0	0	3,300	9,900	16,500	23,100	29,700	33,000	33,000	33,000	33,000	33,000
Transfer Interest Earnings to CFC Account	0	0	0	0	0	0	0	3,300	9,900	16,500	23,100	29,700	33,000	33,000	33,000	33,000	33,000
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,640,000	\$5,280,000	\$7,920,000	\$10,560,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000

Notes:

^{1/} Interest earnings from the Debt Service Reserve Fund, Coverage Account, and Renewal & Replacement Fund.

Source: Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

DRAFT FOR DISCUSSION PURPOSES ONLY - SUBJECT TO CHANGE AND REVISION AT ANY TIME

Table 8 (Page 2 of 2)

Flow of Funds

(Fiscal Years Ending June 30)

	Projected																	Total 2009-2043	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		2043
CFC Account:																			
Beginning Balance	(\$227,736,953)	(\$245,789,525)	(\$263,855,224)	(\$281,936,403)	(\$300,028,248)	(\$318,139,186)	(\$336,269,840)	(\$354,419,365)	(\$372,583,444)	(\$390,771,247)	(\$408,983,486)	(\$427,212,695)	(\$445,463,532)	(\$463,746,854)	(\$482,053,995)	(\$500,387,707)	(\$518,752,226)	(\$537,145,913)	\$0
Deposit: CFC Collection	14,062,198	14,273,131	14,487,228	14,704,536	14,925,104	15,148,981	15,376,216	15,606,859	15,840,962	16,078,576	16,319,755	16,564,551	16,813,019	17,065,215	17,321,193	17,581,011	17,844,726	18,112,397	486,563,778
Deposit: RAC Industry Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	189,608,000
Expend: Enabling Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000,000
Expend: Consolidated Rental Car Facility Design & Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	264,000,000
Expend: Busing Operations & Leasing Expenses	12,536,000	12,787,000	13,043,000	13,304,000	13,570,000	13,841,000	14,118,000	14,400,000	14,688,000	14,982,000	15,282,000	15,588,000	15,900,000	16,218,000	16,542,000	16,873,000	17,210,000	17,554,000	381,038,000
Expend: Annual Debt Service	20,035,100	20,034,250	20,034,950	20,030,100	20,033,000	20,035,900	20,036,400	20,032,100	20,035,550	20,038,350	20,032,400	20,029,900	20,037,100	20,034,550	20,033,750	20,035,250	20,034,250	20,030,900	560,956,150
Transfer: Renewal & Replacement Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,200,000
Interest Earned	172,850	198,941	226,064	254,239	283,478	313,786	345,179	377,683	411,306	446,056	481,957	519,032	557,279	596,715	637,365	679,241	722,357	766,738	9,223,531
Deposit: Interest Earnings from other Funds ^{1/}	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	283,479	8,230,642
Ending Balance	(\$245,789,525)	(\$263,855,224)	(\$281,936,403)	(\$300,028,248)	(\$318,139,186)	(\$336,269,840)	(\$354,419,365)	(\$372,583,444)	(\$390,771,247)	(\$408,983,486)	(\$427,212,695)	(\$445,463,532)	(\$463,746,854)	(\$482,053,995)	(\$500,387,707)	(\$518,752,226)	(\$537,145,913)	(\$555,568,199)	(\$555,568,199)
Debt Service Reserve Fund																			
Beginning Balance	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,038,350
Interest Earned	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	5,911,313
Transfer Interest Earnings to CFC Account	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	200,384	5,911,313
Ending Balance	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350	\$20,038,350
Coverage Account																			
Beginning Balance	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$0
Deposit: Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,009,588
Interest Earned	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	1,477,828
Transfer Interest Earnings to CFC Account	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	50,096	1,477,828
Ending Balance	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588	\$5,009,588
Renewal & Replacement Fund																			
Beginning Balance	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$0
Deposit from CFC Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,200,000
Expend Renewal & Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	841,500
Transfer Interest Earnings to CFC Account	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	841,500
Ending Balance	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000	\$13,200,000

Notes:

^{1/} Interest earnings from the Debt Service Reserve Fund, Coverage Account, and Renewal & Replacement Fund.

Source: Ricondo & Associates, Inc., August 2012.

Prepared by: Ricondo & Associates, Inc., August 2012.

**EXHIBIT G – DEMATTEI AND WONG PROJECT COST ESTIMATE
REPORT (CONCEPT A, B, D)**



SAN DIEGO
INTERNATIONAL
AIRPORT

**San Diego International Airport
Consolidated Rental Agency Complex (ConRAC)
Task 93
March 2011 - DRAFT**

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INTRODUCTION AND EXECUTIVE SUMMARY

Through collaborative efforts with the San Diego International Airport and Rental Car Companies, the Demattei Wong Design Team produced a preferred conceptual plan, Concept D, during the initial efforts of the conceptual design phase starting in Spring of 2008. The Concept D plan was the culminating result of an on-going process of analysis and development. These initial efforts included:

- Developing ConRAC Program Component requirements
- Developing and analyzing numerous operational models/concepts to meet ConRAC criteria
- In collaboration with the Destination Lindbergh Team, developing the Northside Masterplan and the Northside Landuse criteria
- Developing 12 operational models/concepts for collaborative site/Landuse analysis
- Refining 8 operational models/concepts selected for collaborative stakeholder analysis and development
- Refining 3 operational models/concepts selected for collaborative stakeholder analysis and development
- Identifying a preferred operational model with stakeholders

Concept D was selected as the preferred conceptual model and consisted of an on-grade Customer Service Building (CSB), four levels of Ready/Return (R/R) car spaces with storage/employee parking above, and a three level Quick Turn-around (QTA) Facility with storage above.

At each level of development, the site location for each operational model/concept was analyzed. During the advanced planning review and concept development phases, site planning factors affected the final location of the proposed ConRAC Facility and reduced the Northside overall buildable area. Those factors included the advanced Airside Cargo dimensional requirements and the future 250' roadway/highway right-of-way requirements. As a result of the technical analysis and the developmental process, the preferred ConRAC concept utilized the easternmost corner of the Northside development area.

Subsequently, the Demattei Wong Design Team was retained to create two additional operational models/concepts to establish baseline criteria for Landuse and cost comparison purposes. The new operational models/concepts, Concept A and Concept B, addresses different component configurations and site area requirements.

Concept A consists of five levels of R/R functions with an adjacent three levels of QTA Facility, all with Storage/Employee Parking above and located on a \pm 23.80 acre site. Concept B consists of three levels of R/R functions with an adjacent at-grade QTA Facility, all with Storage/Employee Parking above and located on a \pm 32.67 acre site.

A Rough Order Of Magnitude Cost Estimate was prepared for all three concepts to provide full building cost comparisons as well as individual component costs.

The comparative information contained in this report will be used by the San Diego International Airport Authorities as a basis to further analyze the Landuse opportunities and financial feasibility of the Northside development.



SAN ConRAC Concept Comparison Summary - DRAFT		March 25, 2011	
ITEM DESCRIPTION	CONCEPT A	CONCEPT B	CONCEPT D
Operational Model Description	Five-Level Ready/Return w/ Three-Level QTA	Three-Level Ready/Return w/ AT-Grade QTA	Three-Level Ready/Return w/ Three-Level QTA
AREA TABULATIONS			
ConRAC Site Area	1,036,891	1,423,000	1,247,564
Alternative Use Site Area	1,428,604	1,042,495	1,217,931
Total North Site Area	2,465,495	2,465,495	2,465,495
Customer Service Area	145,500	87,657	86,000
Ready/Return	972,000	880,673	884,000
Rental Car Storage/Employee Parking	314,000	831,877	401,000
Quick Turn-Around Facility (QTA)	334,900	300,475	334,900
Total ConRAC Structure Area	1,766,400	2,100,682	1,705,900
CAPACITY TABULATIONS			
Ready/Return Garage (stalls)	2498	2488	2488
QTA	480	480	480
Storage Vehicles	1328	2836	1936
Total ConRAC Vehicle Capacity	4,306	5,804	4,904
ROUGH ORDER OF MAGNITUDE COST ESTIMATE			
ConRAC Construction Costs	\$163,223,744	\$179,057,699	\$153,926,678
Design/ Program Management & CM Costs	\$41,706,112	\$45,829,419	\$39,358,124
Total ConRAC Project Costs	\$204,929,856	\$224,887,118	\$193,284,802

#

stg/k

SAN ConRAC Concept Comparison Chart - DRAFT						March 25, 2011	
ITEM DESCRIPTION	CONCEPT A		CONCEPT B		CONCEPT D		
Operational Model Description	Five-Level Ready/Return w/ Three-Level QTA Concept A is located on a +- 23.80 acre site. Concept A's structure consists of five levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. Access is provided to the adjacent QTA by Shuttler ramping. The sixth level will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices as well as the shuttler ramping.		Three-Level Ready/Return w/ AT-Grade QTA Concept B is located on a +- 32.67 acre site. Concept B's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent at-grade Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. QTA access is provided by a direct double-helices ramp. The fourth level of the R/R Facility will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices. The second level of the QTA structure will accommodate storage and is accessed by the shuttler ramping.		Three-Level Ready/Return w/ Three-Level QTA Concept D is located on a +- 28.63 acre site. Concept D's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The sixth level will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices as well as the shuttler ramping.		
Area And Capacity Tabulations	Description	Area	Description	Area	Description	Area	
ConRAC Site Area							
ConRAC Construction Building Site		688,891		987,000		853,564	
ConRAC 250' Setback Area		348,000		436,000		394,000	
Total ConRAC Site Area		1,036,891		1,423,000		1,247,564	
Alternative Use Site Area							
Construction Building Site		1,251,631		953,522		1,086,958	
250' Setback Area		176,973		88,973		130,973	
Total Alternative Use Site Area		1,428,604		1,042,495		1,217,931	
Total North Site Area		2,465,495		2,465,495		2,465,495	
Customer Service Area							
Plaza / Level 1 Core Areas		32,000		26,020		24,500	
Common Lobby / RAC Lease Space		29,000		26,055		28,000	
Support (Level 1)		9,500		9,566		9,500	
Cores/Support	Levels 2-6 (15,000 SF/level)	75,000	Levels 2-4 (8,672 SF/level)	26,016	Levels 2-4 (8,000 SF/level)	24,000	
Total Customer Service Area		145,500		87,657		86,000	
Ready/Return							
Level 1		172,000		270,819		270,000	
Level 2		200,000		304,927		307,000	
Level 3		200,000		304,927		307,000	
Level 4		200,000		-		-	
Level 5		200,000		-		-	
Total Ready/Return Area		972,000		880,673		884,000	
Rental Car Storage/Employee Parking							
Storage	Level 6	215,000	Level 2 (above QTA 198000/level)	396,000	Level 4	401,000	
Storage			Level 4 (above Ready/Return)	236,161			
Circulation	Level 6	99,000	Level 2 (above QTA 65,475/level)	130,950			
Circulation			Level 4 (above Ready/Return)	68,766			
Total Rental Car Storage/Employee Parking Area		314,000		831,877		401,000	
Quick Turn-Around Facility (QTA)							
Stacking Total	24,000 SF per level	72,000		72,000	24,000 SF per level	72,000	
Car Wash Total	9,600 SF per level	28,500		28,323	9,600 SF per level	28,500	
Fueling Total	13,000 SF per level	38,400		38,826	13,000 SF per level	38,400	
Circulation Total	61,000 SF per level	139,500		104,596	61,000 SF per level	139,500	
RAC Admin	6,400 SF per level	19,500		19,730	6,400 SF per level	19,500	
RAC Support	12,500 SF per level	37,000		37,000	12,500 SF per level	37,000	
Total Quick Turn-Around Facility (QTA) Area		334,900		300,475		334,900	
Total ConRAC Structure Area		1,766,400		2,100,682		1,705,900	

SAN ConRAC Concept Comparison Chart -				March 25, 2011	
ITEM DESCRIPTION	CONCEPT A		CONCEPT B		CONCEPT D
Operational Model Description	<p>Five-Level Ready/Return w/ Three-Level QTA Concept A is located on a +- 23.80 acre site. Concept A's structure consists of five levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. Access is provided to the adjacent QTA by Shuttler ramping. The sixth level will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices as well as the shuttler ramping.</p>		<p>Three-Level Ready/Return w/ AT-Grade QTA Concept B is located on a +- 32.67 acre site. Concept B's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent at-grade Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. QTA access is provided by a direct double-helices ramp. The fourth level of the R/R Facility will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices. The second level of the QTA structure will accommodate storage and is accessed by the shuttler ramping.</p>		<p>Three-Level Ready/Return w/ Three-Level QTA Concept D is located on a +- 28.63 acre site. Concept D's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility, all with Storage/Employee Parking above. R/R activity is accessed by two helices, located at the southeast (ingress) and southwest (egress) corners of the building. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The sixth level will accommodate Storage/Expansion/Employee Parking and is accessed by the customer helices as well as the shuttler ramping.</p>
Vehicle Capacities					
Ready/Return Garage (stalls)					
Level 1		450		776	776
Level 2		512		856	856
Level 3		512		856	856
Level 4		512			
Level 5		512			
Total Ready/Return Garage (stalls) Capacity		2,498		2,488	2,488
QTA					
Stacking	Nose-to-Tail	480	Nose-to-Tail	480	480
Car Wash Bays		18		18	18
Fueling Positions		60		60	60
Total QTA Stacking Capacity		480		480	480
Storage Vehicles					
Above Ready/Return	Level 6	908	Level 4	1516	1516
Above QTA	Level 4 (Aligns w/ R/R Level 6)	420	Level 2	1320	420
Total Storage Vehicle Capacity		1,328		2,836	1,936
Total ConRAC Vehicle Capacity		4,306		5,804	4,904
Rough Order of Magnitude Cost Estimate	CONCEPT A		CONCEPT B		CONCEPT D
ConRAC Construction Costs					
Building Permits					
Based on 1% of Construction		\$1,565,620		\$1,724,208	\$1,475,312
Construction Cost					
Building Construction Cost		\$156,561,968		\$172,420,844	\$147,531,250
LEED Requirement Cost		\$3,530,536		\$3,188,439	\$3,444,804
FF&E Costs					
Works of Art		\$1,565,620		\$1,724,208	\$1,475,312
Total ConRAC Construction Costs		\$163,223,744		\$179,057,699	\$153,926,678
Design/ Program Management & CM Costs					
Design/ Program Management Costs		\$14,090,577		\$15,517,876	\$13,277,812
CM Costs		\$6,262,479		\$6,896,834	\$5,901,250
Material testing/inspection/geotechnical		\$4,696,859		\$5,172,625	\$4,425,937
LEED Commission and Associated Costs		\$1,000,000		\$1,000,000	\$1,000,000
Contingency		\$15,656,197		\$17,242,084	\$14,753,125
Land Costs - excluded		\$0		\$0	\$0
Total Design/ Program Management & CM Costs		\$41,706,112		\$45,829,419	\$39,358,124
Total ConRAC Project Costs		\$204,929,856		\$224,887,118	\$193,284,802

TOTAL PROJECT COST - COMPARISON OF CONCEPTS A, B AND D

ITEM DESCRIPTION	Concept D	Concept A	Concept B
<u>BUILDING PERMITS</u>			
Based on 1% of construction cost	\$1,475,312	\$1,565,620	\$1,724,208
	\$1,475,312	\$1,565,620	\$1,724,208
<u>CONSTRUCTION COST</u>			
Building construction cost	\$147,531,250	\$156,561,968	\$172,420,844
LEED requirement cost	\$3,444,804	\$3,530,536	\$3,188,439
	\$150,976,054	\$160,092,504	\$175,609,283
<u>FF&E COSTS</u>			
Works of Art	\$1,475,312	\$1,565,620	\$1,724,208
	\$1,475,312	\$1,565,620	\$1,724,208
<u>EXTERIOR SIGNAGE</u>			
Exterior Building Signage, (see Base Estimate)	\$0	\$0	\$0
Regional wayfinding signage, (see Base Estimate)	\$0	\$0	\$0
	\$0	\$0	\$0
<u>SUPPORT EQUIPMENT</u>			
Airport Audio Visual Equipment (excluded)	\$0	\$0	\$0
	\$0	\$0	\$0
<u>SYSTEMS</u>			
Management system, TBD	\$0	\$0	\$0
	\$0	\$0	\$0
<u>OPERATING EQUIPMENT</u>			
		\$0	\$0
	\$0	\$0	\$0
<u>INVENTORY (CONSUMABLES)</u>			
		\$0	\$0
	\$0	\$0	\$0
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>			
Design Costs			
Design Costs	\$13,277,812	\$14,090,577	\$15,517,876
Sub Total Design Costs	\$13,277,812	\$14,090,577	\$15,517,876
CM Costs			
CM	\$5,901,250	\$6,262,479	\$6,896,834
Material testing/inspection/geotechnical	\$4,425,937	\$4,696,859	\$5,172,625
Sub Total CM Costs	\$10,327,187	\$10,959,338	\$12,069,459
Total Design, Program and CM Costs	\$23,605,000	\$25,049,915	\$27,587,335

TOTAL PROJECT COST - COMPARISON OF CONCEPTS A, B AND D

ITEM DESCRIPTION	Concept D	Concept A	Concept B
LEED commision and associated Costs			
	\$1,000,000	\$1,000,000	\$1,000,000
	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
PRE - OPENING EXPENSES			
None Required	\$0	\$0	\$0
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WORKING CAPITAL			
None Required	\$0	\$0	\$0
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FINANCIAL, TAXES & LEGAL			
Capitalized interest, excluded	\$0	\$0	\$0
Legal Fees (Excluded)	\$0	\$0	\$0
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
CONTINGENCY			
Construction contingency	\$14,753,125	\$15,656,197	\$17,242,084
	<u>\$14,753,125</u>	<u>\$15,656,197</u>	<u>\$17,242,084</u>
LAND COSTS			
Cost of land - Excluded	\$0	\$0	\$0
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PROJECT COSTS	\$193,284,804	\$204,929,855	\$224,887,119
Delta to Concept D		\$11,645,051	\$31,602,315

CONCEPT A

AREA TABULATIONS

CUSTOMER SERVICE AREA

PLAZA / LEVEL 1 CORE AREAS
COMMON LOBBY / RAC LEASE SPACE
SUPPORT (LEVEL 1)
CORES/SUPPORT LEVELS 2-6 (15,000 SF PER LEVEL)

32,000 SF
29,000 SF
9,500 SF
75,000 SF

SITE AREA

BUILDING SITE AREA
250' SETBACK AREA

688,891 SF (15.81 ACRES)
348,000 SF (7.99 ACRES)
1,036,891 SF (23.80 ACRES)

READY / RETURN - FIVE LEVEL

LEVEL 1
LEVEL 2
LEVEL 3
LEVEL 4
LEVEL 5

172,000 SF
200,000 SF
200,000 SF
200,000 SF
200,000 SF

CAPACITIES

READY / RETURN GARAGE

LEVEL 1
LEVEL 2
LEVEL 3
LEVEL 4
LEVEL 5

450 STALLS
512 STALLS
512 STALLS
512 STALLS
512 STALLS
2498 STALLS

RENTAL CAR STORAGE / EMPLOYEE PARKING

LEVEL 6 STORAGE
LEVEL 6 CIRCULATION

215,000 SF
99,000 SF

TOTAL VEHICLES

QUICK TURN-AROUND FACILITY (QTA) - THREE LEVEL

STACKING TOTAL (24,000 SF PER LEVEL)
CAR WASH TOTAL (9,333 SF PER LEVEL)
FUELING TOTAL (12,800 SF PER LEVEL)
CIRCULATION TOTAL (46,500 SF PER LEVEL)
RAC ADMIN (6,500 SF PER LEVEL)
RAC SUPPORT (12,500 SF PER LEVEL)

72,000 SF
28,000 SF
38,400 SF
139,500 SF
19,500 SF
37,500 SF

QUICK TURN-AROUND FACILITY (QTA)

STACKING (160 PER LEVEL)
CAR WASH (6 PER LEVEL)
FUELING (20 POSITIONS PER LEVEL)

480 N/T
18 BAYS
60 POSITIONS

STORAGE

ABOVE READY/RETURN (LEVEL 6)
ABOVE QTA (LEVEL 4)

908
420
1328

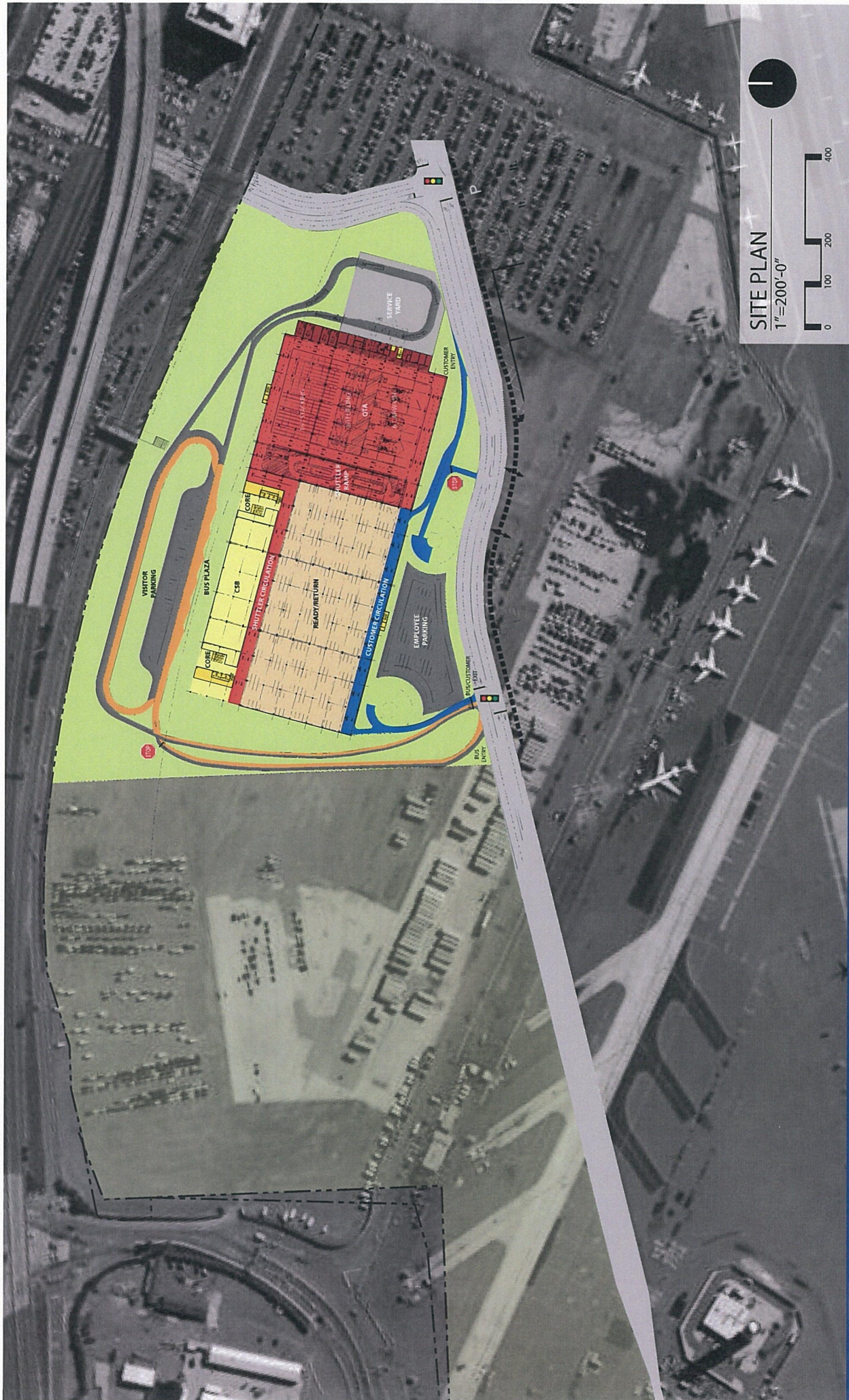
TOTAL

1,766,400 SF

TOTAL VEHICLES

1328





SITE PLAN
1"=200'-0"

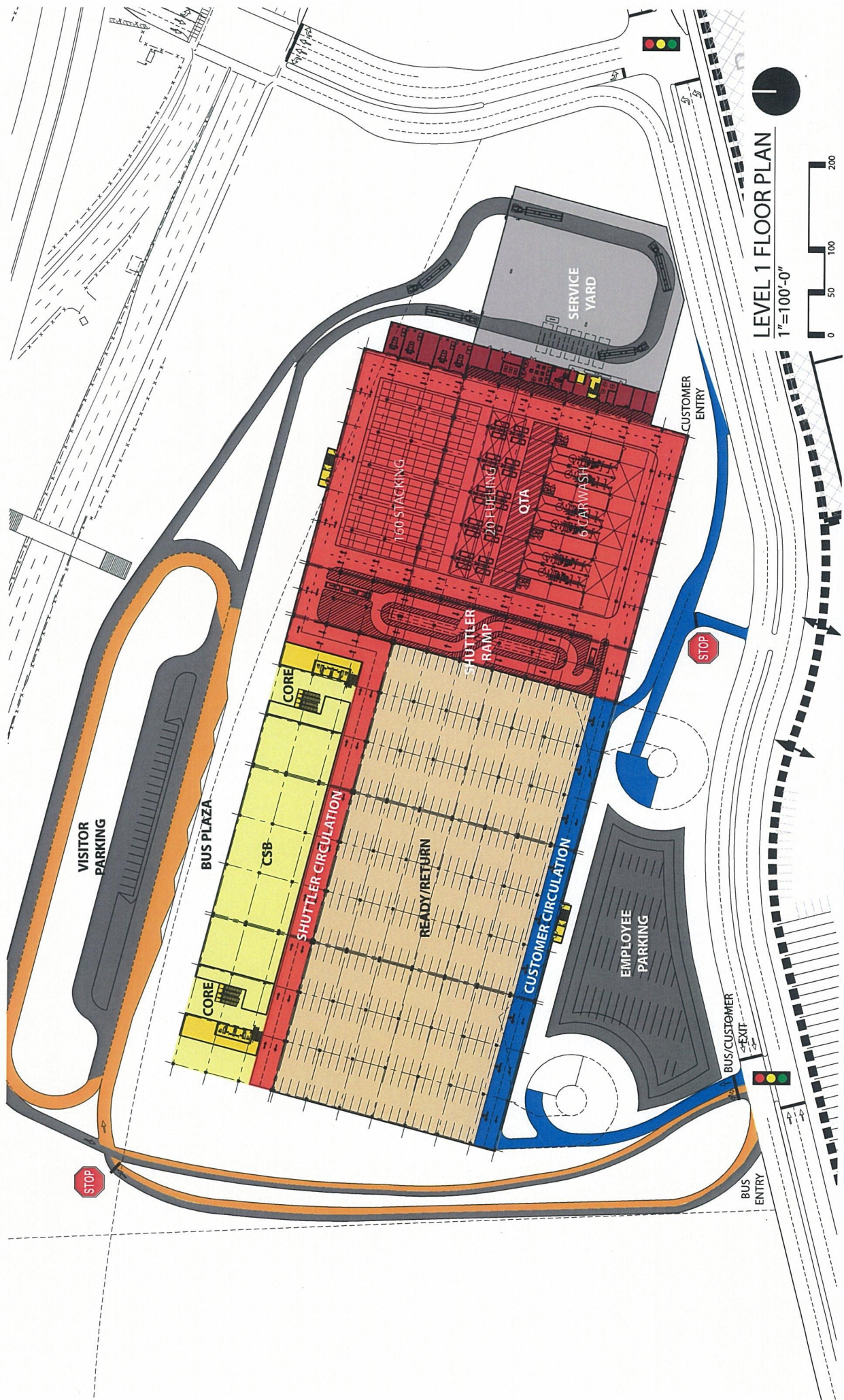


SECTION 3
CONCEPT A

DW
Demetri Wong
architecture

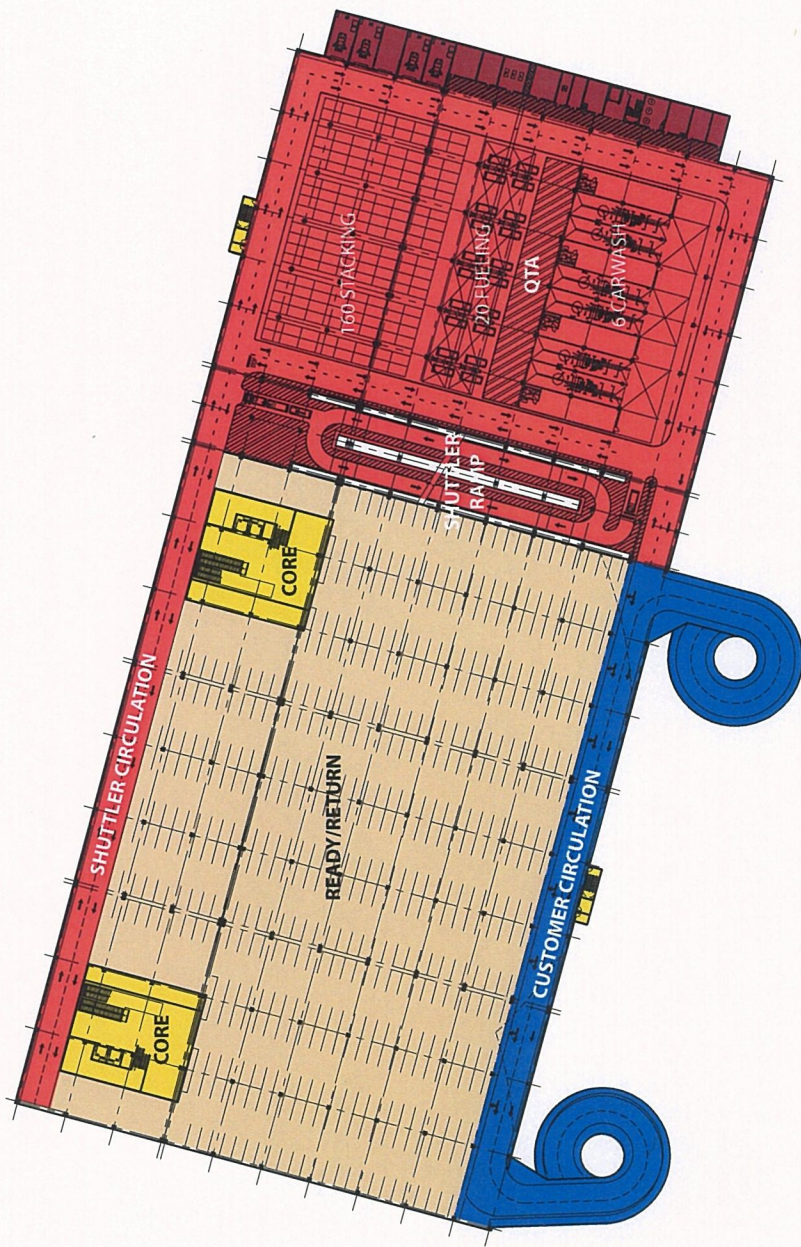
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INTERNATIONAL
AIRPORT





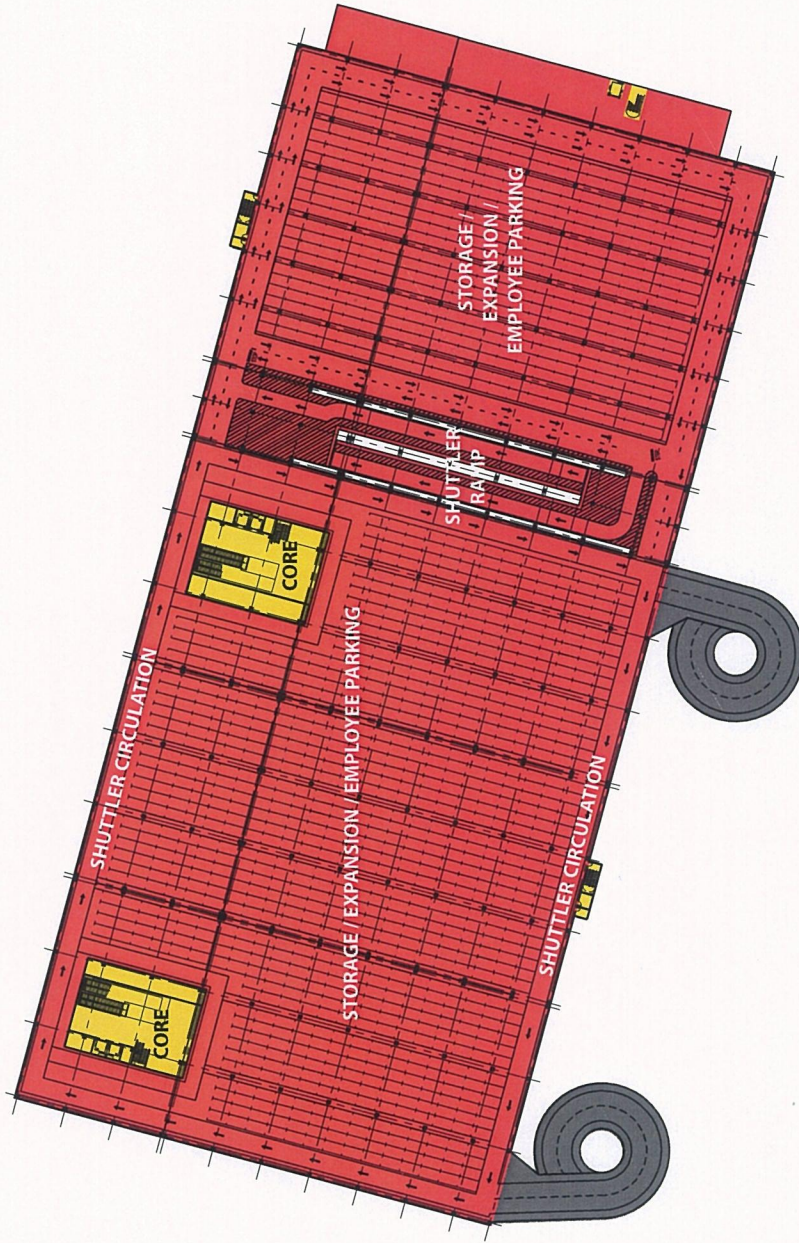
SECTION 3
CONCEPT A





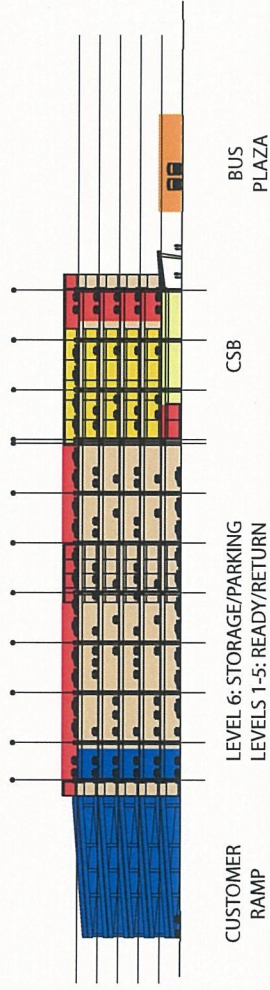
LEVELS 2-5 FLOOR PLAN
 1"=100'-0"



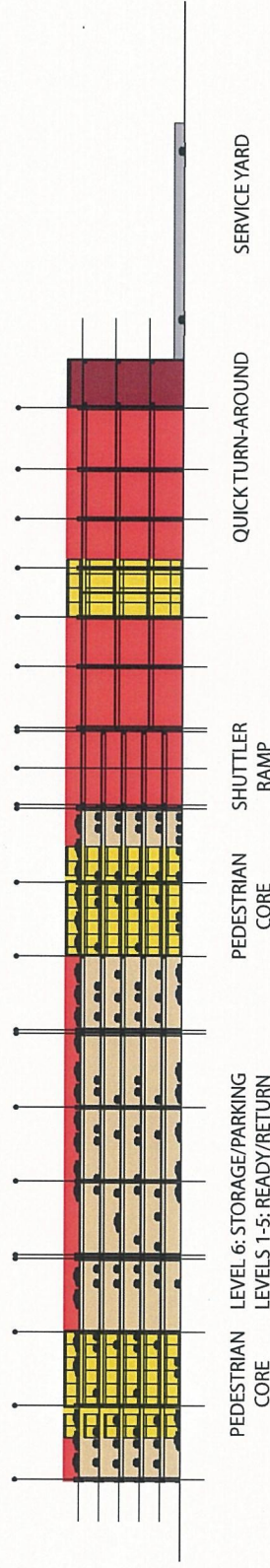


LEVEL 6 FLOOR PLAN
 1"=100'-0"





NORTH-SOUTH BUILDING SECTION
1"=100'-0"



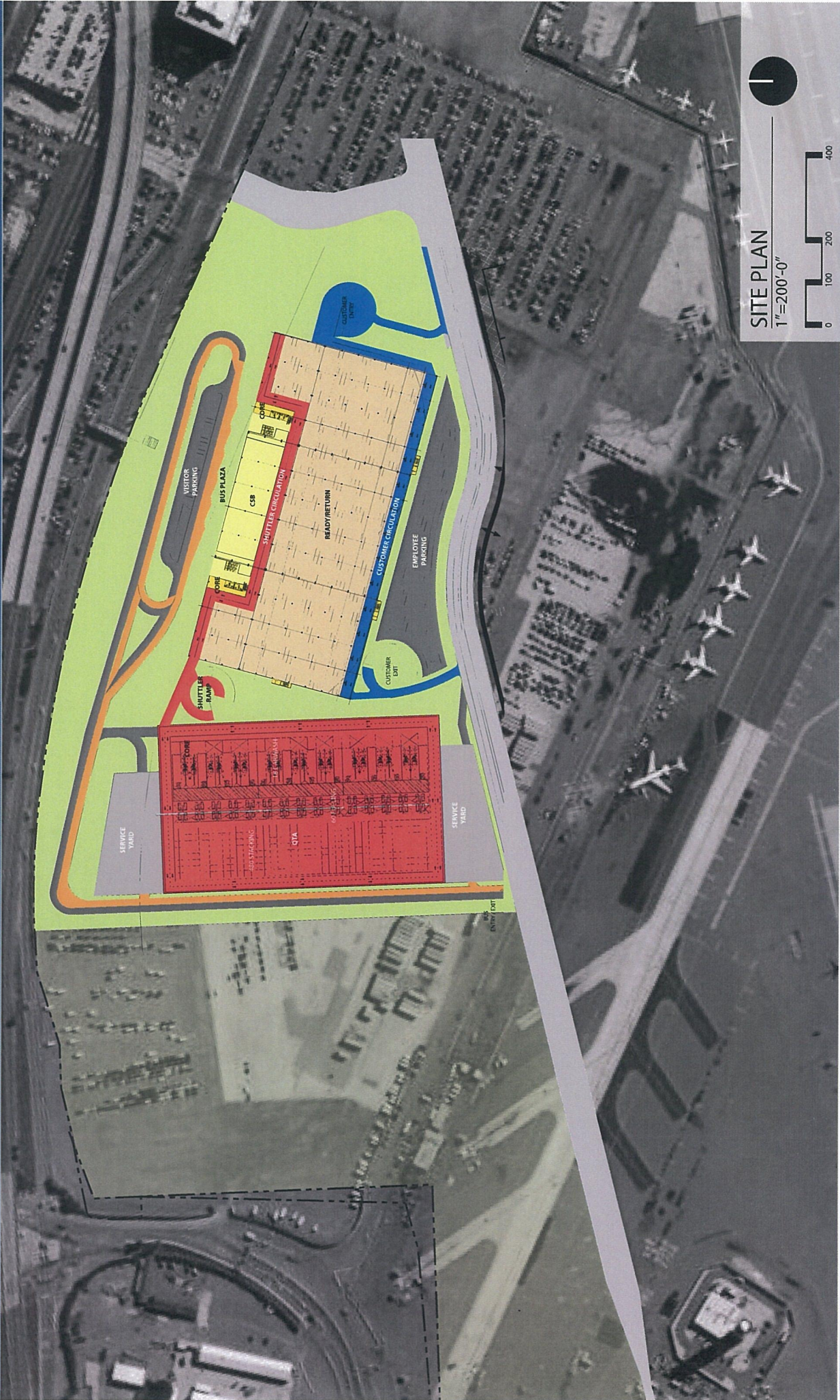
EAST-WEST BUILDING SECTION
1"=100'-0"



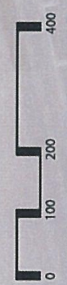
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AIRPORT

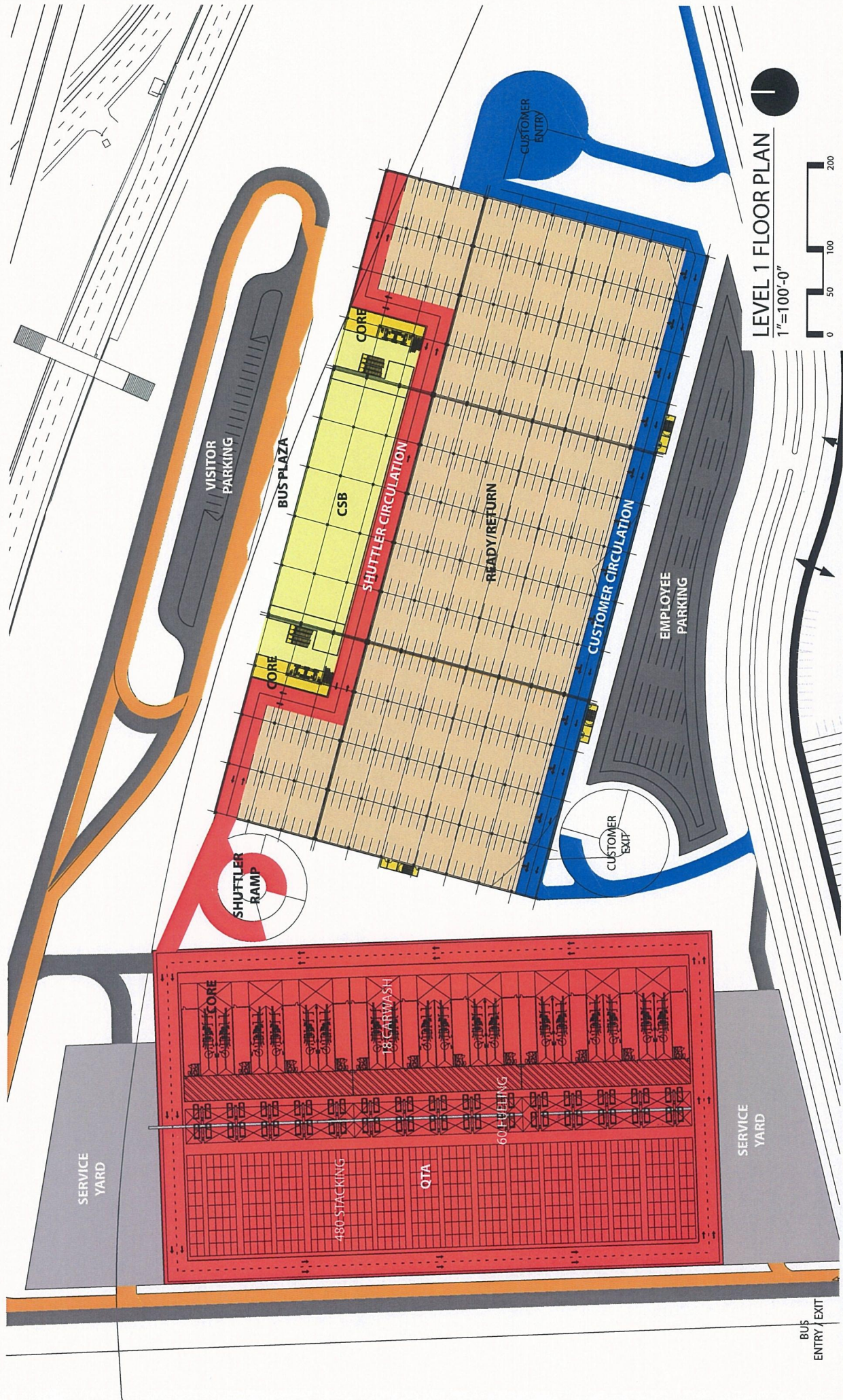
DW
Demattel Wong
architecture

SECTION 3
CONCEPT A



SITE PLAN
1"=200'-0"

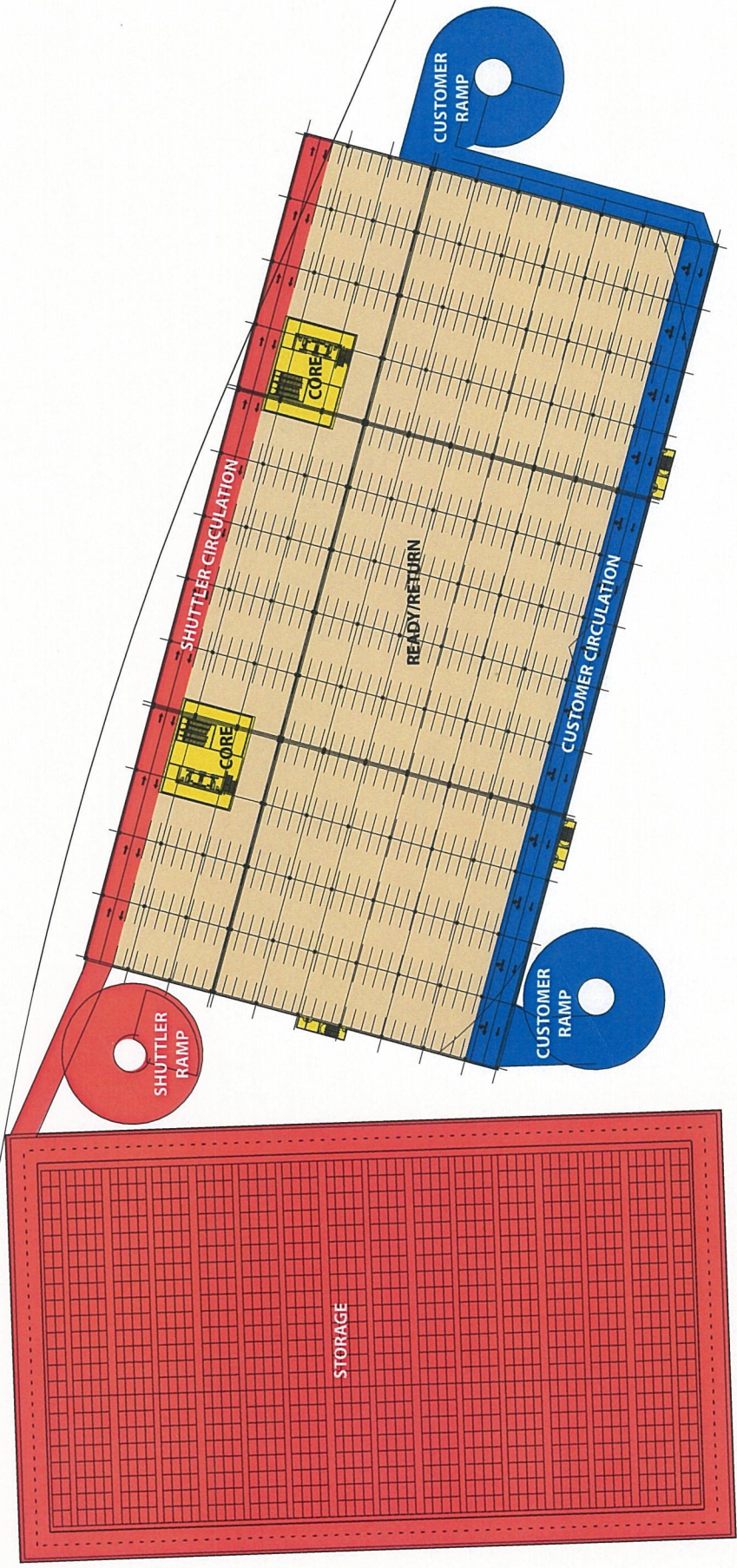




LEVEL 1 FLOOR PLAN
1"=100'-0"

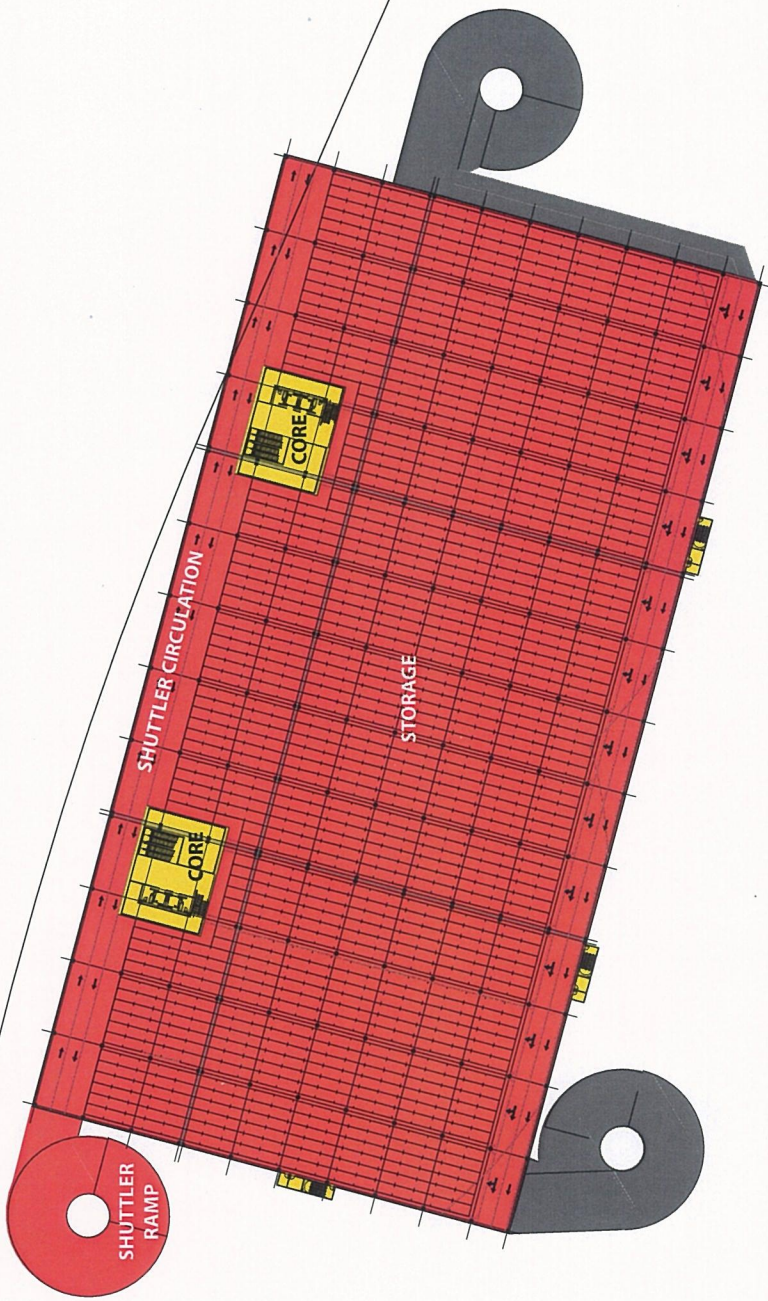
SECTION 4
CONCEPT B





SECTION 4
CONCEPT B





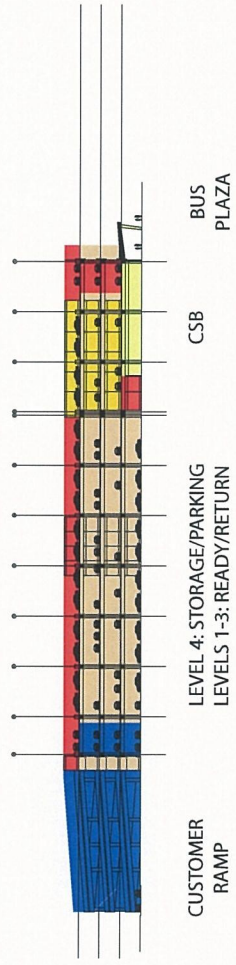
LEVEL 4 FLOOR PLAN
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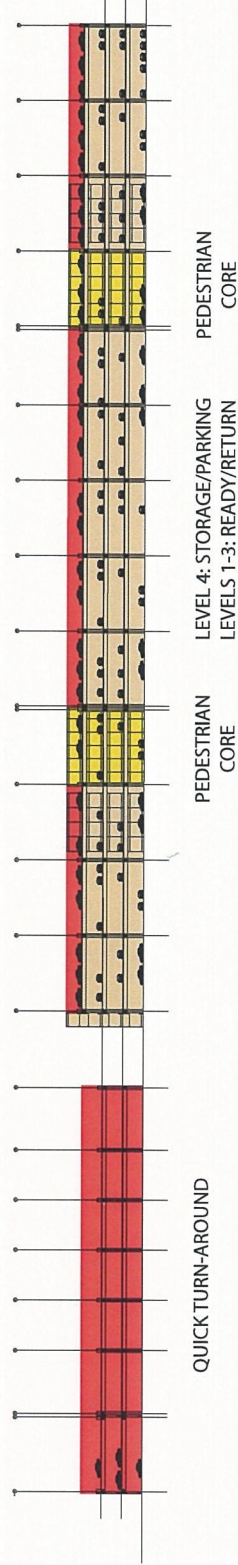
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 AIRPORT

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 Demattèi Wong
 architecture

SECTION 4
 CONCEPT B



NORTH-SOUTH BUILDING SECTION
 1"=100'-0"



EAST-WEST BUILDING SECTION
 1"=100'-0"



CONCEPT D

AREA TABULATIONS

CUSTOMER SERVICE AREA

COMMON LOBBY / LEVEL 1 CORE
 RAC LEASE SPACE
 SUPPORT (LEVEL 1)
 CORES TOTAL LEVELS 2-4 (8,000 SF PER LEVEL)

24,500 SF
 28,000 SF
 9,500 SF
 24,000 SF

SITE AREA

BUILDING SITE AREA
 250' SETBACK AREA

853,564 SF (19.59 ACRES)
 394,000 SF (9.04 ACRES)
1,247,564 SF (28.63 ACRES)

TOTAL SITE AREA

READY / RETURN - THREE LEVELS

LEVEL 1
 LEVEL 2
 LEVEL 3

270,000 SF
 307,000 SF
 307,000 SF

CAPACITIES

READY / RETURN GARAGE

LEVEL 1
 LEVEL 2
 LEVEL 3

776 STALLS
 856 STALLS
 856 STALLS
2488 STALLS

RENTAL CAR STORAGE / EMPLOYEE PARKING

LEVEL 4

401,000 SF

TOTAL VEHICLES

QUICK TURN-AROUND FACILITY (QTA) - THREE LEVELS

STACKING TOTAL (24,000 SF PER LEVEL)
 CAR WASH TOTAL (9,500 SF PER LEVEL)
 FUELING TOTAL (12,800 SF PER LEVEL)
 CIRCULATION TOTAL (46,500 SF PER LEVEL)
 RAC ADMIN (6,500 SF PER LEVEL)

72,000 SF
 28,500 SF
 38,400 SF
 139,500 SF
 19,500 SF

QUICK TURN-AROUND FACILITY (QTA)

STACKING (160 PER LEVEL)
 CAR WASH (6 PER LEVEL)
 FUELING (20 PER LEVEL)

480 N/T
 18 BAYS
 60 POSITIONS

STORAGE

ABOVE READY/RETURN (LEVEL 4)
 ABOVE QTA (LEVEL 4)

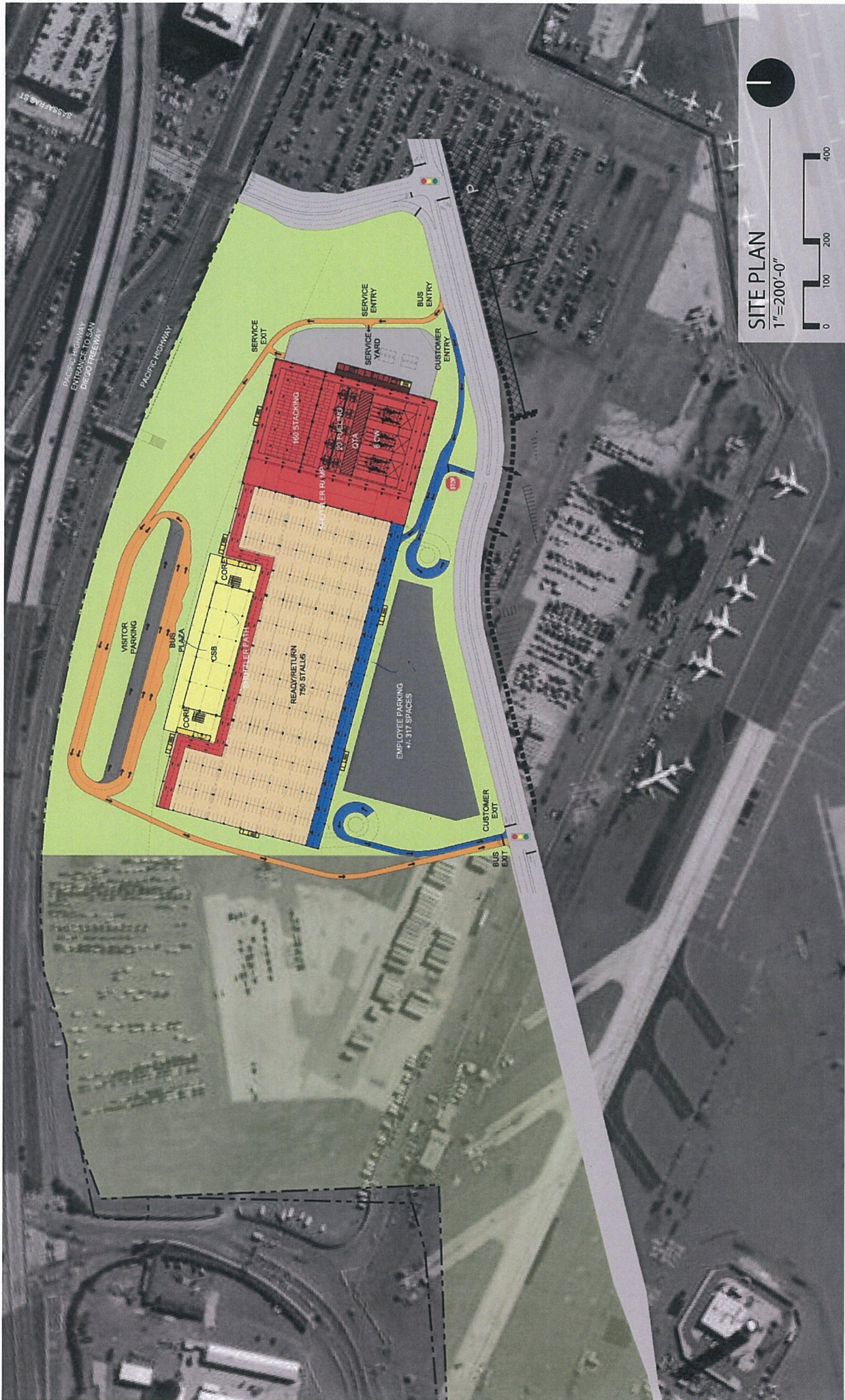
1469
 420
1889

TOTAL

1,659,400 SF

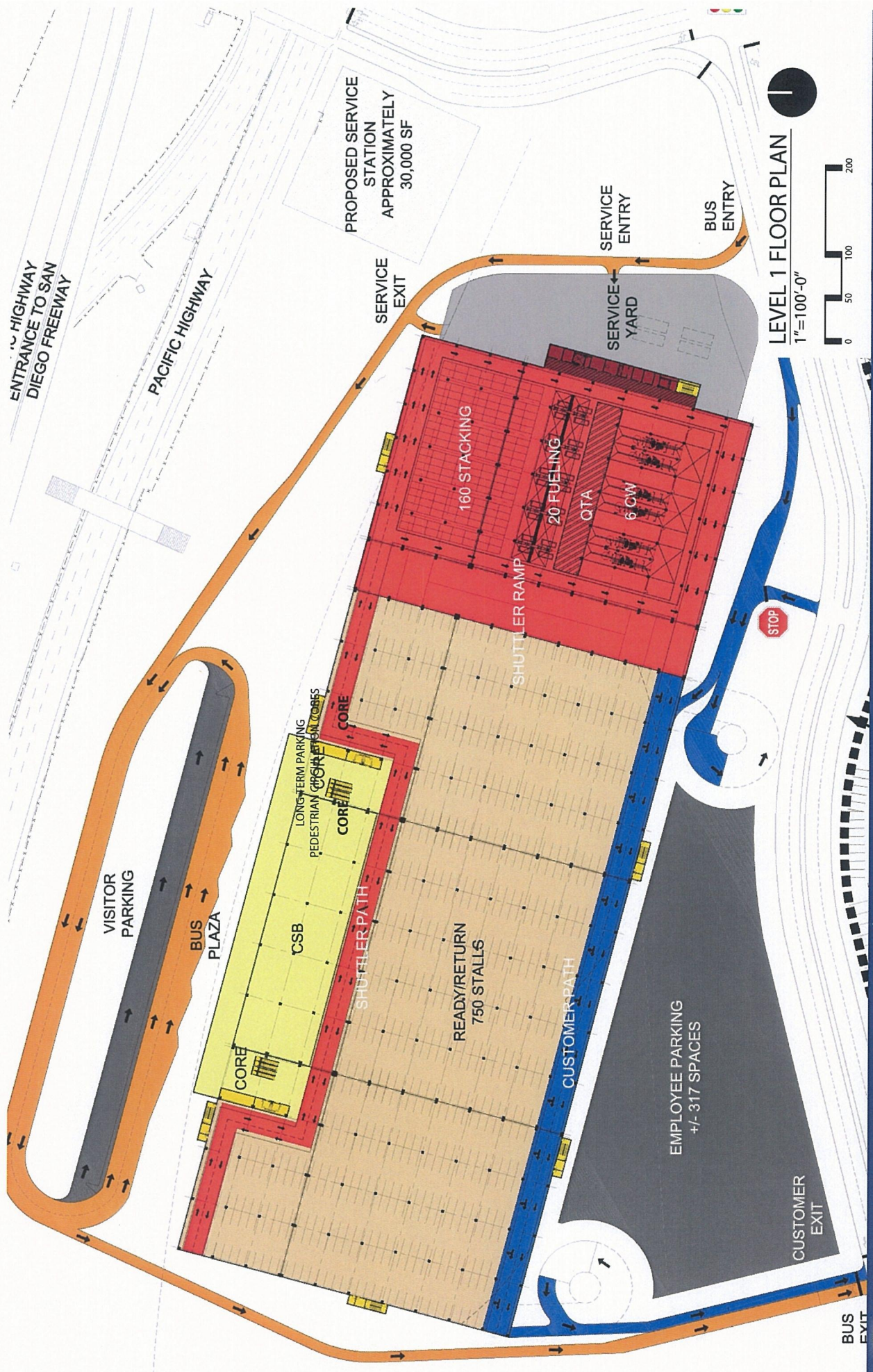
TOTAL VEHICLES





SECTION 5
CONCEPT D





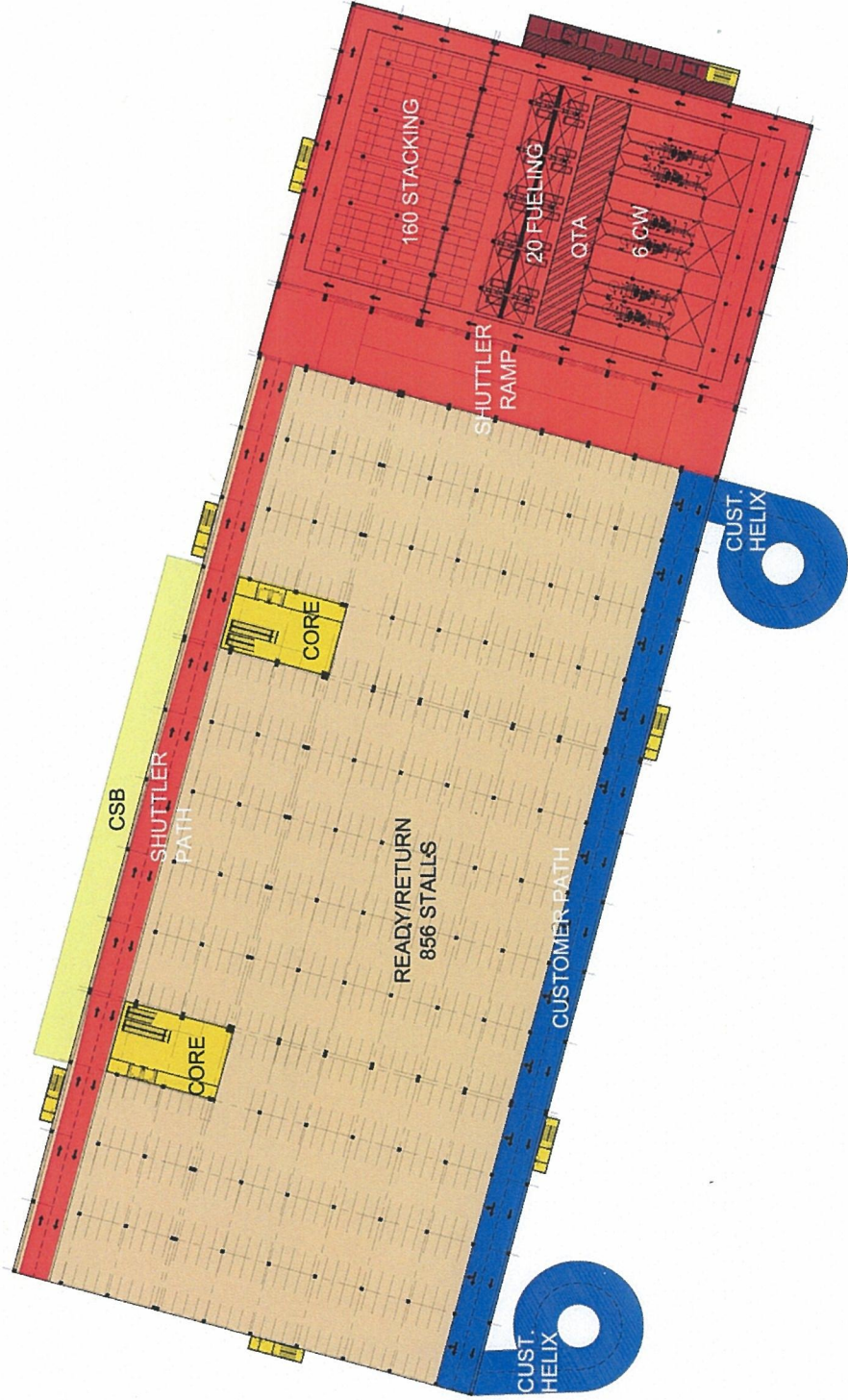
LEVEL 1 FLOOR PLAN
1"=100'-0"

SECTION 5
CONCEPT D



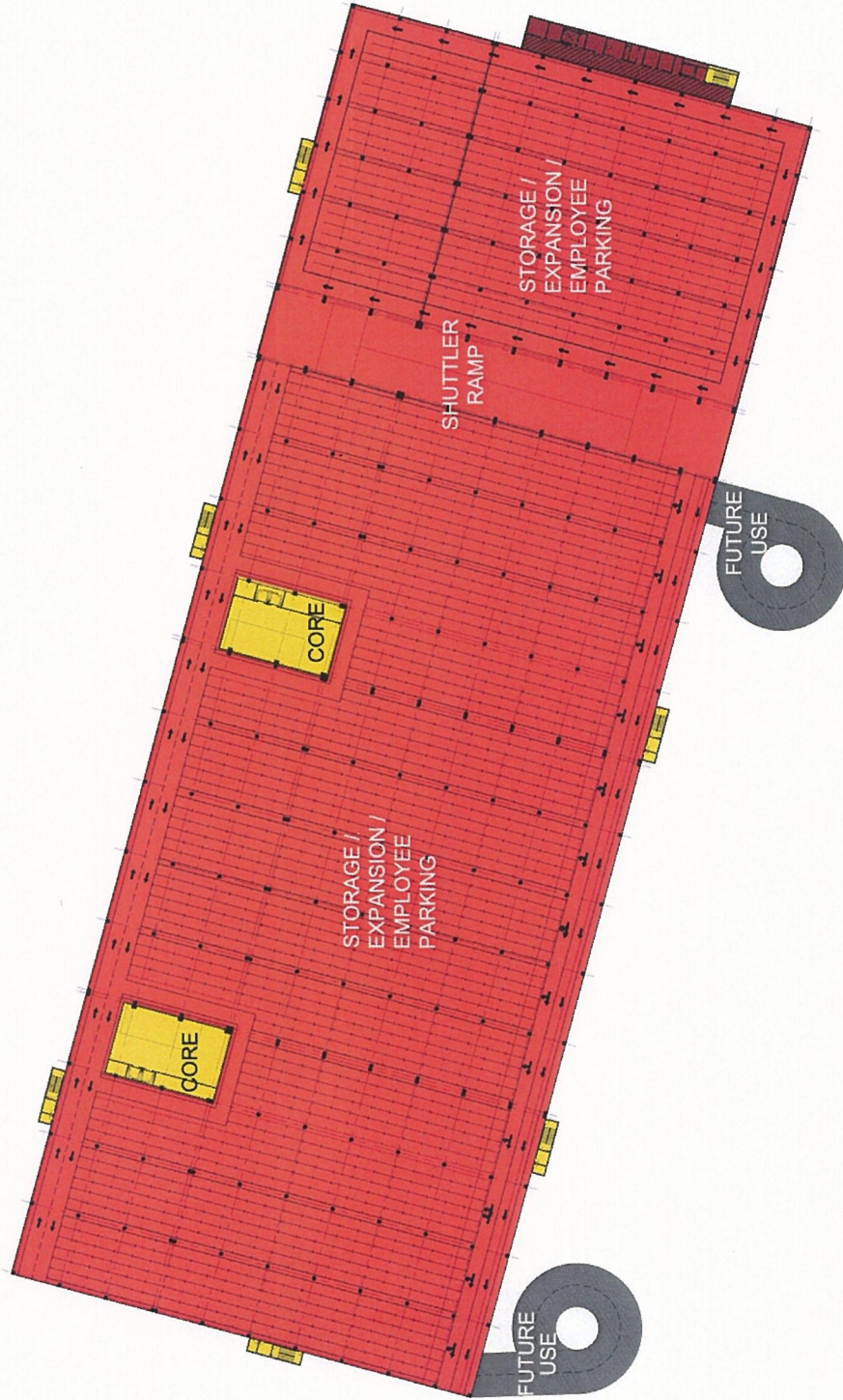
SAN DIEGO INTERNATIONAL AIRPORT





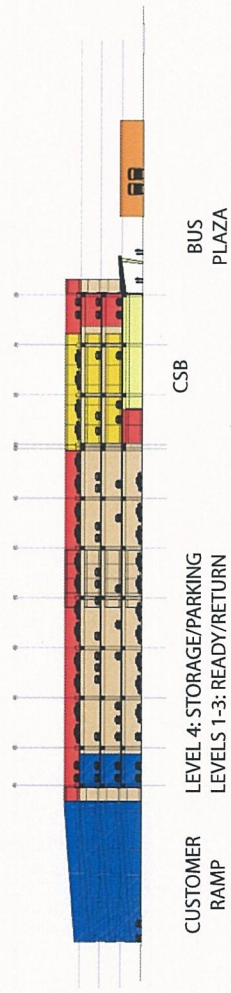
LEVELS 2-3 FLOOR PLAN
 1"=100'-0"



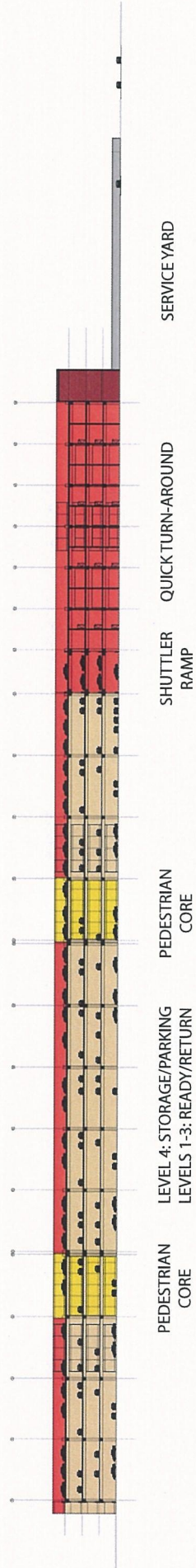


LEVEL 4 FLOOR PLAN
 1"=200'-0"





NORTH-SOUTH BUILDING SECTION
 1"=100'-0"



FAST-WEST BUILDING SECTION



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DW
 Demattei Wong
 architecture

SECTION 5
 CONCEPT D

INTRODUCTION

1. Basis Of Estimate

This statement is based on the Concept Design package as prepared by Demattei Wong Architecture (dated March 2011), along with verbal direction from the architect and engineer.

Drawings: Conceptual Design Pricing Set for Concept A

Project Delivery Schedule: Assumed to start in June 2013 for 24 months

2. Scope of Estimate

The cost study is intended to address the construction cost for a new rental car facility at San Diego International Airport. The rental car facility consists of customer service area, ready and return garage, quick turn-around facility, and rental car storage/employee parking area.

The building is priced as a LEED Silver certified structure.

3. Items Affecting the Estimate

A Specific Exclusions

Items which are not detailed in the backup to this estimate include the following:

- 1 Tenant Improvements.
- 2 Telephone equipment and cabling.
- 3 Move-in costs or maintenance costs after move-in.
- 4 Financing and carry costs.
- 5 Hazardous material abatement (if required) beyond that carried in this estimate.
- 6 Soil remediation.
- 7 Relocation of existing Airport Infrastructure (Jet Fuel Piping)
- 8 PV Panels
- 9 Buildings demolition
- 10 Temporary construction
- 11 Car stacking equipment

B Items Affecting the Cost Estimate

Items which may change the estimated construction cost include, but are not limited to:

- 1 Modifications to the scope of work included in this estimate.
- 2 Restrictive technical specifications or excessive contract conditions.
- 3 Any specified item of equipment, material, or product that cannot be obtained from at least three (3) different sources.
- 4 Any other non-competitive bid situations.
- 5 Bids delayed beyond the projected schedule.
- 6 Unit prices for commodities such as aggregate base, fill soils, and soils export can vary greatly from those presented herein, depending upon the demand for such materials (or lack thereof) within the dirt market at the time of actual construction.
- 7 Note: Given the current instabilities in the world market, the cost of many products (including, but not limited to, asphalt, Portland Cement concrete, lumber, sewer, water, and drain pipe, and steel) may differ significantly at the time material orders are actually placed from what is shown herein (beyond that accounted for by reasonable escalation rates).

INTRODUCTION

C Assumptions made in the Cost Estimate

This estimate was prepared under the following assumptions:

- 1 The site will be fully accessible during normal working hours.
- 2 Phasing will not be required.
- 3 Construction contract procurement method is competitive, public G.C. bid.
- 4 Prevailing wage labor rate structure.
- 5 No special security and badging will be required.
- 6 Allowance for 25 visitor parking spaces.

4. Notes

Statement of Probable Cost

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

The statement reflects probable construction costs obtainable in a competitive and stable bidding market. This estimate is based upon a minimum of four (4) competitive bids from qualified general contractors, with bids from a minimum of three (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in a lower bid result.

In accordance with industry analyses, it has been determined that the number of competitive bids obtained may have the following effect:

1 bid	add	15% to 40%
2 to 3 bids	add	8% to 12%
4 to 5 bids		-4% to +4%
6 to 8 bids	deduct	5% to 7%
9 or more bids	deduct	8% to 25%

Caveat emptor! The bid price is not necessarily the final cost. Please be advised that opening up the bid process to all comers invites bid-day errors and "lowball" bids from potentially less-than-qualified bidders who will seek to make their profit on the job via an unending stream of change order requests.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.

Recommendations for Cost Control

Cumming recommends that the Owner and the Architect carefully review this entire document to ensure that it reflects their design intent.

INTRODUCTION

Requests for modifications of any apparent errors or omissions to this document must be made within ten (10) working days of the date of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted. If the project is over budget, or there are unresolved budgeting issues, alternate systems / schemes should be evaluated before proceeding.

Basis for Quantities

Wherever possible and practical, this estimate has been based upon the actual measurement of different items of work. For the remaining items, parametric measurements were used in conjunction with references from other projects of a similar nature.

The gross floor area (GFA) quantities utilized herein are as indicated on the drawings.

Basis for Unit Costs

The unit costs enumerated herein are based on current bid prices in the San Diego, California area.

Subcontractor's overhead and profit is included in each line item unit cost. This overhead and profit covers each subcontractor's cost for labor burden, materials and equipment sales taxes, field overhead, home office overhead, and profit. The general contractor's overhead and profit is shown separately on the Summary.

Sources for Pricing

This estimate was prepared by a team of qualified cost consultants experienced in estimating construction costs at all stages of design.

These consultants have used pricing data from the Cumming database for construction, updated to reflect current market conditions in the San Diego, California area at the time the estimate was prepared. In some cases, quotes were solicited from outside sources to substantiate in-house pricing data.

Subcontractor's Mark-ups

As stated earlier, subcontractor's mark-ups have been included in each line item unit cost. Depending on the trade, these mark-ups can range from 15% to 20% of the raw cost for that particular item of work.

5. Prorates

General Conditions

An allowance based 8% of the construction cost subtotal has been included for the contractor's general conditions.

Contractor's Bonds

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's payment and performance bonds (if required).

Contractor's General Liability Insurance

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's general liability insurance.

INTRODUCTION

Contractor's Fee

A reasonable allowance based on 4% of the construction cost subtotal has been included for the general contractor's home office overhead and profit. Site overhead is included in the general conditions.

Design Evolution Contingency

A reasonable allowance of 10% for undeveloped design details has been included in the Summary of this estimate. As the design of each system is further developed, details which increase cost become apparent and are incorporated into the estimate.

Escalation

Escalation is calculated from the basis of this estimate to the Midpoint of Construction using the following rates:

Annual:	2011	1.00%
	2012	2.00%
	2013	3.00%
	2014	4.00%
	2015	5.00%
	2016	5.00%

Construction Start:	06/01/13
Construction Completion:	06/01/15
Construction Midpoint:	06/01/14
Construction Duration:	24 Months
Compound Escalation:	7.79%

Phasing Allowance

No phasing allowance is made at Concept Design stage.

Soft Costs

Soft costs associated with the project are included and referenced in detail. Refer to pages 7-8.

LEED

The LEED goal of Silver is included in the pricing.

Abbreviations Commonly Used Herein

BCY	bank cubic yards	LF	lineal feet
CCY	compacted cubic yards	LS	lump-sum
CFM	cubic feet per minute	NSF	net square feet
CLF	hundred lineal feet	PC	piece(s)
CY	cubic yard(s)	PR	pair
EA	each	SF	square feet
FLT	flight (of stairs)	SFCA	square feet of contact area
GSF	gross square feet	SFF	square feet of floor
MH	man hour(s)	SY	square yard(s)
LB	pound(s)	TN	ton(s)
LCY	loose cubic yards	VLF	vertical lineal feet

CONCEPT A COST ESTIMATE 29

TOTAL PROJECT COST DETAIL - CONCEPT A

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
BUILDING PERMITS						
Based on 1% of construction cost	1.00	%	\$156,561,968		\$1,565,620	
					<u>\$1,565,620</u>	\$1,565,620
CONSTRUCTION COST						
Building construction cost			\$156,561,968		\$156,561,968	
LEED requirement cost			\$3,530,536		\$3,530,536	
					<u>\$160,092,504</u>	\$160,092,504
FF&E COSTS						
Works of Art	1.00	%	\$156,561,968		\$1,565,620	
					<u>\$1,565,620</u>	\$1,565,620
EXTERIOR SIGNAGE						
Exterior Building Signage, (see Base Estimate)	-	allow	\$0.00	\$0	\$0	
Regional wayfinding signage, (see Base Estimate)	-	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Included in hard costs
SUPPORT EQUIPMENT						
Airport Audio Visual Equipment (excluded)	1	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Excluded
SYSTEMS						
Management system, TBD					\$0	
					<u>\$0</u>	Excluded
OPERATING EQUIPMENT						
					\$0	Excluded
INVENTORY (CONSUMABLES)						
					\$0	Excluded
DESIGN, PROGRAM MANAGEMENT & CM COSTS						
Design Costs						
Design Costs	9.00	%	\$156,561,968		\$14,090,577	
Sub Total Design Costs					<u>\$14,090,577</u>	
CM Costs						
CM	4.00	%	\$156,561,968		\$6,262,479	
Material testing/inspection/geotechnical	3.00	%	\$156,561,968		\$4,696,859	
Sub Total CM Costs					<u>\$10,959,338</u>	
Total Design, Program and CM Costs					<u>\$25,049,915</u>	\$25,049,915
LEED commision and associated Costs						
	-	allow	\$1,000,000		\$1,000,000	
					<u>\$1,000,000</u>	\$1,000,000
PRE - OPENING EXPENSES						
None Required					\$0	
					<u>\$0</u>	Excluded

TOTAL PROJECT COST DETAIL - CONCEPT A

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
WORKING CAPITAL						
None Required					\$0	Excluded
					\$0	
FINANCIAL, TAXES & LEGAL						
Capitalized interest, excluded					\$0	
Legal Fees (Excluded)	-	allow	\$0.00		\$0	Excluded
					\$0	
CONTINGENCY						
Construction contingency	10.00	%	\$156,561,968		\$15,656,197	\$15,656,197
					\$15,656,197	\$15,656,197
LAND COSTS						
Cost of land - Excluded					\$0	Excluded
					\$0	
TOTAL PROJECT COSTS						\$204,929,855

CONSTRUCTION COST SUMMARY

Element	Area	Cost / SF	Total	
CONRAC				
1	Customer Service Area (CSA)	145,500 SF	\$177.38	\$25,809,358
	Common Lobby / Level 1 core	41,500 SF		
	RAC Lease Space (Level 1)	29,000 SF		
	Cores Total Levels 2-6	75,000 SF		
2	Ready and Return Garage, Level 1-Level 5	972,000 SF	\$57.13	\$55,533,872
3	Quick Turn-around Facility (QTA), Level 1-Level 3	345,800 SF	\$112.36	\$38,853,987
4	Rental Car Storage / Employee Parking, Level 6	330,267 SF	\$50.74	\$16,758,094
5	Site Development	1,036,891 SF	\$18.91	\$19,606,656
TOTAL ESTIMATED BUILDING CONSTRUCTION COST				
	1,793,566 SF	\$87.29	<u>\$156,561,968</u>	

LEED REQUIREMENTS

1	Premium to achieve LEED Silver	1,793,566 SF	\$1.97	\$3,530,536
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OPTIONS

1	Premium for pile foundation in lieu of mat foundation (based on average premium of 25%)			\$2,000,000
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CONCEPT A COST ESTIMATE

March 24, 2011

CONRAC Concept A
San Diego International Airport
 San Diego, California
 Concept Design Statement of Probable Cost

BUILDING & SITE WORK COMPONENT SUMMARY

Component Division	QTA		R&R		CSA		RCS		Site Work		Total	
	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF
	345,800 SF		972,000 SF		145,500 SF		330,267 SF		1,036,891 SF		1,793,566 SF	
1 Foundations	\$2,529,883	\$7.32	\$3,761,105	\$3.87	\$1,533,978	\$10.54	\$0	\$0.00	\$0.00	\$7,824,966	\$4.36	
2 Vertical Structure	\$4,664,148	\$13.49	\$7,025,696	\$7.23	\$203,777	\$1.40	\$1,903,410	\$5.76	\$13,797,030	\$7.69		
3 Floor & Roof Structures	\$5,097,619	\$14.74	\$15,284,638	\$15.72	\$2,347,059	\$16.13	\$6,269,690	\$18.98	\$28,999,006	\$16.17		
4 Exterior Cladding	\$1,401,000	\$4.05	\$830,858	\$0.85	\$1,439,295	\$9.89	\$180,360	\$0.55	\$3,851,513	\$2.15		
5 Roofing & Waterproofing	\$103,740	\$0.30	\$291,600	\$0.30	\$43,650	\$0.30	\$2,080,680	\$6.30	\$2,519,670	\$1.40		
6 Interior Partitions, Doors & Glazing	\$230,533	\$0.67	\$0	\$0.00	\$29,100	\$0.20	\$66,063	\$0.20	\$325,687	\$0.18		
7 Floor, Wall & Ceiling Finishes	\$158,935	\$0.46	\$526,608	\$0.54	\$2,428,020	\$16.69	\$216,569	\$0.66	\$3,330,132	\$1.86		
8 Function Equipment & Specialties	\$6,320,190	\$18.28	\$502,985	\$0.52	\$210,975	\$1.45	\$181,647	\$0.55	\$7,215,797	\$4.02		
9 Stairs & Vertical Transportation	\$610,000	\$1.76	\$1,920,000	\$1.98	\$3,200,000	\$21.99	\$100,000	\$0.30	\$5,830,000	\$3.25		
10 Plumbing Systems	\$1,531,779	\$4.43	\$982,000	\$1.01	\$358,525	\$2.46	\$331,161	\$1.00	\$3,203,466	\$1.79		
11 Heating, Ventilating & Air Conditioning	\$732,532	\$2.12	\$903,656	\$0.93	\$3,384,261	\$23.26	\$60,000	\$0.18	\$5,080,448	\$2.83		
12 Electric Lighting, Power & Communications	\$3,653,188	\$10.56	\$4,539,020	\$4.67	\$3,194,475	\$21.96	\$965,280	\$2.92	\$12,351,963	\$6.89		
13 Fire Protection Systems	\$1,611,427	\$4.66	\$4,374,000	\$4.50	\$654,750	\$4.50	\$0	\$0.00	\$6,640,177	\$3.70		
14 Site Preparation & Demolition	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,787,943	\$1.55		
15 Site Paving, Structures & Landscaping	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$7,056,327	\$3.93		
16 Utilities on Site	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$4,110,673	\$2.29		
17 Off-site Work	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$500,000	\$0.28		
Subtotal	\$28,644,974	\$82.84	\$40,942,165	\$42.12	\$19,027,864	\$130.78	\$12,354,850	\$37.41	\$14,454,943	\$13.94	\$115,424,797	\$64.35
General Conditions	\$2,291,598	\$6.63	\$3,275,373	\$3.37	\$1,522,229	\$10.46	\$988,388	\$2.99	\$1,156,395	\$1.12	\$9,233,984	\$5.15
Subtotal	\$30,936,572	\$89.46	\$44,217,538	\$45.49	\$20,550,094	\$141.24	\$13,343,238	\$40.40	\$15,611,339	\$15.06	\$124,658,781	\$69.50
Bonds	\$286,450	\$0.83	\$409,422	\$0.42	\$190,279	\$1.31	\$123,548	\$0.37	\$144,549	\$0.14	\$1,154,248	\$0.64
Subtotal	\$31,223,022	\$90.29	\$44,626,960	\$45.91	\$20,740,372	\$142.55	\$13,466,786	\$40.78	\$15,755,888	\$15.20	\$125,813,029	\$70.15
Liability Insurance	\$286,450	\$0.83	\$409,422	\$0.42	\$190,279	\$1.31	\$123,548	\$0.37	\$144,549	\$0.14	\$1,154,248	\$0.64
Subtotal	\$31,509,472	\$91.12	\$45,036,382	\$46.33	\$20,930,651	\$143.85	\$13,590,335	\$41.15	\$15,900,437	\$15.33	\$126,967,276	\$70.79
General Contractor's Fee	\$1,260,379	\$3.64	\$1,801,455	\$1.85	\$837,226	\$5.75	\$543,613	\$1.65	\$636,017	\$0.61	\$5,078,691	\$2.83
Subtotal	\$32,769,851	\$94.77	\$46,837,837	\$48.19	\$21,767,877	\$149.61	\$14,133,948	\$42.80	\$16,536,455	\$15.95	\$132,045,968	\$73.62
Design / Estimating Contingency	\$3,276,985	\$9.48	\$4,683,784	\$4.82	\$2,176,788	\$14.96	\$1,413,395	\$4.28	\$1,653,645	\$1.59	\$13,204,597	\$7.36
Subtotal	\$36,046,836	\$104.24	\$51,521,621	\$53.01	\$23,944,665	\$164.57	\$15,547,343	\$47.08	\$18,190,100	\$17.54	\$145,250,564	\$80.98
Escalation	\$2,807,151	\$8.12	\$4,012,252	\$4.13	\$1,864,693	\$12.82	\$1,210,751	\$3.67	\$1,416,556	\$1.37	\$11,311,403	\$6.31

CONRAC

Schedule of Areas & Control Quantities

Schedule of Areas	SF	SF
Areas -QTA		
Level 1	115,267	
Level 2	115,267	
Level 3	115,267	
Subtotal, Areas -QTA		345,800
Areas -Ready and Return Garage		
Level 1	172,000	
Level 2	200,000	
Level 3	200,000	
Level 4	200,000	
Level 5	200,000	
Subtotal, Areas -Ready and Return Garage		972,000
Efficiency factor		(389 /PER STALL)
Areas -Customer Service Area		
Common Lobby / Level 1 core	41,500	
RAC Lease Space (Level 1)	29,000	
Cores Total Levels 2-6	75,000	
Subtotal, Areas -Customer Service Area		145,500
Areas -Rental Car Storage/ Employee Parking Area		
Level 6	330,267	
Subtotal, Areas -Rental Car Storage/ Employee Parking Area		330,267
Total Gross Floor Area		1,793,566

Control Quantities	Qty		Ratio to Gross Area
Number of Levels	6	EA	0.003
Number of Units (Fuel position)	60	EA	0.033
Number of Units (Car wash)	18	EA	0.01
Number of Units (Vehicle stacking)	480	EA	0.268
Number of Units (Parking stalls)	2,498	EA	1.393
Footprint Area	357,767	SF	0.199

QTA (Quick Turn-Around Facility)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$13,796,390		\$39.90
1 Foundations	\$2,529,883		\$7.32	
2 Vertical Structure	\$4,664,148		\$13.49	
3 Floor & Roof Structures	\$5,097,619		\$14.74	
4 Exterior Cladding	\$1,401,000		\$4.05	
5 Roofing and Waterproofing	\$103,740		\$0.30	
B) Interiors (6-7)		\$389,468		\$1.13
6 Interior Partitions, Doors and Glazing	\$230,533		\$0.67	
7 Floor, Wall and Ceiling Finishes	\$158,935		\$0.46	
C) Equipment and Vertical Transportation (8-9)		\$6,930,190		\$20.04
8 Function Equipment and Specialties	\$6,320,190		\$18.28	
9 Stairs and Vertical Transportation	\$610,000		\$1.76	
D) Mechanical and Electrical (10-13)		\$7,528,927		\$21.77
10 Plumbing Systems	\$1,531,779		\$4.43	
11 Heating, Ventilation and Air Conditioning	\$732,532		\$2.12	
12 Electrical Lighting, Power and Communications	\$3,653,188		\$10.56	
13 Fire Protection Systems	\$1,611,427		\$4.66	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$28,644,974		\$82.84
General Conditions	8.00%	\$2,291,598		\$6.63
Subtotal		\$30,936,572		\$89.46
Bonds	1.00%	\$286,450		\$0.83
Subtotal		\$31,223,022		\$90.29
Liability Insurance	1.00%	\$286,450		\$0.83
Subtotal		\$31,509,472		\$91.12
General Contractor Fee	4.00%	\$1,260,379		\$3.64
Subtotal		\$32,769,851		\$94.77
Design / Estimating Contingency	10.00%	\$3,276,985		\$9.48
Subtotal		\$36,046,836		\$104.24
Escalation	7.79%	\$2,807,151		\$8.12
TOTAL ESTIMATED CONSTRUCTION COST		\$38,853,987		\$112.36

Total Area: 345,800 SF

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	22,444	CY	\$8.00	\$179,551
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	115,267	SF	\$20.00	\$2,305,332
Sump	2	EA	\$5,000.00	\$10,000
Dewatering	1	LS	\$35,000.00	\$35,000
Total - 1 Foundations				<u>\$2,529,883</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,263 /CY)			
Forms, steel slip forms, multi use	58,080	SF	\$10.00	\$580,800
Reinforcement, 550 lb/cy	591,556	LB	\$0.90	\$532,400
Concrete, allowance	1,076	CY	\$200.00	\$215,111
Sack and finish	58,080	SF	\$0.52	\$30,202
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	30,192	SF	\$8.00	\$241,536
Reinforcement, 2 lb/sf	30,192	LB	\$0.90	\$27,173
Concrete, allowance	559	CY	\$165.00	\$92,253
Sack and finish	30,192	SF	\$0.90	\$27,173
Reinforced enclosed walls, 12" CMU	44,550	SF	\$30.00	\$1,336,500
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,581,000.00	\$1,581,000
Total - 2 Vertical Structure				<u>\$4,664,148</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include shuttle circulation)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	528	SF	\$5.00	\$2,642
Reinforcement, 2.5 lbs/sf	288,167	LB	\$0.90	\$259,350
Aggregate base, 6"	115,267	SF	\$1.28	\$147,541
Vapor barrier	115,267	SF	\$0.30	\$34,580
Concrete, allowance	1,793	CY	\$165.00	\$295,851
Concrete thickenings, allowance	15	CY	\$165.00	\$2,537
Sack and finish	115,267	SF	\$0.52	\$59,939
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	198,267	SF	\$5.00	\$991,333
Edge forms in place, multi use	1,057	SF	\$5.00	\$5,284
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	148,700	LB	\$1.60	\$237,920
Reinforcement, 3lb/sf	594,800	LB	\$0.80	\$475,840
Concrete, allowance	3,084	CY	\$185.00	\$570,567
Sack and finish to flat and sloped soffits and sides	198,267	SF	\$0.52	\$103,099
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	66,766	SF	\$6.00	\$400,595
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	137,513	LB	\$1.60	\$220,021
Reinforcement, 194 lb/cy	280,639	LB	\$0.80	\$224,511
Concrete, allowance	1,447	CY	\$205.00	\$296,551
Sack and finish to sides	66,766	SF	\$0.52	\$34,718
Prestressed post-tensioned transfer girder	1	LS	\$59,000.00	\$59,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	15,096	SF	\$6.00	\$90,576
Reinforcement, 300 lb/cy	167,733	LB	\$0.80	\$134,187
Concrete, allowance	559	CY	\$205.00	\$114,618
Sack and finish sides and soffit	15,096	SF	\$0.52	\$7,850
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	345,800	SF	\$0.75	\$259,350
Miscellaneous metal and rough capentry	345,800	SF	\$0.20	\$69,160
Total - 3 Floor & Roof Structures				<u>\$5,097,619</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Exterior concrete, block or brick walls				
Architectural formliner to exterior façade	1	LS	\$1,234,000.00	\$1,234,000
Equipment room, allow	1	LS	\$167,000.00	\$167,000
Total - 4 Exterior Cladding				<u>\$1,401,000</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	345,800	SF	\$0.15	\$51,870
Miscellaneous caulking and sealants	345,800	SF	\$0.15	\$51,870
Total - 5 Roofing and Waterproofing				<u>\$103,740</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - support areas	345,800	SF	\$0.67	\$230,533
Total - 6 Interior Partitions, Doors and Glazing				<u>\$230,533</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	58,080	SF	\$0.62	\$36,010
Paint underside of suspended slabs	198,267	SF	\$0.62	\$122,925
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$158,935</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	345,800	SF	\$0.15	\$51,870
Directional signage / graphics, allowance	345,800	SF	\$0.05	\$17,290
Miscellaneous specialties				
Code/Graphics required signage	345,800	SF	\$0.25	\$86,450
Miscellaneous specialties	345,800	SF	\$0.10	\$34,580
Equipment				
Car wash equipment, allowance	18	EA	\$85,000.00	\$1,530,000
Car fueling & process & distribution equipment, allowance	60	EA	\$75,000.00	\$4,500,000
Fuel storage tanks, allowance	4	EA	\$25,000.00	\$100,000
Total - 8 Function Equipment and Specialties				<u>\$6,320,190</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	8	FLT	\$20,000.00	\$160,000
Elevators				
Traction Freight elevator, 6000 LBS, 6-stops	1	EA	\$450,000.00	\$450,000
Total - 9 Stairs and Vertical Transportation				<u>\$610,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	345,800	SF	\$2.50	\$864,500
Domestic cold water	1	LS	\$104,000.00	\$104,000
Condensate drainage	1	LS	\$10,000.00	\$10,000
Gas, allowance	345,800	SF		Not required
Emergency/roof/overflow drainage systems	345,800	SF	\$1.50	\$518,700
Miscellaneous plumbing	345,800	SF	\$0.10	\$34,580
Total - 10 Plumbing Systems				<u>\$1,531,779</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	1	LS	\$25,000.00	\$25,000
Air distribution, return and mechanical exhaust	345,800	SF	\$1.00	\$345,800
Controls including leaks detection	1	LS	\$350,000.00	\$350,000
Miscellaneous HVAC				
Test / balance HVAC	20	HR	\$86.60	\$1,732
Seismic bracing, etc.	1	LS	\$10,000.00	\$10,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$732,532</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	345,800	SF	\$4.00	\$1,383,199
HVAC and equipment connections	345,800	SF	\$0.50	\$172,900
Fueling system power				
Fuel pump power				
Convenience power	345,800	SF	\$1.00	\$345,800
Lighting and lighting control	345,800	SF	\$2.50	\$864,500
Special systems				
Fire alarm system	345,800	SF	\$1.00	\$345,800
Tel/data	345,800	SF	\$0.30	\$103,740
Security and surveillance system	345,800	SF	\$1.25	\$432,250
Miscellaneous electrical requirements				
Seismic bracing, etc.	1	LS	\$5,000.00	\$5,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$3,653,188</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Automatic deluge/ dry sprinkler system	345,800	SF	\$4.66	\$1,611,427
Total - 13 Fire Protection Systems				<u>\$1,611,427</u>

Ready and Return Garage

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$27,193,896		\$27.98
1 Foundations	\$3,761,105		\$3.87	
2 Vertical Structure	\$7,025,696		\$7.23	
3 Floor & Roof Structures	\$15,284,638		\$15.72	
4 Exterior Cladding	\$830,858		\$0.85	
5 Roofing and Waterproofing	\$291,600		\$0.30	
B) Interiors (6-7)		\$526,608		\$0.54
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$526,608		\$0.54	
C) Equipment and Vertical Transportation (8-9)		\$2,422,985		\$2.49
8 Function Equipment and Specialties	\$502,985		\$0.52	
9 Stairs and Vertical Transportation	\$1,920,000		\$1.98	
D) Mechanical and Electrical (10-13)		\$10,798,676		\$11.11
10 Plumbing Systems	\$982,000		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$903,656		\$0.93	
12 Electrical Lighting, Power and Communications	\$4,539,020		\$4.67	
13 Fire Protection Systems	\$4,374,000		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$40,942,165		\$42.12
General Conditions	8.00%	\$3,275,373		\$3.37
Subtotal		\$44,217,538		\$45.49
Bonds	1.00%	\$409,422		\$0.42
Subtotal		\$44,626,960		\$45.91
Liability Insurance	1.00%	\$409,422		\$0.42
Subtotal		\$45,036,382		\$46.33
General Contractor Fee	4.00%	\$1,801,455		\$1.85
Subtotal		\$46,837,837		\$48.19
Design / Estimating Contingency	10.00%	\$4,683,784		\$4.82
Subtotal		\$51,521,621		\$53.01
Escalation	7.79%	\$4,012,252		\$4.13
TOTAL ESTIMATED CONSTRUCTION COST		\$55,533,872		\$57.13

Total Area: 972,000 SF

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	32,013	CY	\$8.00	\$256,105
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	172,000	SF	\$20.00	\$3,440,000
Sump	3	EA	\$5,000.00	\$15,000
Dewatering	1	LS	\$50,000.00	\$50,000
Total - 1 Foundations				<u>\$3,761,105</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,235 /CY)			
Forms, steel slip forms, multi use	49,368	SF	\$10.00	\$493,680
Reinforcement, 550 lb/cy	502,822	LB	\$0.90	\$452,540
Concrete, allowance	914	CY	\$200.00	\$182,844
Sack and finish	49,368	SF	\$0.52	\$25,671
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	29,840	SF	\$8.00	\$238,720
Reinforcement, 2 lb/sf	29,840	LB	\$0.90	\$26,856
Concrete, allowance	553	CY	\$165.00	\$91,178
Sack and finish	29,840	SF	\$0.90	\$26,856
Reinforced enclosed walls, 12" CMU	5,445	SF	\$30.00	\$163,350
Customer entry and exit ramp	1	LS	\$5,324,000.00	\$5,324,000
Shuttle entry and exit ramp				<i>in QTA</i>
Total - 2 Vertical Structure				<u>\$7,025,696</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include R/R & Customer return)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	313	SF	\$5.00	\$1,567
Reinforcement, 2.5 lbs/sf	430,000	LB	\$0.90	\$387,000
Aggregate base, 6"	172,000	SF	\$1.28	\$220,160
Vapor barrier	172,000	SF	\$0.30	\$51,600
Concrete, allowance	2,676	CY	\$165.00	\$441,467
Concrete thickenings, allowance	9	CY	\$165.00	\$1,504
Sack and finish	172,000	SF	\$0.52	\$89,440
Slab thickening at kiosk areas, allowance	1	LS	\$200,000.00	\$200,000
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	800,000	SF	\$5.00	\$4,000,000
Edge forms in place, multi use	1,253	SF	\$5.00	\$6,266
Post tensioning tendons, plastic sheathed, .75 lbs/sf	600,000	LB	\$1.60	\$960,000
Reinforcement, 3lb/sf	2,400,000	LB	\$0.80	\$1,920,000
Concrete, allowance	12,444	CY	\$185.00	\$2,302,222
Sack and finish to flat and sloped soffits and sides	800,000	SF	\$0.52	\$416,000
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	159,625	SF	\$6.00	\$957,748
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	328,768	LB	\$1.60	\$526,029
Reinforcement, 194 lb/cy	670,956	LB	\$0.80	\$536,765
Concrete, allowance	3,459	CY	\$205.00	\$709,000
Sack and finish to sides	159,625	SF	\$0.52	\$83,005
Prestressed post-tensioned transfer girder	1	LS	\$142,000.00	\$142,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	32,592	SF	\$6.00	\$195,552
Reinforcement, 300 lb/cy	362,133	LB	\$0.80	\$289,707
Concrete, allowance	1,207	CY	\$205.00	\$247,458
Sack and finish sides and soffit	32,592	SF	\$0.52	\$16,948
Miscellaneous				
Miscellaneous concrete works, curbs and islands	972,000	SF	\$0.50	\$486,000
Miscellaneous metal and rough capentry	972,000	SF	\$0.10	\$97,200
Total - 3 Floor & Roof Structures				<u>\$15,284,638</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Canopy				<i>in CSA</i>
Architectural formliner to exterior façade	18,464	SF	\$45.00	\$830,858
Total - 4 Exterior Cladding				<u>\$830,858</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous Expansion and seismic joints	972,000	SF	\$0.15	\$145,800
Miscellaneous caulking and sealants	972,000	SF	\$0.15	\$145,800
Total - 5 Roofing and Waterproofing				<u>\$291,600</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Total - 6 Interior Partitions, Doors and Glazing				
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	49,368	SF	\$0.62	\$30,608
Paint underside of suspended slabs	800,000	SF	\$0.62	\$496,000
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$526,608</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping				
Striping, stalls	2,498	EA	\$32.50	\$81,185
Hatched striping	1	LS	\$33,000.00	\$33,000
Directional signage / graphics, allowance	972,000	SF	\$0.05	\$48,600
Miscellaneous specialties				
Code/Graphics required signage	972,000	SF	\$0.25	\$243,000
Miscellaneous specialties	972,000	SF	\$0.10	\$97,200
Total - 8 Function Equipment and Specialties				<u>\$502,985</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	12	FLT	\$20,000.00	\$240,000
Elevators				
Traction passenger elevator, 5000 LBS, 6-stops	4	EA	\$420,000.00	\$1,680,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,920,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$2,500.00	\$2,500
Domestic cold water	1	LS	\$4,200.00	\$4,200
Condensate drainage	1	LS	\$3,300.00	\$3,300
Emergency/roof/overflow drainage systems	972,000	SF	\$0.10	\$97,200
Miscellaneous plumbing	972,000	SF	\$0.90	\$874,800
Total - 10 Plumbing Systems				<u>\$982,000</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	972,000	SF	\$0.40	\$388,800
Air distribution and return	972,000	SF	\$0.40	\$388,800
Controls, instrumentation and balancing	972,000	SF	\$0.10	\$97,200
Miscellaneous HVAC				
Test / balance HVAC	160	HR	\$86.60	\$13,856
Seismic bracing, etc.	1	LS	\$15,000.00	\$15,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$903,656</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	972,000	SF	\$0.50	\$486,000
HVAC and equipment connections	972,000	SF	\$0.10	\$97,200
Convenience power	972,000	SF	\$0.30	\$291,600
Lighting and lighting control	972,000	SF	\$2.50	\$2,430,000
Special systems				
Fire alarm system	972,000	SF	\$0.15	\$145,800
Tel/data/PA	972,000	SF	\$0.25	\$243,000
Security and surveillance system	972,000	SF	\$0.40	\$388,800
Code Blue phone system - allowance	37	LOC	\$8,760.00	\$324,120
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$132,500.00	\$132,500
Total - 12 Electrical Lighting, Power and Communications				<u>\$4,539,020</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	972,000	SF	\$4.50	\$4,374,000
Total - 13 Fire Protection Systems				<u>\$4,374,000</u>

Customer Service Area (CSA)

Element		Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)			\$5,567,759		\$38.27
1 Foundations		\$1,533,978		\$10.54	
2 Vertical Structure		\$203,777		\$1.40	
3 Floor & Roof Structures		\$2,347,059		\$16.13	
4 Exterior Cladding		\$1,439,295		\$9.89	
5 Roofing and Waterproofing		\$43,650		\$0.30	
B) Interiors (6-7)			\$2,457,120		\$16.89
6 Interior Partitions, Doors and Glazing		\$29,100		\$0.20	
7 Floor, Wall and Ceiling Finishes		\$2,428,020		\$16.69	
C) Equipment and Vertical Transportation (8-9)			\$3,410,975		\$23.44
8 Function Equipment and Specialties		\$210,975		\$1.45	
9 Stairs and Vertical Transportation		\$3,200,000		\$21.99	
D) Mechanical and Electrical (10-13)			\$7,592,011		\$52.18
10 Plumbing Systems		\$358,525		\$2.46	
11 Heating, Ventilation and Air Conditioning		\$3,384,261		\$23.26	
12 Electrical Lighting, Power and Communications		\$3,194,475		\$21.96	
13 Fire Protection Systems		\$654,750		\$4.50	
E) Site Work (14-16)			\$0		\$0.00
14 Site Preparation and Demolition		\$0		\$0.00	
15 Site Paving, Structures & Landscaping		\$0		\$0.00	
16 Utilities on Site		\$0		\$0.00	
Subtotal			\$19,027,864		\$130.78
General Conditions	8.00%		\$1,522,229		\$10.46
Subtotal			\$20,550,094		\$141.24
Bonds	1.00%		\$190,279		\$1.31
Subtotal			\$20,740,372		\$142.55
Liability Insurance	1.00%		\$190,279		\$1.31
Subtotal			\$20,930,651		\$143.85
General Contractor Fee	4.00%		\$837,226		\$5.75
Subtotal			\$21,767,877		\$149.61
Design / Estimating Contingency	10.00%		\$2,176,788		\$14.96
Subtotal			\$23,944,665		\$164.57
Escalation	7.79%		\$1,864,693		\$12.82
TOTAL ESTIMATED CONSTRUCTION COST			<u>\$25,809,358</u>		\$177.38

Total Area: 145,500 SF

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	13,622	CY	\$8.00	\$108,978
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	70,500	SF	\$20.00	\$1,410,000
Dewatering	1	LS	\$15,000.00	\$15,000
Total - 1 Foundations				<u>\$1,533,978</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,263 /CY)			
Forms, steel slip forms, multi use	8,712	SF	\$10.00	\$87,120
Reinforcement, 550 lb/cy	88,733	LB	\$0.90	\$79,860
Concrete, allowance	161	CY	\$200.00	\$32,267
Sack and finish	8,712	SF	\$0.52	\$4,530
Non load bearing walls				<i>in R&R</i>
Total - 2 Vertical Structure				<u>\$203,777</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include core areas)				
Reinforced concrete slab on grade, 5" thick	(\$7 /SF)			
Forms in place, edge form, ply / dimensional, multi-use	257	SF	\$5.00	\$1,285
Reinforcement, 2.5 lbs/sf	176,250	LB	\$0.90	\$158,625
Aggregate base, 6"	70,500	SF	\$1.28	\$90,240
Vapor barrier	70,500	SF	\$0.30	\$21,150
Concrete, allowance	1,097	CY	\$165.00	\$180,950
Concrete thickenings, allowance	7	CY	\$165.00	\$1,234
Sack and finish	70,500	SF	\$0.52	\$36,660

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick	(\$12 /SF)			
Forms in place, edge form, ply / dimensional, multi-use	75,000	SF	\$5.00	\$375,000
Edge forms in place, multi use				
Post tensioning tendons, plastic sheathed,.75 lbs/sf	56,250	LB	\$1.60	\$90,000
Reinforcement, 3lb/sf	225,000	LB	\$0.80	\$180,000
Concrete, allowance	1,167	CY	\$185.00	\$215,833
Sack and finish to flat and sloped soffits and sides	75,000	SF	\$0.52	\$39,000
Prestressed post-tensioned concrete beams, allow 14" x 35"	(\$813 /CY)			
Forms, job built ply / dimensional, multi use	39,946	SF	\$6.00	\$239,674
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	82,273	LB	\$1.60	\$131,637
Reinforcement, 194 lb/cy	167,905	LB	\$0.80	\$134,324
Concrete, allowance	865	CY	\$205.00	\$177,425
Sack and finish to sides	39,946	SF	\$0.52	\$20,772
Prestressed post-tensioned transfer girder	1	LS	\$35,000.00	\$35,000
Miscellaneous				
Miscellaneous concrete works, curbs and islands	145,500	SF	\$1.00	\$145,500
Miscellaneous metal and rough carpentry	145,500	SF	\$0.50	\$72,750
Total - 3 Floor & Roof Structures				<u>\$2,347,059</u>
<u>4 Exterior Cladding</u>				
Exterior storefront system	13,085	SF	\$110.00	\$1,439,295
Canopy	-			Excluded
Total - 4 Exterior Cladding				<u>\$1,439,295</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	145,500	SF	\$0.15	\$21,825
Miscellaneous caulking and sealants	145,500	SF	\$0.15	\$21,825
Total - 5 Roofing and Waterproofing				<u>\$43,650</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - core and storage	145,500	SF	\$0.20	\$29,100
Total - 6 Interior Partitions, Doors and Glazing				<u>\$29,100</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Floor finishes				
Common Lobby, Level 1	34,686	SF	\$40.00	\$1,387,440
CSB area, by tenants				
Wall finishes				
CSB area, by tenants				
Ceiling finishes				
Common Lobby, Level 1	34,686	SF	\$30.00	\$1,040,580
CSB area, by tenants				
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$2,428,020</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Directional signage / graphics, allowance	145,500	SF	\$0.10	\$14,550
Miscellaneous specialties				
Building specialties and millwork	145,500	SF	\$1.00	\$145,500
Code/Graphics required signage	145,500	SF	\$0.25	\$36,375
Miscellaneous specialties	145,500	SF	\$0.10	\$14,550
Total - 8 Function Equipment and Specialties				<u>\$210,975</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings				<i>in R & R</i>
Elevators				
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Escalator				
16.5' rise with 40" tread including outdoor package	4	Pair	\$300,000.00	\$1,200,000
33' rise with 40" tread including outdoor package	4	Pair	\$500,000.00	\$2,000,000
Total - 9 Stairs and Vertical Transportation				<u>\$3,200,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$50,000.00	\$50,000
Domestic cold water	1	LS	\$50,000.00	\$50,000
Gas system, allow	145,500	SF	\$0.15	\$21,825
Condensate drainage	1	LS	\$33,000.00	\$33,000
Emergency/roof/overflow drainage systems	145,500	SF	\$0.50	\$72,750
Miscellaneous plumbing	145,500	SF	\$0.90	\$130,950
Total - 10 Plumbing Systems				<u>\$358,525</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	145,500	SF	\$10.00	\$1,455,000
Air distribution and return	145,500	SF	\$9.00	\$1,309,500
Controls, instrumentation and balancing	145,500	SF	\$4.00	\$582,000
Miscellaneous HVAC				
Test / balance HVAC	16	HR	\$86.60	\$1,386
Seismic bracing, etc.	145,500	SF	\$0.25	\$36,375
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$3,384,261</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	145,500	SF	\$5.00	\$727,500
HVAC and equipment connections	145,500	SF	\$1.30	\$189,150
Escalator connection, 480v				
Elevators connection, 480v				
Convenience power	145,500	SF	\$2.50	\$363,750
Lighting and lighting control	145,500	SF		
RAC Lease Space (Level 1)	29,000	SF	\$0.50	\$14,500
Core areas	116,500	SF	\$8.00	\$932,000
Special systems				
Fire alarm system	145,500	SF	\$1.50	\$218,250
Tel/data/PA	145,500	SF	\$3.00	\$436,500
Security and surveillance system	145,500	SF	\$2.00	\$291,000
Miscellaneous electrical requirements				
Seismic requirements	145,500	SF	\$0.15	\$21,825
Total - 12 Electrical Lighting, Power and Communications				<u>\$3,194,475</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	145,500	SF	\$4.50	\$654,750
Total - 13 Fire Protection Systems				<u>\$654,750</u>

(RCS) Rental Car Storage / Employee Parking

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$10,434,140		\$31.59
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$1,903,410		\$5.76	
3 Floor & Roof Structures	\$6,269,690		\$18.98	
4 Exterior Cladding	\$180,360		\$0.55	
5 Roofing and Waterproofing	\$2,080,680		\$6.30	
B) Interiors (6-7)		\$282,622		\$0.86
6 Interior Partitions, Doors and Glazing	\$66,053		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$216,569		\$0.66	
C) Equipment and Vertical Transportation (8-9)		\$281,647		\$0.85
8 Function Equipment and Specialties	\$181,647		\$0.55	
9 Stairs and Vertical Transportation	\$100,000		\$0.30	
D) Mechanical and Electrical (10-13)		\$1,356,441		\$4.11
10 Plumbing Systems	\$331,161		\$1.00	
11 Heating, Ventilation and Air Conditioning	\$60,000		\$0.18	
12 Electrical Lighting, Power and Communications	\$965,280		\$2.92	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$12,354,850		\$37.41
General Conditions	8.00%	\$988,388		\$2.99
Subtotal		\$13,343,238		\$40.40
Bonds	1.00%	\$123,548		\$0.37
Subtotal		\$13,466,786		\$40.78
Liability Insurance	1.00%	\$123,548		\$0.37
Subtotal		\$13,590,335		\$41.15
General Contractor Fee	4.00%	\$543,613		\$1.65
Subtotal		\$14,133,948		\$42.80
Design / Estimating Contingency	10.00%	\$1,413,395		\$4.28
Subtotal		\$15,547,343		\$47.08
Escalation	7.79%	\$1,210,751		\$3.67
TOTAL ESTIMATED CONSTRUCTION COST		\$16,758,094		\$50.74

Total Area: 330,267 SF

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
				NA
Total - 1 Foundations				
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns				
Forms, steel slip forms, multi use	4,752	SF	\$10.00	\$47,520
Reinforcement, 550 lb/cy	48,400	LB	\$0.90	\$43,560
Concrete, allowance	88	CY	\$200.00	\$17,600
Sack and finish	4,752	SF	\$0.52	\$2,471
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$14 /SF)			
Forms, job built ply / dimensional, multi use	16,032	SF	\$8.00	\$128,256
Reinforcement, 2 lb/sf	32,064	LB	\$0.90	\$28,858
Concrete, allowance	297	CY	\$165.00	\$48,987
Sack and finish	16,032	SF	\$0.90	\$14,429
Reinforced enclosed walls, 12" CMU	17,091	SF	\$30.00	\$512,730
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,059,000.00	\$1,059,000
Total - 2 Vertical Structure				<u>\$1,903,410</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level				NA

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	344,553	SF	\$5.00	\$1,722,763
Edge forms in place, multi use	842	SF	\$5.00	\$4,208
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	258,414	LB	\$1.60	\$413,463
Reinforcement, 3lb/sf	1,033,658	LB	\$0.80	\$826,926
Concrete, allowance	5,360	CY	\$185.00	\$991,546
Sack and finish to flat and sloped soffits and sides	344,553	SF	\$0.52	\$179,167
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	83,275	SF	\$6.00	\$499,653
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	171,517	LB	\$1.60	\$274,427
Reinforcement, 194 lb/cy	350,035	LB	\$0.80	\$280,028
Concrete, allowance	1,804	CY	\$205.00	\$369,882
Sack and finish to sides	83,275	SF	\$0.52	\$43,303
Prestressed post-tensioned transfer girder	1	LS	\$74,000.00	\$74,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	12,024	SF	\$6.00	\$72,144
Reinforcement, 300 lb/cy	133,600	LB	\$0.80	\$106,880
Concrete, allowance	445	CY	\$205.00	\$91,293
Sack and finish sides and soffit	12,024	SF	\$0.52	\$6,252
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	330,267	SF	\$0.75	\$247,700
Miscellaneous metal and rough capentry	330,267	SF	\$0.20	\$66,053
Total - 3 Floor & Roof Structures				<u>\$6,269,690</u>
<u>4 Exterior Cladding</u>				
Garage screen	4,008	SF	\$45.00	\$180,360
Total - 4 Exterior Cladding				<u>\$180,360</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing	330,267	SF	\$6.00	\$1,981,600
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	330,267	SF	\$0.15	\$49,540
Miscellaneous caulking and sealants	330,267	SF	\$0.15	\$49,540
Total - 5 Roofing and Waterproofing				<u>\$2,080,680</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - storage	330,267	SF	\$0.20	\$66,053
Total - 6 Interior Partitions, Doors and Glazing				<u>\$66,053</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	4,752	SF	\$0.62	\$2,946
Paint underside of suspended slabs	344,553	SF	\$0.62	\$213,623
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$216,569</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	330,267	SF	\$0.15	\$49,540
Directional signage / graphics, allowance	330,267	SF	\$0.05	\$16,513
Miscellaneous specialties				
Code/Graphics required signage	330,267	SF	\$0.25	\$82,567
Miscellaneous specialties	330,267	SF	\$0.10	\$33,027
Total - 8 Function Equipment and Specialties				<u>\$181,647</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	5	FLT	\$20,000.00	\$100,000
Elevators				
Traction Freight elevator, 6000 LBS, 4-stops				<i>in QTA</i>
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>
Total - 9 Stairs and Vertical Transportation				<u>\$100,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$3,000.00	\$3,000
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	330,267	SF	\$0.88	\$290,635
Miscellaneous plumbing	330,267	SF	\$0.10	\$33,027
Total - 10 Plumbing Systems				<u>\$331,161</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
HVAC system, allow	1	LS	\$60,000.00	\$60,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$60,000</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Electrical system, lighting and lighting control, allow	330,267	SF	\$2.50	\$825,667
Special systems				
Security and surveillance system	330,267	SF	\$0.35	\$115,593
Code Blue phone system - allowance	2	LOC	\$8,760.00	\$17,520
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$6,500.00	\$6,500
Total - 12 Electrical Lighting, Power and Communications				<u>\$965,280</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				<i>not required</i>
Total - 13 Fire Protection Systems				

Site Work

Site Work Construction Cost Summary

Element		Subtotal	Total	Cost / SF	Cost / SF
E) Site Work (14-16)			\$14,454,943		\$13.94
14 Site Preparation and Demolition		\$2,787,943		\$2.69	
15 Site Paving, Structures and Landscaping		\$7,056,327		\$6.81	
16 Utilities on Site		\$4,110,673		\$3.96	
17 Off-site Work		\$500,000		\$0.48	
Subtotal			\$14,454,943		\$13.94
General Conditions	8.00%		\$1,156,395		\$1.12
Subtotal			\$15,611,339		\$15.06
Bonds	1.00%		\$144,549		\$0.14
Subtotal			\$15,755,888		\$15.20
Liability Insurance	1.00%		\$144,549		\$0.14
Subtotal			\$15,900,437		\$15.33
General Contractor Fee	4.00%		\$636,017		\$0.61
Subtotal			\$16,536,455		\$15.95
Design / Estimating Contingency	10.00%		\$1,653,645		\$1.59
Subtotal			\$18,190,100		\$17.54
Escalation	7.79%		\$1,416,556		\$1.37
TOTAL ESTIMATED CONSTRUCTION COST			\$19,606,656		\$18.91

Total Area: 1,036,891 SF

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>14 Site Preparation and Demolition</u>				
Buildings demolition				<i>Excluded</i>
Site Demolition				
Demo and remove existing ac paving	1	LS	\$750,000.00	\$750,000
Relocate existing 60" main storm drain line, allowance	1	LS	\$560,000.00	\$560,000
Remove and dispose existing storm drain lateral line, allowance	1	LS	\$88,000.00	\$88,000
Site protective construction				
Erosion control	1,036,891	SF	\$0.05	\$51,845
Storm Water Prevention and Protection Program	2,000	HR	\$45.00	\$90,000
Hazmat abatement				<i>Excluded</i>
Site clearing and grading				
Clearing and grubbing				NA
Rough grading (assumed to be a balanced site)	-	SF	\$1.00	
Fine grading	1,036,891	SF	\$0.29	\$300,698
Temporary construction				
Green screen fence	47,370	SF	\$20.00	\$947,400
Total - 14 Site Preparation and Demolition				<u>\$2,787,943</u>
<u>15 Site Paving, Structures and Landscaping</u>				
Vehicular paving				
Bus Plaza	15,162	SF	\$22.00	\$333,564
Roads, on grade, concrete	73,522	SF	\$12.00	\$882,264
Visitor parking, concrete	22,186	SF	\$12.00	\$266,232
Employee parking, concrete	104,438	SF	\$12.00	\$1,253,256
Customer return road, asphalt	22,693	SF	\$6.00	\$136,158
Curb cuts	4	LS	\$30,000.00	\$120,000
Parking lot striping / signage				
Striping, stalls	342	EA	\$17.00	\$5,814
Hatched striping	1	LS	\$6,000.00	\$6,000
Directional signage / graphics, allowance	238,001	SF	\$0.05	\$11,900
Pedestrian paving				
Allowance for concrete walkway, 4" thick, allowance	15,000	SF	\$8.00	\$120,000
Raised concrete pavement	299,387	SF	\$8.00	\$2,395,099
Landscaping				
Minor site landscaping and irrigation, allowance	70,000	SF	\$10.00	\$700,000

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
Site amenities				
Service station, assume single-story structure	30,000	SF		<i>Excluded</i>
Security Guard Booths				<i>Excluded</i>
Service yard, open-air with enclosure walls	41,736	SF	\$15.00	\$626,040
Signage and Art in Public Places				
Exterior Building Signage	1	LS	\$200,000.00	\$200,000
Art in Public Places				<i>Soft costs</i>
Total - 15 Site Paving, Structures and Landscaping				<u>\$7,056,327</u>
<u>16 Utilities on Site</u>				
Allowance for site utilities -fire/sewer/water/storm drainage	1,036,891	SF	\$3.00	\$3,110,673
Site power, security and lighting	1	LS	\$1,000,000.00	\$1,000,000
Existing jet fuel lines (relocation costs by others)	1	LS		<i>Excluded</i>
Total - 16 Utilities on Site				<u>\$4,110,673</u>
<u>17 Off site Improvements</u>				
Vehicular paving				
Reconfigured intersection				<i>Excluded</i>
Regional wayfinding signage	1	LS	\$500,000.00	\$500,000
Pedestrian overhead bridge				<i>Excluded</i>
Total - 17 Site Paving, Structures and Landscaping				<u>\$500,000</u>

LEED

LEED Construction Cost Summary

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$0		\$0.00
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$0		\$0.00	
3 Floor & Roof Structures	\$0		\$0.00	
4 Exterior Cladding	\$0		\$0.00	
5 Roofing and Waterproofing	\$0		\$0.00	
B) Interiors (6-7)		\$0		\$0.00
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$0		\$0.00	
C) Equipment and Vertical Transportation (8-9)		\$500,000		\$0.28
8 Function Equipment and Specialties	\$500,000		\$0.28	
9 Stairs and Vertical Transportation	\$0		\$0.00	
D) Mechanical and Electrical (10-13)		\$1,852,876		\$1.03
10 Plumbing Systems	\$0		\$0.00	
11 Heating, Ventilation and Air Conditioning	\$0		\$0.00	
12 Electrical Lighting, Power and Communications	\$1,852,876		\$1.03	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$250,000		\$0.14
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$250,000		\$0.14	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$2,602,876		\$1.45
General Conditions	8.00%	\$208,230		\$0.12
Subtotal		\$2,811,106		\$1.57
Bonds	1.00%	\$26,029		\$0.01
Subtotal		\$2,837,135		\$1.58
Liability Insurance	1.00%	\$26,029		\$0.01
Subtotal		\$2,863,164		\$1.60
General Contractor Fee	4.00%	\$114,527		\$0.06
Subtotal		\$2,977,691		\$1.66
Design / Estimating Contingency	10.00%	\$297,769		\$0.17
Subtotal		\$3,275,460		\$1.83
Escalation	7.79%	\$255,077		\$0.14
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$3,530,536</u>		<u>\$1.97</u>

Total Area: 1,793,566 SF

LEED Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Miscellaneous specialties LEED certification	1	LS	\$500,000.00	\$500,000
Total - 8 Function Equipment and Specialties				<u>\$500,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Lighting and lighting control Premium to meet LEED requirement				
Areas -QTA	345,800	SF	\$1.75	\$605,150
Areas -Ready and Return Garage	972,000	SF	\$1.10	\$1,069,200
Areas -Customer Service Area	145,500	SF	\$1.00	\$145,500
Areas -Rental Car Storage/ Employee Parking Area	330,267	SF	\$0.10	\$33,027
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,852,876</u>
<u>15 Site Paving, Structures & Landscaping</u>				
Landscaping LEED requirement	1	LS	\$250,000.00	\$250,000
Total - 15 Site Paving, Structures & Landscaping				<u>\$250,000</u>

INTRODUCTION

1. Basis Of Estimate

This statement is based on the Concept Design package as prepared by Demattei Wong Architecture (dated March 2011), along with verbal direction from the architect and engineer.

Drawings: Conceptual Design Pricing Set for Concept B
Project Delivery Schedule: Assumed to start in June 2013 for 24 months

2. Scope of Estimate

The cost study is intended to address the construction cost for a new rental car facility at San Diego International Airport. The rental car facility consists of customer service area, ready and return garage, quick turn-around facility, and rental car storage/employee parking area.

The building is priced as a LEED Silver certified structure.

3. Items Affecting the Estimate

A Specific Exclusions

Items which are not detailed in the backup to this estimate include the following:

- 1 Tenant Improvements.
- 2 Telephone equipment and cabling.
- 3 Move-in costs or maintenance costs after move-in.
- 4 Financing and carry costs.
- 5 Hazardous material abatement (if required) beyond that carried in this estimate.
- 6 Soil remediation.
- 7 Relocation of existing Airport Infrastructure (Jet Fuel Piping)
- 8 PV Panels
- 9 Buildings demolition
- 10 Temporary construction
- 11 Car stacking equipment

B Items Affecting the Cost Estimate

Items which may change the estimated construction cost include, but are not limited to:

- 1 Modifications to the scope of work included in this estimate.
- 2 Restrictive technical specifications or excessive contract conditions.
- 3 Any specified item of equipment, material, or product that cannot be obtained from at least three (3) different sources.
- 4 Any other non-competitive bid situations.
- 5 Bids delayed beyond the projected schedule.
- 6 Unit prices for commodities such as aggregate base, fill soils, and soils export can vary greatly from those presented herein, depending upon the demand for such materials (or lack thereof) within the dirt market at the time of actual construction.
- 7 Note: Given the current instabilities in the world market, the cost of many products (including, but not limited to, asphalt, Portland Cement concrete, lumber, sewer, water, and drain pipe, and steel) may differ significantly at the time material orders are actually placed from what is shown herein (beyond that accounted for by reasonable escalation rates).

INTRODUCTION

C Assumptions made in the Cost Estimate

This estimate was prepared under the following assumptions:

- 1 The site will be fully accessible during normal working hours.
- 2 Phasing will not be required.
- 3 Construction contract procurement method is competitive, public G.C. bid.
- 4 Prevailing wage labor rate structure.
- 5 No special security and badging will be required.
- 6 Allowance for 25 visitor parking spaces.

4. Notes

Statement of Probable Cost

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

The statement reflects probable construction costs obtainable in a competitive and stable bidding market. This estimate is based upon a minimum of four (4) competitive bids from qualified general contractors, with bids from a minimum of three (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in a lower bid result.

In accordance with industry analyses, it has been determined that the number of competitive bids obtained may have the following effect:

1 bid	add	15% to 40%
2 to 3 bids	add	8% to 12%
4 to 5 bids		-4% to +4%
6 to 8 bids	deduct	5% to 7%
9 or more bids	deduct	8% to 25%

Caveat emptor! The bid price is not necessarily the final cost. Please be advised that opening up the bid process to all comers invites bid-day errors and "lowball" bids from potentially less-than-qualified bidders who will seek to make their profit on the job via an unending stream of change order requests.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.

Recommendations for Cost Control

Cumming recommends that the Owner and the Architect carefully review this entire document to ensure that it reflects their design intent.

INTRODUCTION

Requests for modifications of any apparent errors or omissions to this document must be made within ten (10) working days of the date of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted. If the project is over budget, or there are unresolved budgeting issues, alternate systems / schemes should be evaluated before proceeding.

Basis for Quantities

Wherever possible and practical, this estimate has been based upon the actual measurement of different items of work. For the remaining items, parametric measurements were used in conjunction with references from other projects of a similar nature.

The gross floor area (GFA) quantities utilized herein are as indicated on the drawings.

Basis for Unit Costs

The unit costs enumerated herein are based on current bid prices in the San Diego, California area.

Subcontractor's overhead and profit is included in each line item unit cost. This overhead and profit covers each subcontractor's cost for labor burden, materials and equipment sales taxes, field overhead, home office overhead, and profit. The general contractor's overhead and profit is shown separately on the Summary.

Sources for Pricing

This estimate was prepared by a team of qualified cost consultants experienced in estimating construction costs at all stages of design.

These consultants have used pricing data from the Cumming database for construction, updated to reflect current market conditions in the San Diego, California area at the time the estimate was prepared. In some cases, quotes were solicited from outside sources to substantiate in-house pricing data.

Subcontractor's Mark-ups

As stated earlier, subcontractor's mark-ups have been included in each line item unit cost. Depending on the trade, these mark-ups can range from 15% to 20% of the raw cost for that particular item of work.

5. Prorates

General Conditions

An allowance based 8% of the construction cost subtotal has been included for the contractor's general conditions.

Contractor's Bonds

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's payment and performance bonds (if required).

Contractor's General Liability Insurance

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's general liability insurance.

INTRODUCTION

Contractor's Fee

A reasonable allowance based on 4% of the construction cost subtotal has been included for the general contractor's home office over head and profit. Site overhead is included in the general conditions.

Design Evolution Contingency

A reasonable allowance of 10% for undeveloped design details has been included in the Summary of this estimate. As the design of each system is further developed, details which increase cost become apparent and are incorporated into the estimate.

Escalation

Escalation is calculated from the basis of this estimate to the Midpoint of Construction using the following rates:

Annual:	2011	1.00%
	2012	2.00%
	2013	3.00%
	2014	4.00%
	2015	5.00%
	2016	5.00%

Construction Start:	06/01/13
Construction Completion:	06/01/15
Construction Midpoint:	06/01/14
Construction Duration:	24 Months
Compound Escalation:	7.79%

Phasing Allowance

No phasing allowance is made at Concept Design stage.

Soft Costs

Soft costs associated with the project are include and referenced in detail. Refer to pages 7-8.

LEED

The LEED goal of Silver is included in the pricing.

Abbreviations Commonly Used Herein

BCY	bank cubic yards	LF	lineal feet
CCY	compacted cubic yards	LS	lump-sum
CFM	cubic feet per minute	NSF	net square feet
CLF	hundred lineal feet	PC	piece(s)
CY	cubic yard(s)	PR	pair
EA	each	SF	square feet
FLT	flight (of stairs)	SFCA	square feet of contact area
GSF	gross square feet	SFF	square feet of floor
MH	man hour(s)	SY	square yard(s)
LB	pound(s)	TN	ton(s)
LCY	loose cubic yards	VLF	vertical lineal feet

CONCEPT B COST ESTIMATE

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TOTAL PROJECT COST DETAIL - CONCEPT B

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>BUILDING PERMITS</u>						
Based on 1% of construction cost	1.00	%	\$172,420,844		\$1,724,208	
					<u>\$1,724,208</u>	\$1,724,208
<u>CONSTRUCTION COST</u>						
Building construction cost			\$172,420,844		\$172,420,844	
LEED requirement cost			\$3,188,439		\$3,188,439	
					<u>\$175,609,283</u>	\$175,609,283
<u>FF&E COSTS</u>						
Works of Art	1.00	%	\$172,420,844		\$1,724,208	
					<u>\$1,724,208</u>	\$1,724,208
<u>EXTERIOR SIGNAGE</u>						
Exterior Building Signage, (see Base Estimate)	-	allow	\$0.00	\$0	\$0	
Regional wayfinding signage, (see Base Estimate)	-	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Included in hard costs
<u>SUPPORT EQUIPMENT</u>						
Airport Audio Visual Equipment (excluded)	1	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Excluded
<u>SYSTEMS</u>						
Management system, TBD					\$0	
					<u>\$0</u>	Excluded
<u>OPERATING EQUIPMENT</u>						
					<u>\$0</u>	Excluded
<u>INVENTORY (CONSUMABLES)</u>						
					<u>\$0</u>	Excluded
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>						
Design Costs						
Design Costs	9.00	%	\$172,420,844		\$15,517,876	
Sub Total Design Costs					<u>\$15,517,876</u>	
CM Costs						
CM	4.00	%	\$172,420,844		\$6,896,834	
Material testing/inspection/geotechnical	3.00	%	\$172,420,844		\$5,172,625	
Sub Total CM Costs					<u>\$12,069,459</u>	
Total Design, Program and CM Costs					<u>\$27,587,335</u>	\$27,587,335
<u>LEED commision and associated Costs</u>						
	-	allow	\$1,000,000		\$1,000,000	
					<u>\$1,000,000</u>	\$1,000,000
<u>PRE - OPENING EXPENSES</u>						
None Required					\$0	
					<u>\$0</u>	Excluded

TOTAL PROJECT COST DETAIL - CONCEPT B

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>WORKING CAPITAL</u>						
None Required					\$0	
					\$0	Excluded
<u>FINANCIAL, TAXES & LEGAL</u>						
Capitalized interest, excluded					\$0	
Legal Fees (Excluded)	-	allow	\$0.00		\$0	
					\$0	Excluded
<u>CONTINGENCY</u>						
Construction contingency	10.00	%	\$172,420,844		\$17,242,084	
					\$17,242,084	\$17,242,084
<u>LAND COSTS</u>						
Cost of land - Excluded					\$0	
					\$0	Excluded
TOTAL PROJECT COSTS						\$224,887,119

CONSTRUCTION COST SUMMARY

Element	Area	Cost / SF	Total
CONRAC			
1 Customer Service Area (CSA)	87,657 SF	\$188.80	\$16,549,863
Common Lobby / Level 1 core	35,586 SF		
RAC Lease Space (Level 1)	26,055 SF		
Cores Total Levels 2-4	26,016 SF		
2 Ready and Return Garage	880,673 SF	\$65.27	\$57,485,634
Level 1			
Level 2			
Level 3			
3 Quick Turn-around Facility (QTA), Level 1-Level 3	263,475 SF	\$113.91	\$30,013,003
4 Rental Car Storage / Employee Parking, Level 4	831,877 SF	\$54.21	\$45,095,800
5 Site Development	1,423,000 SF	\$16.36	\$23,276,545
TOTAL ESTIMATED BUILDING CONSTRUCTION COST	2,063,682 SF	\$83.55	<u>\$172,420,844</u>

LEED REQUIREMENTS

1 Premium to achieve LEED Silver	2,063,682 SF	\$1.55	\$3,188,439
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OPTIONS

1 Premium for pile foundation in lieu of mat foundation (based on average premium of 25%)			\$3,200,000
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CONCEPT B COST ESTIMATE

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March 24, 2011

CONRAC Concept B
San Diego International Airport
San Diego, California
Concept Design Statement of Probable Cost

BUILDING & SITE WORK COMPONENT SUMMARY

Component Division	QTA		R&R		CSA		RCS		Site Work		Total	
	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF
	263,475 SF		880,673 SF		87,657 SF		831,877 SF		1,423,000 SF		2,063,682 SF	
1 Foundations	\$5,740,552	\$21.79	\$5,885,541	\$6.68	\$1,342,481	\$15.2	\$0	\$0	\$0	\$0.00	\$12,968,574	\$62.8
2 Vertical Structure	\$1,038,803	\$3.94	\$7,886,672	\$8.96	\$74,101	\$0.85	\$5,849,238	\$66.73	\$0	\$0	\$14,848,813	\$72.0
3 Floor & Roof Structures	\$2,076,183	\$7.88	\$15,430,453	\$17.52	\$1,076,902	\$12.29	\$18,597,369	\$212.16	\$0	\$0	\$37,180,907	\$180.2
4 Exterior Cladding	\$850,000	\$3.23	\$906,221	\$1.03	\$1,439,295	\$16.42	\$410,670	\$4.68	\$0	\$0	\$3,606,186	\$17.5
5 Roofing & Waterproofing	\$79,043	\$0.30	\$264,202	\$0.30	\$26,297	\$0.30	\$3,652,975	\$41.75	\$0	\$0	\$4,029,517	\$19.5
6 Interior Partitions, Doors & Glazing	\$52,695	\$0.20	\$0	\$0.00	\$17,531	\$0.20	\$1,663,375	\$19.0	\$0	\$0	\$2,366,602	\$11.1
7 Floor, Wall & Ceiling Finishes	\$14,892	\$0.06	\$412,155	\$0.47	\$2,014,040	\$22.98	\$54,941	\$0.62	\$0	\$0	\$2,990,028	\$14.5
8 Function Equipment & Specialties	\$6,274,911	\$23.82	\$453,129	\$0.51	\$127,103	\$1.45	\$452,532	\$5.22	\$0	\$0	\$7,312,675	\$35.4
9 Stairs & Vertical Transportation	\$320,000	\$1.21	\$1,400,000	\$1.59	\$1,600,000	\$18.25	\$180,000	\$2.05	\$0	\$0	\$3,500,000	\$17.0
10 Plumbing Systems	\$1,167,248	\$4.43	\$886,673	\$1.01	\$215,868	\$2.46	\$837,739	\$9.56	\$0	\$0	\$3,107,528	\$15.1
11 Heating, Ventilating & Air Conditioning	\$500,207	\$1.90	\$821,462	\$0.93	\$2,039,411	\$23.27	\$120,000	\$1.37	\$0	\$0	\$3,481,080	\$16.9
12 Electric Lighting, Power & Communications	\$2,784,661	\$10.57	\$4,071,558	\$4.62	\$1,833,647	\$20.92	\$2,418,889	\$27.59	\$0	\$0	\$11,108,956	\$53.8
13 Fire Protection Systems	\$1,227,794	\$4.66	\$3,963,029	\$4.50	\$394,457	\$4.50	\$0	\$0.00	\$0	\$0.00	\$5,585,279	\$27.1
14 Site Preparation & Demolition	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,919,220	\$2.05	\$2,919,220	\$14.1
15 Site Paving, Structures & Landscaping	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$8,472,336	\$5.95	\$8,472,336	\$41.1
16 Utilities on Site	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$5,269,000	\$3.70	\$5,269,000	\$25.5
17 Off-site Work	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$500,000	\$0.35	\$500,000	\$0.24
Subtotal	\$22,126,988	\$83.98	\$42,381,095	\$48.12	\$12,201,332	\$139.19	\$33,246,731	\$379.28	\$17,160,556	\$12.06	\$127,116,701	\$61.60
General Conditions	\$1,770,159	\$6.72	\$3,390,488	\$3.85	\$976,107	\$11.14	\$2,659,738	\$30.34	\$1,372,844	\$0.96	\$10,169,336	\$4.93
Subtotal	\$23,897,147	\$90.70	\$45,771,582	\$51.97	\$13,177,439	\$150.33	\$35,906,469	\$409.62	\$18,533,401	\$13.02	\$137,286,038	\$66.52
Bonds	\$221,270	\$0.84	\$423,811	\$0.48	\$122,013	\$1.39	\$332,467	\$3.79	\$171,606	\$0.12	\$1,271,167	\$0.62
Subtotal	\$24,118,417	\$91.54	\$46,195,393	\$52.45	\$13,299,452	\$151.72	\$36,238,937	\$413.42	\$18,705,006	\$13.14	\$138,557,205	\$67.14
Liability Insurance	\$221,270	\$0.84	\$423,811	\$0.48	\$122,013	\$1.39	\$332,467	\$3.79	\$171,606	\$0.12	\$1,271,167	\$0.62
Subtotal	\$24,339,686	\$92.38	\$46,619,204	\$52.94	\$13,421,465	\$153.11	\$36,571,404	\$417.21	\$18,876,612	\$13.27	\$139,828,372	\$67.76
General Contractor's Fee	\$973,587	\$3.70	\$1,964,768	\$2.12	\$536,859	\$6.12	\$1,462,856	\$16.69	\$755,064	\$0.53	\$5,593,135	\$27.1
Subtotal	\$25,313,274	\$96.07	\$48,583,972	\$55.05	\$13,958,324	\$159.24	\$38,034,260	\$433.90	\$19,631,676	\$13.80	\$145,421,506	\$70.47
Design / Estimating Contingency	\$2,531,327	\$9.61	\$4,848,397	\$5.51	\$1,395,832	\$15.92	\$3,803,426	\$43.39	\$1,963,168	\$1.38	\$14,542,151	\$70.5
Subtotal	\$27,844,601	\$105.68	\$53,332,370	\$60.56	\$15,354,156	\$175.16	\$41,837,686	\$477.29	\$21,594,844	\$15.18	\$159,963,657	\$77.51
Escalation	\$2,168,401	\$8.23	\$4,153,264	\$4.72	\$1,195,707	\$13.64	\$3,258,114	\$37.17	\$1,681,701	\$1.18	\$12,457,187	\$60.4
Subtotal	\$29,013,002	\$113.91	\$57,485,634	\$65.28	\$16,549,863	\$188.80	\$45,095,800	\$514.46	\$23,276,545	\$16.36	\$172,420,844	\$83.81

CONRAC

Schedule of Areas & Control Quantities

Schedule of Areas	SF	SF
Areas -QTA		
Level 1	263,475	
Subtotal, Areas -QTA		<u>263,475</u>
Areas -Ready and Return Garage		
Level 1	270,819	
Level 2	304,927	
Level 3	304,927	
Subtotal, Areas -Ready and Return Garage		<u>880,673</u>
Efficiency factor		(354 /PER STALL)
Areas -Customer Service Area		
Common Lobby / Level 1 core	35,586	
RAC Lease Space (Level 1)	26,055	
Cores Total Levels 2-4	26,016	
Subtotal, Areas -Customer Service Area		<u>87,657</u>
Areas -Rental Car Storage/ Employee Parking Area		
Level 2	263,475	
Level 3	263,475	
Level 4	304,927	
Subtotal, Areas -Rental Car Storage/ Employee Parking Area		<u>831,877</u>
Total Gross Floor Area		<u>2,063,682</u>

Control Quantities	Qty		Ratio to Gross Area
Number of Levels	4	EA	0.002
Number of Units (Fuel position)	60	EA	0.029
Number of Units (Car wash)	18	EA	0.009
Number of Units (Vehicle stacking)	480	EA	0.233
Number of Units (Parking stalls)	2,488	EA	1.206
Footprint Area	595,935	SF	0.289

CONRAC Construction Cost Summary QTA (Quick Turn-Around Facility)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$9,784,580		\$37.14
1 Foundations	\$5,740,552		\$21.79	
2 Vertical Structure	\$1,038,803		\$3.94	
3 Floor & Roof Structures	\$2,076,183		\$7.88	
4 Exterior Cladding	\$850,000		\$3.23	
5 Roofing and Waterproofing	\$79,043		\$0.30	
B) Interiors (6-7)		\$67,587		\$0.26
6 Interior Partitions, Doors and Glazing	\$52,695		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$14,892		\$0.06	
C) Equipment and Vertical Transportation (8-9)		\$6,594,911		\$25.03
8 Function Equipment and Specialties	\$6,274,911		\$23.82	
9 Stairs and Vertical Transportation	\$320,000		\$1.21	
D) Mechanical and Electrical (10-13)		\$5,679,909		\$21.56
10 Plumbing Systems	\$1,167,248		\$4.43	
11 Heating, Ventilation and Air Conditioning	\$500,207		\$1.90	
12 Electrical Lighting, Power and Communications	\$2,784,661		\$10.57	
13 Fire Protection Systems	\$1,227,794		\$4.66	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$22,126,988		\$83.98
General Conditions	8.00%	\$1,770,159		\$6.72
Subtotal		\$23,897,147		\$90.70
Bonds	1.00%	\$221,270		\$0.84
Subtotal		\$24,118,417		\$91.54
Liability Insurance	1.00%	\$221,270		\$0.84
Subtotal		\$24,339,686		\$92.38
General Contractor Fee	4.00%	\$973,587		\$3.70
Subtotal		\$25,313,274		\$96.07
Design / Estimating Contingency	10.00%	\$2,531,327		\$9.61
Subtotal		\$27,844,601		\$105.68
Escalation	7.79%	\$2,168,401		\$8.23
TOTAL ESTIMATED CONSTRUCTION COST		\$30,013,003		\$113.91

Total Area: 263,475 SF

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	50,756	CY	\$8.00	\$406,052
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	263,475	SF	\$20.00	\$5,269,500
Sump	3	EA	\$5,000.00	\$15,000
Dewatering	1	LS	\$50,000.00	\$50,000
Total - 1 Foundations				<u>\$5,740,552</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	445	CY	\$1,235.00	\$549,342
Non load bearing walls				
Reinforced concrete crash walls, 4' high	8,392	SF	\$26.00	\$218,192
Reinforced enclosed walls, 12" CMU	9,042	SF	\$30.00	\$271,269
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp				<i>in RCS</i>
Total - 2 Vertical Structure				<u>\$1,038,803</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include shuttle circulation)				
Reinforced concrete slab on grade, 5" thick	263,475	SF	\$6.93	\$1,825,882
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	263,475	SF	\$0.75	\$197,606
Miscellaneous metal and rough capentry	263,475	SF	\$0.20	\$52,695
Total - 3 Floor & Roof Structures				<u>\$2,076,183</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Exterior concrete, block or brick walls				
Architectural formliner to exterior façade	1	LS	\$750,000.00	\$750,000
Equipment room, allow	1	LS	\$100,000.00	\$100,000
Total - 4 Exterior Cladding				<u>\$850,000</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	263,475	SF	\$0.15	\$39,521
Miscellaneous caulking and sealants	263,475	SF	\$0.15	\$39,521
Total - 5 Roofing and Waterproofing				<u>\$79,043</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - support areas	263,475	SF	\$0.20	\$52,695
Total - 6 Interior Partitions, Doors and Glazing				<u>\$52,695</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				Not required
Painting				
Paint concrete columns	24,020	SF	\$0.62	\$14,892
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$14,892</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	263,475	SF	\$0.15	\$39,521
Directional signage / graphics, allowance	263,475	SF	\$0.05	\$13,174
Miscellaneous specialties				
Code/Graphics required signage	263,475	SF	\$0.25	\$65,869
Miscellaneous specialties	263,475	SF	\$0.10	\$26,348
Equipment				
Car wash equipment, allowance	18	EA	\$85,000.00	\$1,530,000
Car fueling & process & distribution equipment, allowance	60	EA	\$75,000.00	\$4,500,000
Fuel storage tanks, allowance	4	EA	\$25,000.00	\$100,000
Total - 8 Function Equipment and Specialties				<u>\$6,274,911</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	4	FLT	\$20,000.00	\$80,000
Elevators				
Traction Freight elevator, 6000 LBS, 3-stops	1	EA	\$240,000.00	\$240,000
Total - 9 Stairs and Vertical Transportation				<u>\$320,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	263,475	SF	\$2.50	\$658,688
Domestic cold water	1	LS	\$79,000.00	\$79,000
Condensate drainage	1	LS	\$8,000.00	\$8,000
Gas, allowance	263,475	SF		Not required
Emergency/roof/overflow drainage systems	263,475	SF	\$1.50	\$395,213
Miscellaneous plumbing	263,475	SF	\$0.10	\$26,348
Total - 10 Plumbing Systems				<u>\$1,167,248</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	1	LS	\$25,000.00	\$25,000
Air distribution, return and mechanical exhaust	263,475	SF	\$1.00	\$263,475
Controls including leaks detection	1	LS	\$200,000.00	\$200,000
Miscellaneous HVAC				
Test / balance HVAC	20	HR	\$86.60	\$1,732
Seismic bracing, etc.	1	LS	\$10,000.00	\$10,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$500,207</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	263,475	SF	\$4.00	\$1,053,900
HVAC and equipment connections	263,475	SF	\$0.50	\$131,738
Fueling system power				
Fuel pump power				
Convenience power	263,475	SF	\$1.00	\$263,475
Lighting and lighting control	263,475	SF	\$2.50	\$658,688
Special systems				
Fire alarm system	263,475	SF	\$1.00	\$263,475
Tel/data	263,475	SF	\$0.30	\$79,043
Security and surveillance system	263,475	SF	\$1.25	\$329,344
Miscellaneous electrical requirements				
Seismic bracing, etc.	1	LS	\$5,000.00	\$5,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$2,784,661</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Automatic deluge/ dry sprinkler system	263,475	SF	\$4.66	\$1,227,794
Total - 13 Fire Protection Systems				<u>\$1,227,794</u>

CONRAC Construction Cost Summary Ready and Return Garage

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$30,373,089		\$34.49
1 Foundations	\$5,885,541		\$6.68	
2 Vertical Structure	\$7,886,672		\$8.96	
3 Floor & Roof Structures	\$15,430,453		\$17.52	
4 Exterior Cladding	\$906,221		\$1.03	
5 Roofing and Waterproofing	\$264,202		\$0.30	
B) Interiors (6-7)		\$412,155		\$0.47
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$412,155		\$0.47	
C) Equipment and Vertical Transportation (8-9)		\$1,853,129		\$2.10
8 Function Equipment and Specialties	\$453,129		\$0.51	
9 Stairs and Vertical Transportation	\$1,400,000		\$1.59	
D) Mechanical and Electrical (10-13)		\$9,742,721		\$11.06
10 Plumbing Systems	\$886,673		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$821,462		\$0.93	
12 Electrical Lighting, Power and Communications	\$4,071,558		\$4.62	
13 Fire Protection Systems	\$3,963,029		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$42,381,095		\$48.12
General Conditions	8.00%	\$3,390,488		\$3.85
Subtotal		\$45,771,582		\$51.97
Bonds	1.00%	\$423,811		\$0.48
Subtotal		\$46,195,393		\$52.45
Liability Insurance	1.00%	\$423,811		\$0.48
Subtotal		\$46,619,204		\$52.94
General Contractor Fee	4.00%	\$1,864,768		\$2.12
Subtotal		\$48,483,972		\$55.05
Design / Estimating Contingency	10.00%	\$4,848,397		\$5.51
Subtotal		\$53,332,370		\$60.56
Escalation	7.79%	\$4,153,264		\$4.72
TOTAL ESTIMATED CONSTRUCTION COST		\$57,485,634		\$65.27

Total Area: 880,673 SF

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	50,520	CY	\$8.00	\$404,161
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	270,819	SF	\$20.00	\$5,416,380
Sump	3	EA	\$5,000.00	\$15,000
Dewatering	1	LS	\$50,000.00	\$50,000
Total - 1 Foundations				<u>\$5,885,541</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	1,017	CY	\$1,235.00	\$1,255,858
Non load bearing walls				
Reinforced concrete crash walls, 4' high	25,684	SF	\$26.00	\$667,784
Reinforced enclosed walls, 12" CMU	9,801	SF	\$30.00	\$294,030
Customer entry and exit ramp	1	LS	\$5,669,000.00	\$5,669,000
Shuttle entry and exit ramp				<i>in RCS</i>
Total - 2 Vertical Structure				<u>\$7,886,672</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include R/R & Customer return)				
Reinforced concrete slab on grade, 5" thick	270,819	SF	\$6.93	\$1,876,776
Slab thickening at kiosk areas, allowance	1	LS	\$200,000.00	\$200,000
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick	609,854	SF	\$12.01	\$7,324,347
Prestressed post-tensioned concrete beams, allow 14" x 35"	4,952	CY	\$813.22	\$4,026,862
Prestressed post-tensioned transfer girder	1	LS	\$805,000.00	\$805,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"	1,085	CY	\$616.71	\$669,065
Miscellaneous				
Miscellaneous concrete works, curbs and islands	880,673	SF	\$0.50	\$440,337
Miscellaneous metal and rough capentry	880,673	SF	\$0.10	\$88,067
Total - 3 Floor & Roof Structures				<u>\$15,430,453</u>
<u>4 Exterior Cladding</u>				
Canopy				<i>in CSA</i>
Architectural formliner to exterior façade	20,138	SF	\$45.00	\$906,221
Total - 4 Exterior Cladding				<u>\$906,221</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	880,673	SF	\$0.15	\$132,101
Miscellaneous caulking and sealants	880,673	SF	\$0.15	\$132,101
Total - 5 Roofing and Waterproofing				<u>\$264,202</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Total - 6 Interior Partitions, Doors and Glazing				

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	54,912	SF	\$0.62	\$34,045
Paint underside of suspended slabs	609,854	SF	\$0.62	\$378,109
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$412,155</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping				
Striping, stalls	2,488	EA	\$32.50	\$80,860
Hatched striping	1	LS	\$20,000.00	\$20,000
Directional signage / graphics, allowance	880,673	SF	\$0.05	\$44,034
Miscellaneous specialties				
Code/Graphics required signage	880,673	SF	\$0.25	\$220,168
Miscellaneous specialties	880,673	SF	\$0.10	\$88,067
Total - 8 Function Equipment and Specialties				<u>\$453,129</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	10	FLT	\$20,000.00	\$200,000
Elevators				
Traction passenger elevator, 5000 LBS, 4-stops	4	EA	\$300,000.00	\$1,200,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,400,000</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$1,500.00	\$1,500
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	880,673	SF	\$0.10	\$88,067
Miscellaneous plumbing	880,673	SF	\$0.90	\$792,606
Total - 10 Plumbing Systems				<u>\$886,673</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	880,673	SF	\$0.40	\$352,269
Air distribution and return	880,673	SF	\$0.40	\$352,269
Controls, instrumentation and balancing	880,673	SF	\$0.10	\$88,067
Miscellaneous HVAC				
Test / balance HVAC	160	HR	\$86.60	\$13,856
Seismic bracing, etc.	1	LS	\$15,000.00	\$15,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$821,462</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	880,673	SF	\$0.50	\$440,337
HVAC and equipment connections	880,673	SF	\$0.10	\$88,067
Convenience power	880,673	SF	\$0.30	\$264,202
Lighting and lighting control	880,673	SF	\$2.50	\$2,201,683
Special systems				
Fire alarm system	880,673	SF	\$0.15	\$132,101
Tel/data/PA	880,673	SF	\$0.25	\$220,168
Security and surveillance system	880,673	SF	\$0.40	\$352,269
Code Blue phone system - allowance	30	LOC	\$8,760.00	\$262,800
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$109,931.43	\$109,931
Total - 12 Electrical Lighting, Power and Communications				<u>\$4,071,558</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	880,673	SF	\$4.50	\$3,963,029
Total - 13 Fire Protection Systems				<u>\$3,963,029</u>

Customer Service Area (CSA)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$3,959,075		\$45.17
1 Foundations	\$1,342,481		\$15.32	
2 Vertical Structure	\$74,101		\$0.85	
3 Floor & Roof Structures	\$1,076,902		\$12.29	
4 Exterior Cladding	\$1,439,295		\$16.42	
5 Roofing and Waterproofing	\$26,297		\$0.30	
B) Interiors (6-7)		\$2,031,571		\$23.18
6 Interior Partitions, Doors and Glazing	\$17,531		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$2,014,040		\$22.98	
C) Equipment and Vertical Transportation (8-9)		\$1,727,103		\$19.70
8 Function Equipment and Specialties	\$127,103		\$1.45	
9 Stairs and Vertical Transportation	\$1,600,000		\$18.25	
D) Mechanical and Electrical (10-13)		\$4,483,583		\$51.15
10 Plumbing Systems	\$215,868		\$2.46	
11 Heating, Ventilation and Air Conditioning	\$2,039,411		\$23.27	
12 Electrical Lighting, Power and Communications	\$1,833,847		\$20.92	
13 Fire Protection Systems	\$394,457		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$12,201,332		\$139.19
General Conditions	8.00%	\$976,107		\$11.14
Subtotal		\$13,177,439		\$150.33
Bonds	1.00%	\$122,013		\$1.39
Subtotal		\$13,299,452		\$151.72
Liability Insurance	1.00%	\$122,013		\$1.39
Subtotal		\$13,421,465		\$153.11
General Contractor Fee	4.00%	\$536,859		\$6.12
Subtotal		\$13,958,324		\$159.24
Design / Estimating Contingency	10.00%	\$1,395,832		\$15.92
Subtotal		\$15,354,156		\$175.16
Escalation	7.79%	\$1,195,707		\$13.64
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$16,549,863</u>		\$188.80

Total Area: 87,657 SF

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	11,833	CY	\$8.00	\$94,661
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	61,641	SF	\$20.00	\$1,232,820
Dewatering	1	LS	\$15,000.00	\$15,000
Total - 1 Foundations				<u>\$1,342,481</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,263 /CY)			
Forms, steel slip forms, multi use	3,168	SF	\$10.00	\$31,680
Reinforcement, 550 lb/cy	32,267	LB	\$0.90	\$29,040
Concrete, allowance	59	CY	\$200.00	\$11,733
Sack and finish	3,168	SF	\$0.52	\$1,647
Non load bearing walls				<i>in R&R</i>
Total - 2 Vertical Structure				<u>\$74,101</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include core areas)				
Reinforced concrete slab on grade, 5" thick	61,641	SF	\$6.93	\$427,172
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick	26,016	SF	\$12.01	\$312,452
Prestressed post-tensioned concrete beams, allow 14" x 35"	211	CY	\$813.22	\$171,792
Prestressed post-tensioned transfer girder	1	LS	\$34,000.00	\$34,000
Miscellaneous				
Miscellaneous concrete works, curbs and islands	87,657	SF	\$1.00	\$87,657
Miscellaneous metal and rough carpentry	87,657	SF	\$0.50	\$43,829
Total - 3 Floor & Roof Structures				<u>\$1,076,902</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Exterior storefront system	13,085	SF	\$110.00	\$1,439,295
Canopy, no provision				
Total - 4 Exterior Cladding				<u>\$1,439,295</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous Expansion and seismic joints	87,657	SF	\$0.15	\$13,149
Miscellaneous caulking and sealants	87,657	SF	\$0.15	\$13,149
Total - 5 Roofing and Waterproofing				<u>\$26,297</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - core and storage	87,657	SF	\$0.20	\$17,531
Total - 6 Interior Partitions, Doors and Glazing				<u>\$17,531</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Floor finishes Common Lobby, Level 1 CSB area, by tenants	28,772	SF	\$40.00	\$1,150,880
Wall finishes CSB area, by tenants				
Ceiling finishes Common Lobby, Level 1 CSB area, by tenants	28,772	SF	\$30.00	\$863,160
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$2,014,040</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Directional signage / graphics, allowance	87,657	SF	\$0.10	\$8,766
Miscellaneous specialties				
Building specialties and millwork	87,657	SF	\$1.00	\$87,657
Code/Graphics required signage	87,657	SF	\$0.25	\$21,914
Miscellaneous specialties	87,657	SF	\$0.10	\$8,766
Total - 8 Function Equipment and Specialties				<u>\$127,103</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings				<i>in R & R</i>
Elevators				
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>
Escalator				
16.5' rise with 40" tread including outdoor package	2	Pair	\$300,000.00	\$600,000
33' rise with 40" tread including outdoor package	2	Pair	\$500,000.00	\$1,000,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,600,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$30,000.00	\$30,000
Domestic cold water	1	LS	\$30,000.00	\$30,000
Gas system, allow	87,657	SF	\$0.15	\$13,149
Condensate drainage	1	LS	\$20,000.00	\$20,000
Emergency/roof/overflow drainage systems	87,657	SF	\$0.50	\$43,829
Miscellaneous plumbing	87,657	SF	\$0.90	\$78,891
Total - 10 Plumbing Systems				<u>\$215,868</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	87,657	SF	\$10.00	\$876,570
Air distribution and return	87,657	SF	\$9.00	\$788,913
Controls, instrumentation and balancing	87,657	SF	\$4.00	\$350,628
Miscellaneous HVAC				
Test / balance HVAC	16	HR	\$86.60	\$1,386
Seismic bracing, etc.	87,657	SF	\$0.25	\$21,914
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$2,039,411</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	87,657	SF	\$5.00	\$438,285
HVAC and equipment connections	87,657	SF	\$1.00	\$87,657
Escalator connection, 480v				
Elevator connection, 480v				
Convenience power	87,657	SF	\$2.50	\$219,143
Lighting and lighting control	87,657	SF		
RAC Lease Space (Level 1)	26,055	SF	\$0.50	\$13,028
Core areas	61,602	SF	\$8.00	\$492,816
Special systems				
Fire alarm system	87,657	SF	\$1.50	\$131,486
Tel/data/PA	87,657	SF	\$3.00	\$262,971
Security and surveillance system	87,657	SF	\$2.00	\$175,314
Miscellaneous electrical requirements				
Seismic requirements	87,657	SF	\$0.15	\$13,149
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,833,847</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>13 Fire Protection Systems</u>				
Fire protection systems Dry sprinkler system	87,657	SF	\$4.50	\$394,457
Total - 13 Fire Protection Systems				<u>\$394,457</u>

CONRAC Construction Cost Summary (RCS) Rental Car Storage / Employee Parking

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$28,517,253		\$34.28
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$5,849,238		\$7.03	
3 Floor & Roof Structures	\$18,597,369		\$22.36	
4 Exterior Cladding	\$410,670		\$0.49	
5 Roofing and Waterproofing	\$3,659,975		\$4.40	
B) Interiors (6-7)		\$715,317		\$0.86
6 Interior Partitions, Doors and Glazing	\$166,375		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$548,941		\$0.66	
C) Equipment and Vertical Transportation (8-9)		\$637,532		\$0.77
8 Function Equipment and Specialties	\$457,532		\$0.55	
9 Stairs and Vertical Transportation	\$180,000		\$0.22	
D) Mechanical and Electrical (10-13)		\$3,376,629		\$4.06
10 Plumbing Systems	\$837,739		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$120,000		\$0.14	
12 Electrical Lighting, Power and Communications	\$2,418,889		\$2.91	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$33,246,731		\$39.97
General Conditions	8.00%	\$2,659,738		\$3.20
Subtotal		\$35,906,469		\$43.16
Bonds	1.00%	\$332,467		\$0.40
Subtotal		\$36,238,937		\$43.56
Liability Insurance	1.00%	\$332,467		\$0.40
Subtotal		\$36,571,404		\$43.96
General Contractor Fee	4.00%	\$1,462,856		\$1.76
Subtotal		\$38,034,260		\$45.72
Design / Estimating Contingency	10.00%	\$3,803,426		\$4.57
Subtotal		\$41,837,686		\$50.29
Escalation	7.79%	\$3,258,114		\$3.92
TOTAL ESTIMATED CONSTRUCTION COST		\$45,095,800		\$54.21

Total Area: 831,877 SF

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
				NA
Total - 1 Foundations				
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, above R/R	68	CY	\$1,259.00	\$86,172
Reinforced concrete columns, above QTA	526	CY	\$1,235.00	\$649,222
Non load bearing walls				
Reinforced concrete crash walls, 4' high, above R/R	9,764	SF	\$26.00	\$253,864
Reinforced concrete crash walls, 4' high, above QTA	16,784	SF	\$26.00	\$436,384
Reinforced enclosed walls				
CMU, 12", above R/R	18,442	SF	\$30.00	\$553,271
CMU, 12", above QTA	16,578	SF	\$30.00	\$497,327
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$3,373,000.00	\$3,373,000
Total - 2 Vertical Structure				<u>\$5,849,238</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level				NA
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick	853,306	SF	\$12.01	\$10,248,205
Prestressed post-tensioned concrete beams, allow 14" x 35"	6,800	CY	\$813.22	\$5,530,292
Prestressed post-tensioned transfer girder	1	LS	\$1,106,000.00	\$1,106,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"	1,486	CY	\$621.04	\$922,589
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	831,877	SF	\$0.75	\$623,908
Miscellaneous metal and rough capentry	831,877	SF	\$0.20	\$166,375
Total - 3 Floor & Roof Structures				<u>\$18,597,369</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Garage screen, above R/R	4,882	SF	\$45.00	\$219,690
Garage screen, above QTA	4,244	SF	\$45.00	\$190,980
Total - 4 Exterior Cladding				<u>\$410,670</u>
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing	568,402	SF	\$6.00	\$3,410,412
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	831,877	SF	\$0.15	\$124,782
Miscellaneous caulking and sealants	831,877	SF	\$0.15	\$124,782
Total - 5 Roofing and Waterproofing				<u>\$3,659,975</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - storage	831,877	SF	\$0.20	\$166,375
Total - 6 Interior Partitions, Doors and Glazing				<u>\$166,375</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	32,083	SF	\$0.62	\$19,891
Paint underside of suspended slabs	853,306	SF	\$0.62	\$529,050
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$548,941</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	831,877	SF	\$0.15	\$124,782
Directional signage / graphics, allowance	831,877	SF	\$0.05	\$41,594
Miscellaneous specialties				
Code/Graphics required signage	831,877	SF	\$0.25	\$207,969
Miscellaneous specialties	831,877	SF	\$0.10	\$83,188
Total - 8 Function Equipment and Specialties				<u>\$457,532</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	9	FLT	\$20,000.00	\$180,000
Elevators				
Traction Freight elevator, 6000 LBS, 4-stops				<i>in QTA</i>
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>
Total - 9 Stairs and Vertical Transportation				<u>\$180,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$9,000.00	\$9,000
Domestic cold water	1	LS	\$7,500.00	\$7,500
Condensate drainage	1	LS	\$6,000.00	\$6,000
Emergency/roof/overflow drainage systems	831,877	SF	\$0.88	\$732,052
Miscellaneous plumbing	831,877	SF	\$0.10	\$83,188
Total - 10 Plumbing Systems				<u>\$837,739</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
HVAC system, allow	1	LS	\$120,000.00	\$120,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$120,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Electrical system, lighting and lighting control, allow	831,877	SF	\$2.50	\$2,079,693
Special systems				
Security and surveillance system	831,877	SF	\$0.35	\$291,157
Code Blue phone system - allowance	4	LOC	\$8,760.00	\$35,040
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$13,000.00	\$13,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$2,418,889</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system, Level 2 above QTA	263,475	SF	\$4.50	\$1,185,638
Total - 13 Fire Protection Systems				<u>\$1,185,638</u>

Site Work

Site Work Construction Cost Summary

Element		Subtotal	Total	Cost / SF	Cost / SF
E) Site Work (14-16)			\$17,160,556		\$12.06
14 Site Preparation and Demolition		\$2,919,220		\$2.05	
15 Site Paving, Structures and Landscaping		\$8,472,336		\$5.95	
16 Utilities on Site		\$5,269,000		\$3.70	
17 Off-site Work		\$500,000		\$0.35	
Subtotal			\$17,160,556		\$12.06
General Conditions	8.00%		\$1,372,844		\$0.96
Subtotal			\$18,533,401		\$13.02
Bonds	1.00%		\$171,606		\$0.12
Subtotal			\$18,705,006		\$13.14
Liability Insurance	1.00%		\$171,606		\$0.12
Subtotal			\$18,876,612		\$13.27
General Contractor Fee	4.00%		\$755,064		\$0.53
Subtotal			\$19,631,676		\$13.80
Design / Estimating Contingency	10.00%		\$1,963,168		\$1.38
Subtotal			\$21,594,844		\$15.18
Escalation	7.79%		\$1,681,701		\$1.18
TOTAL ESTIMATED CONSTRUCTION COST			\$23,276,545		\$16.36

Total Area: 1,423,000 SF

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>14 Site Preparation and Demolition</u>				
Buildings demolition				<i>Excluded</i>
Site Demolition				
Demo and remove existing ac paving	1	LS	\$750,000.00	\$750,000
Relocate existing 60" main storm drain line, allowance	1	LS	\$560,000.00	\$560,000
Remove and dispose existing storm drain lateral line, allowance	1	LS	\$88,000.00	\$88,000
Site protective construction				
Erosion control	1,423,000	SF	\$0.05	\$71,150
Storm Water Prevention and Protection Program	2,000	HR	\$45.00	\$90,000
Hazmat abatement				<i>Excluded</i>
Site clearing and grading				
Clearing and grubbing				NA
Rough grading (assumed to be a balanced site)	-	SF	\$1.00	
Fine grading	1,423,000	SF	\$0.29	\$412,670
Temporary construction				
Green screen fence	47,370	SF	\$20.00	\$947,400
Total - 14 Site Preparation and Demolition				<u>\$2,919,220</u>
<u>15 Site Paving, Structures and Landscaping</u>				
Vehicular paving				
Bus Plaza	15,162	SF	\$22.00	\$333,564
Roads, on grade, concrete	73,522	SF	\$12.00	\$882,264
Visitor parking, concrete	22,186	SF	\$12.00	\$266,232
Employee parking, concrete	104,438	SF	\$12.00	\$1,253,256
Customer return road, asphalt	22,693	SF	\$6.00	\$136,158
Curb cuts	4	LS	\$30,000.00	\$120,000
Parking lot striping / signage				
Striping, stalls	342	EA	\$17.00	\$5,814
Hatched striping	1	LS	\$6,000.00	\$6,000
Directional signage / graphics, allowance	238,001	SF	\$0.05	\$11,900
Pedestrian paving				
Allowance for concrete walkway, 4" thick, allowance	15,000	SF	\$8.00	\$120,000
Raised concrete pavement	414,116	SF	\$8.00	\$3,312,928
Landscaping				
Minor site landscaping and irrigation, allowance	70,000	SF	\$10.00	\$700,000

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
Site amenities				
Service station, assume single-story structure	30,000	SF		<i>Excluded</i>
Security Guard Booths				<i>Excluded</i>
Service yard, open-air with enclosure walls	74,948	SF	\$15.00	\$1,124,220
Signage and Art in Public Places				
Exterior Building Signage	1	LS	\$200,000.00	\$200,000
Art in Public Places				<i>Soft costs</i>
Total - 15 Site Paving, Structures and Landscaping				<u>\$8,472,336</u>
<u>16 Utilities on Site</u>				
Allowance for site utilities -fire/sewer/water/storm drainage	1,423,000	SF	\$3.00	\$4,269,000
Site power, security and lighting	1	LS	\$1,000,000.00	\$1,000,000
Existing jet fuel lines (relocation costs by others)	1	LS		<i>Excluded</i>
Total - 16 Utilities on Site				<u>\$5,269,000</u>
<u>17 Off site Improvements</u>				
Vehicular paving				
Reconfigured intersection				<i>Excluded</i>
Regional wayfinding signage	1	LS	\$500,000.00	\$500,000
Pedestrian overhead bridge				<i>Excluded</i>
Total - 17 Site Paving, Structures and Landscaping				<u>\$500,000</u>

LEED

LEED Construction Cost Summary

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$0		\$0.00
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$0		\$0.00	
3 Floor & Roof Structures	\$0		\$0.00	
4 Exterior Cladding	\$0		\$0.00	
5 Roofing and Waterproofing	\$0		\$0.00	
B) Interiors (6-7)		\$0		\$0.00
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$0		\$0.00	
C) Equipment and Vertical Transportation (8-9)		\$500,000		\$0.24
8 Function Equipment and Specialties	\$500,000		\$0.24	
9 Stairs and Vertical Transportation	\$0		\$0.00	
D) Mechanical and Electrical (10-13)		\$1,600,666		\$0.78
10 Plumbing Systems	\$0		\$0.00	
11 Heating, Ventilation and Air Conditioning	\$0		\$0.00	
12 Electrical Lighting, Power and Communications	\$1,600,666		\$0.78	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$250,000		\$0.12
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$250,000		\$0.12	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$2,350,666		\$1.14
General Conditions	8.00%	\$188,053		\$0.09
Subtotal		\$2,538,720		\$1.23
Bonds	1.00%	\$23,507		\$0.01
Subtotal		\$2,562,226		\$1.24
Liability Insurance	1.00%	\$23,507		\$0.01
Subtotal		\$2,585,733		\$1.25
General Contractor Fee	4.00%	\$103,429		\$0.05
Subtotal		\$2,689,162		\$1.30
Design / Estimating Contingency	10.00%	\$268,916		\$0.13
Subtotal		\$2,958,078		\$1.43
Escalation	7.79%	\$230,361		\$0.11
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$3,188,439</u>		<u>\$1.55</u>

Total Area: 2,063,682 SF

LEED Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Miscellaneous specialties LEED certification	1	LS	\$500,000.00	\$500,000
Total - 8 Function Equipment and Specialties				<u>\$500,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Lighting and lighting control Premium to meet LEED requirement				
Areas -QTA	263,475	SF	\$1.75	\$461,081
Areas -Ready and Return Garage	880,673	SF	\$1.10	\$968,740
Areas -Customer Service Area	87,657	SF	\$1.00	\$87,657
Areas -Rental Car Storage/ Employee Parking Area	831,877	SF	\$0.10	\$83,188
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,600,666</u>
<u>15 Site Paving, Structures & Landscaping</u>				
Landscaping LEED requirement	1	LS	\$250,000.00	\$250,000
Total - 15 Site Paving, Structures & Landscaping				<u>\$250,000</u>

INTRODUCTION

1. Basis Of Estimate

This statement is based on the 100% Concept Design package as prepared by Demattei Wong Architecture (dated 11/19/2010), received on 12/02/2010, along with verbal direction from the architect and engineer.

Drawings: Conceptual Design Pricing Set for Concept D

Project Delivery Schedule: Assumed to start in June 2013 for 24 months

2. Scope of Estimate

The cost study is intended to address the construction cost for a new rental car facility at San Diego International Airport. The rental car facility consists of customer service area, ready and return garage, quick turn-around facility, and rental car storage/employee parking area.

The building is priced as a LEED Silver certified structure.

3. Items Affecting the Estimate

A Specific Exclusions

Items which are not detailed in the backup to this estimate include the following:

- 1 Tenant Improvements.
- 2 Telephone equipment and cabling.
- 3 Move-in costs or maintenance costs after move-in.
- 4 Financing and carry costs.
- 5 Hazardous material abatement (if required) beyond that carried in this estimate.
- 6 Soil remediation.
- 7 Relocation of existing Airport Infrastructure (Jet Fuel Piping)
- 8 PV Panels
- 9 Buildings demolition
- 10 Temporary construction
- 11 Car stacking equipment

B Items Affecting the Cost Estimate

Items which may change the estimated construction cost include, but are not limited to:

- 1 Modifications to the scope of work included in this estimate.
- 2 Restrictive technical specifications or excessive contract conditions.
- 3 Any specified item of equipment, material, or product that cannot be obtained from at least three (3) different sources.
- 4 Any other non-competitive bid situations.
- 5 Bids delayed beyond the projected schedule.
- 6 Unit prices for commodities such as aggregate base, fill soils, and soils export can vary greatly from those presented herein, depending upon the demand for such materials (or lack thereof) within the dirt market at the time of actual construction.
- 7 Note: Given the current instabilities in the world market, the cost of many products (including, but not limited to, asphalt, Portland Cement concrete, lumber, sewer, water, and drain pipe, and steel) may differ significantly at the time material orders are actually placed from what is shown herein (beyond that accounted for by reasonable escalation rates).

INTRODUCTION

C Assumptions made in the Cost Estimate

This estimate was prepared under the following assumptions:

- 1 The site will be fully accessible during normal working hours.
- 2 Phasing will not be required.
- 3 Construction contract procurement method is competitive, public G.C. bid.
- 4 Prevailing wage labor rate structure.
- 5 No special security and badging will be required.
- 6 Allowance for 25 visitor parking spaces.

4. Notes

Statement of Probable Cost

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

The statement reflects probable construction costs obtainable in a competitive and stable bidding market. This estimate is based upon a minimum of four (4) competitive bids from qualified general contractors, with bids from a minimum of three (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in a lower bid result.

In accordance with industry analyses, it has been determined that the number of competitive bids obtained may have the following effect:

1 bid	add	15% to 40%
2 to 3 bids	add	8% to 12%
4 to 5 bids		-4% to +4%
6 to 8 bids	deduct	5% to 7%
9 or more bids	deduct	8% to 25%

Caveat emptor! The bid price is not necessarily the final cost. Please be advised that opening up the bid process to all comers invites bid-day errors and "lowball" bids from potentially less-than-qualified bidders who will seek to make their profit on the job via an unending stream of change order requests.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.

Recommendations for Cost Control

Cumming recommends that the Owner and the Architect carefully review this entire document to ensure that it reflects their design intent.

INTRODUCTION

Contractor's Fee

A reasonable allowance based on 4% of the construction cost subtotal has been included for the general contractor's home office over head and profit. Site overhead is included in the general conditions.

Design Evolution Contingency

A reasonable allowance of 10% for undeveloped design details has been included in the Summary of this estimate. As the design of each system is further developed, details which increase cost become apparent and are incorporated into the estimate.

Escalation

Escalation is calculated from the basis of this estimate to the Midpoint of Construction using the following rates:

Annual:	2011	1.00%
	2012	2.00%
	2013	3.00%
	2014	4.00%
	2015	5.00%
	2016	5.00%

Construction Start:	06/01/13
Construction Completion:	06/01/15
Construction Midpoint:	06/01/14
Construction Duration:	24 Months
Compound Escalation:	7.79%

Phasing Allowance

No phasing allowance is made at Concept Design stage.

Soft Costs

Soft costs associated with the project are include and referenced in detail. Refer to pages 7-8.

LEED

The LEED goal of Silver is included in the pricing.

Abbreviations Commonly Used Herein

BCY	bank cubic yards	LF	lineal feet
CCY	compacted cubic yards	LS	lump-sum
CFM	cubic feet per minute	NSF	net square feet
CLF	hundred lineal feet	PC	piece(s)
CY	cubic yard(s)	PR	pair
EA	each	SF	square feet
FLT	flight (of stairs)	SFCA	square feet of contact area
GSF	gross square feet	SFF	square feet of floor
MH	man hour(s)	SY	square yard(s)
LB	pound(s)	TN	ton(s)
LCY	loose cubic yards	VLF	vertical lineal feet

INTRODUCTION

Requests for modifications of any apparent errors or omissions to this document must be made within ten (10) working days of the date of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted. If the project is over budget, or there are unresolved budgeting issues, alternate systems / schemes should be evaluated before proceeding.

Basis for Quantities

Wherever possible and practical, this estimate has been based upon the actual measurement of different items of work. For the remaining items, parametric measurements were used in conjunction with references from other projects of a similar nature.

The gross floor area (GFA) quantities utilized herein were measured using On-Screen Takeoff®.

Basis for Unit Costs

The unit costs enumerated herein are based on current bid prices in the San Diego, California area.

Subcontractor's overhead and profit is included in each line item unit cost. This overhead and profit covers each subcontractor's cost for labor burden, materials and equipment sales taxes, field overhead, home office overhead, and profit. The general contractor's overhead and profit is shown separately on the Summary.

Sources for Pricing

This estimate was prepared by a team of qualified cost consultants experienced in estimating construction costs at all stages of design.

These consultants have used pricing data from the Cumming database for construction, updated to reflect current market conditions in the San Diego, California area at the time the estimate was prepared. In some cases, quotes were solicited from outside sources to substantiate in-house pricing data.

Subcontractor's Mark-ups

As stated earlier, subcontractor's mark-ups have been included in each line item unit cost. Depending on the trade, these mark-ups can range from 15% to 20% of the raw cost for that particular item of work.

5. Prorates

General Conditions

An allowance based 8% of the construction cost subtotal has been included for the contractor's general conditions.

Contractor's Bonds

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's payment and performance bonds (if required).

Contractor's General Liability Insurance

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's general liability insurance.

CONSTRUCTION COST SUMMARY

Element	Area	Cost / SF	Total
CONRAC			
1 Customer Service Area (CSA)	90,569 SF	\$203.24	\$18,407,512
Common Lobby / Level 1 core	27,624 SF		
RAC Lease Space (Level 1)	28,408 SF		
Cores Total Levels 2-4	34,537 SF		
2 Ready and Return Garage	806,567 SF	\$60.57	\$48,851,749
Level 1			
Level 2			
Level 3			
3 Quick Turn-around Facility (QTA), Level 1-Level 3	439,588 SF	\$83.43	\$36,673,901
4 Rental Car Storage / Employee Parking, Level 4	425,991 SF	\$51.23	\$21,823,914
5 Site Development	1,247,564 SF	\$17.45	\$21,774,173
TOTAL ESTIMATED BUILDING CONSTRUCTION COST	1,762,715 SF	\$83.70	<u>\$147,531,250</u>

LEED REQUIREMENTS

1 Premium to achieve LEED Silver	1,762,715 SF	\$1.95	\$3,444,804
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OPTIONS

1 Premium for pile foundation in lieu of mat foundation (based on average premium of 25%)			\$2,500,000
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TOTAL PROJECT COST DETAIL - CONCEPT D

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>BUILDING PERMITS</u>						
Based on 1% of construction cost	1.00	%	\$147,531,250		\$1,475,312	
					<u>\$1,475,312</u>	\$1,475,312
<u>CONSTRUCTION COST</u>						
Building construction cost			\$147,531,250		\$147,531,250	
LEED requirement cost			\$3,444,804		\$3,444,804	
					<u>\$150,976,054</u>	\$150,976,054
<u>FF&E COSTS</u>						
Works of Art	1.00	%	\$147,531,250		\$1,475,312	
					<u>\$1,475,312</u>	\$1,475,312
<u>EXTERIOR SIGNAGE</u>						
Exterior Building Signage, (see Base Estimate)	-	allow	\$0.00	\$0	\$0	
Regional wayfinding signage, (see Base Estimate)	-	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Included in hard costs
<u>SUPPORT EQUIPMENT</u>						
Airport Audio Visual Equipment (excluded)	1	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Excluded
<u>SYSTEMS</u>						
Management system, TBD					\$0	
					<u>\$0</u>	Excluded
<u>OPERATING EQUIPMENT</u>						
					<u>\$0</u>	Excluded
<u>INVENTORY (CONSUMABLES)</u>						
					<u>\$0</u>	Excluded
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>						
Design Costs						
Design Costs	9.00	%	\$147,531,250		\$13,277,812	
Sub Total Design Costs					<u>\$13,277,812</u>	
CM Costs						
CM	4.00	%	\$147,531,250		\$5,901,250	
Material testing/inspection/geotechnical	3.00	%	\$147,531,250		\$4,425,937	
Sub Total CM Costs					<u>\$10,327,187</u>	
Total Design, Program and CM Costs					\$23,605,000	\$23,605,000
<u>LEED commision and associated Costs</u>						
	-	allow	\$1,000,000		\$1,000,000	
					<u>\$1,000,000</u>	\$1,000,000
<u>PRE - OPENING EXPENSES</u>						
None Required					\$0	
					<u>\$0</u>	Excluded

CONCEPT D COST ESTIMATE 112

Schedule of Areas & Control Quantities

Schedule of Areas	SF	SF
Areas -QTA		
Level 1	148,828	
Level 2	145,380	
Level 3	145,380	
Subtotal, Areas -QTA		439,588
Areas -Ready and Return Garage		
Level 1	248,421	
Level 2	279,073	
Level 3	279,073	
Subtotal, Areas -Ready and Return Garage		806,567
Efficiency factor		(328 /PER STALL)
Areas -Customer Service Area		
Common Lobby / Level 1 core	27,624	
RAC Lease Space (Level 1)	28,408	
Cores Total Levels 2-4	34,537	
Subtotal, Areas -Customer Service Area		90,569
Areas -Rental Car Storage/ Employee Parking Area		
Level 4	425,991	
Subtotal, Areas -Rental Car Storage/ Employee Parking Area		425,991
Total Gross Floor Area		1,762,715

Control Quantities	Qty	Ratio to Gross Area
Number of Levels	4 EA	0.002
Number of Units (Fuel position)	30 EA	0.017
Number of Units (Car wash)	18 EA	0.01
Number of Units (Vehicle stacking)	480 EA	0.272
Number of Units (Parking stalls)	2,462 EA	1.397
Footprint Area	453,281 SF	0.257

CONRAC Construction Cost Summary QTA (Quick Turn-Around Facility)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$12,843,720		\$29.22
1 Foundations	\$3,253,579		\$7.40	
2 Vertical Structure	\$3,085,847		\$7.02	
3 Floor & Roof Structures	\$5,969,417		\$13.58	
4 Exterior Cladding	\$403,000		\$0.92	
5 Roofing and Waterproofing	\$131,876		\$0.30	
B) Interiors (6-7)		\$265,486		\$0.60
6 Interior Partitions, Doors and Glazing	\$87,918		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$177,568		\$0.40	
C) Equipment and Vertical Transportation (8-9)		\$4,521,773		\$10.29
8 Function Equipment and Specialties	\$4,121,773		\$9.38	
9 Stairs and Vertical Transportation	\$400,000		\$0.91	
D) Mechanical and Electrical (10-13)		\$9,406,735		\$21.40
10 Plumbing Systems	\$1,947,311		\$4.43	
11 Heating, Ventilation and Air Conditioning	\$826,320		\$1.88	
12 Electrical Lighting, Power and Communications	\$4,642,653		\$10.56	
13 Fire Protection Systems	\$1,990,451		\$4.53	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$27,037,713		\$61.51
General Conditions	8.00%	\$2,163,017		\$4.92
Subtotal		\$29,200,730		\$66.43
Bonds	1.00%	\$270,377		\$0.62
Subtotal		\$29,471,107		\$67.04
Liability Insurance	1.00%	\$270,377		\$0.62
Subtotal		\$29,741,485		\$67.66
General Contractor Fee	4.00%	\$1,189,659		\$2.71
Subtotal		\$30,931,144		\$70.36
Design / Estimating Contingency	10.00%	\$3,093,114		\$7.04
Subtotal		\$34,024,258		\$77.40
Escalation	7.79%	\$2,649,643		\$6.03
TOTAL ESTIMATED CONSTRUCTION COST		\$36,673,901		\$83.43

Total Area: 439,588 SF

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	29,002	CY	\$8.00	\$232,019
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	148,828	SF	\$20.00	\$2,976,560
Sump	2	EA	\$5,000.00	\$10,000
Dewatering	1	LS	\$35,000.00	\$35,000
Total - 1 Foundations				<u>\$3,253,579</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,235 /CY)			
Forms, steel slip forms, multi use	34,848	SF	\$10.00	\$348,480
Reinforcement, 550 lb/cy	354,933	LB	\$0.90	\$319,440
Concrete, allowance	645	CY	\$200.00	\$129,067
Sack and finish	34,848	SF	\$0.52	\$18,121
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$14 /SF)			
Forms, job built ply / dimensional, multi use	12,488	SF	\$8.00	\$99,904
Reinforcement, 2 lb/sf	24,976	LB	\$0.90	\$22,478
Concrete, allowance	231	CY	\$165.00	\$38,158
Sack and finish	12,488	SF	\$0.90	\$11,239
Reinforced enclosed walls, 12" CMU	15,065	SF	\$30.00	\$451,960
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,647,000.00	\$1,647,000
Total - 2 Vertical Structure				<u>\$3,085,847</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include shuttle circulation)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	456	SF	\$5.00	\$2,278
Reinforcement, 2.5 lbs/sf	372,070	LB	\$0.90	\$334,863
Aggregate base, 6"	148,828	SF	\$1.28	\$190,500
Vapor barrier	148,828	SF	\$0.30	\$44,648
Concrete, allowance	2,315	CY	\$165.00	\$381,992
Concrete thickenings, allowance	13	CY	\$165.00	\$2,188
Sack and finish	148,828	SF	\$0.52	\$77,391
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	251,552	SF	\$5.00	\$1,257,760
Edge forms in place, multi use	911	SF	\$5.00	\$4,556
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	188,664	LB	\$1.60	\$301,862
Reinforcement, 3lb/sf	754,656	LB	\$0.80	\$603,725
Concrete, allowance	3,913	CY	\$185.00	\$723,911
Sack and finish to flat and sloped soffits and sides	251,552	SF	\$0.52	\$130,807
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	64,637	SF	\$6.00	\$387,823
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	133,129	LB	\$1.60	\$213,006
Reinforcement, 194 lb/cy	271,691	LB	\$0.80	\$217,353
Concrete, allowance	1,400	CY	\$205.00	\$287,097
Sack and finish to sides	64,637	SF	\$0.52	\$33,611
Prestressed post-tensioned transfer girder	1	LS	\$57,000.00	\$57,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	13,018	SF	\$6.00	\$78,109
Reinforcement, 300 lb/cy	144,647	LB	\$0.80	\$115,717
Concrete, allowance	482	CY	\$205.00	\$98,842
Sack and finish sides and soffit	13,018	SF	\$0.52	\$6,769
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	439,588	SF	\$0.75	\$329,691
Miscellaneous metal and rough capentry	439,588	SF	\$0.20	\$87,918
Total - 3 Floor & Roof Structures				<u>\$5,969,417</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Exterior concrete, block or brick walls				
Architectural formliner to exterior façade	1	LS	\$303,000.00	\$303,000
Equipment room, allow	1	LS	\$100,000.00	\$100,000
Total - 4 Exterior Cladding				<u>\$403,000</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	439,588	SF	\$0.15	\$65,938
Miscellaneous caulking and sealants	439,588	SF	\$0.15	\$65,938
Total - 5 Roofing and Waterproofing				<u>\$131,876</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - support areas	439,588	SF	\$0.20	\$87,918
Total - 6 Interior Partitions, Doors and Glazing				<u>\$87,918</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	34,848	SF	\$0.62	\$21,606
Paint underside of suspended slabs	251,552	SF	\$0.62	\$155,962
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$177,568</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	439,588	SF	\$0.15	\$65,938
Directional signage / graphics, allowance	439,588	SF	\$0.05	\$21,979
Miscellaneous specialties				
Code/Graphics required signage	439,588	SF	\$0.25	\$109,897
Miscellaneous specialties	439,588	SF	\$0.10	\$43,959
Equipment				
Car wash equipment, allowance	18	EA	\$85,000.00	\$1,530,000
Car fueling & process & distribution equipment, allowance	30	EA	\$75,000.00	\$2,250,000
Fuel storage tanks, allowance	4	EA	\$25,000.00	\$100,000
Total - 8 Function Equipment and Specialties				<u>\$4,121,773</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	4	FLT	\$20,000.00	\$80,000
Elevators				
Traction Freight elevator, 6000 LBS, 4-stops	1	EA	\$320,000.00	\$320,000
Total - 9 Stairs and Vertical Transportation				<u>\$400,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	439,588	SF	\$2.50	\$1,098,970
Domestic cold water	1	LS	\$132,000.00	\$132,000
Condensate drainage	1	LS	\$13,000.00	\$13,000
Gas, allowance	439,588	SF		Not required
Emergency/roof/overflow drainage systems	439,588	SF	\$1.50	\$659,382
Miscellaneous plumbing	439,588	SF	\$0.10	\$43,959
Total - 10 Plumbing Systems				<u>\$1,947,311</u>

CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	1	LS	\$25,000.00	\$25,000
Air distribution, return and mechanical exhaust	439,588	SF	\$1.00	\$439,588
Controls including leaks detection	1	LS	\$350,000.00	\$350,000
Miscellaneous HVAC				
Test / balance HVAC	20	HR	\$86.60	\$1,732
Seismic bracing, etc.	1	LS	\$10,000.00	\$10,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$826,320</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	439,588	SF	\$4.00	\$1,758,352
HVAC and equipment connections	439,588	SF	\$0.50	\$219,794
Fueling system power				
Fuel pump power				
Convenience power	439,588	SF	\$1.00	\$439,588
Lighting and lighting control	439,588	SF	\$2.50	\$1,098,970
Special systems				
Fire alarm system	439,588	SF	\$1.00	\$439,588
Tel/data	439,588	SF	\$0.30	\$131,876
Security and surveillance system	439,588	SF	\$1.25	\$549,485
Miscellaneous electrical requirements				
Seismic bracing, etc.	1	LS	\$5,000.00	\$5,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$4,642,653</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Automatic deluge system	8,203	SF	\$6.00	\$49,218
Dry sprinkler system	431,385	SF	\$4.50	\$1,941,233
Total - 13 Fire Protection Systems				<u>\$1,990,451</u>

CONRAC Construction Cost Summary Ready and Return Garage

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$24,856,757		\$30.82
1 Foundations	\$5,403,907		\$6.70	
2 Vertical Structure	\$5,437,247		\$6.74	
3 Floor & Roof Structures	\$12,937,113		\$16.04	
4 Exterior Cladding	\$836,519		\$1.04	
5 Roofing and Waterproofing	\$241,970		\$0.30	
B) Interiors (6-7)		\$379,196		\$0.47
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$379,196		\$0.47	
C) Equipment and Vertical Transportation (8-9)		\$1,822,642		\$2.26
8 Function Equipment and Specialties	\$422,642		\$0.52	
9 Stairs and Vertical Transportation	\$1,400,000		\$1.74	
D) Mechanical and Electrical (10-13)		\$8,957,198		\$11.11
10 Plumbing Systems	\$812,567		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$754,766		\$0.94	
12 Electrical Lighting, Power and Communications	\$3,760,313		\$4.66	
13 Fire Protection Systems	\$3,629,552		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$36,015,792		\$44.65
General Conditions	8.00%	\$2,881,263		\$3.57
Subtotal		\$38,897,055		\$48.23
Bonds	1.00%	\$360,158		\$0.45
Subtotal		\$39,257,213		\$48.67
Liability Insurance	1.00%	\$360,158		\$0.45
Subtotal		\$39,617,371		\$49.12
General Contractor Fee	4.00%	\$1,584,695		\$1.96
Subtotal		\$41,202,066		\$51.08
Design / Estimating Contingency	10.00%	\$4,120,207		\$5.11
Subtotal		\$45,322,273		\$56.19
Escalation	7.79%	\$3,529,477		\$4.38
TOTAL ESTIMATED CONSTRUCTION COST		\$48,851,749		\$60.57

Total Area: 806,567 SF

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	46,311	CY	\$8.00	\$370,487
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	248,421	SF	\$20.00	\$4,968,420
Sump	3	EA	\$5,000.00	\$15,000
Dewatering	1	LS	\$50,000.00	\$50,000
Total - 1 Foundations				<u>\$5,403,907</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,235 /CY)			
Forms, steel slip forms, multi use	53,460	SF	\$10.00	\$534,600
Reinforcement, 550 lb/cy	544,500	LB	\$0.90	\$490,050
Concrete, allowance	990	CY	\$200.00	\$198,000
Sack and finish	53,460	SF	\$0.52	\$27,799
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$14 /SF)			
Forms, job built ply / dimensional, multi use	36,476	SF	\$8.00	\$291,808
Reinforcement, 2 lb/sf	72,952	LB	\$0.90	\$65,657
Concrete, allowance	675	CY	\$165.00	\$111,454
Sack and finish	36,476	SF	\$0.90	\$32,828
Reinforced enclosed walls, 12" CMU	16,335	SF	\$30.00	\$490,050
Customer entry and exit ramp	1	LS	\$3,195,000.00	\$3,195,000
Shuttle entry and exit ramp				<i>in QTA</i>
Total - 2 Vertical Structure				<u>\$5,437,247</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include R/R & Customer return)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	946	SF	\$5.00	\$4,732
Reinforcement, 2.5 lbs/sf	621,053	LB	\$0.90	\$558,947
Aggregate base, 6"	248,421	SF	\$1.28	\$317,979
Vapor barrier	248,421	SF	\$0.30	\$74,526
Concrete, allowance	3,864	CY	\$165.00	\$637,614
Concrete thickenings, allowance	28	CY	\$165.00	\$4,544
Sack and finish	248,421	SF	\$0.52	\$129,179
Slab thickening at kiosk areas, allowance	1	LS	\$200,000.00	\$200,000
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	558,146	SF	\$5.00	\$2,790,730
Edge forms in place, multi use	1,893	SF	\$5.00	\$9,464
Post tensioning tendons, plastic sheathed, .75 lbs/sf	418,610	LB	\$1.60	\$669,775
Reinforcement, 3lb/sf	1,674,438	LB	\$0.80	\$1,339,550
Concrete, allowance	8,682	CY	\$185.00	\$1,606,220
Sack and finish to flat and sloped soffits and sides	558,146	SF	\$0.52	\$290,236
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	166,358	SF	\$6.00	\$998,149
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	342,637	LB	\$1.60	\$548,219
Reinforcement, 194 lb/cy	699,259	LB	\$0.80	\$559,407
Concrete, allowance	3,604	CY	\$205.00	\$738,908
Sack and finish to sides	166,358	SF	\$0.52	\$86,506
Prestressed post-tensioned transfer girder	1	LS	\$148,000.00	\$148,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	32,193	SF	\$6.00	\$193,158
Reinforcement, 300 lb/cy	357,700	LB	\$0.80	\$286,160
Concrete, allowance	1,192	CY	\$205.00	\$244,428
Sack and finish sides and soffit	32,193	SF	\$0.52	\$16,740
Miscellaneous				
Miscellaneous concrete works, curbs and islands	806,567	SF	\$0.50	\$403,284
Miscellaneous metal and rough capentry	806,567	SF	\$0.10	\$80,657
Total - 3 Floor & Roof Structures				<u>\$12,937,113</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Canopy				<i>in CSA</i>
Architectural formliner to exterior façade	18,589	SF	\$45.00	\$836,519
Total - 4 Exterior Cladding				<u>\$836,519</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous Expansion and seismic joints	806,567	SF	\$0.15	\$120,985
Miscellaneous caulking and sealants	806,567	SF	\$0.15	\$120,985
Total - 5 Roofing and Waterproofing				<u>\$241,970</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Total - 6 Interior Partitions, Doors and Glazing				
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	53,460	SF	\$0.62	\$33,145
Paint underside of suspended slabs	558,146	SF	\$0.62	\$346,051
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$379,196</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping				
Striping, stalls	2,462	EA	\$32.50	\$80,015
Hatched striping	1	LS	\$20,000.00	\$20,000
Directional signage / graphics, allowance	806,567	SF	\$0.05	\$40,328
Miscellaneous specialties				
Code/Graphics required signage	806,567	SF	\$0.25	\$201,642
Miscellaneous specialties	806,567	SF	\$0.10	\$80,657
Total - 8 Function Equipment and Specialties				<u>\$422,642</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	10	FLT	\$20,000.00	\$200,000
Elevators				
Traction passenger elevator, 5000 LBS, 4-stops	4	EA	\$300,000.00	\$1,200,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,400,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$1,500.00	\$1,500
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	806,567	SF	\$0.10	\$80,657
Miscellaneous plumbing	806,567	SF	\$0.90	\$725,910
Total - 10 Plumbing Systems				<u>\$812,567</u>

CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	806,567	SF	\$0.40	\$322,627
Air distribution and return	806,567	SF	\$0.40	\$322,627
Controls, instrumentation and balancing	806,567	SF	\$0.10	\$80,657
Miscellaneous HVAC				
Test / balance HVAC	160	HR	\$86.60	\$13,856
Seismic bracing, etc.	1	LS	\$15,000.00	\$15,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$754,766</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	806,567	SF	\$0.50	\$403,284
HVAC and equipment connections	806,567	SF	\$0.10	\$80,657
Convenience power	806,567	SF	\$0.30	\$241,970
Lighting and lighting control	806,567	SF	\$2.50	\$2,016,418
Special systems				
Fire alarm system	806,567	SF	\$0.15	\$120,985
Tel/data/PA	806,567	SF	\$0.25	\$201,642
Security and surveillance system	806,567	SF	\$0.40	\$322,627
Code Blue phone system - allowance	30	LOC	\$8,760.00	\$262,800
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$109,931.43	\$109,931
Total - 12 Electrical Lighting, Power and Communications				<u>\$3,760,313</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	806,567	SF	\$4.50	\$3,629,552
Total - 13 Fire Protection Systems				<u>\$3,629,552</u>

CONRAC Construction Cost Summary Customer Service Area (CSA)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$5,688,927		\$62.81
1 Foundations	\$1,222,295		\$13.50	
2 Vertical Structure	\$74,101		\$0.82	
3 Floor & Roof Structures	\$1,021,216		\$11.28	
4 Exterior Cladding	\$3,344,145		\$36.92	
5 Roofing and Waterproofing	\$27,171		\$0.30	
B) Interiors (6-7)		\$1,474,814		\$16.28
6 Interior Partitions, Doors and Glazing	\$18,114		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$1,456,700		\$16.08	
C) Equipment and Vertical Transportation (8-9)		\$1,731,325		\$19.12
8 Function Equipment and Specialties	\$131,325		\$1.45	
9 Stairs and Vertical Transportation	\$1,600,000		\$17.67	
D) Mechanical and Electrical (10-13)		\$4,675,811		\$51.63
10 Plumbing Systems	\$220,382		\$2.43	
11 Heating, Ventilation and Air Conditioning	\$2,107,113		\$23.27	
12 Electrical Lighting, Power and Communications	\$1,883,611		\$20.80	
13 Fire Protection Systems	\$464,706		\$5.13	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$13,570,877		\$149.84
General Conditions	8.00%	\$1,085,670		\$11.99
Subtotal		\$14,656,548		\$161.83
Bonds	1.00%	\$135,709		\$1.50
Subtotal		\$14,792,256		\$163.33
Liability Insurance	1.00%	\$135,709		\$1.50
Subtotal		\$14,927,965		\$164.82
General Contractor Fee	4.00%	\$597,119		\$6.59
Subtotal		\$15,525,084		\$171.42
Design / Estimating Contingency	10.00%	\$1,552,508		\$17.14
Subtotal		\$17,077,592		\$188.56
Escalation	7.79%	\$1,329,919		\$14.68
TOTAL ESTIMATED CONSTRUCTION COST		\$18,407,512		\$203.24

Total Area: 90,569 SF

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	10,832	CY	\$8.00	\$86,655
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	56,032	SF	\$20.00	\$1,120,640
Dewatering	1	LS	\$15,000.00	\$15,000
Total - 1 Foundations				<u>\$1,222,295</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns	(\$1,263 /CY)			
Forms, steel slip forms, multi use	3,168	SF	\$10.00	\$31,680
Reinforcement, 550 lb/cy	32,267	LB	\$0.90	\$29,040
Concrete, allowance	59	CY	\$200.00	\$11,733
Sack and finish	3,168	SF	\$0.52	\$1,647
Non load bearing walls				<i>in R&R</i>
Total - 2 Vertical Structure				<u>\$74,101</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include core areas)				
Reinforced concrete slab on grade, 5" thick	(\$7 /SF)			
Forms in place, edge form, ply / dimensional, multi-use	206	SF	\$5.00	\$1,028
Reinforcement, 2.5 lbs/sf	140,080	LB	\$0.90	\$126,072
Aggregate base, 6"	56,032	SF	\$1.28	\$71,721
Vapor barrier	56,032	SF	\$0.30	\$16,810
Concrete, allowance	872	CY	\$165.00	\$143,815
Concrete thickenings, allowance	6	CY	\$165.00	\$987
Sack and finish	56,032	SF	\$0.52	\$29,137

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick	(\$12 /SF)			
Forms in place, edge form, ply / dimensional, multi-use	34,537	SF	\$5.00	\$172,685
Edge forms in place, multi use	256	SF	\$5.00	\$1,281
Post tensioning tendons, plastic sheathed,.75 lbs/sf	25,903	LB	\$1.60	\$41,444
Reinforcement, 3lb/sf	103,611	LB	\$0.80	\$82,889
Concrete, allowance	537	CY	\$185.00	\$99,390
Sack and finish to flat and sloped soffits and sides	34,537	SF	\$0.52	\$17,959
Prestressed post-tensioned concrete beams, allow 14" x 35"	(\$813 /CY)			
Forms, job built ply / dimensional, multi use	4,322	SF	\$6.00	\$25,930
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	8,901	LB	\$1.60	\$14,241
Reinforcement, 194 lb/cy	18,165	LB	\$0.80	\$14,532
Concrete, allowance	94	CY	\$205.00	\$19,195
Sack and finish to sides	4,322	SF	\$0.52	\$2,247
Prestressed post-tensioned transfer girder	1	LS	\$4,000.00	\$4,000
Miscellaneous				
Miscellaneous concrete works, curbs and islands	90,569	SF	\$1.00	\$90,569
Miscellaneous metal and rough carpentry	90,569	SF	\$0.50	\$45,284
Total - 3 Floor & Roof Structures				<u>\$1,021,216</u>
<u>4 Exterior Cladding</u>				
Exterior storefront system	13,085	SF	\$110.00	\$1,439,295
Canopy	12,699	SF	\$150.00	\$1,904,850
Total - 4 Exterior Cladding				<u>\$3,344,145</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	90,569	SF	\$0.15	\$13,585
Miscellaneous caulking and sealants	90,569	SF	\$0.15	\$13,585
Total - 5 Roofing and Waterproofing				<u>\$27,171</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - core and storage	90,569	SF	\$0.20	\$18,114
Total - 6 Interior Partitions, Doors and Glazing				<u>\$18,114</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Floor finishes				
Common Lobby, Level 1	20,810	SF	\$40.00	\$832,400
CSB area, by tenants				
Wall finishes				
CSB area, by tenants				
Ceiling finishes				
Common Lobby, Level 1	20,810	SF	\$30.00	\$624,300
CSB area, by tenants				
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$1,456,700</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Directional signage / graphics, allowance	90,569	SF	\$0.10	\$9,057
Miscellaneous specialties				
Building specialties and millwork	90,569	SF	\$1.00	\$90,569
Code/Graphics required signage	90,569	SF	\$0.25	\$22,642
Miscellaneous specialties	90,569	SF	\$0.10	\$9,057
Total - 8 Function Equipment and Specialties				<u>\$131,325</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings				<i>in R & R</i>
Elevators				
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Escalator				
16.5' rise with 40" tread including outdoor package	2	Pair	\$300,000.00	\$600,000
33' rise with 40" tread including outdoor package	2	Pair	\$500,000.00	\$1,000,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,600,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$30,000.00	\$30,000
Domestic cold water	1	LS	\$30,000.00	\$30,000
Gas system, allow	90,569	SF	\$0.15	\$13,585
Condensate drainage	1	LS	\$20,000.00	\$20,000
Emergency/roof/overflow drainage systems	90,569	SF	\$0.50	\$45,284
Miscellaneous plumbing	90,569	SF	\$0.90	\$81,512
Total - 10 Plumbing Systems				<u>\$220,382</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	90,569	SF	\$10.00	\$905,689
Air distribution and return	90,569	SF	\$9.00	\$815,120
Controls, instrumentation and balancing	90,569	SF	\$4.00	\$362,276
Miscellaneous HVAC				
Test / balance HVAC	16	HR	\$86.60	\$1,386
Seismic bracing, etc.	90,569	SF	\$0.25	\$22,642
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$2,107,113</u>

CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	90,569	SF	\$5.00	\$452,845
HVAC and equipment connections	90,569	SF	\$1.00	\$90,569
Escalator connection, 480v				
Elevators connection, 480v				
Convenience power	90,569	SF	\$2.50	\$226,422
Lighting and lighting control	90,569	SF		
RAC Lease Space (Level 1)	28,408	SF	\$0.50	\$14,204
Core areas	62,161	SF	\$8.00	\$497,287
Special systems				
Fire alarm system	90,569	SF	\$1.50	\$135,853
Tel/data/PA	90,569	SF	\$3.00	\$271,707
Security and surveillance system	90,569	SF	\$2.00	\$181,138
Miscellaneous electrical requirements				
Seismic requirements	90,569	SF	\$0.15	\$13,585
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,883,611</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	103,268	SF	\$4.50	\$464,706
Total - 13 Fire Protection Systems				<u>\$464,706</u>

CONRAC Construction Cost Summary (RCS) Rental Car Storage / Employee Parking

Element		Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)			\$13,630,641		\$32.00
1 Foundations		\$0		\$0.00	
2 Vertical Structure		\$2,214,790		\$5.20	
3 Floor & Roof Structures		\$8,393,024		\$19.70	
4 Exterior Cladding		\$339,084		\$0.80	
5 Roofing and Waterproofing		\$2,683,743		\$6.30	
B) Interiors (6-7)			\$361,607		\$0.85
6 Interior Partitions, Doors and Glazing		\$85,198		\$0.20	
7 Floor, Wall and Ceiling Finishes		\$276,409		\$0.65	
C) Equipment and Vertical Transportation (8-9)			\$374,295		\$0.88
8 Function Equipment and Specialties		\$234,295		\$0.55	
9 Stairs and Vertical Transportation		\$140,000		\$0.33	
D) Mechanical and Electrical (10-13)			\$1,723,066		\$4.04
10 Plumbing Systems		\$424,971		\$1.00	
11 Heating, Ventilation and Air Conditioning		\$60,000		\$0.14	
12 Electrical Lighting, Power and Communications		\$1,238,094		\$2.91	
13 Fire Protection Systems		\$0		\$0.00	
E) Site Work (14-16)			\$0		\$0.00
14 Site Preparation and Demolition		\$0		\$0.00	
15 Site Paving, Structures & Landscaping		\$0		\$0.00	
16 Utilities on Site		\$0		\$0.00	
Subtotal			\$16,089,609		\$37.77
General Conditions	8.00%		\$1,287,169		\$3.02
Subtotal			\$17,376,778		\$40.79
Bonds	1.00%		\$160,896		\$0.38
Subtotal			\$17,537,674		\$41.17
Liability Insurance	1.00%		\$160,896		\$0.38
Subtotal			\$17,698,570		\$41.55
General Contractor Fee	4.00%		\$707,943		\$1.66
Subtotal			\$18,406,513		\$43.21
Design / Estimating Contingency	10.00%		\$1,840,651		\$4.32
Subtotal			\$20,247,164		\$47.53
Escalation	7.79%		\$1,576,750		\$3.70
TOTAL ESTIMATED CONSTRUCTION COST			\$21,823,914		\$51.23

Total Area: 425,991 SF

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
				NA
Total - 1 Foundations				
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns				
Forms, steel slip forms, multi use	5,544	SF	\$10.00	\$55,440
Reinforcement, 550 lb/cy	56,467	LB	\$0.90	\$50,820
Concrete, allowance	103	CY	\$200.00	\$20,533
Sack and finish	5,544	SF	\$0.52	\$2,883
Non load bearing walls				
Reinforced concrete crash walls, 4' high	(\$14 /SF)			
Forms, job built ply / dimensional, multi use	24,482	SF	\$8.00	\$195,856
Reinforcement, 2 lb/sf	48,964	LB	\$0.90	\$44,068
Concrete, allowance	453	CY	\$165.00	\$74,806
Sack and finish	24,482	SF	\$0.90	\$22,034
Reinforced enclosed walls, 12" CMU	22,978	SF	\$30.00	\$689,351
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,059,000.00	\$1,059,000
Total - 2 Vertical Structure				
				<u>\$2,214,790</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level				NA

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$12 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	440,277	SF	\$5.00	\$2,201,385
Edge forms in place, multi use	1,582	SF	\$5.00	\$7,912
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	330,208	LB	\$1.60	\$528,332
Reinforcement, 3lb/sf	1,320,831	LB	\$0.80	\$1,056,665
Concrete, allowance	6,849	CY	\$185.00	\$1,267,019
Sack and finish to flat and sloped soffits and sides	440,277	SF	\$0.52	\$228,944
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	117,658	SF	\$6.00	\$705,951
Post tensioning tendons, plastic sheathed, 0.49 lbs/cy	242,333	LB	\$1.60	\$387,733
Reinforcement, 194 lb/cy	494,558	LB	\$0.80	\$395,646
Concrete, allowance	2,549	CY	\$205.00	\$522,600
Sack and finish to sides	117,658	SF	\$0.52	\$61,182
Prestressed post-tensioned transfer girder	1	LS	\$105,000.00	\$105,000
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	22,606	SF	\$6.00	\$135,634
Reinforcement, 300 lb/cy	251,173	LB	\$0.80	\$200,939
Concrete, allowance	837	CY	\$205.00	\$171,635
Sack and finish sides and soffit	22,606	SF	\$0.52	\$11,755
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	425,991	SF	\$0.75	\$319,493
Miscellaneous metal and rough capentry	425,991	SF	\$0.20	\$85,198
Total - 3 Floor & Roof Structures				<u>\$8,393,024</u>
<u>4 Exterior Cladding</u>				
Garage screen	7,535	SF	\$45.00	\$339,084
Total - 4 Exterior Cladding				<u>\$339,084</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing	425,991	SF	\$6.00	\$2,555,946
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	425,991	SF	\$0.15	\$63,899
Miscellaneous caulking and sealants	425,991	SF	\$0.15	\$63,899
Total - 5 Roofing and Waterproofing				<u>\$2,683,743</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - storage	425,991	SF	\$0.20	\$85,198
Total - 6 Interior Partitions, Doors and Glazing				<u>\$85,198</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				Not required
Painting				
Paint concrete columns	5,544	SF	\$0.62	\$3,437
Paint underside of suspended slabs	440,277	SF	\$0.62	\$272,972
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$276,409</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	425,991	SF	\$0.15	\$63,899
Directional signage / graphics, allowance	425,991	SF	\$0.05	\$21,300
Miscellaneous specialties				
Code/Graphics required signage	425,991	SF	\$0.25	\$106,498
Miscellaneous specialties	425,991	SF	\$0.10	\$42,599
Total - 8 Function Equipment and Specialties				<u>\$234,295</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	7	FLT	\$20,000.00	\$140,000
Elevators				
Traction Freight elevator, 6000 LBS, 4-stops				<i>in QTA</i>
Traction passenger elevator, 5000 LBS, 4-stops				<i>in R & R</i>
Total - 9 Stairs and Vertical Transportation				<u>\$140,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$3,000.00	\$3,000
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	425,991	SF	\$0.88	\$374,872
Miscellaneous plumbing	425,991	SF	\$0.10	\$42,599
Total - 10 Plumbing Systems				<u>\$424,971</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
HVAC system, allow	1	LS	\$60,000.00	\$60,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$60,000</u>

CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Electrical system, lighting and lighting control, allow	425,991	SF	\$2.50	\$1,064,978
Special systems				
Security and surveillance system	425,991	SF	\$0.35	\$149,097
Code Blue phone system - allowance	2	LOC	\$8,760.00	\$17,520
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$6,500.00	\$6,500
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,238,094</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				<i>not required</i>
Total - 13 Fire Protection Systems				

Site Work

Site Work Construction Cost Summary

Element		Subtotal	Total	Cost / SF	Cost / SF
E) Site Work (14-16)			\$16,052,938		\$12.87
14 Site Preparation and Demolition		\$2,859,572		\$2.29	
15 Site Paving, Structures and Landscaping		\$7,950,674		\$6.37	
16 Utilities on Site		\$4,742,692		\$3.80	
17 Off-site Work		\$500,000		\$0.40	
Subtotal			\$16,052,938		\$12.87
General Conditions	8.00%		\$1,284,235		\$1.03
Subtotal			\$17,337,173		\$13.90
Bonds	1.00%		\$160,529		\$0.13
Subtotal			\$17,497,702		\$14.03
Liability Insurance	1.00%		\$160,529		\$0.13
Subtotal			\$17,658,232		\$14.15
General Contractor Fee	4.00%		\$706,329		\$0.57
Subtotal			\$18,364,561		\$14.72
Design / Estimating Contingency	10.00%		\$1,836,456		\$1.47
Subtotal			\$20,201,017		\$16.19
Escalation	7.79%		\$1,573,156		\$1.26
TOTAL ESTIMATED CONSTRUCTION COST			\$21,774,173		\$17.45

Total Area: 1,247,564 SF

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>14 Site Preparation and Demolition</u>				
Buildings demolition				<i>Excluded</i>
Site Demolition				
Demo and remove existing ac paving	1	LS	\$750,000.00	\$750,000
Relocate existing 60" main storm drain line, allowance	1	LS	\$560,000.00	\$560,000
Remove and dispose existing storm drain lateral line, allowance	1	LS	\$88,000.00	\$88,000
Site protective construction				
Erosion control	1,247,564	SF	\$0.05	\$62,378
Storm Water Prevention and Protection Program	2,000	HR	\$45.00	\$90,000
Hazmat abatement				<i>Excluded</i>
Site clearing and grading				
Clearing and grubbing				NA
Rough grading (assumed to be a balanced site)	-	SF	\$1.00	
Fine grading	1,247,564	SF	\$0.29	\$361,794
Temporary construction				
Green screen fence	47,370	SF	\$20.00	\$947,400
Total - 14 Site Preparation and Demolition				<u>\$2,859,572</u>
<u>15 Site Paving, Structures and Landscaping</u>				
Vehicular paving				
Bus Plaza	15,162	SF	\$22.00	\$333,564
Roads, on grade, concrete	73,522	SF	\$12.00	\$882,264
Visitor parking, concrete	22,186	SF	\$12.00	\$266,232
Employee parking, concrete	104,438	SF	\$12.00	\$1,253,256
Customer return road, asphalt	22,693	SF	\$6.00	\$136,158
Curb cuts	4	LS	\$30,000.00	\$120,000
Parking lot striping / signage				
Striping, stalls	342	EA	\$17.00	\$5,814
Hatched striping	1	LS	\$6,000.00	\$6,000
Directional signage / graphics, allowance	238,001	SF	\$0.05	\$11,900
Pedestrian paving				
Allowance for concrete walkway, 4" thick, allowance	15,000	SF	\$8.00	\$120,000
Raised concrete pavement	418,392	SF	\$8.00	\$3,347,136
Landscaping				
Minor site landscaping and irrigation, allowance	70,000	SF	\$10.00	\$700,000
Site amenities				
Prepared by Cumming				

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
Service station, assume single-story structure	30,000	SF		<i>Excluded</i>
Security Guard Booths				<i>Excluded</i>
Service yard, open-air with enclosure walls	37,890	SF	\$15.00	\$568,350
Signage and Art in Public Places				
Exterior Building Signage	1	LS	\$200,000.00	\$200,000
Art in Public Places				<i>Soft costs</i>
Total - 15 Site Paving, Structures and Landscaping				<u>\$7,950,674</u>
<u>16 Utilities on Site</u>				
Allowance for site utilities -fire/sewer/water/storm drainage	1,247,564	SF	\$3.00	\$3,742,692
Site power, security and lighting	1	LS	\$1,000,000.00	\$1,000,000
Existing jet fuel lines (relocation costs by others)	1	LS		<i>Excluded</i>
Total - 16 Utilities on Site				<u>\$4,742,692</u>
<u>17 Off site Improvements</u>				
Vehicular paving				
Reconfigured intersection				<i>Excluded</i>
Regional wayfinding signage	1	LS	\$500,000.00	\$500,000
Pedestrian overhead bridge				<i>Excluded</i>
Total - 17 Site Paving, Structures and Landscaping				<u>\$500,000</u>

LEED

LEED Construction Cost Summary

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$0		\$0.00
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$0		\$0.00	
3 Floor & Roof Structures	\$0		\$0.00	
4 Exterior Cladding	\$0		\$0.00	
5 Roofing and Waterproofing	\$0		\$0.00	
B) Interiors (6-7)		\$0		\$0.00
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$0		\$0.00	
C) Equipment and Vertical Transportation (8-9)		\$500,000		\$0.28
8 Function Equipment and Specialties	\$500,000		\$0.28	
9 Stairs and Vertical Transportation	\$0		\$0.00	
D) Mechanical and Electrical (10-13)		\$1,789,671		\$1.02
10 Plumbing Systems	\$0		\$0.00	
11 Heating, Ventilation and Air Conditioning	\$0		\$0.00	
12 Electrical Lighting, Power and Communications	\$1,789,671		\$1.02	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$250,000		\$0.14
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$250,000		\$0.14	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$2,539,671		\$1.44
General Conditions	8.00%	\$203,174		\$0.12
Subtotal		\$2,742,844		\$1.56
Bonds	1.00%	\$25,397		\$0.01
Subtotal		\$2,768,241		\$1.57
Liability Insurance	1.00%	\$25,397		\$0.01
Subtotal		\$2,793,638		\$1.58
General Contractor Fee	4.00%	\$111,746		\$0.06
Subtotal		\$2,905,383		\$1.65
Design / Estimating Contingency	10.00%	\$290,538		\$0.16
Subtotal		\$3,195,922		\$1.81
Escalation	7.79%	\$248,883		\$0.14
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$3,444,804</u>		\$1.95

Total Area: 1,762,715 SF

LEED Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Miscellaneous specialties LEED certification	1	LS	\$500,000.00	\$500,000
Total - 8 Function Equipment and Specialties				<u>\$500,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Lighting and lighting control Premium to meet LEED requirement				
Areas -QTA	439,588	SF	\$1.75	\$769,279
Areas -Ready and Return Garage	806,567	SF	\$1.10	\$887,224
Areas -Customer Service Area	90,569	SF	\$1.00	\$90,569
Areas -Rental Car Storage/ Employee Parking Area	425,991	SF	\$0.10	\$42,599
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,789,671</u>
<u>15 Site Paving, Structures & Landscaping</u>				
Landscaping LEED requirement	1	LS	\$250,000.00	\$250,000
Total - 15 Site Paving, Structures & Landscaping				<u>\$250,000</u>

**EXHIBIT H – DEMATTEI AND WONG PROJECT COST ESTIMATE
REPORT (CONCEPT DS1, DS2)**



SAN DIEGO
INTERNATIONAL
AIRPORT

**San Diego International Airport
Consolidated Rental Agency Complex (ConRAC)
Task 96
June 2011 - DRAFT**

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INTRODUCTION AND EXECUTIVE SUMMARY

Through collaborative efforts with the San Diego International Airport and Rental Car Companies, the Demattei Wong Design Team produced a preferred conceptual plan, Concept D, during the initial efforts of the conceptual design phase starting in 2008. The Concept D plan was the culminating result of an on-going process of analysis and development. The initial efforts included:

- Developing ConRAC Program Component requirements
- Developing and analyzing numerous operational models/concepts to meet ConRAC criteria
- In collaboration with the Destination Lindbergh Team, developing the Northside Masterplan and the Northside Landuse criteria
- Developing 12 operational models/concepts for collaborative site/Landuse analysis
- Refining 8 operational models/concepts selected for collaborative stakeholder analysis and development
- Refining 3 operational models/concepts selected for collaborative stakeholder analysis and development
- Identifying a preferred operational model with stakeholders

Concept D was selected as the preferred conceptual model and consisted of an on-grade Customer Service Building (CSB), four levels of Ready/Return (R/R) car spaces with storage/employee parking above, and a three level Quick-Turnaround (QTA) Facility with storage above.

At each level of development, the site location for each operational model/concept was analyzed. During the advanced planning review and concept development phases, site planning factors affected the final location of the proposed ConRAC Facility and reduced the Northside overall buildable area. Those factors included the advanced Airside Cargo dimensional requirements and the future 250' roadway/highway right-of-way requirements. As a result of the technical analysis and the developmental process, the preferred ConRAC concept utilized the easternmost corner of the Northside development area.

To advance the Northside development roadway systems, the Demattei Wong Design Team was retained to analyze and develop new Concept D models which utilize the main components of the preferred Concept (original Concept D) and incorporates the surrounding roadway realignment configuration study advancements. The roadway scheme included a grade-separation overpass for dedicated shuttle bus access to the ConRAC and Northside public parking areas which eliminated the proposed signalized intersection originally proposed. To increase overall site utilization and improve the roadway alignment geometry, the initial 250' roadway/highway right-of-way requirement was reduced to a 100' minimum setback in the irregular northeast corner of the site.

Utilizing the roadway advancements and building site modifications, two Concepts were advanced to establish baseline criteria for Landuse and cost comparison purposes. The new concepts, Concept DS1 and Concept DS2, address ConRAC shuttle bus access at-grade and at level two respectively with nearly identical component configurations and site area requirements.

Concept DS1 occupies +/- 16.77 acres and Concept DS2 occupies +/- 17.00 acres. Both Concepts consist of three levels of Ready/ Return (R/R) functions, an adjacent three-level Quick Turn-Around (QTA) Facility and vehicle Staging/Storage above. The Customer Service Area (CSA) is located on the south side of the structure. The vertical location of the CSA and the ConRAC shuttle bus access represents the only operational differences

between the two schemes.

Concept DS1 locates the CSA at-grade and minimizes the elevated roadway separations. The ConRAC shuttle bus return route requires a short merge with exiting ConRAC customers at a signalized intersection. Concept DS2 locates the CSA on level two of the structure requiring an elevated customer plaza and additional elevated roadway. The ConRAC shuttle bus return route remains elevated and utilizes an additional overpass to avoid the on-grade merge with exiting ConRAC customers and the signalized intersection.

A Rough Order Of Magnitude Cost Estimate was prepared for both concepts to provide full building cost comparisons as well as access component costs.

The comparative information contained in this report will be used by the San Diego International Airport Authorities as a basis to further analyze the Landuse opportunities and financial feasibility of the Northside development.

SAN ConRAC Concept Comparison Summary		June 20, 2011
ITEM DESCRIPTION	CONCEPT DS1	CONCEPT DS2
Operational Model Description	Three-Level Ready/Return w/ Three-Level QTA and the CSB At-Grade	Three-Level Ready/Return w/ Three-Level QTA and the CSB on Level Two
AREA TABULATIONS		
ConRAC Site Area	730,500	740,520
Alternative Use Site Area	1,608,672	1,598,652
Total North Site Area	2,339,172	2,339,172
Customer Service Area	119,700	127,780
Ready/Return	873,800	936,940
Rental Car Staging/Storage	399,100	371,240
Quick Turn-Around Facility (QTA)	291,015	291,015
Total ConRAC Structure Area	1,683,615	1,726,975
CAPACITY TABULATIONS		
Ready/Return Garage (stalls)	2,608	2,797
QTA Stacking	360	360
Staging/Storage Vehicles	2,026	1,884
Total ConRAC Vehicle Capacity	4,994	5,041
ROUGH ORDER OF MAGNITUDE COST ESTIMATE		
Total ConRAC Construction Costs	\$146,498,462	\$161,018,298
Design/ Program Management & CM Costs	\$37,538,919	\$41,217,094
Total ConRAC Project Costs	\$184,037,381	\$202,235,392

CONCEPT COMPARISON

SAN ConRAC Concept Comparison Chart		June 20, 2011		
ITEM DESCRIPTION	CONCEPT DS1		CONCEPT DS2	
Operational Model Description	<p>Three-Level Ready/Return w/ Three-Level QTA and the CSB At-Grade Concept DS1 is located on a +- 16.77 acre site. Concept DS1's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility and Staging/Storage above. R/R activity is accessed by two helices with entry located at the eastern end of the facility and exiting located at the northwest corner of the facility. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The fourth level will accommodate Staging, Storage and R/R Expansion. The fourth level is accessed directly by shuttler ramping as well as the customer helices.</p>		<p>Three-Level Ready/Return w/ Three-Level QTA and the CSB on Level Two Concept DS2 is located on a +- 17.0 acre site. Concept DS2's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility and Staging/Storage above. R/R activity is accessed by two helices with entry located at the eastern end of the facility and exiting located at the northwest corner of the facility. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The fourth level will accommodate Staging, Storage and R/R Expansion. The fourth level is accessed directly by shuttler ramping as well as the customer helices.</p>	
AREA and CAPACITY TABULATIONS	Description	Area	Description	Area
North Site Area				
ConRAC Construction Building Site		730,500		740,520
Alternative Use Site Area		1,608,672		1,598,652
Total North Site Area		2,339,172		2,339,172
Customer Service Area				
Exterior Pedestrian Plaza & Bus Plaza		46,120		54,200
Common Lobby / RAC Lease Space		31,570		31,570
Cores/Support	Level 1	15,370	Level 2	15,370
Cores/Support	Levels 2-4 (8,880 SF/level)	26,640	Levels 1,3,4 (8,880 SF/level)	26,640
Total Customer Service Area		119,700		127,780
Ready/Return				
Level 1		269,500		360,500
Level 2		302,150		302,150
Level 3		302,150		274,290
Total Ready/Return Area		873,800		936,940
Rental Car Staging/Storage				
Level 4 above R/R		302,160		274,300
Level 4 above QTA		96,940		96,940
Total Rental Car Storage/Storage		399,100		371,240
Quick Turn-Around Facility (QTA)				
Stacking Total	19,800 SF/level	59,400		59,400
Car Wash Total	9,450 SF/level	28,350		28,350
Car Wash Exit	8,025 SF/level	24,075		24,075
Fueling Total	18,880 SF/level	56,640		56,640
Circulation Total	23,450 SF/level	70,350		70,350
RAC Admin	6,600 SF/level	19,800		19,800
RAC Support	10,800 SF/level	32,400		32,400
Total Quick Turn-Around Facility (QTA) Area		291,015		291,015
Total ConRAC Structure Area		1,683,615		1,726,975

CONCEPT COMPARISON

SAN ConRAC Concept Comparison Chart		June 20, 2011	
ITEM DESCRIPTION	CONCEPT DS1	CONCEPT DS2	
Operational Model Description	<p>Three-Level Ready/Return w/ Three-Level QTA and the CSB At-Grade Concept DS1 is located on a +- 16.77 acre site. Concept DS1's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility and Staging/Storage above. R/R activity is accessed by two helices with entry located at the eastern end of the facility and exiting located at the northwest corner of the facility. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The fourth level will accommodate Staging, Storage and R/R Expansion. The fourth level is accessed directly by shuttler ramping as well as the customer helices.</p>	<p>Three-Level Ready/Return w/ Three-Level QTA and the CSB on Level Two Concept DS2 is located on a +- 17.0 acre site. Concept DS2's structure consists of three levels of Ready/ Return (R/R) functions with an adjacent three levels of Quick Turn-Around (QTA) Facility and Staging/Storage above. R/R activity is accessed by two helices with entry located at the eastern end of the facility and exiting located at the northwest corner of the facility. Direct access is provided to the adjacent QTA at each level by vehicular bridging. The fourth level will accommodate Staging, Storage and R/R Expansion. The fourth level is accessed directly by shuttler ramping as well as the customer helices.</p>	
Total ConRAC Structure Area		1,683,615	1,726,975
CAPACITY TABULATIONS			
Ready/Return Garage (stalls)			
Level 1		804	1076
Level 2		902	902
Level 3		902	819
Total Ready/Return Garage (stalls) Capacity		2,608	2,797
QTA			
Stacking	Nose-to-Tail	360	Nose-to-Tail 360
Car Wash Bays		18	18
Fueling Positions		60	60
Total QTA Stacking Capacity		360	360
Staging/Storage Vehicles			
Above Ready/Return	Level 4	1534	Level 4 1392
Above QTA	Level 4	492	Level 4 492
Total Staging/Storage Vehicle Capacity		2,026	1,884
Total ConRAC Vehicle Capacity		4,994	5,041
ROUGH ORDER OF MAGNITUDE COST ESTIMATE		CONCEPT DS1	CONCEPT DS2
ConRAC Construction Costs			
Building Permits			
Based on 1% of Construction		\$1,405,343	\$1,546,811
Construction Cost			
Building Construction Cost		\$140,534,305	\$154,681,128
LEED Requirement Cost		\$3,153,471	\$3,243,548
FF&E Costs			
Works of Art		\$1,405,343	\$1,546,811
Total ConRAC Construction Costs		\$146,498,462	\$161,018,298
Design/ Program Management & CM Costs			
Design Costs		\$12,648,087	\$13,921,302
CM Costs		\$5,621,372	\$6,187,245
Material testing/inspection/geotechnical		\$4,216,029	\$4,640,434
LEED Commission and Associated Costs		\$1,000,000	\$1,000,000
Contingency		\$14,053,431	\$15,468,113
Land Costs - excluded		\$0	\$0
Total Design/ Program Management & CM Costs		\$37,538,919	\$41,217,094
Total ConRAC Project Costs		\$184,037,381	\$202,235,392

CONCEPT COMPARISON

6

TOTAL PROJECT COST - COMPARISON OF CONCEPTS DS 1 and DS 2

ITEM DESCRIPTION	Concept DS 1	Concept DS 2	Delta
<u>BUILDING PERMITS</u>			
Based on 1% of construction cost	\$1,405,343	\$1,546,811	\$141,468
	\$1,405,343	\$1,546,811	\$141,468
<u>CONSTRUCTION COST</u>			
Building construction cost	\$140,534,305	\$154,681,128	\$14,146,823
LEED requirement cost	\$3,153,471	\$3,243,548	\$90,077
	\$143,687,776	\$157,924,677	\$14,236,900
<u>FF&E COSTS</u>			
Works of Art	\$1,405,343	\$1,546,811	\$141,468
	\$1,405,343	\$1,546,811	\$141,468
<u>EXTERIOR SIGNAGE</u>			
Exterior Building Signage, (see Base Estimate)	\$0	\$0	\$0
Regional wayfinding signage, (see Base Estimate)	\$0	\$0	\$0
	\$0	\$0	\$0
<u>SUPPORT EQUIPMENT</u>			
Airport Audio Visual Equipment (excluded)	\$0	\$0	\$0
	\$0	\$0	\$0
<u>SYSTEMS</u>			
Management system, TBD	\$0	\$0	\$0
	\$0	\$0	\$0
<u>OPERATING EQUIPMENT</u>			
		\$0	\$0
	\$0	\$0	\$0
<u>INVENTORY (CONSUMABLES)</u>			
		\$0	\$0
	\$0	\$0	\$0
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>			
Design Costs			
Design Costs	\$12,648,087	\$13,921,302	\$1,273,214
Sub Total Design Costs	\$12,648,087	\$13,921,302	\$1,273,214
CM Costs			
CM	\$5,621,372	\$6,187,245	\$565,873
Material testing/inspection/geotechnical	\$4,216,029	\$4,640,434	\$424,405
Sub Total CM Costs	\$9,837,401	\$10,827,679	\$990,278
Total Design, Program and CM Costs	\$22,485,489	\$24,748,981	\$2,263,492

TOTAL PROJECT COST - COMPARISON OF CONCEPTS DS 1 and DS 2

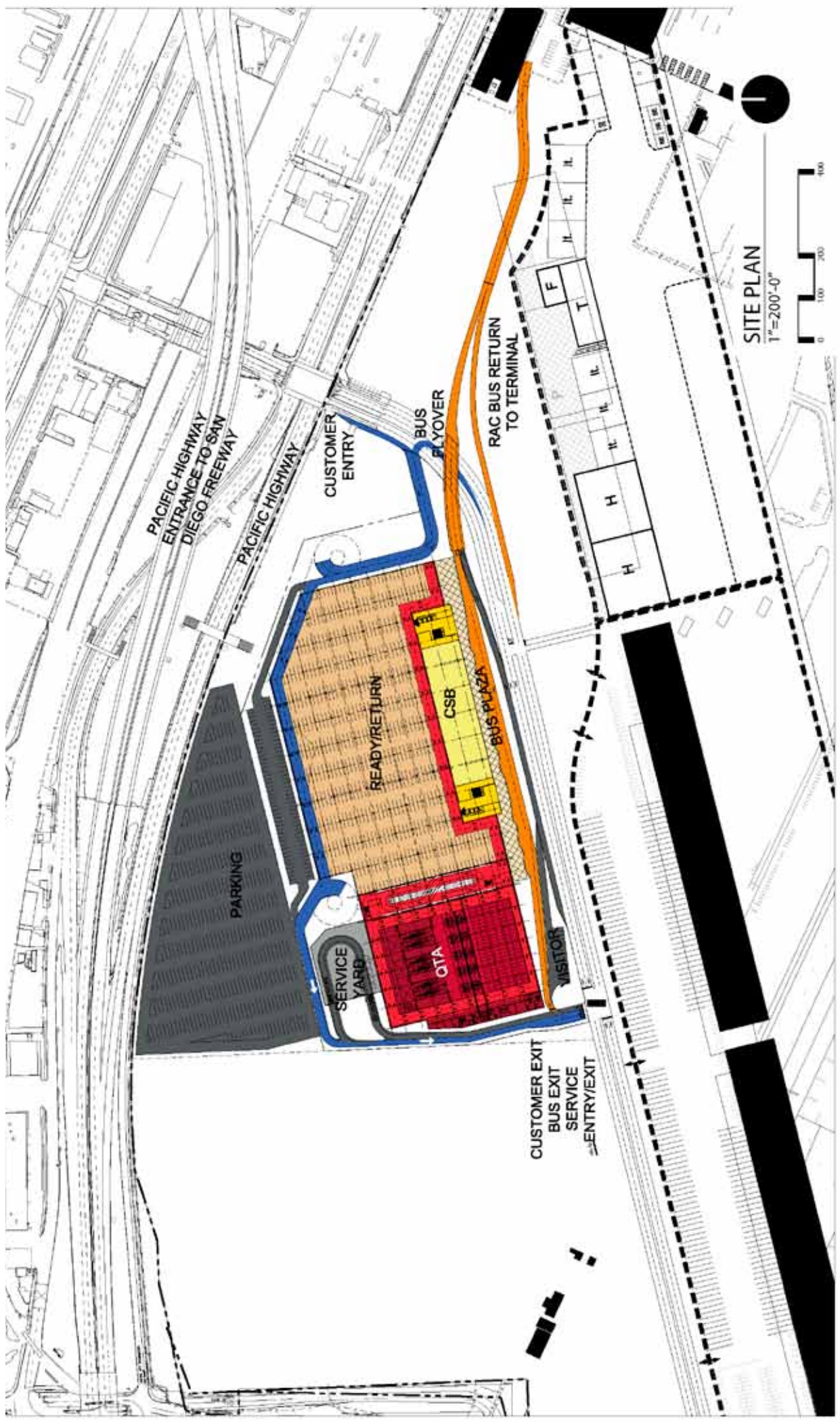
<u>ITEM DESCRIPTION</u>	<u>Concept DS 1</u>	<u>Concept DS 2</u>	<u>Delta</u>
<u>LEED commission and associated Costs</u>			
LEED Commissioning	\$1,000,000	\$1,000,000	\$0
	\$1,000,000	\$1,000,000	\$0
<u>PRE - OPENING EXPENSES</u>			
None Required	\$0	\$0	\$0
	\$0	\$0	\$0
<u>WORKING CAPITAL</u>			
None Required	\$0	\$0	\$0
	\$0	\$0	\$0
<u>FINANCIAL, TAXES & LEGAL</u>			
Capitalized interest, excluded	\$0	\$0	\$0
Legal Fees (Excluded)	\$0	\$0	\$0
	\$0	\$0	\$0
<u>CONTINGENCY</u>			
Construction contingency	\$14,053,431	\$15,468,113	\$1,414,682
	\$14,053,431	\$15,468,113	\$1,414,682
<u>LAND COSTS</u>			
Cost of land - Excluded	\$0	\$0	\$0
	\$0	\$0	\$0
TOTAL PROJECT COSTS	\$184,037,382	\$202,235,393	\$18,198,011

CONCEPT DS 1

AREA TABULATIONS

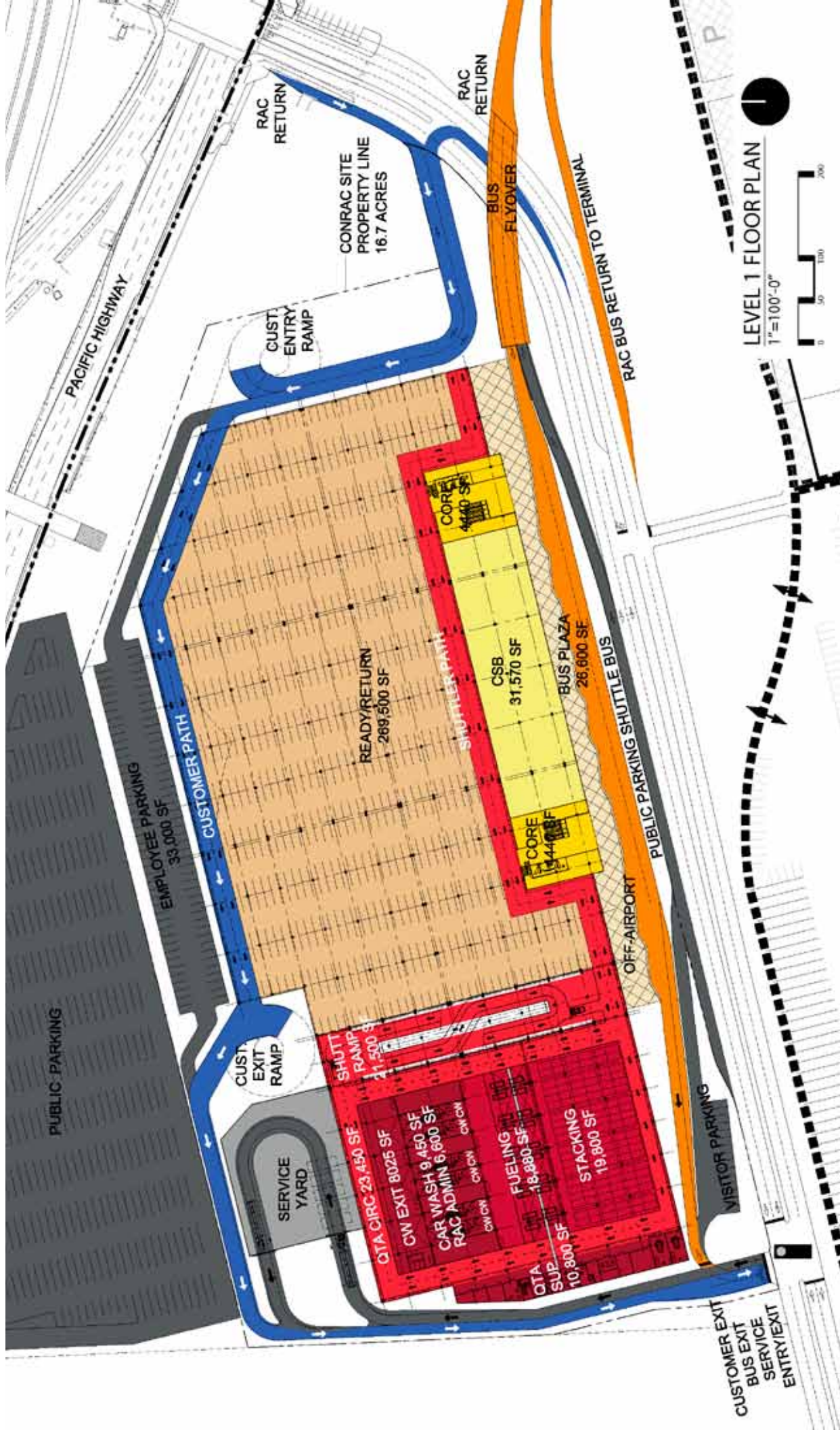
CUSTOMER SERVICE AREA EXTERIOR PEDESTRIAN PLAZA & BUS PLAZA ENCLOSED COMMON LOBBY / RAC LEASE SPACE LEVEL 1 CORES/SUPPORT CORES/SUPPORT 2-4 (8,880 SF PER LEVEL)	46,120 SF 31,570 SF 15,370 SF 26,640 SF	SITE AREA CONRAC SITE AREA ALTERNATE USE AREA TOTAL NORTH SITE AREA	730,500 SF (16.77 ACRES) 1,608,672 SF (36.93 ACRES) 2,339,172 SF (53.7 ACRES)
TOTAL CUSTOMER SERVICE AREAS	119,700 SF		
READY / RETURN LEVEL 1 LEVEL 2 LEVEL 3	269,500 SF 302,150 SF 302,150 SF	CAPACITIES READY / RETURN GARAGE LEVEL 1 LEVEL 2 LEVEL 3	804 STALLS 902 STALLS 902 STALLS 2608 STALLS
RENTAL CAR STORAGE LEVEL 4 ABOVE R/R LEVEL 4 ABOVE QTA	302,160 SF 96,940 SF	TOTAL VEHICLES	
TOTAL READY/RETURN & STORAGE	1,272,900 SF	QUICK TURN-AROUND FACILITY (QTA) STACKING (120 PER LEVEL) CAR WASH (6 PER LEVEL) FUELING (20 PER LEVEL)	360 N/T 18 BAYS 60 POSITIONS
QUICK TURN-AROUND FACILITY (QTA) - THREE LEVELS STACKING TOTAL (19,800 SF PER LEVEL) CAR WASH TOTAL (9,450 SF PER LEVEL) CAR WASH EXIT (8,025 SF PER LEVEL) FUELING TOTAL (18,880 SF PER LEVEL) CIRCULATION TOTAL (23,450 SF PER LEVEL) RAC ADMIN (6,600 SF PER LEVEL) RAC SUPPORT (10,800 SF PER LEVEL)	59,400 SF 28,350 SF 24,075 SF 56,640 SF 70,350 SF 19,800 SF 32,400 SF	STORAGE ABOVE READY/RETURN (LEVEL 4) ABOVE QTA (LEVEL 4) TOTAL VEHICLES	1534 SPACES 492 SPACES 2026 SPACES
TOTAL QUICK TURN-AROUND AREAS	291,015 SF		
TOTAL BUILDING AREA	1,683,615 SF		





SECTION 3
CONCEPT DS 1



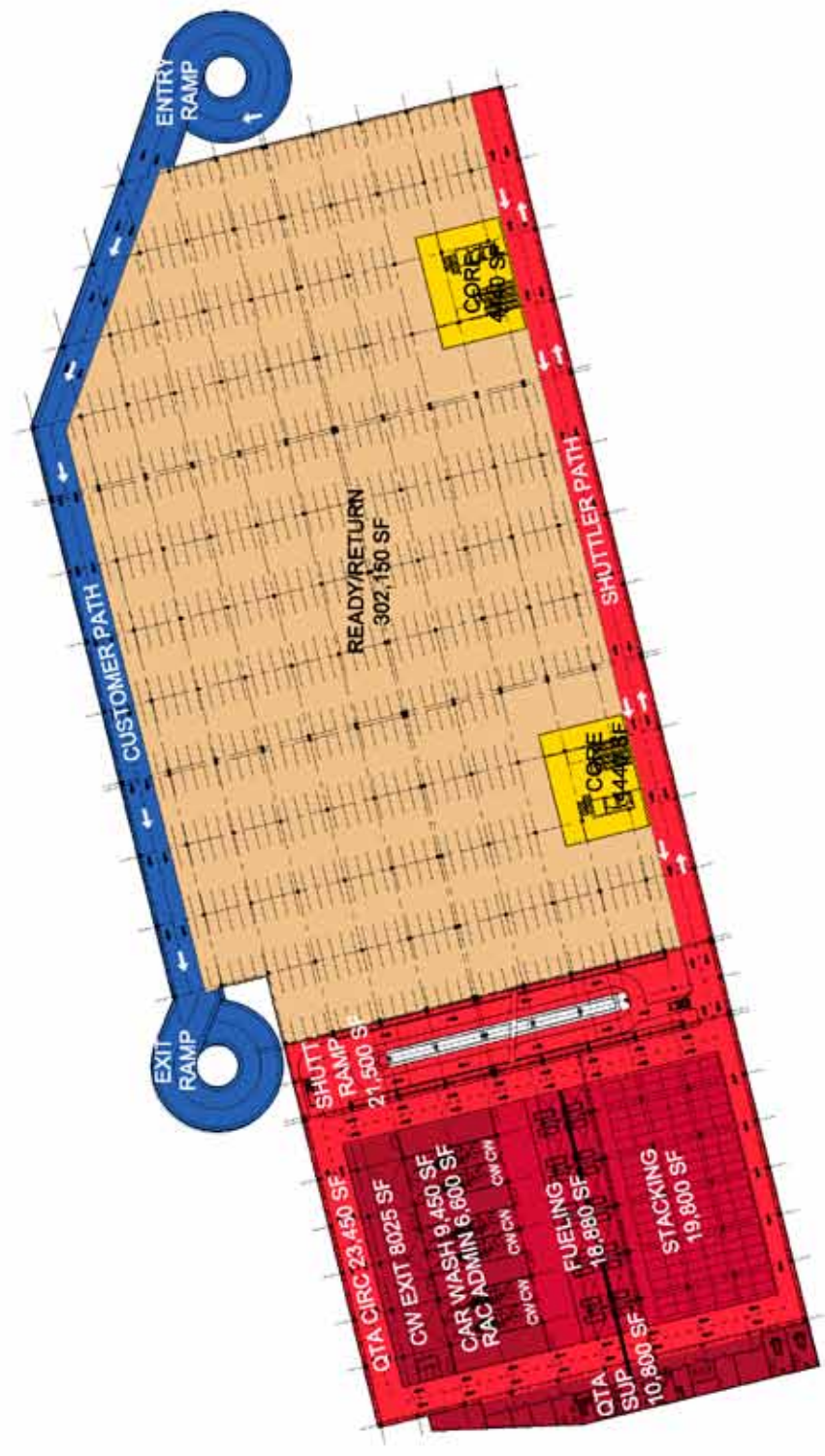


SECTION 3
CONCEPT DS 1



SAN DIEGO INTERNATIONAL AIRPORT





LEVEL 2 FLOOR PLAN

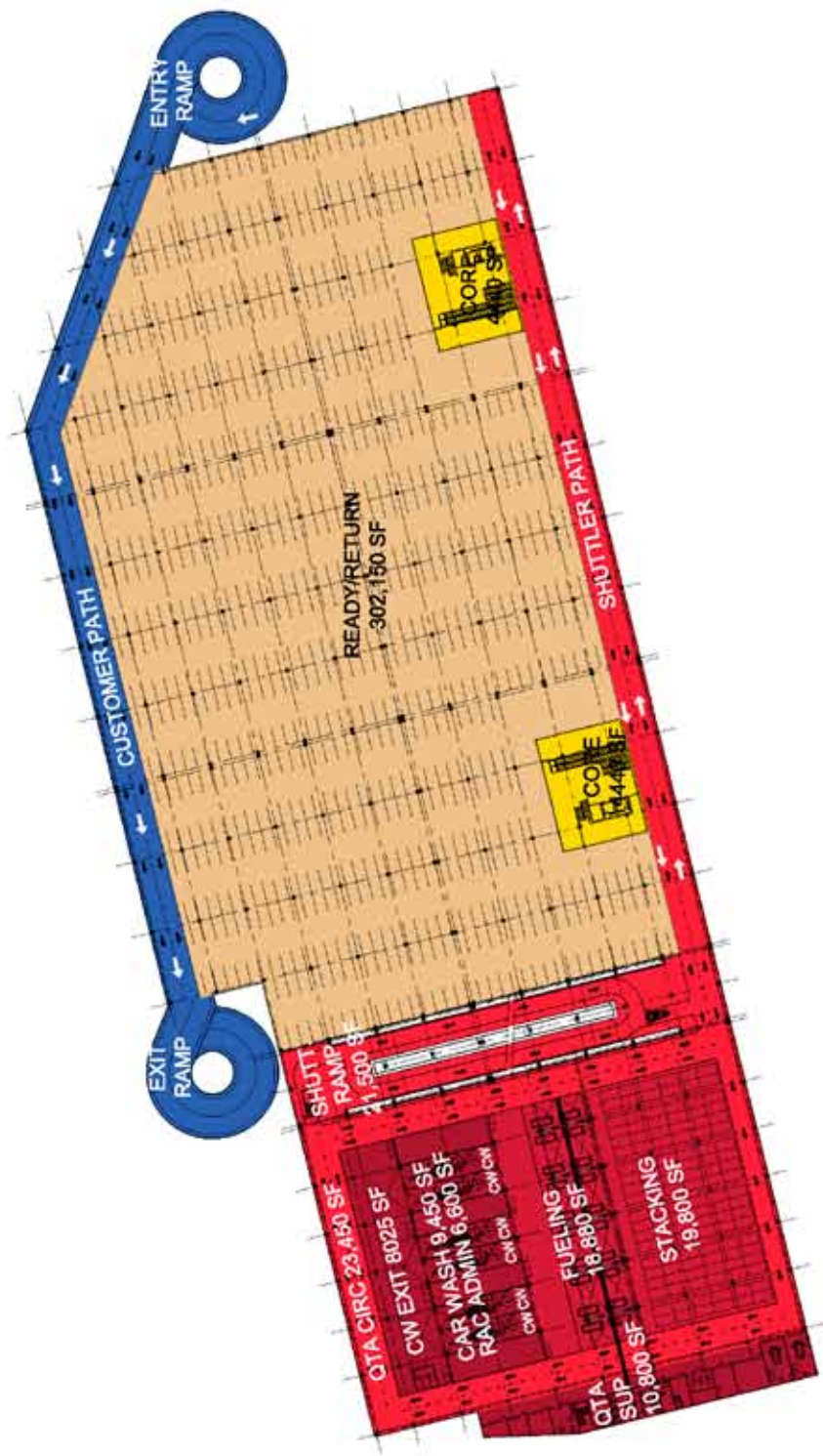
1"=100'-0"



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SECTION 3
CONCEPT DS 1



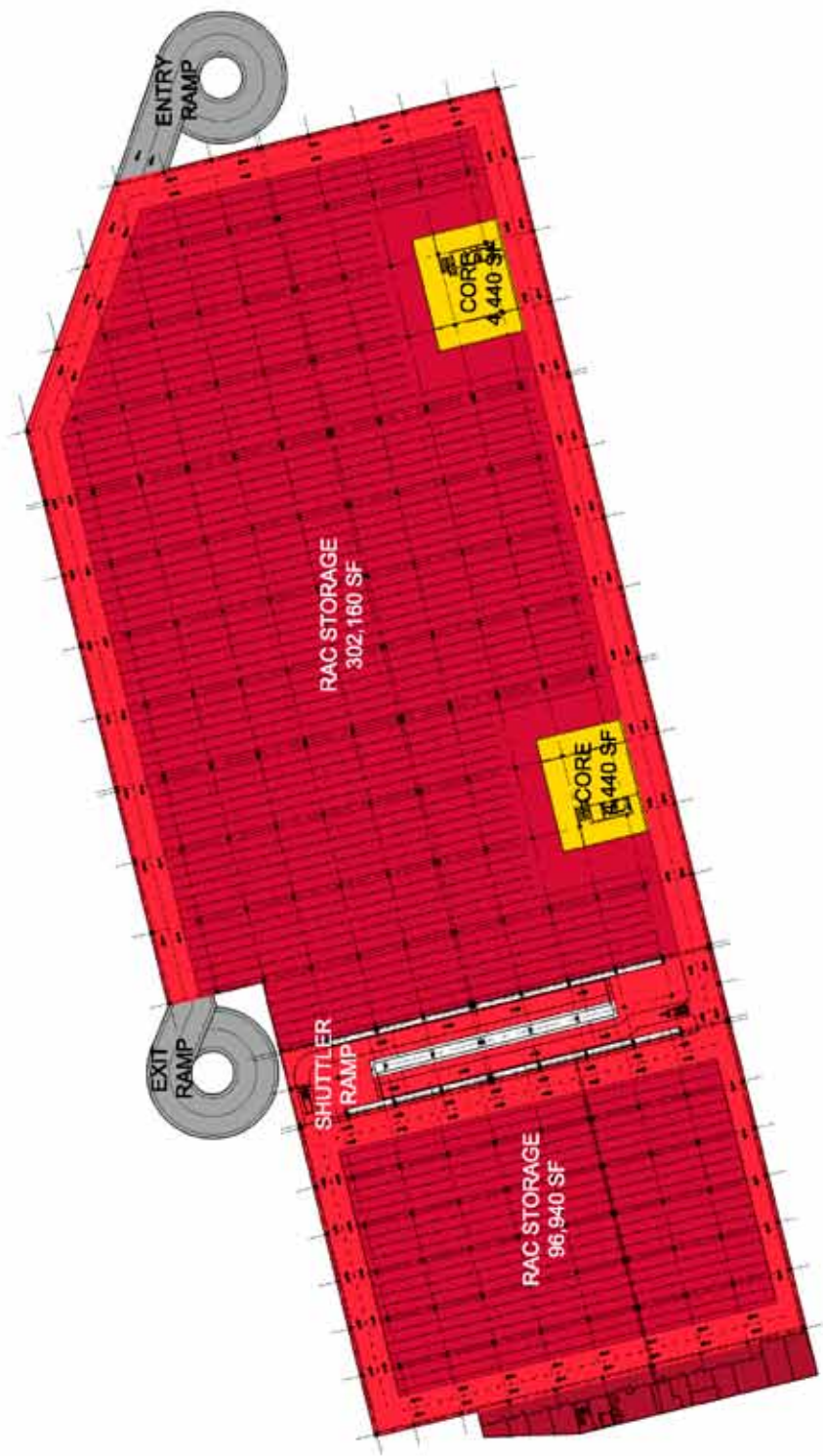
LEVEL 3 FLOOR PLAN
 1" = 100'-0"



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SECTION 3
 CONCEPT DS 1



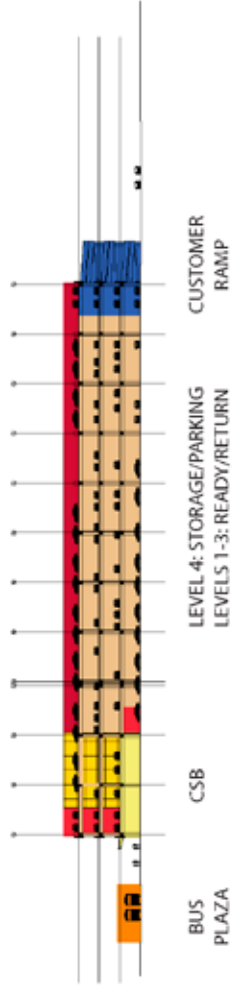
LEVEL 4 FLOOR PLAN
 1"=100'-0"



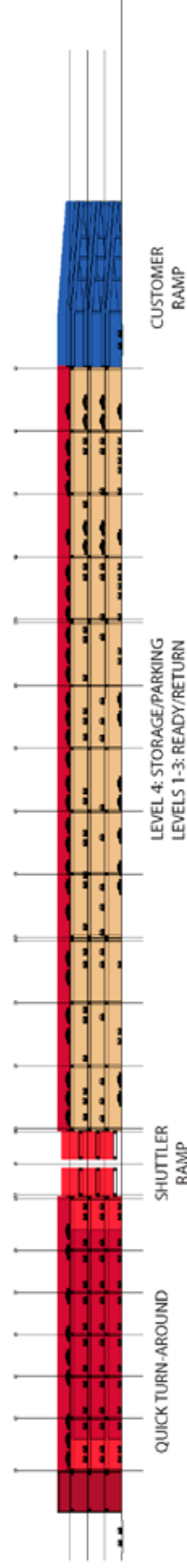
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SECTION 3
 CONCEPT DS 1



NORTH-SOUTH BUILDING SECTION
1"=100'-0"



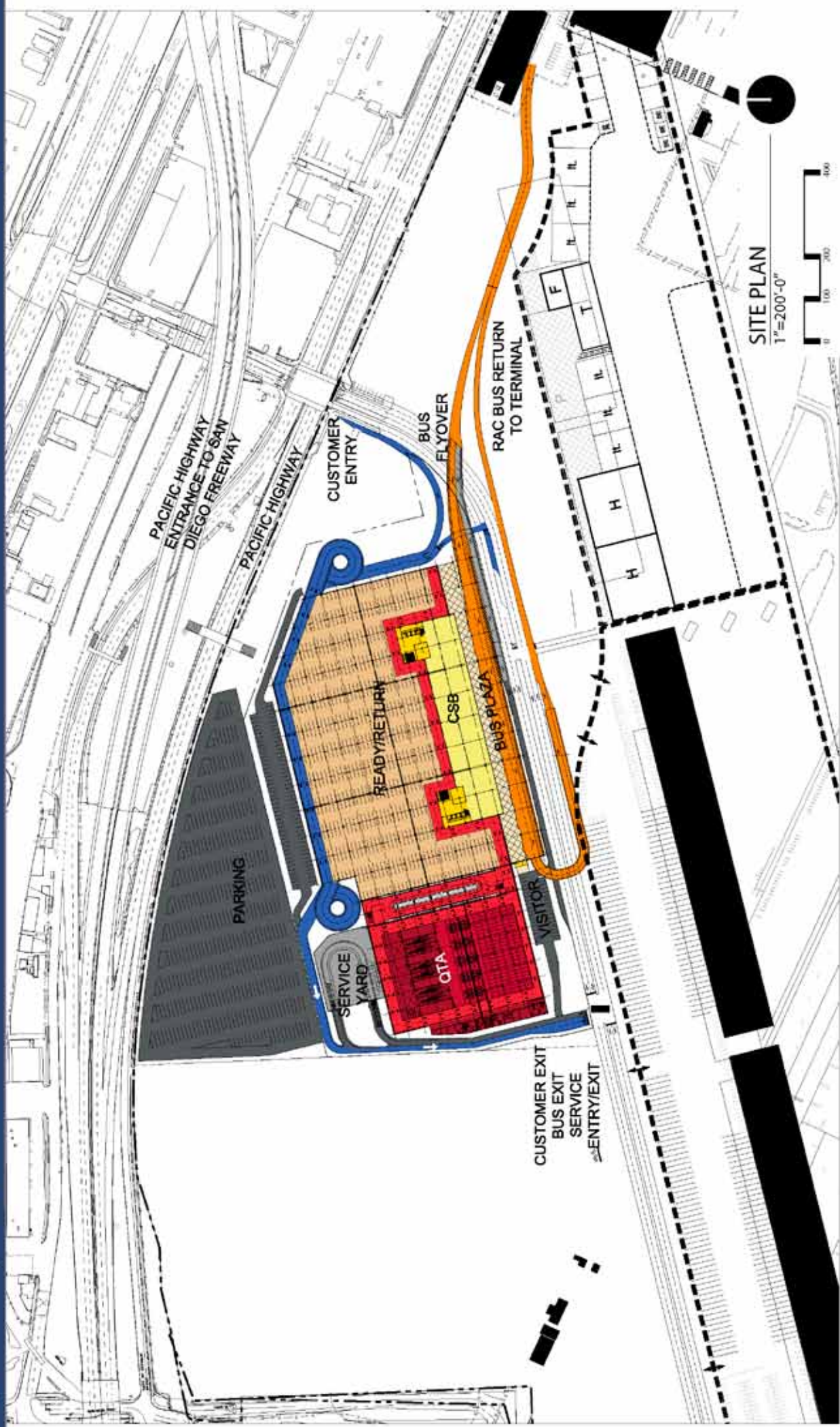
EAST-WEST BUILDING SECTION
1"=100'-0"

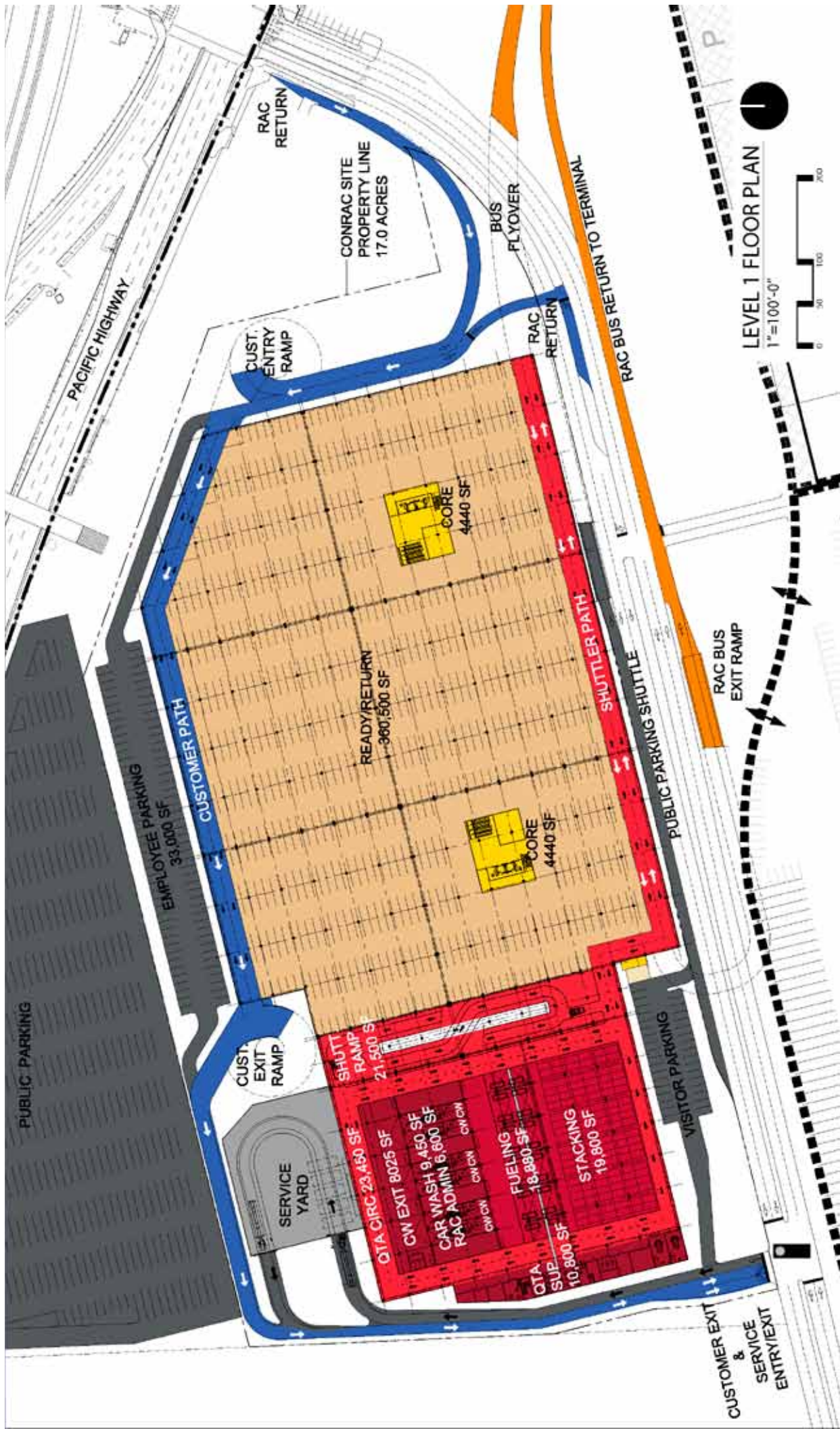


CONCEPT DS 2 AREA TABULATIONS

CUSTOMER SERVICE AREA			
EXTERIOR PEDESTRIAN PLAZA & BUS PLAZA	54,200 SF		
ENCLOSED COMMON LOBBY / RAC LEASE SPACE	31,570 SF		
LEVEL 2 CORES/SUPPORT	15,370 SF		
CORES/SUPPORT 1,3,4 (8,880 SF PER LEVEL)	26,640 SF		
TOTAL CUSTOMER SERVICE AREAS	127,780 SF		
READY / RETURN			
LEVEL 1	360,500 SF		
LEVEL 2	302,150 SF		
LEVEL 3	274,290 SF		
RENTAL CAR STORAGE			
LEVEL 4 ABOVE R/R	274,300 SF		
LEVEL 4 ABOVE QTA	96,940 SF		
TOTAL READY/RETURN & STORAGE	1,308,190 SF		
QUICK TURN-AROUND FACILITY (QTA) - THREE LEVELS			
STACKING TOTAL (19,800 SF PER LEVEL)	59,400 SF		
CAR WASH TOTAL (9,450 SF PER LEVEL)	28,350 SF		
CAR WASH EXIT (8,025 SF PER LEVEL)	24,075 SF		
FUELING TOTAL (18,880 SF PER LEVEL)	56,640 SF		
CIRCULATION TOTAL (23,450 SF PER LEVEL)	70,350 SF		
RAC ADMIN (6,600 SF PER LEVEL)	19,800 SF		
RAC SUPPORT (10,800 SF PER LEVEL)	32,400 SF		
TOTAL QUICK TURN-AROUND AREAS	291,015 SF		
TOTAL BUILDING AREA	1,726,975 SF		
SITE AREA			
CONRAC SITE AREA	740,520 SF (17.0 ACRES)		
ALTERNATE USE AREA	1,598,652 SF (36.7 ACRES)		
TOTAL NORTH SITE AREA	2,339,172 SF (53.7 ACRES)		
CAPACITIES			
READY / RETURN GARAGE			
LEVEL 1	1076 STALLS		
LEVEL 2	902 STALLS		
LEVEL 3	819 STALLS		
TOTAL VEHICLES	2797 STALLS		
QUICK TURN-AROUND FACILITY (QTA)			
STACKING (120 PER LEVEL)	360 N/T		
CAR WASH (6 PER LEVEL)	18 BAYS		
FUELING (20 PER LEVEL)	60 POSITIONS		
STORAGE			
ABOVE READY/RETURN (LEVEL 4)	1392 SPACES		
ABOVE QTA (LEVEL 4)	492 SPACES		
TOTAL VEHICLES	1884 SPACES		







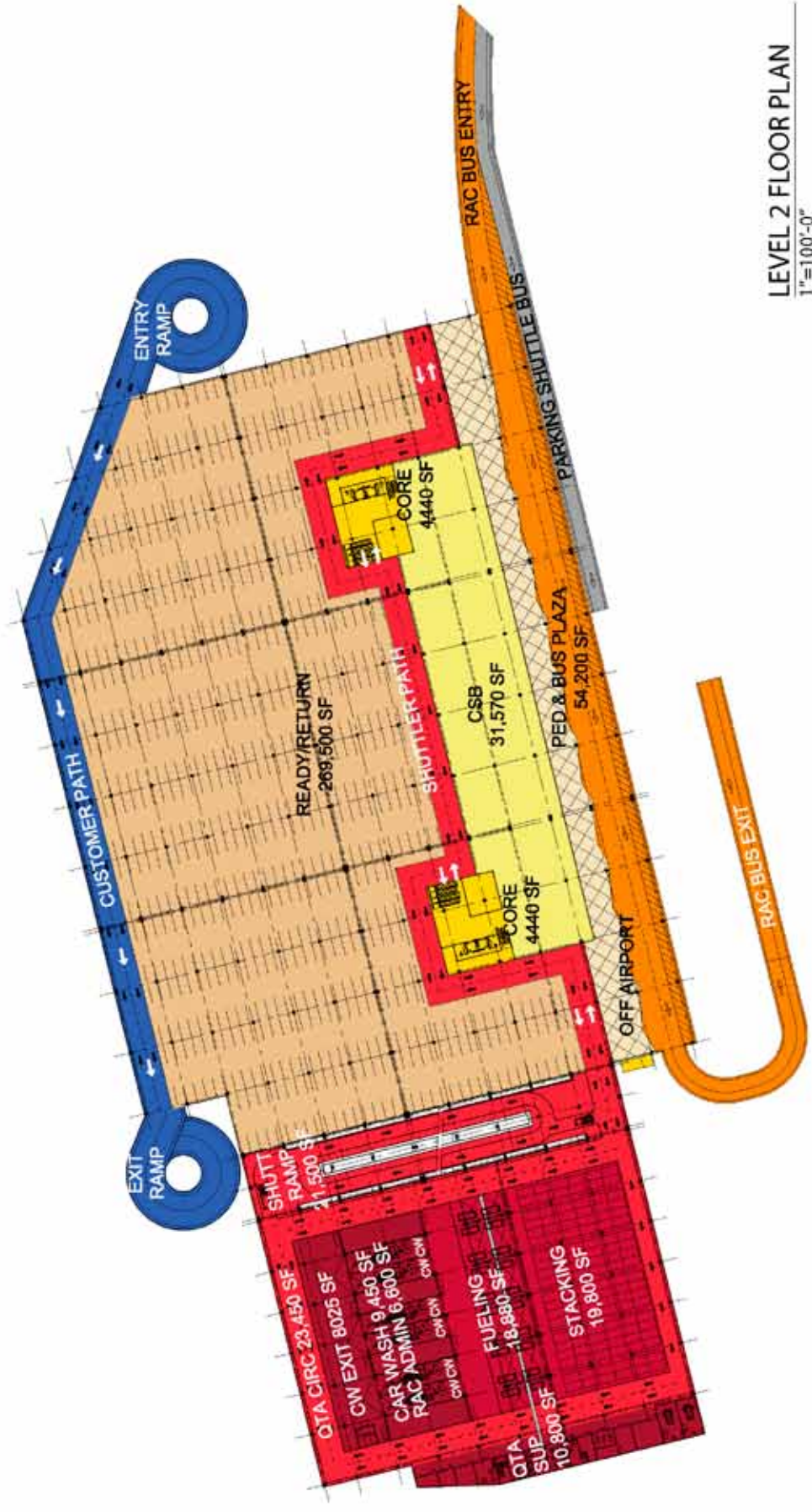
LEVEL 1 FLOOR PLAN
1" = 100'-0"



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SECTION 4
CONCEPT DS 2



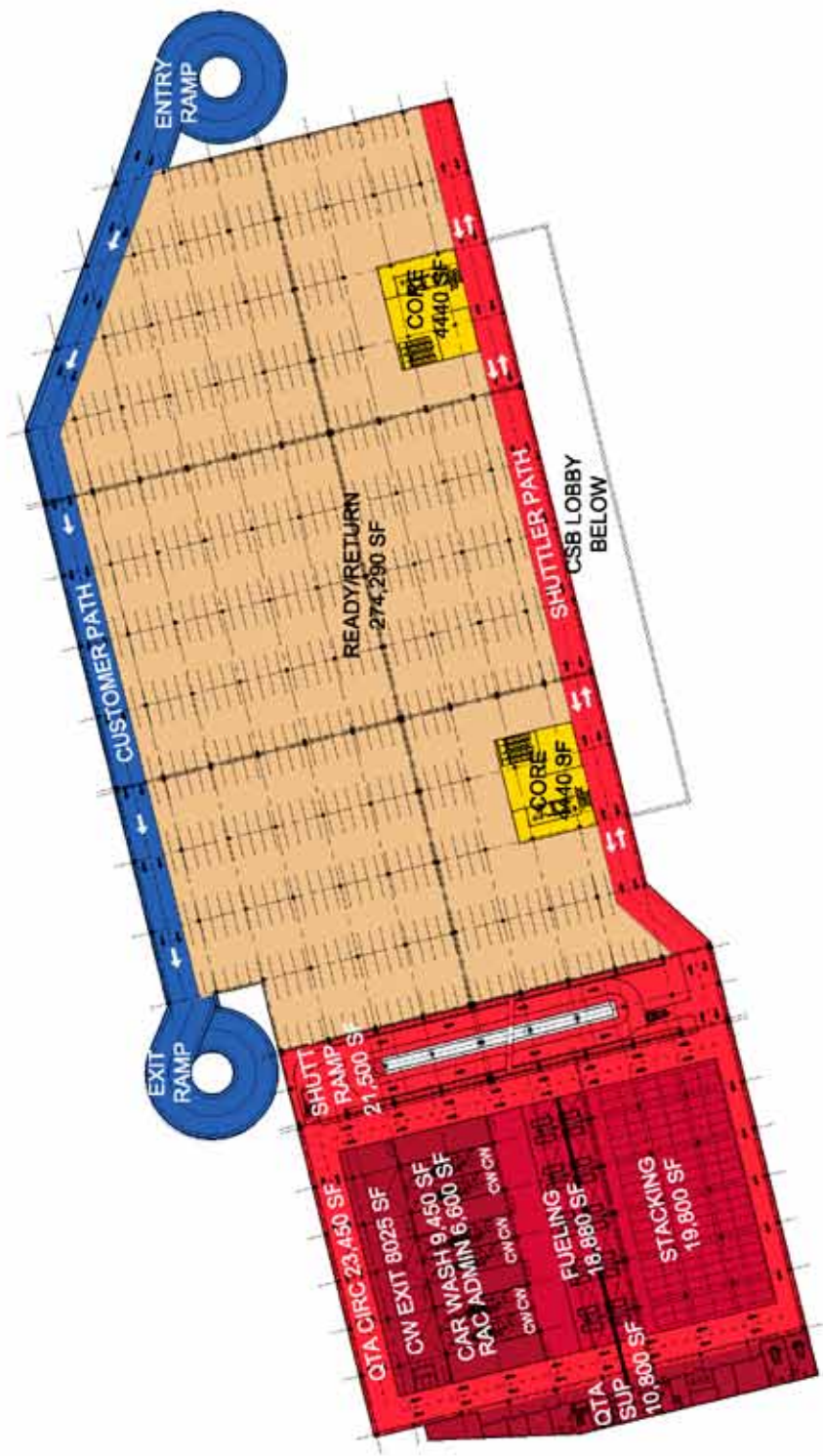
LEVEL 2 FLOOR PLAN
 1"=100'-0"



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SECTION 4
 CONCEPT DS 2



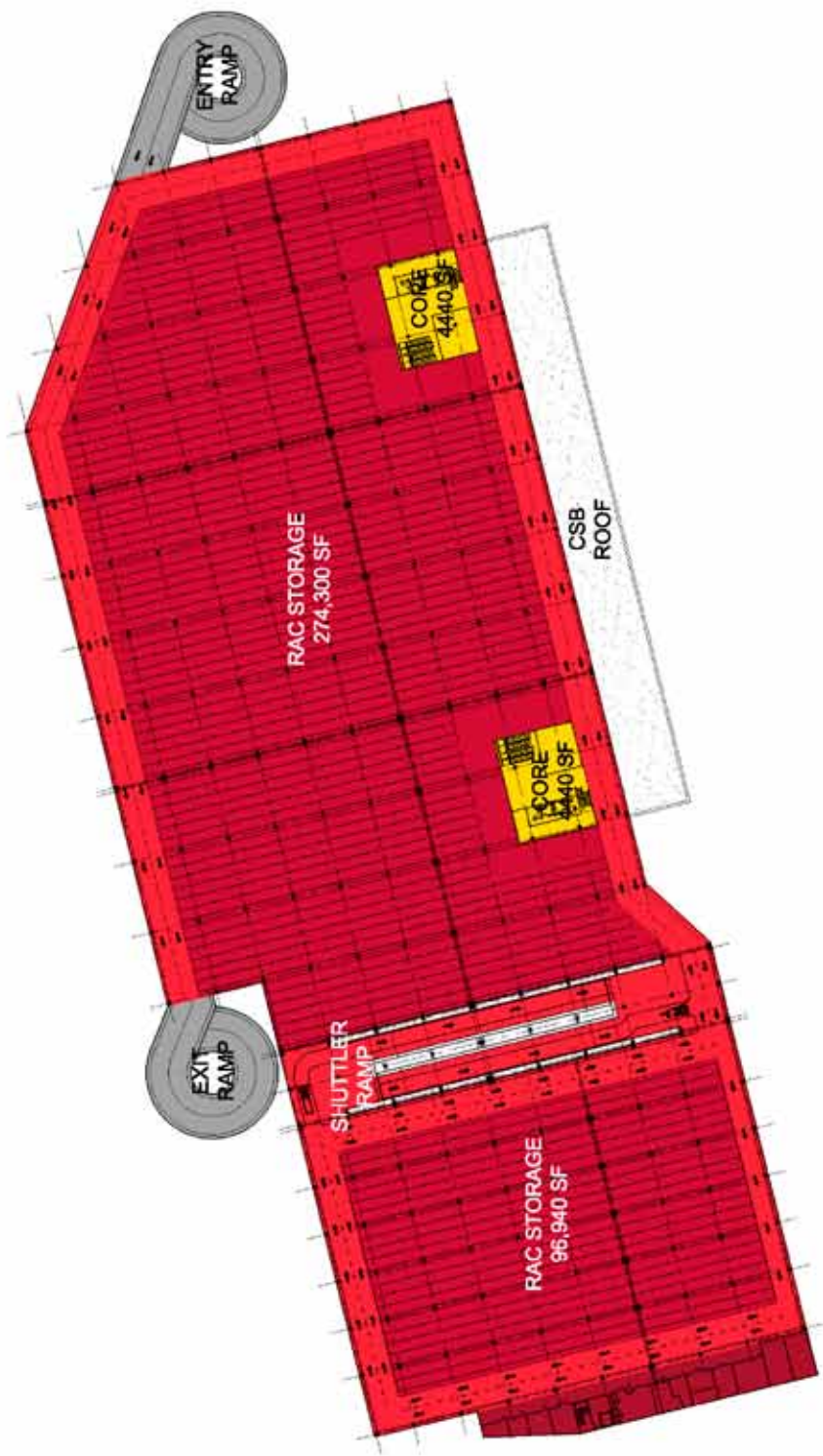
LEVEL 3 FLOOR PLAN
1"=100'-0"



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SECTION 4
CONCEPT DS 2



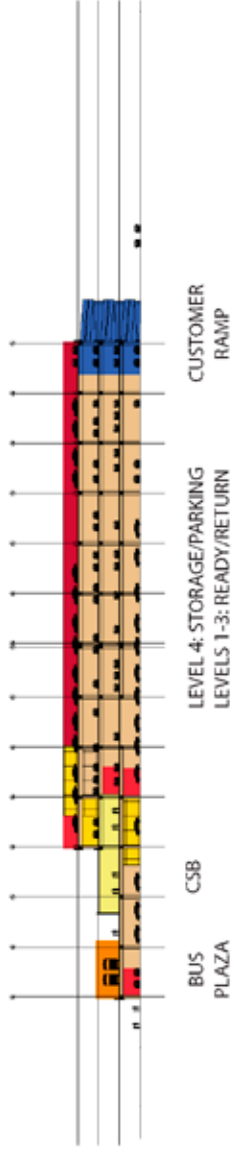
LEVEL 4 FLOOR PLAN
1" = 100'-0"



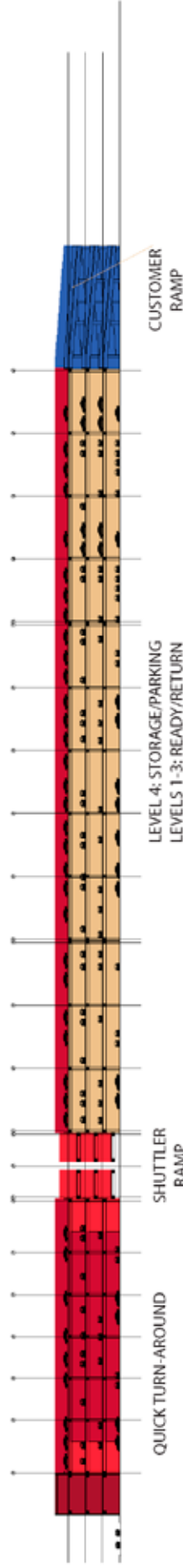
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SECTION 4
CONCEPT DS 2



NORTH-SOUTH BUILDING SECTION
 1" = 100'-0"



EAST-WEST BUILDING SECTION
 1" = 100'-0"





CONRAC
San Diego International Airport
San Diego, California

Concept Design Statement of Probable Cost
Concept DS 2
June 20, 2011
Cumming Project No. 10-00595.00

Prepared for Demattei Wong Architecture

CONRAC
San Diego International Airport
San Diego, California
Concept Design Statement of Probable Cost

June 20, 2011

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CONRAC
San Diego, California
Concept Design Statement of Probable Cost

June 20, 2011

INTRODUCTION

1. Basis Of Estimate

This statement is based on the Concept Design package as prepared by Demattei Wong Architecture (dated 6/20/11), received on 6/20/11, along with verbal direction from the architect and engineer.

Drawings: Conceptual Design Pricing Set for Concept DS2.0
Project Delivery Schedule: Assumed to start in June 2013 for 24 months

2. Scope of Estimate

The cost study is intended to address the construction cost for a new rental car facility at San Diego International Airport. The rental car facility consists of customer service area, ready and return garage, quick turn-around facility, and rental car storage/employee parking area.

The building is priced as a LEED Silver certified structure.

3. Items Affecting the Estimate

A Specific Exclusions

Items which are not detailed in the backup to this estimate include the following:

- 1 Tenant Improvements.
- 2 Telephone equipment and cabling.
- 3 Move-in costs or maintenance costs after move-in.
- 4 Financing and carry costs.
- 5 Hazardous material abatement (if required) beyond that carried in this estimate.
- 6 Soil remediation.
- 7 Relocation of existing Airport Infrastructure (Jet Fuel Piping)
- 8 PV Panels
- 9 Buildings demolition
- 10 Temporary construction
- 11 Car stacking equipment

B Items Affecting the Cost Estimate

Items which may change the estimated construction cost include, but are not limited to:

- 1 Modifications to the scope of work included in this estimate.
- 2 Restrictive technical specifications or excessive contract conditions.
- 3 Any specified item of equipment, material, or product that cannot be obtained from at least three (3) different sources.
- 4 Any other non-competitive bid situations.
- 5 Bids delayed beyond the projected schedule.
- 6 Unit prices for commodities such as aggregate base, fill soils, and soils export can vary greatly from those presented herein, depending upon the demand for such materials (or lack thereof) within the dirt market at the time of actual construction.
- 7 Note: Given the current instabilities in the world market, the cost of many products (including, but not limited to, asphalt, Portland Cement concrete, lumber, sewer, water, and drain pipe, and steel) may differ significantly at the time material orders are actually placed from what is shown herein (beyond that accounted for by reasonable escalation rates).

CONRAC
 San Diego, California
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INTRODUCTION

C Assumptions made in the Cost Estimate

This estimate was prepared under the following assumptions:

- 1 The site will be fully accessible during normal working hours.
- 2 Phasing will not be required.
- 3 Construction contract procurement method is competitive, public G.C. bid.
- 4 Prevailing wage labor rate structure.
- 5 No special security and badging will be required.
- 6 Allowance for parking spaces is based on 375sf per space.

4. Notes

Statement of Probable Cost

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

The statement reflects probable construction costs obtainable in a competitive and stable bidding market. This estimate is based upon a minimum of four (4) competitive bids from qualified general contractors, with bids from a minimum of three (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in a lower bid result.

In accordance with industry analyses, it has been determined that the number of competitive bids obtained may have the following effect:

1 bid	add	15% to 40%
2 to 3 bids	add	8% to 12%
4 to 5 bids		-4% to +4%
6 to 8 bids	deduct	5% to 7%
9 or more bids	deduct	8% to 25%

Caveat emptor! The bid price is not necessarily the final cost. Please be advised that opening up the bid process to all comers invites bid-day errors and "lowball" bids from potentially less-than-qualified bidders who will seek to make their profit on the job via an unending stream of change order requests.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.

Recommendations for Cost Control

Cumming recommends that the Owner and the Architect carefully review this entire document to ensure that it reflects their design intent.

CONRAC
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Concept Design Statement of Probable Cost

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INTRODUCTION

Requests for modifications of any apparent errors or omissions to this document must be made within ten (10) working days of the date of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted. If the project is over budget, or there are unresolved budgeting issues, alternate systems / schemes should be evaluated before proceeding.

Basis for Quantities

Wherever possible and practical, this estimate has been based upon the actual measurement of different items of work. For the remaining items, parametric measurements were used in conjunction with references from other projects of a similar nature.

The gross floor area (GFA) quantities utilized herein are as indicated on the drawings.

Basis for Unit Costs

The unit costs enumerated herein are based on current bid prices in the San Diego, California area.

Subcontractor's overhead and profit is included in each line item unit cost. This overhead and profit covers each subcontractor's cost for labor burden, materials and equipment sales taxes, field overhead, home office overhead, and profit. The general contractor's overhead and profit is shown separately on the Summary.

Sources for Pricing

This estimate was prepared by a team of qualified cost consultants experienced in estimating construction costs at all stages of design.

These consultants have used pricing data from the Cumming database for construction, updated to reflect current market conditions in the San Diego, California area at the time the estimate was prepared. In some cases, quotes were solicited from outside sources to substantiate in-house pricing data.

Subcontractor's Mark-ups

As stated earlier, subcontractor's mark-ups have been included in each line item unit cost. Depending on the trade, these mark-ups can range from 15% to 20% of the raw cost for that particular item of work.

5. Prorates

General Conditions

An allowance based 8% of the construction cost subtotal has been included for the contractor's general conditions.

Contractor's Bonds

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's payment and performance bonds (if required).

Contractor's General Liability Insurance

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's general liability insurance.

CONRAC
San Diego, California
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June 20, 2011

INTRODUCTION

Contractor's Fee

A reasonable allowance based on 4% of the construction cost subtotal has been included for the general contractor's home office over head and profit. Site overhead is included in the general conditions.

Design Evolution Contingency

A reasonable allowance of 10% for undeveloped design details has been included in the Summary of this estimate. As the design of each system is further developed, details which increase cost become apparent and are incorporated into the estimate.

Escalation

Escalation is calculated from the basis of this estimate to the Midpoint of Construction using the following rates:

Annual:	2011	1.00%
	2012	2.00%
	2013	3.00%
	2014	4.00%
	2015	5.00%
	2016	5.00%

Construction Start:	06/01/13
Construction Completion:	06/01/15
Construction Midpoint:	06/01/14
Construction Duration:	24 Months
Compound Escalation:	7.37%

Phasing Allowance

No phasing allowance is made at Concept Design stage.

Soft Costs

Soft costs associated with the project are include and referenced in detail. Refer to pages 7-8.

LEED

The LEED goal of Silver is included in the pricing.

Abbreviations Commonly Used Herein

BCY bank cubic yards	LF lineal feet
CCY compacted cubic yards	LS lump-sum
CFM cubic feet per minute	NSF net square feet
CLF hundred lineal feet	PC piece(s)
CY cubic yard(s)	PR pair
EA each	SF square feet
FLT flight (of stairs)	SFCA square feet of contact area
GSF gross square feet	SFF square feet of floor
MH man hour(s)	SY square yard(s)
LB pound(s)	TN ton(s)
LCY loose cubic yards	VLF vertical lineal feet

CONCEPT DS 1 COST ESTIMATE

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CONRAC

San Diego International Airport

San Diego, California

Concept Design Statement of Probable Cost

June 20, 2011

TOTAL PROJECT COST DETAIL - CONCEPT DS 2

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>BUILDING PERMITS</u>						
Based on 1% of construction cost	1.00	%	\$154,681,128		\$1,546,811	
					<u>\$1,546,811</u>	\$1,546,811
<u>CONSTRUCTION COST</u>						
Building construction cost			\$154,681,128		\$154,681,128	
LEED requirement cost			\$3,243,548		\$3,243,548	
					<u>\$157,924,677</u>	\$157,924,677
<u>FF&E COSTS</u>						
Works of Art	1.00	%	\$154,681,128		\$1,546,811	
					<u>\$1,546,811</u>	\$1,546,811
<u>EXTERIOR SIGNAGE</u>						
Exterior Building Signage, (see Base Estimate)	-	allow	\$0.00	\$0	\$0	
Regional wayfinding signage, (see Base Estimate)	-	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Included in hard costs
<u>SUPPORT EQUIPMENT</u>						
Airport Audio Visual Equipment (excluded)	1	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Excluded
<u>SYSTEMS</u>						
Management system, TBD					\$0	
					<u>\$0</u>	Excluded
<u>OPERATING EQUIPMENT</u>						
					<u>\$0</u>	Excluded
<u>INVENTORY (CONSUMABLES)</u>						
					<u>\$0</u>	Excluded
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>						
Design Costs						
Design Costs	9.00	%	\$154,681,128		\$13,921,302	
Sub Total Design Costs					<u>\$13,921,302</u>	
CM Costs						
CM	4.00	%	\$154,681,128		\$6,187,245	
Material testing/inspection/geotechnical	3.00	%	\$154,681,128		\$4,640,434	
Sub Total CM Costs					<u>\$10,827,679</u>	
Total Design, Program and CM Costs					<u>\$24,748,981</u>	\$24,748,981
<u>LEED commission and associated Costs</u>						
	-	allow	\$1,000,000		\$1,000,000	
					<u>\$1,000,000</u>	\$1,000,000
<u>PRE - OPENING EXPENSES</u>						
None Required					\$0	
					<u>\$0</u>	Excluded

CONCEPT DS 1 COST ESTIMATE

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CONRAC
San Diego International Airport
San Diego, California
Concept Design Statement of Probable Cost

June 20, 2011

TOTAL PROJECT COST DETAIL - CONCEPT DS 2

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>WORKING CAPITAL</u>						
None Required					\$0	
					\$0	Excluded
<u>FINANCIAL, TAXES & LEGAL</u>						
Capitalized interest, excluded					\$0	
Legal Fees (Excluded)	-	allow	\$0.00		\$0	
					\$0	Excluded
<u>CONTINGENCY</u>						
Construction contingency	10.00	%	\$154,681,128		\$15,468,113	
					\$15,468,113	\$15,468,113
<u>LAND COSTS</u>						
Cost of land - Excluded					\$0	
					\$0	Excluded
TOTAL PROJECT COSTS						\$202,235,393

CONRAC

San Diego International Airport

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Concept Design Statement of Probable Cost

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CONSTRUCTION COST SUMMARY

Element	Area	Cost / SF	Total
CONRAC			
1 Customer Service Area (CSA)	73,580 SF	\$212.52	\$15,637,275
Level 2 core and support	15,370 SF		
RAC Lease Space / Common Lobby (Level 2)	31,570 SF		
Cores Total Levels 1, 3, 4	26,640 SF		
2 Ready and Return Garage	936,940 SF	\$68.17	\$63,872,272
Level 1			
Level 2			
Level 3			
3 Quick Turn-around Facility (QTA), Level 1-Level 3	291,015 SF	\$114.56	\$33,337,287
4 Rental Car Storage / Employee Parking, Level 4	371,240 SF	\$57.66	\$21,405,072
5 Site Development	740,520 SF	\$27.59	\$20,429,223
TOTAL ESTIMATED BUILDING CONSTRUCTION COST	1,672,775 SF	\$92.47	<u>\$154,681,128</u>

LEED REQUIREMENTS

1 Premium to achieve LEED Silver	1,672,775 SF	\$1.94	\$3,243,548
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OPTIONS

1 Premium for pile foundation in lieu of mat foundation (based on average premium of 25%)			\$2,700,000
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CONCEPT DS 1 COST ESTIMATE

CONRAC
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 San Diego, California
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BUILDING & SITE WORK COMPONENT SUMMARY

Component/Division	QTA		R&R		CSA		RCS		Site Work		Total	
	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF
1 Foundations	\$2,598,663	\$8.93	\$7,839,356	\$8.37	\$195,756	\$0.21	\$0	\$0.00	\$10,633,774	\$6.36	\$11,665,324	\$6.97
2 Vertical Structure	\$3,240,563	\$11.14	\$5,411,118	\$5.78	\$151,289	\$2.06	\$2,862,354	\$36.90	\$34,009,864	\$20.33	\$2,789,659	\$1.67
3 Floor & Roof Structures	\$4,947,520	\$17.00	\$19,736,001	\$21.06	\$1,715,835	\$23.32	\$7,670,507	\$103.43	\$3,198,459	\$1.91	\$147,167	\$0.09
4 Exterior Cladding	\$400,950	\$1.38	\$663,053	\$0.71	\$1,081,740	\$14.70	\$643,916	\$8.75	\$3,241,789	\$1.94	\$7,084,317	\$4.24
5 Roofing & Waterproofing	\$87,305	\$0.30	\$606,282	\$0.65	\$165,061	\$2.26	\$2,338,812	\$31.79	\$4,595,000	\$2.75	\$2,787,866	\$1.67
6 Interior Partitions, Doors & Glazing	\$58,203	\$0.20	\$0	\$0.00	\$14,716	\$0.20	\$74,248	\$1.01	\$3,261,970	\$1.95	\$5,990,488	\$3.58
7 Floor, Wall & Ceiling Finishes	\$218,678	\$0.75	\$566,796	\$0.60	\$2,047,487	\$27.83	\$408,828	\$5.56	\$2,118,577	\$1.27	\$9,279,935	\$5.65
8 Function Equipment & Specialties	\$6,290,058	\$21.61	\$483,386	\$0.52	\$106,691	\$1.45	\$204,182	\$2.77	\$3,221,560	\$4.35	\$500,000	\$0.30
9 Stairs & Vertical Transportation	\$455,000	\$1.56	\$1,600,000	\$1.71	\$2,400,000	\$32.62	\$140,000	\$1.90	\$2,118,577	\$1.27	\$2,118,577	\$1.27
10 Plumbing Systems	\$1,289,162	\$4.43	\$943,340	\$1.01	\$184,049	\$2.50	\$371,315	\$5.05	\$2,118,577	\$1.27	\$2,118,577	\$1.27
11 Heating, Ventilating & Air Conditioning	\$618,747	\$2.13	\$873,102	\$0.93	\$1,712,121	\$23.27	\$88,000	\$0.79	\$2,118,577	\$1.27	\$2,118,577	\$1.27
12 Electric Lighting, Power & Communications	\$3,074,208	\$10.56	\$4,334,468	\$4.63	\$1,466,602	\$19.93	\$1,081,554	\$14.70	\$2,118,577	\$1.27	\$2,118,577	\$1.27
13 Fire Protection Systems	\$1,394,528	\$4.79	\$4,216,230	\$4.50	\$331,110	\$4.50	\$48,600	\$0.66	\$2,118,577	\$1.27	\$2,118,577	\$1.27
14 Site Preparation & Demolition	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,118,577	\$1.27	\$2,118,577	\$1.27
15 Site Paving, Structures & Landscaping	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,118,577	\$1.27	\$2,118,577	\$1.27
16 Utilities on Site	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,118,577	\$1.27	\$2,118,577	\$1.27
17 Off-site Work	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,118,577	\$1.27	\$2,118,577	\$1.27
Subtotal	\$24,873,585	\$84.78	\$47,273,131	\$50.45	\$11,573,466	\$157.29	\$15,842,317	\$215.31	\$114,482,560	\$68.44	\$114,482,560	\$68.44
General Conditions	\$1,973,887	\$6.78	\$3,751,850	\$4.04	\$925,876	\$12.58	\$1,267,385	\$17.22	\$9,158,605	\$5.48	\$9,158,605	\$5.48
Subtotal	\$26,847,471	\$91.57	\$51,024,981	\$54.49	\$12,499,333	\$169.87	\$17,109,702	\$232.53	\$123,641,164	\$73.91	\$123,641,164	\$73.91
Bonds	\$246,736	\$0.85	\$472,731	\$0.50	\$115,735	\$1.57	\$158,423	\$2.15	\$1,144,826	\$0.68	\$1,144,826	\$0.68
Subtotal	\$26,894,207	\$92.42	\$51,527,713	\$55.00	\$12,615,067	\$171.46	\$17,268,125	\$234.69	\$124,785,990	\$74.60	\$124,785,990	\$74.60
Liability Insurance	\$246,736	\$0.85	\$472,731	\$0.50	\$115,735	\$1.57	\$158,423	\$2.15	\$1,144,826	\$0.68	\$1,144,826	\$0.68
Subtotal	\$27,140,943	\$93.26	\$52,000,444	\$55.50	\$12,730,802	\$173.02	\$17,426,548	\$236.84	\$125,930,816	\$75.28	\$125,930,816	\$75.28
General Contractor's Fee	\$1,085,638	\$3.73	\$2,080,018	\$2.22	\$509,232	\$6.92	\$697,062	\$9.47	\$5,037,233	\$3.01	\$5,037,233	\$3.01
Subtotal	\$28,226,581	\$96.99	\$54,080,462	\$57.72	\$13,240,034	\$179.94	\$18,123,610	\$246.31	\$130,968,048	\$78.29	\$130,968,048	\$78.29
Design / Estimating Contingency	\$2,822,658	\$9.70	\$5,408,046	\$5.77	\$1,324,003	\$17.99	\$1,812,361	\$24.63	\$13,096,805	\$7.83	\$13,096,805	\$7.83
Subtotal	\$31,049,239	\$106.69	\$59,488,508	\$63.49	\$14,564,037	\$197.93	\$19,935,971	\$270.94	\$144,064,853	\$86.12	\$144,064,853	\$86.12
Escalation	\$2,288,048	\$7.86	\$4,383,764	\$4.68	\$1,073,238	\$14.59	\$1,469,101	\$19.97	\$10,161,275	\$6.35	\$10,161,275	\$6.35
Subtotal	\$33,337,287	\$114.55	\$63,872,272	\$68.17	\$15,637,275	\$212.52	\$21,405,072	\$287.66	\$154,661,128	\$92.47	\$154,661,128	\$92.47
TOTAL ESTIMATED CONSTRUCTION COST												

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Schedule of Areas & Control Quantities

Schedule of Areas	SF	SF
Areas -QTA		
Level 1	97,005	
Level 2	97,005	
Level 3	97,005	
Subtotal, Areas -QTA		<u>291,015</u>
Areas -Ready and Return Garage		
Level 1	360,500	
Level 2	302,150	
Level 3	274,290	
Subtotal, Areas -Ready and Return Garage		<u>936,940</u>
Areas -Customer Service Area		
Level 2 core and support	15,370	
RAC Lease Space / Common Lobby (Level 2)	31,570	
Cores Total Levels 1, 3, 4	26,640	
Exterior pedestrian plaza & bus plaza	under Siteworks	
Subtotal, Areas -Customer Service Area		<u>73,580</u>
Areas -Rental Car Storage/ Employee Parking Area		
Level 4	371,240	
Subtotal, Areas -Rental Car Storage/ Employee Parking Area		<u>371,240</u>
Total Gross Floor Area		<u>1,672,775</u>

Control Quantities	Qty		Ratio to Gross Area
Number of Levels	4	EA	0.002
Number of Units (Fuel position)	60	EA	0.036
Number of Units (Car wash)	18	EA	0.011
Number of Units (Vehicle stacking)	360	EA	0.215
Number of Units (Parking stalls), allow	2,665	EA	1.593
Footprint Area	466,385	SF	0.279
Footprint Perimeter	3,143	LF	
Floor-to-floor height, assume 16.5' per floor			
Elevators , allow	5	EA	0.003
Escalators, allow	4	PR	0.002
Total Site Area	740,520	SF	0.443
Finished Site Area	274,135	SF	0.164

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CONRAC Construction Cost Summary QTA (Quick Turn-Around Facility)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$11,275,001		\$38.74
1 Foundations	\$2,598,663		\$8.93	
2 Vertical Structure	\$3,240,563		\$11.14	
3 Floor & Roof Structures	\$4,947,520		\$17.00	
4 Exterior Cladding	\$400,950		\$1.38	
5 Roofing and Waterproofing	\$87,305		\$0.30	
B) Interiors (6-7)		\$276,881		\$0.95
6 Interior Partitions, Doors and Glazing	\$58,203		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$218,678		\$0.75	
C) Equipment and Vertical Transportation (8-9)		\$6,745,058		\$23.18
8 Function Equipment and Specialties	\$6,290,058		\$21.61	
9 Stairs and Vertical Transportation	\$455,000		\$1.56	
D) Mechanical and Electrical (10-13)		\$6,376,644		\$21.91
10 Plumbing Systems	\$1,289,162		\$4.43	
11 Heating, Ventilation and Air Conditioning	\$618,747		\$2.13	
12 Electrical Lighting, Power and Communications	\$3,074,208		\$10.56	
13 Fire Protection Systems	\$1,394,528		\$4.79	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$24,673,585		\$84.78
General Conditions	8.00%	\$1,973,887		\$6.78
Subtotal		\$26,647,471		\$91.57
Bonds	1.00%	\$246,736		\$0.85
Subtotal		\$26,894,207		\$92.42
Liability Insurance	1.00%	\$246,736		\$0.85
Subtotal		\$27,140,943		\$93.26
General Contractor Fee	4.00%	\$1,085,638		\$3.73
Subtotal		\$28,226,581		\$96.99
Design / Estimating Contingency	10.00%	\$2,822,658		\$9.70
Subtotal		\$31,049,239		\$106.69
Escalation	7.37%	\$2,288,048		\$7.86
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$33,337,287</u>		\$114.56

Total Area: 291,015 SF

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	22,945	CY	\$8.00	\$183,563
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	118,505	SF	\$20.00	\$2,370,100
Sump	2	EA	\$5,000.00	\$10,000
Dewatering	1	LS	\$35,000.00	\$35,000
Total - 1 Foundations				<u>\$2,598,663</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	43,560	SF	\$10.00	\$435,600
Reinforcement, 550 lb/cy	443,667	LB	\$0.90	\$399,300
Concrete, allowance	807	CY	\$200.00	\$161,333
Sack and finish	43,560	SF	\$0.52	\$22,651
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Levels 2 and 3	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	11,120	SF	\$8.00	\$88,960
Reinforcement, 2 lb/sf	11,120	LB	\$0.90	\$10,008
Concrete, allowance	206	CY	\$165.00	\$33,978
Sack and finish	11,120	SF	\$0.90	\$10,008
Reinforced enclosed walls, 12" CMU, RAC Support	19,058	SF	\$30.00	\$571,725
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,507,000.00	\$1,507,000
Total - 2 Vertical Structure				<u>\$3,240,563</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (excluding area under ramp)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	454	SF	\$5.00	\$2,268
Reinforcement, 2.5 lbs/sf	242,513	LB	\$0.90	\$218,261
Aggregate base, 6"	97,005	SF	\$1.28	\$124,166
Vapor barrier	97,005	SF	\$0.30	\$29,102
Concrete, allowance	1,509	CY	\$165.00	\$248,980
Concrete thickenings, allowance	13	CY	\$165.00	\$2,178
Sack and finish	97,005	SF	\$0.52	\$50,443
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	194,010	SF	\$5.00	\$970,050
Edge forms in place, multi use	907	SF	\$5.00	\$4,536
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	145,508	LB	\$1.60	\$232,812
Reinforcement, 3lb/sf	582,030	LB	\$0.80	\$465,624
Concrete, allowance	3,018	CY	\$185.00	\$558,318
Sack and finish to flat and sloped soffits and sides	194,010	SF	\$1.04	\$201,770
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	72,743	SF	\$6.00	\$436,458
Post tensioning tendons, plastic sheathed, 95 lb/cy	149,729	LB	\$1.60	\$239,567
Reinforcement, 194 lb/cy	305,763	LB	\$0.80	\$244,611
Concrete, allowance	1,576	CY	\$205.00	\$323,100
Sack and finish to sides	72,743	SF	\$0.52	\$37,826
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	12,216	SF	\$6.00	\$73,296
Reinforcement, 300 lb/cy	135,733	LB	\$0.80	\$108,587
Concrete, allowance	452	CY	\$205.00	\$92,751
Sack and finish to sides	12,216	SF	\$0.52	\$6,352
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	291,015	SF	\$0.75	\$218,261
Miscellaneous metal and rough capentry	291,015	SF	\$0.20	\$58,203
Total - 3 Floor & Roof Structures				<u>\$4,947,520</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Architectural formliner, allow to 50% of Level 3 QTA façade, 16.5' high	8,910	SF	\$45.00	\$400,950
Total - 4 Exterior Cladding				<u>\$400,950</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous Expansion and seismic joints	291,015	SF	\$0.15	\$43,652
Miscellaneous caulking and sealants	291,015	SF	\$0.15	\$43,652
Total - 5 Roofing and Waterproofing				<u>\$87,305</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - support areas	291,015	SF	\$0.20	\$58,203
Total - 6 Interior Partitions, Doors and Glazing				<u>\$58,203</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	43,560	SF	\$0.62	\$27,007
Paint walls	30,178	SF	\$0.62	\$18,710
Paint underside and sides of suspended slabs and beams	278,969	SF	\$0.62	\$172,961
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$218,678</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	291,015	SF	\$0.15	\$43,652
Directional signage / graphics, allowance	291,015	SF	\$0.05	\$14,551
Miscellaneous specialties				
Code/Graphics required signage	291,015	SF	\$0.25	\$72,754
Miscellaneous specialties	291,015	SF	\$0.10	\$29,102
Equipment				
Car wash equipment, allowance	18	EA	\$85,000.00	\$1,530,000
Car fueling & process & distribution equipment, allowance	60	EA	\$75,000.00	\$4,500,000
Fuel storage tanks, allowance	4	EA	\$25,000.00	\$100,000
Total - 8 Function Equipment and Specialties				<u>\$6,290,058</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	4	FLT	\$20,000.00	\$80,000
Elevators				
Traction Service elevator, 5000 LBS, 4-stops, 16.5' high per stop	1	EA	\$375,000.00	\$375,000
Total - 9 Stairs and Vertical Transportation				<u>\$455,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	291,015	SF	\$2.50	\$727,538
Domestic cold water	1	LS	\$87,000.00	\$87,000
Condensate drainage	1	LS	\$9,000.00	\$9,000
Gas, allowance	291,015	SF		Not required
Emergency/roof/overflow drainage systems	291,015	SF	\$1.50	\$436,523
Miscellaneous plumbing	291,015	SF	\$0.10	\$29,102
Total - 10 Plumbing Systems				<u>\$1,289,162</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	1	LS	\$26,000.00	\$26,000
Air distribution, return and mechanical exhaust	291,015	SF	\$1.00	\$291,015
Controls including leaks detection	1	LS	\$290,000.00	\$290,000
Miscellaneous HVAC				
Test / balance HVAC	20	HR	\$86.60	\$1,732
Seismic bracing, etc.	1	LS	\$10,000.00	\$10,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$618,747</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	291,015	SF	\$4.00	\$1,164,060
HVAC and equipment connections	291,015	SF	\$0.50	\$145,508
Fueling system power				
Fuel pump power				
Convenience power	291,015	SF	\$1.00	\$291,015
Lighting and lighting control	291,015	SF	\$2.50	\$727,538
Special systems				
Fire alarm system	291,015	SF	\$1.00	\$291,015
Tel/data	291,015	SF	\$0.30	\$87,305
Security and surveillance system	291,015	SF	\$1.25	\$363,769
Miscellaneous electrical requirements				
Seismic bracing, etc.	1	LS	\$4,000.00	\$4,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$3,074,208</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Automatic deluge system to Fueling areas	56,640	SF	\$6.00	\$339,840
Dry sprinkler system	234,375	SF	\$4.50	\$1,054,688
Total - 13 Fire Protection Systems				<u>\$1,394,528</u>

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CONRAC Construction Cost Summary Ready and Return Garage

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$34,255,809		\$36.56
1 Foundations	\$7,839,356		\$8.37	
2 Vertical Structure	\$5,411,118		\$5.78	
3 Floor & Roof Structures	\$19,736,001		\$21.06	
4 Exterior Cladding	\$663,053		\$0.71	
5 Roofing and Waterproofing	\$606,282		\$0.65	
B) Interiors (6-7)		\$566,796		\$0.60
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$566,796		\$0.60	
C) Equipment and Vertical Transportation (8-9)		\$2,083,386		\$2.22
8 Function Equipment and Specialties	\$483,386		\$0.52	
9 Stairs and Vertical Transportation	\$1,600,000		\$1.71	
D) Mechanical and Electrical (10-13)		\$10,367,140		\$11.06
10 Plumbing Systems	\$943,340		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$873,102		\$0.93	
12 Electrical Lighting, Power and Communications	\$4,334,468		\$4.63	
13 Fire Protection Systems	\$4,216,230		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$47,273,131		\$50.45
General Conditions	8.00%	\$3,781,850		\$4.04
Subtotal		\$51,054,981		\$54.49
Bonds	1.00%	\$472,731		\$0.50
Subtotal		\$51,527,713		\$55.00
Liability Insurance	1.00%	\$472,731		\$0.50
Subtotal		\$52,000,444		\$55.50
General Contractor Fee	4.00%	\$2,080,018		\$2.22
Subtotal		\$54,080,462		\$57.72
Design / Estimating Contingency	10.00%	\$5,408,046		\$5.77
Subtotal		\$59,488,508		\$63.49
Escalation	7.37%	\$4,383,764		\$4.68
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$63,872,272</u>		\$68.17

Total Area: 936,940 SF

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab	68,669	CY	\$8.00	\$549,356
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	360,500	SF	\$20.00	\$7,210,000
Sump	4	EA	\$5,000.00	\$20,000
Dewatering	1	LS	\$60,000.00	\$60,000
Total - 1 Foundations				<u>\$7,839,356</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	69,696	SF	\$10.00	\$696,960
Reinforcement, 550 lb/cy	709,867	LB	\$0.90	\$638,880
Concrete, allowance	1,291	CY	\$200.00	\$258,133
Sack and finish	69,696	SF	\$0.52	\$36,242
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Levels 2 and 3	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	22,704	SF	\$8.00	\$181,632
Reinforcement, 2 lb/sf	22,704	LB	\$0.90	\$20,434
Concrete, allowance	420	CY	\$165.00	\$69,373
Sack and finish	22,704	SF	\$0.90	\$20,434
Reinforced enclosed walls, 12" CMU, stairs	9,801	SF	\$30.00	\$294,030
Customer entry and exit ramp	1	LS	\$3,195,000.00	\$3,195,000
Shuttle entry and exit ramp				in QTA
Total - 2 Vertical Structure				<u>\$5,411,118</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include Shuttler & Customer Circulation)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	866	SF	\$5.00	\$4,332
Reinforcement, 2.5 lbs/sf	901,250	LB	\$0.90	\$811,125
Aggregate base, 6"	360,500	SF	\$1.28	\$461,440
Vapor barrier	360,500	SF	\$0.30	\$108,150
Concrete, allowance	5,608	CY	\$165.00	\$925,283
Concrete thickenings, allowance	25	CY	\$165.00	\$4,160
Sack and finish	360,500	SF	\$0.52	\$187,460
Premium for depressed slab	1	LS	\$72,000.00	\$72,000
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	630,640	SF	\$5.00	\$3,153,200
Edge forms in place, multi use	1,308	SF	\$5.00	\$6,539
Post tensioning tendons, plastic sheathed, .75 lbs/sf	472,980	LB	\$1.60	\$756,768
Reinforcement, 3lb/sf	1,891,920	LB	\$0.80	\$1,513,536
Concrete, allowance	9,810	CY	\$185.00	\$1,814,842
Sack and finish to flat and sloped soffits and sides	630,640	SF	\$1.04	\$655,866
Premium for increase in foundation, slab, columns and beams at Bus Plaza	54,200	SF	\$100.00	\$5,420,000
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	147,226	SF	\$6.00	\$883,358
Post tensioning tendons, plastic sheathed, 95 lb/cy	303,041	LB	\$1.60	\$484,866
Reinforcement, 194 lb/cy	618,842	LB	\$0.80	\$495,073
Concrete, allowance	3,190	CY	\$205.00	\$653,931
Sack and finish to sides	147,226	SF	\$0.52	\$76,558
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	24,318	SF	\$6.00	\$145,908
Reinforcement, 300 lb/cy	270,200	LB	\$0.80	\$216,160
Concrete, allowance	901	CY	\$205.00	\$184,637
Sack and finish to sides	24,318	SF	\$0.52	\$12,645
Premium for depressed slab	1	LS	\$126,000.00	\$126,000
Miscellaneous				
Miscellaneous concrete works, curbs and islands	936,940	SF	\$0.50	\$468,470
Miscellaneous metal and rough capentry	936,940	SF	\$0.10	\$93,694
Total - 3 Floor & Roof Structures				<u>\$19,736,001</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Canopy				<i>in CSA</i>
Architectural formliner, allow to 50% of Level 3 R/R façade	14,735	SF	\$45.00	\$663,053
Total - 4 Exterior Cladding				<u>\$663,053</u>
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing, Pedestrian & Bus Plaza	54,200	SF	\$6.00	\$325,200
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	936,940	SF	\$0.15	\$140,541
Miscellaneous caulking and sealants	936,940	SF	\$0.15	\$140,541
Total - 5 Roofing and Waterproofing				<u>\$606,282</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Total - 6 Interior Partitions, Doors and Glazing				
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	69,696	SF	\$0.62	\$43,212
Paint walls	42,306	SF	\$0.62	\$26,230
Paint underside and sides of suspended slabs and beams	802,184	SF	\$0.62	\$497,354
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$566,796</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping				
Striping, stalls, allow	2,665	EA	\$32.50	\$86,610
Hatched striping	1	LS	\$22,000.00	\$22,000
Directional signage / graphics, allowance	936,940	SF	\$0.05	\$46,847
Miscellaneous specialties				
Code/Graphics required signage	936,940	SF	\$0.25	\$234,235
Miscellaneous specialties	936,940	SF	\$0.10	\$93,694
Total - 8 Function Equipment and Specialties				<u>\$483,386</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	10	FLT	\$20,000.00	\$200,000
Elevators				
Traction passenger elevator, 4000 LBS, 4-stops	4	EA	\$350,000.00	\$1,400,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,600,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$1,500.00	\$1,500
Domestic cold water	1	LS	\$2,700.00	\$2,700
Condensate drainage	1	LS	\$2,200.00	\$2,200
Emergency/roof/overflow drainage systems	936,940	SF	\$0.10	\$93,694
Miscellaneous plumbing	936,940	SF	\$0.90	\$843,246
Total - 10 Plumbing Systems				<u>\$943,340</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	936,940	SF	\$0.40	\$374,776
Air distribution and return	936,940	SF	\$0.40	\$374,776
Controls, instrumentation and balancing	936,940	SF	\$0.10	\$93,694
Miscellaneous HVAC				
Test / balance HVAC	160	HR	\$86.60	\$13,856
Seismic bracing, etc.	1	LS	\$16,000.00	\$16,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$873,102</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	936,940	SF	\$0.50	\$468,470
HVAC and equipment connections	936,940	SF	\$0.10	\$93,694
Convenience power	936,940	SF	\$0.30	\$281,082
Lighting and lighting control	936,940	SF	\$2.50	\$2,342,350
Special systems				
Fire alarm system	936,940	SF	\$0.15	\$140,541
Tel/data/PA	936,940	SF	\$0.25	\$234,235
Security and surveillance system	936,940	SF	\$0.40	\$374,776
Code Blue phone system - allowance	32	LOC	\$8,760.00	\$280,320
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$119,000.00	\$119,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$4,334,468</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	936,940	SF	\$4.50	\$4,216,230
Total - 13 Fire Protection Systems				<u>\$4,216,230</u>

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CONRAC Construction Cost Summary Customer Service Area (CSA)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$3,310,680		\$44.99
1 Foundations	\$195,756		\$2.66	
2 Vertical Structure	\$151,289		\$2.06	
3 Floor & Roof Structures	\$1,715,835		\$23.32	
4 Exterior Cladding	\$1,081,740		\$14.70	
5 Roofing and Waterproofing	\$166,061		\$2.26	
B) Interiors (6-7)		\$2,062,203		\$28.03
6 Interior Partitions, Doors and Glazing	\$14,716		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$2,047,487		\$27.83	
C) Equipment and Vertical Transportation (8-9)		\$2,506,691		\$34.07
8 Function Equipment and Specialties	\$106,691		\$1.45	
9 Stairs and Vertical Transportation	\$2,400,000		\$32.62	
D) Mechanical and Electrical (10-13)		\$3,693,882		\$50.20
10 Plumbing Systems	\$184,049		\$2.50	
11 Heating, Ventilation and Air Conditioning	\$1,712,121		\$23.27	
12 Electrical Lighting, Power and Communications	\$1,466,602		\$19.93	
13 Fire Protection Systems	\$331,110		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$11,573,456		\$157.29
General Conditions	8.00%	\$925,876		\$12.58
Subtotal		\$12,499,333		\$169.87
Bonds	1.00%	\$115,735		\$1.57
Subtotal		\$12,615,067		\$171.45
Liability Insurance	1.00%	\$115,735		\$1.57
Subtotal		\$12,730,802		\$173.02
General Contractor Fee	4.00%	\$509,232		\$6.92
Subtotal		\$13,240,034		\$179.94
Design / Estimating Contingency	10.00%	\$1,324,003		\$17.99
Subtotal		\$14,564,037		\$197.93
Escalation	7.37%	\$1,073,238		\$14.59
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$15,637,275</u>		\$212.52

Total Area: 73,580 SF

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	1,644	CY	\$8.00	\$13,156
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	8,880	SF	\$20.00	\$177,600
Dewatering	1	LS	\$5,000.00	\$5,000
Total - 1 Foundations				<u>\$195,756</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	6,468	SF	\$10.00	\$64,680
Reinforcement, 550 lb/cy	65,878	LB	\$0.90	\$59,290
Concrete, allowance	120	CY	\$200.00	\$23,956
Sack and finish	6,468	SF	\$0.52	\$3,363
Non load bearing walls				<i>in R&R</i>
Total - 2 Vertical Structure				<u>\$151,289</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include core areas)				
Reinforced concrete slab on grade, 5" thick	(\$7 /SF)			
Forms in place, edge form, ply / dimensional, multi-use		SF	\$5.00	
Reinforcement, 2.5 lbs/sf	22,200	LB	\$0.90	\$19,980
Aggregate base, 6"	8,880	SF	\$1.28	\$11,366
Vapor barrier	8,880	SF	\$0.30	\$2,664
Concrete, allowance	138	CY	\$165.00	\$22,792
Concrete thickenings, allowance		CY	\$165.00	
Sack and finish	8,880	SF	\$0.52	\$4,618

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	88,698	SF	\$5.00	\$443,489
Edge forms in place, multi use				<i>in R&R</i>
Post tensioning tendons, plastic sheathed,.75 lbs/sf	66,523	LB	\$1.60	\$106,437
Reinforcement, 3lb/sf	266,093	LB	\$0.80	\$212,875
Concrete, allowance	1,380	CY	\$185.00	\$255,252
Sack and finish to flat and sloped soffits and sides	88,698	SF	\$1.04	\$92,246
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	24,620	SF	\$6.00	\$147,720
Post tensioning tendons, plastic sheathed, 95 lb/cy	50,676	LB	\$1.60	\$81,082
Reinforcement, 194 lb/cy	103,486	LB	\$0.80	\$82,789
Concrete, allowance	533	CY	\$205.00	\$109,354
Sack and finish to sides	24,620	SF	\$0.52	\$12,802
Reinforced concrete upturn/downturn moment framed beams				NA
Miscellaneous				
Miscellaneous concrete works, curbs and islands	73,580	SF	\$1.00	\$73,580
Miscellaneous metal and rough carpentry	73,580	SF	\$0.50	\$36,790
Total - 3 Floor & Roof Structures				<u>\$1,715,835</u>
<u>4 Exterior Cladding</u>				
Exterior storefront system				
CSB, Level 2	5,445	SF	\$110.00	\$598,950
Cores, Level 2	4,389	SF	\$110.00	\$482,790
Canopy				NA
Total - 4 Exterior Cladding				<u>\$1,081,740</u>
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing, CSB	23,998	SF	\$6.00	\$143,987
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	73,580	SF	\$0.15	\$11,037
Miscellaneous caulking and sealants	73,580	SF	\$0.15	\$11,037
Total - 5 Roofing and Waterproofing				<u>\$166,061</u>

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - core	73,580	SF	\$0.20	\$14,716
Total - 6 Interior Partitions, Doors and Glazing				<u>\$14,716</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$40.00	\$819,600
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$2.50	\$53,800
				<i>By Tenants</i>
Wall finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$20.00	\$409,800
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$2.00	\$43,040
				<i>By Tenants</i>
Ceiling finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$30.00	\$614,700
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$1.50	\$32,280
				<i>By Tenants</i>
Painting				
Paint concrete columns	6,468	SF	\$0.62	\$4,010
Paint underside and sides of suspended slabs and beams	113,318	SF	\$0.62	\$70,257
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$2,047,487</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Directional signage / graphics, allowance	73,580	SF	\$0.10	\$7,358
Miscellaneous specialties				
Building specialties and millwork	73,580	SF	\$1.00	\$73,580
Code/Graphics required signage	73,580	SF	\$0.25	\$18,395
Miscellaneous specialties	73,580	SF	\$0.10	\$7,358
Total - 8 Function Equipment and Specialties				<u>\$106,691</u>

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings				<i>in R & R</i>
Elevators				
Traction passenger elevator, 4000 LBS, 4-stops				<i>in R & R</i>
Escalator				
16.5' rise with 40" tread including outdoor package	2	Pair	\$500,000.00	\$1,000,000
33' rise with 40" tread including outdoor package	2	Pair	\$700,000.00	\$1,400,000
Total - 9 Stairs and Vertical Transportation				<u>\$2,400,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$30,000.00	\$30,000
Domestic cold water	1	LS	\$24,000.00	\$24,000
Gas system, allow	73,580	SF	\$0.15	\$11,037
Condensate drainage	1	LS	\$16,000.00	\$16,000
Emergency/roof/overflow drainage systems	73,580	SF	\$0.50	\$36,790
Miscellaneous plumbing	73,580	SF	\$0.90	\$66,222
Total - 10 Plumbing Systems				<u>\$184,049</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	73,580	SF	\$10.00	\$735,800
Air distribution and return	73,580	SF	\$9.00	\$662,220
Controls, instrumentation and balancing	73,580	SF	\$4.00	\$294,320

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Element	Quantity	Unit	Unit Cost	Total
Miscellaneous HVAC				
Test / balance HVAC	16	HR	\$86.60	\$1,386
Seismic bracing, etc.	73,580	SF	\$0.25	\$18,395
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$1,712,121</u>
 <u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	73,580	SF	\$5.00	\$367,900
HVAC and equipment connections	73,580	SF	\$1.00	\$73,580
Escalator connection, 480v				
Elevator connection, 480v				
Convenience power	73,580	SF	\$2.50	\$183,950
Lighting and lighting control	73,580	SF		
RAC Lease Space / Common Lobby (Level 2)	31,570	SF	\$0.50	\$15,785
Core areas	42,010	SF	\$8.00	\$336,080
Special systems				
Fire alarm system	73,580	SF	\$1.50	\$110,370
Tel/data/PA	73,580	SF	\$3.00	\$220,740
Security and surveillance system	73,580	SF	\$2.00	\$147,160
Miscellaneous electrical requirements				
Seismic requirements	73,580	SF	\$0.15	\$11,037
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,466,602</u>
 <u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	73,580	SF	\$4.50	\$331,110
Total - 13 Fire Protection Systems				<u>\$331,110</u>

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CONRAC Construction Cost Summary (RCS) Rental Car Storage / Employee Parking

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$13,455,590		\$36.24
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$2,862,354		\$7.71	
3 Floor & Roof Structures	\$7,610,507		\$20.50	
4 Exterior Cladding	\$643,916		\$1.73	
5 Roofing and Waterproofing	\$2,338,812		\$6.30	
B) Interiors (6-7)		\$483,076		\$1.30
6 Interior Partitions, Doors and Glazing	\$74,248		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$408,828		\$1.10	
C) Equipment and Vertical Transportation (8-9)		\$344,182		\$0.93
8 Function Equipment and Specialties	\$204,182		\$0.55	
9 Stairs and Vertical Transportation	\$140,000		\$0.38	
D) Mechanical and Electrical (10-13)		\$1,559,469		\$4.20
10 Plumbing Systems	\$371,315		\$1.00	
11 Heating, Ventilation and Air Conditioning	\$58,000		\$0.16	
12 Electrical Lighting, Power and Communications	\$1,081,554		\$2.91	
13 Fire Protection Systems	\$48,600		\$0.13	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$15,842,317		\$42.67
General Conditions	8.00%	\$1,267,385		\$3.41
Subtotal		\$17,109,702		\$46.09
Bonds	1.00%	\$158,423		\$0.43
Subtotal		\$17,268,125		\$46.51
Liability Insurance	1.00%	\$158,423		\$0.43
Subtotal		\$17,426,548		\$46.94
General Contractor Fee	4.00%	\$697,062		\$1.88
Subtotal		\$18,123,610		\$48.82
Design / Estimating Contingency	10.00%	\$1,812,361		\$4.88
Subtotal		\$19,935,971		\$53.70
Escalation	7.37%	\$1,469,101		\$3.96
TOTAL ESTIMATED CONSTRUCTION COST		\$21,405,072		\$57.66

Total Area: 371,240 SF

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
				NA
Total - 1 Foundations				
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	6,792	SF	\$10.00	\$67,920
Reinforcement, 550 lb/cy	69,178	LB	\$0.90	\$62,260
Concrete, allowance	126	CY	\$200.00	\$25,156
Sack and finish	6,792	SF	\$0.52	\$3,532
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Level 4	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	19,848	SF	\$8.00	\$158,784
Reinforcement, 2 lb/sf	19,848	LB	\$0.90	\$17,863
Concrete, allowance	368	CY	\$165.00	\$60,647
Sack and finish	19,848	SF	\$0.90	\$17,863
Reinforced enclosed walls, 12" CMU, RAC Support	56,511	SF	\$30.00	\$1,695,330
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp, Levels 3 to 4	1	LS	\$753,000.00	\$753,000
Total - 2 Vertical Structure				<u>\$2,862,354</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level				NA
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick	(\$13 /SF)			
Forms in place, edge form, ply / dimensional, multi-use	392,696	SF	\$5.00	\$1,963,480
Edge forms in place, multi use	1,761	SF	\$5.00	\$8,805
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	294,522	LB	\$1.60	\$471,235
Reinforcement, 3lb/sf	1,178,088	LB	\$0.80	\$942,470
Concrete, allowance	6,109	CY	\$185.00	\$1,130,092
Sack and finish to flat and sloped soffits and sides	392,696	SF	\$1.04	\$408,404
Prestressed post-tensioned concrete beams, allow 14" x 35"	(\$813 /CY)			
Forms, job built ply / dimensional, multi use	109,366	SF	\$6.00	\$656,194
Post tensioning tendons, plastic sheathed, 95 lb/cy	225,111	LB	\$1.60	\$360,178
Reinforcement, 194 lb/cy	459,700	LB	\$0.80	\$367,760
Concrete, allowance	2,370	CY	\$205.00	\$485,766
Sack and finish to sides	109,366	SF	\$0.52	\$56,870
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"	(\$621 /CY)			
Forms, job built ply / dimensional, multi use	17,676	SF	\$6.00	\$106,056
Reinforcement, 300 lb/cy	196,400	LB	\$0.80	\$157,120
Concrete, allowance	655	CY	\$205.00	\$134,207
Sack and finish to sides	17,676	SF	\$0.52	\$9,192
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	371,240	SF	\$0.75	\$278,430
Miscellaneous metal and rough capentry	371,240	SF	\$0.20	\$74,248
Total - 3 Floor & Roof Structures				<u>\$7,610,507</u>
<u>4 Exterior Cladding</u>				
Garage screen, allow to 50% of Level 4 façade	14,309	SF	\$45.00	\$643,916
Total - 4 Exterior Cladding				<u>\$643,916</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing	371,240	SF	\$6.00	\$2,227,440
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	371,240	SF	\$0.15	\$55,686
Miscellaneous caulking and sealants	371,240	SF	\$0.15	\$55,686
Total - 5 Roofing and Waterproofing				<u>\$2,338,812</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - RAC Support areas	371,240	SF	\$0.20	\$74,248
Total - 6 Interior Partitions, Doors and Glazing				<u>\$74,248</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	6,792	SF	\$0.62	\$4,211
Paint walls	132,870	SF	\$0.62	\$82,379
Paint underside and sides of suspended slabs and beams	519,738	SF	\$0.62	\$322,237
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$408,828</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	371,240	SF	\$0.15	\$55,686
Directional signage / graphics, allowance	371,240	SF	\$0.05	\$18,562
Miscellaneous specialties				
Code/Graphics required signage	371,240	SF	\$0.25	\$92,810
Miscellaneous specialties	371,240	SF	\$0.10	\$37,124
Total - 8 Function Equipment and Specialties				<u>\$204,182</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	7	FLT	\$20,000.00	\$140,000
Elevators				
Traction Freight elevator, 5000 LBS, 4-stops				<i>in QTA</i>
Traction passenger elevator, 4000 LBS, 4-stops				<i>in R & R</i>
Total - 9 Stairs and Vertical Transportation				<u>\$140,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$3,000.00	\$3,000
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	371,240	SF	\$0.88	\$326,691
Miscellaneous plumbing	371,240	SF	\$0.10	\$37,124
Total - 10 Plumbing Systems				<u>\$371,315</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
HVAC system, allow	1	LS	\$58,000.00	\$58,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$58,000</u>

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CONRAC Construction Component Detail **(RCS) Rental Car Storage / Employee Parking**

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Electrical system, lighting and lighting control, allow	371,240	SF	\$2.50	\$928,100
Special systems				
Security and surveillance system	371,240	SF	\$0.35	\$129,934
Code Blue phone system - allowance	2	LOC	\$8,760.00	\$17,520
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$6,000.00	\$6,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,081,554</u>
<u>13 Fire Protection Systems</u>				
Fire Protection - Dry sprinkler system				
RAC Storage areas				<i>not required</i>
RAC Support	10,800	SF	\$4.50	\$48,600
Total - 13 Fire Protection Systems				<u>\$48,600</u>

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Site Work

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Site Work Construction Cost Summary

Element		Subtotal	Total	Cost / SF	Cost / SF
E) Site Work (14-16)			\$15,120,072		\$20.42
14 Site Preparation and Demolition		\$2,118,577		\$2.86	
15 Site Paving, Structures and Landscaping		\$9,279,935		\$12.53	
16 Utilities on Site		\$3,221,560		\$4.35	
17 Off-site Work		\$500,000		\$0.68	
Subtotal			\$15,120,072		\$20.42
General Conditions	8.00%		\$1,209,606		\$1.63
Subtotal			\$16,329,677		\$22.05
Bonds	1.00%		\$151,201		\$0.20
Subtotal			\$16,480,878		\$22.26
Liability Insurance	1.00%		\$151,201		\$0.20
Subtotal			\$16,632,079		\$22.46
General Contractor Fee	4.00%		\$665,283		\$0.90
Subtotal			\$17,297,362		\$23.36
Design / Estimating Contingency	10.00%		\$1,729,736		\$2.34
Subtotal			\$19,027,098		\$25.69
Escalation	7.37%		\$1,402,125		\$1.89
TOTAL ESTIMATED CONSTRUCTION COST			<u>\$20,429,223</u>		\$27.59

Total Area: 740,520 SF

CONRAC

San Diego International Airport

San Diego, California

Concept Design Statement of Probable Cost

June 20, 2011

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>14 Site Preparation and Demolition</u>				
Buildings demolition				<i>Excluded</i>
Site Demolition				
Demo and remove existing ac paving, allowance	1	LS	\$370,000.00	\$370,000
Relocate existing 60" main storm drain line, allowance	1	LS	\$560,000.00	\$560,000
Remove and dispose existing storm drain lateral line, allowance	1	LS	\$88,000.00	\$88,000
Site protective construction				
Erosion control	740,520	SF	\$0.05	\$37,026
Storm Water Prevention and Protection Program	2,000	HR	\$45.00	\$90,000
Hazmat abatement				<i>Excluded</i>
Site clearing and grading				
Clearing and grubbing				NA
Rough grading (assumed to be a balanced site)	-	SF	\$1.00	
Fine grading	740,520	SF	\$0.29	\$214,751
Temporary construction				
Green screen fence, allow	37,940	SF	\$20.00	\$758,800
Total - 14 Site Preparation and Demolition				<u>\$2,118,577</u>
<u>15 Site Paving, Structures and Landscaping</u>				
Vehicular paving				
Bus Plaza, premium for finishes only	54,200	SF	\$10.00	\$542,000
Visitor parking, concrete	14,084	SF	\$12.00	\$169,008
Employee parking, concrete	32,974	SF	\$12.00	\$395,688
Customer return road, asphalt	46,093	SF	\$6.00	\$276,558
Curb cuts	4	EA	\$30,000.00	\$120,000
Vehicular ramp				
Bus Flyover	24,645	SF	\$250.00	\$6,161,250
Parking lot striping / signage				
Striping, stalls, allow	125	EA	\$17.00	\$2,133
Hatched striping	1	LS	\$2,000.00	\$2,000
Directional signage / graphics, allowance	147,351	SF	\$0.05	\$7,368
Pedestrian paving				
Allowance for concrete walkway, 4" thick, allowance	15,000	SF	\$8.00	\$120,000
Raised concrete pavement	18,450	SF	\$8.00	\$147,600

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San Diego International Airport
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Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
Site Walls				
Reinforced concrete crash walls, 4' high, Bus Plaza	3,320	SF	\$26.00	\$86,320
Landscaping				
Minor site landscaping and irrigation, allowance	70,000	SF	\$10.00	\$700,000
Site amenities				
Service station, assume single-story structure				<i>Excluded</i>
Security Guard Booths				<i>Excluded</i>
Service yard, open-air with fencing	23,334	SF	\$15.00	\$350,010
Signage and Art in Public Places				
Exterior Building Signage	1	LS	\$200,000.00	\$200,000
Art in Public Places				<i>Soft costs</i>
Total - 15 Site Paving, Structures and Landscaping				<u>\$9,279,935</u>
<u>16 Utilities on Site</u>				
Allowance for site utilities -fire/sewer/water/storm drainage	740,520	SF	\$3.00	\$2,221,560
Site power, security and lighting	1	LS	\$1,000,000.00	\$1,000,000
Existing jet fuel lines (relocation costs by others)	1	LS		<i>Excluded</i>
Total - 16 Utilities on Site				<u>\$3,221,560</u>
<u>17 Off site Improvements</u>				
Vehicular paving				
Reconfigured intersection				<i>Excluded</i>
Bus Flyover and connecting roads to Terminal				<i>Excluded</i>
Regional wayfinding signage	1	LS	\$500,000.00	\$500,000
Pedestrian overhead bridge				<i>Excluded</i>
Total - 17 Site Paving, Structures and Landscaping				<u>\$500,000</u>

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Concept Design Statement of Probable Cost

LEED

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 San Diego, California
 Concept Design Statement of Probable Cost

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LEED Construction Cost Summary

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$0		\$0.00
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$0		\$0.00	
3 Floor & Roof Structures	\$0		\$0.00	
4 Exterior Cladding	\$0		\$0.00	
5 Roofing and Waterproofing	\$0		\$0.00	
B) Interiors (6-7)		\$0		\$0.00
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$0		\$0.00	
C) Equipment and Vertical Transportation (8-9)		\$500,000		\$0.30
8 Function Equipment and Specialties	\$500,000		\$0.30	
9 Stairs and Vertical Transportation	\$0		\$0.00	
D) Mechanical and Electrical (10-13)		\$1,650,614		\$0.99
10 Plumbing Systems	\$0		\$0.00	
11 Heating, Ventilation and Air Conditioning	\$0		\$0.00	
12 Electrical Lighting, Power and Communications	\$1,650,614		\$0.99	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$250,000		\$0.15
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$250,000		\$0.15	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$2,400,614		\$1.44
General Conditions	8.00%	\$192,049		\$0.11
Subtotal		\$2,592,663		\$1.55
Bonds	1.00%	\$24,006		\$0.01
Subtotal		\$2,616,670		\$1.56
Liability Insurance	1.00%	\$24,006		\$0.01
Subtotal		\$2,640,676		\$1.58
General Contractor Fee	4.00%	\$105,627		\$0.06
Subtotal		\$2,746,303		\$1.64
Design / Estimating Contingency	10.00%	\$274,630		\$0.16
Subtotal		\$3,020,933		\$1.81
Escalation	7.37%	\$222,615		\$0.13
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$3,243,548</u>		\$1.94

Total Area: 1,672,775 SF

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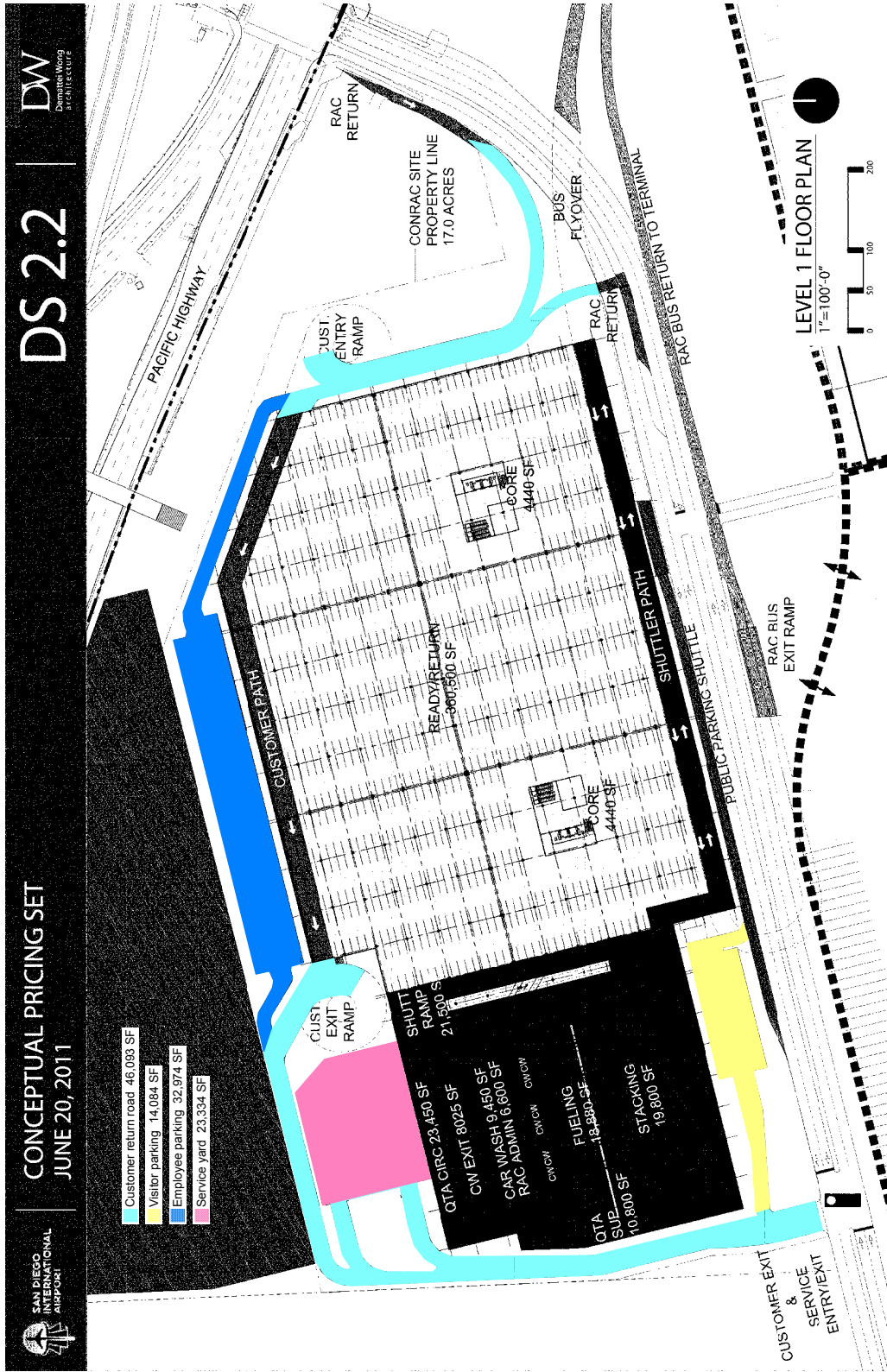
June 20, 2011

LEED Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Miscellaneous specialties LEED certification	1	LS	\$500,000.00	\$500,000
Total - 8 Function Equipment and Specialties				<u>\$500,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Lighting and lighting control Premium to meet LEED requirement				
Areas -QTA	291,015	SF	\$1.75	\$509,276
Areas -Ready and Return Garage	936,940	SF	\$1.10	\$1,030,634
Areas -Customer Service Area	73,580	SF	\$1.00	\$73,580
Areas -Rental Car Storage/ Employee Parking Area	371,240	SF	\$0.10	\$37,124
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,650,614</u>
<u>15 Site Paving, Structures & Landscaping</u>				
Landscaping LEED requirement	1	LS	\$250,000.00	\$250,000
Total - 15 Site Paving, Structures & Landscaping				<u>\$250,000</u>

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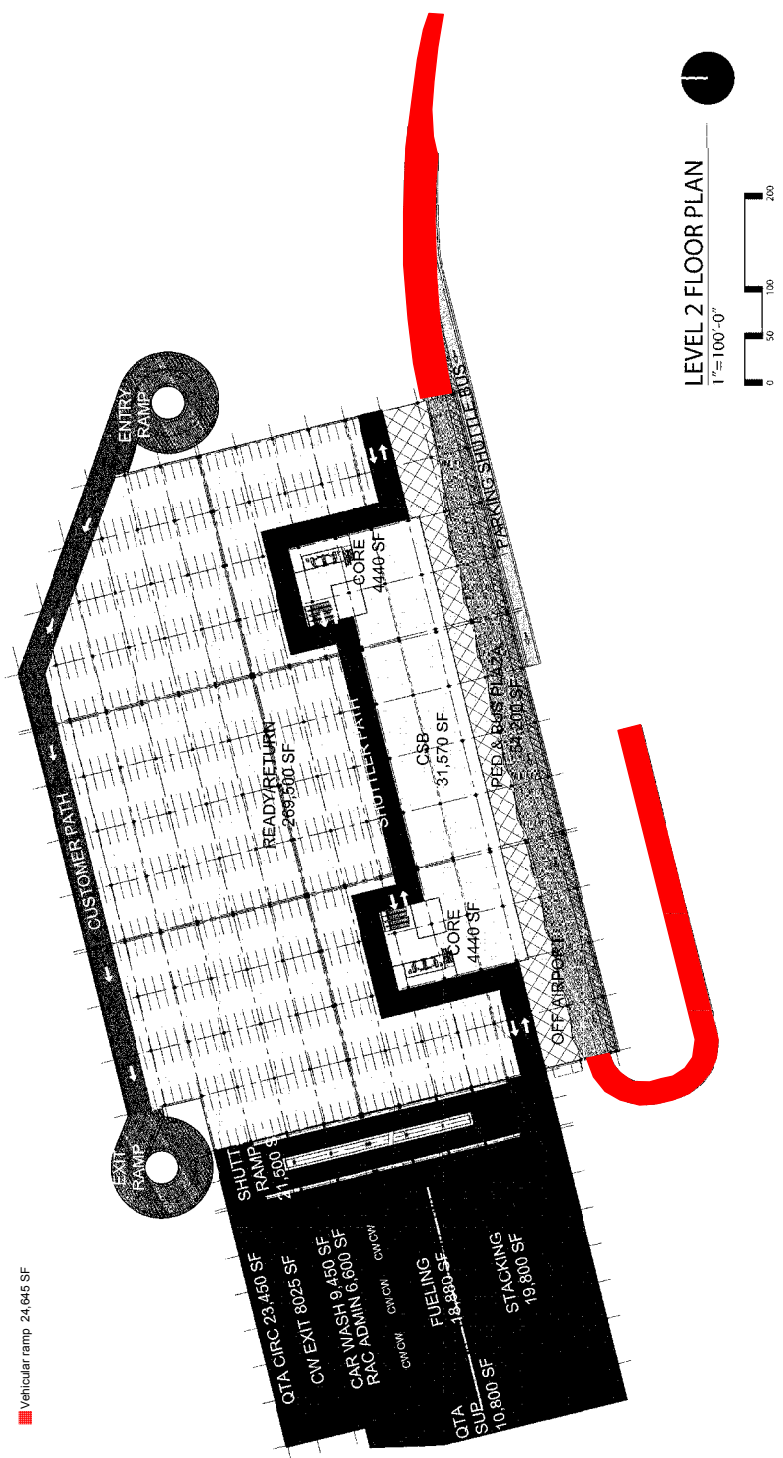
Exhibits



CONCEPTUAL PRICING SET
JUNE 20, 2011

DS 2.3

DW
Demate Wong
architecture





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Concept Design Statement of Probable Cost
Concept DS 2
June 20, 2011
Cumming Project No. 10-00595.00

Prepared for Demattei Wong Architecture

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June 20, 2011

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CONRAC

San Diego, California

Concept Design Statement of Probable Cost

June 20, 2011

INTRODUCTION

1. Basis Of Estimate

This statement is based on the Concept Design package as prepared by Demattei Wong Architecture (dated 6/20/11), received on 6/20/11, along with verbal direction from the architect and engineer.

Drawings: Conceptual Design Pricing Set for Concept DS2.0

Project Delivery Schedule: Assumed to start in June 2013 for 24 months

2. Scope of Estimate

The cost study is intended to address the construction cost for a new rental car facility at San Diego International Airport. The rental car facility consists of customer service area, ready and return garage, quick turn-around facility, and rental car storage/employee parking area.

The building is priced as a LEED Silver certified structure.

3. Items Affecting the Estimate

A Specific Exclusions

Items which are not detailed in the backup to this estimate include the following:

- 1 Tenant Improvements.
- 2 Telephone equipment and cabling.
- 3 Move-in costs or maintenance costs after move-in.
- 4 Financing and carry costs.
- 5 Hazardous material abatement (if required) beyond that carried in this estimate.
- 6 Soil remediation.
- 7 Relocation of existing Airport Infrastructure (Jet Fuel Piping)
- 8 PV Panels
- 9 Buildings demolition
- 10 Temporary construction
- 11 Car stacking equipment

B Items Affecting the Cost Estimate

Items which may change the estimated construction cost include, but are not limited to:

- 1 Modifications to the scope of work included in this estimate.
- 2 Restrictive technical specifications or excessive contract conditions.
- 3 Any specified item of equipment, material, or product that cannot be obtained from at least three (3) different sources.
- 4 Any other non-competitive bid situations.
- 5 Bids delayed beyond the projected schedule.
- 6 Unit prices for commodities such as aggregate base, fill soils, and soils export can vary greatly from those presented herein, depending upon the demand for such materials (or lack thereof) within the dirt market at the time of actual construction.
- 7 Note: Given the current instabilities in the world market, the cost of many products (including, but not limited to, asphalt, Portland Cement concrete, lumber, sewer, water, and drain pipe, and steel) may differ significantly at the time material orders are actually placed from what is shown herein (beyond that accounted for by reasonable escalation rates).

CONRAC
San Diego, California
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June 20, 2011

INTRODUCTION

C Assumptions made in the Cost Estimate

This estimate was prepared under the following assumptions:

- 1 The site will be fully accessible during normal working hours.
- 2 Phasing will not be required.
- 3 Construction contract procurement method is competitive, public G.C. bid.
- 4 Prevailing wage labor rate structure.
- 5 No special security and badging will be required.
- 6 Allowance for parking spaces is based on 375sf per space.

4. Notes

Statement of Probable Cost

Cumming has no control over the cost of labor and materials, the general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions.

This opinion of the probable cost of construction is made on the basis of the experience, qualifications, and best judgment of a professional consultant familiar with the construction industry. However, Cumming cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates.

The statement reflects probable construction costs obtainable in a competitive and stable bidding market. This estimate is based upon a minimum of four (4) competitive bids from qualified general contractors, with bids from a minimum of three (3) subcontractors per trade. This statement is a determination of fair market value for the construction of the project and is not intended to be a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in a lower bid result.

In accordance with industry analyses, it has been determined that the number of competitive bids obtained may have the following effect:

1 bid	add	15% to 40%
2 to 3 bids	add	8% to 12%
4 to 5 bids		-4% to +4%
6 to 8 bids	deduct	5% to 7%
9 or more bids	deduct	8% to 25%

Caveat emptor! The bid price is not necessarily the final cost. Please be advised that opening up the bid process to all comers invites bid-day errors and "lowball" bids from potentially less-than-qualified bidders who will seek to make their profit on the job via an unending stream of change order requests.

The Cumming staff of professional cost consultants has prepared this estimate in accordance with generally accepted principles and practices. This staff is available to discuss its contents with any interested party.

Recommendations for Cost Control

Cumming recommends that the Owner and the Architect carefully review this entire document to ensure that it reflects their design intent.

CONRAC
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Concept Design Statement of Probable Cost

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INTRODUCTION

Requests for modifications of any apparent errors or omissions to this document must be made within ten (10) working days of the date of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted. If the project is over budget, or there are unresolved budgeting issues, alternate systems / schemes should be evaluated before proceeding.

Basis for Quantities

Wherever possible and practical, this estimate has been based upon the actual measurement of different items of work. For the remaining items, parametric measurements were used in conjunction with references from other projects of a similar nature.

The gross floor area (GFA) quantities utilized herein are as indicated on the drawings.

Basis for Unit Costs

The unit costs enumerated herein are based on current bid prices in the San Diego, California area.

Subcontractor's overhead and profit is included in each line item unit cost. This overhead and profit covers each subcontractor's cost for labor burden, materials and equipment sales taxes, field overhead, home office overhead, and profit. The general contractor's overhead and profit is shown separately on the Summary.

Sources for Pricing

This estimate was prepared by a team of qualified cost consultants experienced in estimating construction costs at all stages of design.

These consultants have used pricing data from the Cumming database for construction, updated to reflect current market conditions in the San Diego, California area at the time the estimate was prepared. In some cases, quotes were solicited from outside sources to substantiate in-house pricing data.

Subcontractor's Mark-ups

As stated earlier, subcontractor's mark-ups have been included in each line item unit cost. Depending on the trade, these mark-ups can range from 15% to 20% of the raw cost for that particular item of work.

5. Prorates

General Conditions

An allowance based 8% of the construction cost subtotal has been included for the contractor's general conditions.

Contractor's Bonds

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's payment and performance bonds (if required).

Contractor's General Liability Insurance

A reasonable allowance based on 1% of the construction cost subtotal has been included for the contractor's general liability insurance.

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INTRODUCTION

Contractor's Fee

A reasonable allowance based on 4% of the construction cost subtotal has been included for the general contractor's home office over head and profit. Site overhead is included in the general conditions.

Design Evolution Contingency

A reasonable allowance of 10% for undeveloped design details has been included in the Summary of this estimate. As the design of each system is further developed, details which increase cost become apparent and are incorporated into the estimate.

Escalation

Escalation is calculated from the basis of this estimate to the Midpoint of Construction using the following rates:

Annual:	2011	1.00%
	2012	2.00%
	2013	3.00%
	2014	4.00%
	2015	5.00%
	2016	5.00%

Construction Start:	06/01/13
Construction Completion:	06/01/15
Construction Midpoint:	06/01/14
Construction Duration:	24 Months
Compound Escalation:	7.37%

Phasing Allowance

No phasing allowance is made at Concept Design stage.

Soft Costs

Soft costs associated with the project are include and referenced in detail. Refer to pages 7-8.

LEED

The LEED goal of Silver is included in the pricing.

Abbreviations Commonly Used Herein

BCY	bank cubic yards	LF	lineal feet
CCY	compacted cubic yards	LS	lump-sum
CFM	cubic feet per minute	NSF	net square feet
CLF	hundred lineal feet	PC	piece(s)
CY	cubic yard(s)	PR	pair
EA	each	SF	square feet
FLT	flight (of stairs)	SFCA	square feet of contact area
GSF	gross square feet	SFF	square feet of floor
MH	man hour(s)	SY	square yard(s)
LB	pound(s)	TN	ton(s)
LCY	loose cubic yards	VLF	vertical lineal feet

CONCEPT DS 2 COST ESTIMATE

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CONRAC

San Diego International Airport

San Diego, California

Concept Design Statement of Probable Cost

June 20, 2011

TOTAL PROJECT COST DETAIL - CONCEPT DS 2

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>BUILDING PERMITS</u>						
Based on 1% of construction cost	1.00	%	\$154,681,128		\$1,546,811	
					<u>\$1,546,811</u>	\$1,546,811
<u>CONSTRUCTION COST</u>						
Building construction cost			\$154,681,128		\$154,681,128	
LEED requirement cost			\$3,243,548		\$3,243,548	
					<u>\$157,924,677</u>	\$157,924,677
<u>FF&E COSTS</u>						
Works of Art	1.00	%	\$154,681,128		\$1,546,811	
					<u>\$1,546,811</u>	\$1,546,811
<u>EXTERIOR SIGNAGE</u>						
Exterior Building Signage, (see Base Estimate)	-	allow	\$0.00	\$0	\$0	
Regional wayfinding signage, (see Base Estimate)	-	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Included in hard costs
<u>SUPPORT EQUIPMENT</u>						
Airport Audio Visual Equipment (excluded)	1	allow	\$0.00	\$0.00	\$0	
					<u>\$0</u>	Excluded
<u>SYSTEMS</u>						
Management system, TBD					\$0	
					<u>\$0</u>	Excluded
<u>OPERATING EQUIPMENT</u>						
					<u>\$0</u>	Excluded
<u>INVENTORY (CONSUMABLES)</u>						
					<u>\$0</u>	Excluded
<u>DESIGN, PROGRAM MANAGEMENT & CM COSTS</u>						
Design Costs						
Design Costs	9.00	%	\$154,681,128		\$13,921,302	
Sub Total Design Costs					<u>\$13,921,302</u>	
CM Costs						
CM	4.00	%	\$154,681,128		\$6,187,245	
Material testing/inspection/geotechnical	3.00	%	\$154,681,128		\$4,640,434	
Sub Total CM Costs					<u>\$10,827,679</u>	
Total Design, Program and CM Costs					<u>\$24,748,981</u>	\$24,748,981
<u>LEED commission and associated Costs</u>						
	-	allow	\$1,000,000		\$1,000,000	
					<u>\$1,000,000</u>	\$1,000,000
<u>PRE - OPENING EXPENSES</u>						
None Required					\$0	
					<u>\$0</u>	Excluded

CONCEPT DS 2 COST ESTIMATE

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TOTAL PROJECT COST DETAIL - CONCEPT DS 2

ITEM DESCRIPTION	QTY	UNIT	UNIT RATE	SUBTOTAL	TOTAL	Group Total
<u>WORKING CAPITAL</u>						
None Required					\$0	
					<u>\$0</u>	Excluded
<u>FINANCIAL, TAXES & LEGAL</u>						
Capitalized interest, excluded					\$0	
Legal Fees (Excluded)	-	allow	\$0.00		\$0	
					<u>\$0</u>	Excluded
<u>CONTINGENCY</u>						
Construction contingency	10.00	%	\$154,681,128		\$15,468,113	
					<u>\$15,468,113</u>	\$15,468,113
<u>LAND COSTS</u>						
Cost of land - Excluded					\$0	
					<u>\$0</u>	Excluded

TOTAL PROJECT COSTS

\$202,235,393

CONRAC

San Diego International Airport

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CONSTRUCTION COST SUMMARY

Element	Area	Cost / SF	Total
CONRAC			
1 Customer Service Area (CSA)	73,580 SF	\$212.52	\$15,637,275
Level 2 core and support	15,370 SF		
RAC Lease Space / Common Lobby (Level 2)	31,570 SF		
Cores Total Levels 1, 3, 4	26,640 SF		
2 Ready and Return Garage	936,940 SF	\$68.17	\$63,872,272
Level 1			
Level 2			
Level 3			
3 Quick Turn-around Facility (QTA), Level 1-Level 3	291,015 SF	\$114.56	\$33,337,287
4 Rental Car Storage / Employee Parking, Level 4	371,240 SF	\$57.66	\$21,405,072
5 Site Development	740,520 SF	\$27.59	\$20,429,223
TOTAL ESTIMATED BUILDING CONSTRUCTION COST	1,672,775 SF	\$92.47	<u>\$154,681,128</u>

LEED REQUIREMENTS

1 Premium to achieve LEED Silver	1,672,775 SF	\$1.94	\$3,243,548
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OPTIONS

1 Premium for pile foundation in lieu of mat foundation (based on average premium of 25%)			\$2,700,000
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CONCEPT DS 2 COST ESTIMATE

CONRAC
San Diego International Airport
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June 20, 2011

BUILDING & SITE WORK COMPONENT SUMMARY

Component Division	QTA		R&R		CSA		RCS		Site Work		Total
	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	Total	Cost/SF	
1 Foundations	\$2,598,663	\$8.93	\$7,839,356	\$8.37	\$195,756	\$0.21	\$0	\$0.00	\$10,633,774	\$6.36	\$10,633,774
2 Vertical Structure	\$3,240,563	\$11.14	\$5,411,118	\$5.78	\$151,289	\$2.06	\$2,862,354	\$38.90	\$11,665,324	\$6.97	\$11,665,324
3 Floor & Roof Structures	\$4,947,520	\$17.00	\$19,736,001	\$21.06	\$1,715,835	\$23.32	\$7,610,507	\$103.43	\$34,009,864	\$20.33	\$34,009,864
4 Exterior Cladding	\$400,950	\$1.38	\$663,053	\$0.71	\$1,081,740	\$14.70	\$643,916	\$8.75	\$2,789,659	\$1.67	\$2,789,659
5 Roofing & Waterproofing	\$87,305	\$0.30	\$606,282	\$0.65	\$166,061	\$2.26	\$2,338,812	\$31.79	\$3,188,459	\$1.91	\$3,188,459
6 Interior Partitions, Doors & Glazing	\$58,203	\$0.20	\$0	\$0.00	\$14,716	\$0.20	\$74,248	\$1.01	\$147,167	\$0.09	\$147,167
7 Floor, Wall & Ceiling Finishes	\$218,678	\$0.75	\$566,796	\$0.60	\$2,047,487	\$27.83	\$408,828	\$5.56	\$3,241,789	\$1.94	\$3,241,789
8 Function Equipment & Specialties	\$6,290,058	\$21.61	\$483,386	\$0.52	\$106,691	\$1.45	\$204,182	\$2.77	\$7,084,317	\$4.24	\$7,084,317
9 Stairs & Vertical Transportation	\$455,000	\$1.56	\$1,600,000	\$1.71	\$2,400,000	\$32.62	\$140,000	\$1.90	\$4,595,000	\$2.75	\$4,595,000
10 Plumbing Systems	\$1,289,162	\$4.43	\$943,340	\$1.01	\$184,049	\$2.50	\$371,315	\$5.05	\$2,787,866	\$1.67	\$2,787,866
11 Heating, Ventilating & Air Conditioning	\$618,747	\$2.13	\$873,102	\$0.93	\$1,712,121	\$23.27	\$58,000	\$0.79	\$3,261,970	\$1.95	\$3,261,970
12 Electric Lighting, Power & Communications	\$3,074,208	\$10.56	\$4,334,468	\$4.63	\$1,466,602	\$19.93	\$1,081,554	\$14.70	\$9,956,832	\$5.95	\$9,956,832
13 Fire Protection Systems	\$1,394,528	\$4.79	\$4,216,230	\$4.50	\$331,110	\$4.50	\$48,600	\$0.66	\$5,990,468	\$3.58	\$5,990,468
14 Site Preparation & Demolition	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$2,118,577	\$1.27	\$2,118,577
15 Utilities on Site	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$9,279,935	\$5.55	\$9,279,935
16 Utilities on Site	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$3,221,560	\$1.93	\$3,221,560
17 Off-site Work	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$500,000	\$0.30	\$500,000
Subtotal	\$24,673,585	\$84.78	\$47,273,131	\$50.45	\$11,573,456	\$167.29	\$15,842,317	\$215.31	\$114,482,560	\$68.44	\$114,482,560
General Conditions	\$1,973,887	\$6.78	\$3,781,850	\$4.04	\$925,876	\$12.58	\$1,267,385	\$17.22	\$1,209,606	\$1.63	\$9,188,605
Subtotal	\$26,647,471	\$91.57	\$51,054,981	\$54.49	\$12,499,333	\$169.87	\$17,109,702	\$232.53	\$16,329,677	\$22.05	\$123,641,164
Bonds	\$246,736	\$0.85	\$472,731	\$0.50	\$115,735	\$1.57	\$158,423	\$2.15	\$151,201	\$0.20	\$1,144,826
Subtotal	\$26,894,207	\$92.42	\$51,527,713	\$55.00	\$12,615,067	\$171.45	\$17,268,125	\$234.69	\$16,480,878	\$22.26	\$124,785,990
Liability Insurance	\$246,736	\$0.85	\$472,731	\$0.50	\$115,735	\$1.57	\$158,423	\$2.15	\$151,201	\$0.20	\$1,144,826
Subtotal	\$27,140,943	\$93.26	\$52,000,444	\$55.50	\$12,730,802	\$173.02	\$17,426,548	\$236.84	\$16,632,079	\$22.46	\$125,930,816
General Contractor's Fee	\$1,085,638	\$3.73	\$2,080,018	\$2.22	\$509,232	\$6.92	\$697,062	\$9.47	\$665,283	\$0.90	\$5,037,233
Subtotal	\$28,226,581	\$96.99	\$54,080,462	\$57.72	\$13,240,034	\$179.94	\$18,123,610	\$246.31	\$17,297,362	\$23.36	\$130,968,048
Design / Estimating Contingency	\$2,822,658	\$9.70	\$5,408,046	\$5.77	\$1,324,003	\$17.99	\$1,812,361	\$24.63	\$1,729,736	\$2.34	\$13,096,805
Subtotal	\$31,049,239	\$106.69	\$59,488,508	\$63.49	\$14,564,037	\$197.93	\$19,935,971	\$270.94	\$19,027,098	\$25.69	\$144,064,853
Escalation	\$2,288,048	\$7.86	\$4,383,764	\$4.68	\$1,073,238	\$14.59	\$1,468,101	\$19.97	\$1,402,125	\$1.89	\$10,616,275
Subtotal	\$33,337,287	\$114.55	\$63,872,272	\$68.17	\$15,637,275	\$212.52	\$21,405,072	\$27.66	\$20,429,223	\$27.59	\$154,681,128
TOTAL ESTIMATED CONSTRUCTION COST											\$92.47

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Schedule of Areas & Control Quantities

Schedule of Areas	SF	SF
Areas -QTA		
Level 1	97,005	
Level 2	97,005	
Level 3	97,005	
Subtotal, Areas -QTA		<u>291,015</u>
Areas -Ready and Return Garage		
Level 1	360,500	
Level 2	302,150	
Level 3	274,290	
Subtotal, Areas -Ready and Return Garage		<u>936,940</u>
Areas -Customer Service Area		
Level 2 core and support	15,370	
RAC Lease Space / Common Lobby (Level 2)	31,570	
Cores Total Levels 1, 3, 4	26,640	
Exterior pedestrian plaza & bus plaza	under Siteworks	
Subtotal, Areas -Customer Service Area		<u>73,580</u>
Areas -Rental Car Storage/ Employee Parking Area		
Level 4	371,240	
Subtotal, Areas -Rental Car Storage/ Employee Parking Area		<u>371,240</u>
Total Gross Floor Area		<u>1,672,775</u>

Control Quantities	Qty		Ratio to Gross Area
Number of Levels	4	EA	0.002
Number of Units (Fuel position)	60	EA	0.036
Number of Units (Car wash)	18	EA	0.011
Number of Units (Vehicle stacking)	360	EA	0.215
Number of Units (Parking stalls), allow	2,665	EA	1.593
Footprint Area	466,385	SF	0.279
Footprint Perimeter	3,143	LF	
Floor-to-floor height, assume 16.5' per floor			
Elevators , allow	5	EA	0.003
Escalators, allow	4	PR	0.002
Total Site Area	740,520	SF	0.443
Finished Site Area	274,135	SF	0.164

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CONRAC Construction Cost Summary QTA (Quick Turn-Around Facility)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$11,275,001		\$38.74
1 Foundations	\$2,598,663		\$8.93	
2 Vertical Structure	\$3,240,563		\$11.14	
3 Floor & Roof Structures	\$4,947,520		\$17.00	
4 Exterior Cladding	\$400,950		\$1.38	
5 Roofing and Waterproofing	\$87,305		\$0.30	
B) Interiors (6-7)		\$276,881		\$0.95
6 Interior Partitions, Doors and Glazing	\$58,203		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$218,678		\$0.75	
C) Equipment and Vertical Transportation (8-9)		\$6,745,058		\$23.18
8 Function Equipment and Specialties	\$6,290,058		\$21.61	
9 Stairs and Vertical Transportation	\$455,000		\$1.56	
D) Mechanical and Electrical (10-13)		\$6,376,644		\$21.91
10 Plumbing Systems	\$1,289,162		\$4.43	
11 Heating, Ventilation and Air Conditioning	\$618,747		\$2.13	
12 Electrical Lighting, Power and Communications	\$3,074,208		\$10.56	
13 Fire Protection Systems	\$1,394,528		\$4.79	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$24,673,585		\$84.78
General Conditions	8.00%	\$1,973,887		\$6.78
Subtotal		\$26,647,471		\$91.57
Bonds	1.00%	\$246,736		\$0.85
Subtotal		\$26,894,207		\$92.42
Liability Insurance	1.00%	\$246,736		\$0.85
Subtotal		\$27,140,943		\$93.26
General Contractor Fee	4.00%	\$1,085,638		\$3.73
Subtotal		\$28,226,581		\$96.99
Design / Estimating Contingency	10.00%	\$2,822,658		\$9.70
Subtotal		\$31,049,239		\$106.69
Escalation	7.37%	\$2,288,048		\$7.86
TOTAL ESTIMATED CONSTRUCTION COST		\$33,337,287		\$114.56

Total Area: 291,015 SF

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	22,945	CY	\$8.00	\$183,563
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	118,505	SF	\$20.00	\$2,370,100
Sump	2	EA	\$5,000.00	\$10,000
Dewatering	1	LS	\$35,000.00	\$35,000
Total - 1 Foundations				<u>\$2,598,663</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	43,560	SF	\$10.00	\$435,600
Reinforcement, 550 lb/cy	443,667	LB	\$0.90	\$399,300
Concrete, allowance	807	CY	\$200.00	\$161,333
Sack and finish	43,560	SF	\$0.52	\$22,651
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Levels 2 and 3	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	11,120	SF	\$8.00	\$88,960
Reinforcement, 2 lb/sf	11,120	LB	\$0.90	\$10,008
Concrete, allowance	206	CY	\$165.00	\$33,978
Sack and finish	11,120	SF	\$0.90	\$10,008
Reinforced enclosed walls, 12" CMU, RAC Support	19,058	SF	\$30.00	\$571,725
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp	1	LS	\$1,507,000.00	\$1,507,000
Total - 2 Vertical Structure				<u>\$3,240,563</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (excluding area under ramp)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	454	SF	\$5.00	\$2,268
Reinforcement, 2.5 lbs/sf	242,513	LB	\$0.90	\$218,261
Aggregate base, 6"	97,005	SF	\$1.28	\$124,166
Vapor barrier	97,005	SF	\$0.30	\$29,102
Concrete, allowance	1,509	CY	\$165.00	\$248,980
Concrete thickenings, allowance	13	CY	\$165.00	\$2,178
Sack and finish	97,005	SF	\$0.52	\$50,443
Roof and suspended floors				
Prestressed post-tensioned concrete slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	194,010	SF	\$5.00	\$970,050
Edge forms in place, multi use	907	SF	\$5.00	\$4,536
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	145,508	LB	\$1.60	\$232,812
Reinforcement, 3lb/sf	582,030	LB	\$0.80	\$465,624
Concrete, allowance	3,018	CY	\$185.00	\$558,318
Sack and finish to flat and sloped soffits and sides	194,010	SF	\$1.04	\$201,770
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	72,743	SF	\$6.00	\$436,458
Post tensioning tendons, plastic sheathed, 95 lb/cy	149,729	LB	\$1.60	\$239,567
Reinforcement, 194 lb/cy	305,763	LB	\$0.80	\$244,611
Concrete, allowance	1,576	CY	\$205.00	\$323,100
Sack and finish to sides	72,743	SF	\$0.52	\$37,826
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	12,216	SF	\$6.00	\$73,296
Reinforcement, 300 lb/cy	135,733	LB	\$0.80	\$108,587
Concrete, allowance	452	CY	\$205.00	\$92,751
Sack and finish to sides	12,216	SF	\$0.52	\$6,352
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	291,015	SF	\$0.75	\$218,261
Miscellaneous metal and rough capentry	291,015	SF	\$0.20	\$58,203
Total - 3 Floor & Roof Structures				<u>\$4,947,520</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Architectural formliner, allow to 50% of Level 3 QTA façade, 16.5' high	8,910	SF	\$45.00	\$400,950
Total - 4 Exterior Cladding				<u>\$400,950</u>
<u>5 Roofing and Waterproofing</u>				
Caulking, sealants, and miscellaneous Expansion and seismic joints	291,015	SF	\$0.15	\$43,652
Miscellaneous caulking and sealants	291,015	SF	\$0.15	\$43,652
Total - 5 Roofing and Waterproofing				<u>\$87,305</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - support areas	291,015	SF	\$0.20	\$58,203
Total - 6 Interior Partitions, Doors and Glazing				<u>\$58,203</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	43,560	SF	\$0.62	\$27,007
Paint walls	30,178	SF	\$0.62	\$18,710
Paint underside and sides of suspended slabs and beams	278,969	SF	\$0.62	\$172,961
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$218,678</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	291,015	SF	\$0.15	\$43,652
Directional signage / graphics, allowance	291,015	SF	\$0.05	\$14,551
Miscellaneous specialties				
Code/Graphics required signage	291,015	SF	\$0.25	\$72,754
Miscellaneous specialties	291,015	SF	\$0.10	\$29,102
Equipment				
Car wash equipment, allowance	18	EA	\$85,000.00	\$1,530,000
Car fueling & process & distribution equipment, allowance	60	EA	\$75,000.00	\$4,500,000
Fuel storage tanks, allowance	4	EA	\$25,000.00	\$100,000
Total - 8 Function Equipment and Specialties				<u>\$6,290,058</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	4	FLT	\$20,000.00	\$80,000
Elevators				
Traction Service elevator, 5000 LBS, 4-stops, 16.5' high per stop	1	EA	\$375,000.00	\$375,000
Total - 9 Stairs and Vertical Transportation				<u>\$455,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	291,015	SF	\$2.50	\$727,538
Domestic cold water	1	LS	\$87,000.00	\$87,000
Condensate drainage	1	LS	\$9,000.00	\$9,000
Gas, allowance	291,015	SF		Not required
Emergency/roof/overflow drainage systems	291,015	SF	\$1.50	\$436,523
Miscellaneous plumbing	291,015	SF	\$0.10	\$29,102
Total - 10 Plumbing Systems				<u>\$1,289,162</u>

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CONRAC Construction Component Detail QTA

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	1	LS	\$26,000.00	\$26,000
Air distribution, return and mechanical exhaust	291,015	SF	\$1.00	\$291,015
Controls including leaks detection	1	LS	\$290,000.00	\$290,000
Miscellaneous HVAC				
Test / balance HVAC	20	HR	\$86.60	\$1,732
Seismic bracing, etc.	1	LS	\$10,000.00	\$10,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$618,747</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	291,015	SF	\$4.00	\$1,164,060
HVAC and equipment connections	291,015	SF	\$0.50	\$145,508
Fueling system power				
Fuel pump power				
Convenience power	291,015	SF	\$1.00	\$291,015
Lighting and lighting control	291,015	SF	\$2.50	\$727,538
Special systems				
Fire alarm system	291,015	SF	\$1.00	\$291,015
Tel/data	291,015	SF	\$0.30	\$87,305
Security and surveillance system	291,015	SF	\$1.25	\$363,769
Miscellaneous electrical requirements				
Seismic bracing, etc.	1	LS	\$4,000.00	\$4,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$3,074,208</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Automatic deluge system to Fueling areas	56,640	SF	\$6.00	\$339,840
Dry sprinkler system	234,375	SF	\$4.50	\$1,054,688
Total - 13 Fire Protection Systems				<u>\$1,394,528</u>

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CONRAC Construction Cost Summary Ready and Return Garage

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$34,255,809		\$36.56
1 Foundations	\$7,839,356		\$8.37	
2 Vertical Structure	\$5,411,118		\$5.78	
3 Floor & Roof Structures	\$19,736,001		\$21.06	
4 Exterior Cladding	\$663,053		\$0.71	
5 Roofing and Waterproofing	\$606,282		\$0.65	
B) Interiors (6-7)		\$566,796		\$0.60
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$566,796		\$0.60	
C) Equipment and Vertical Transportation (8-9)		\$2,083,386		\$2.22
8 Function Equipment and Specialties	\$483,386		\$0.52	
9 Stairs and Vertical Transportation	\$1,600,000		\$1.71	
D) Mechanical and Electrical (10-13)		\$10,367,140		\$11.06
10 Plumbing Systems	\$943,340		\$1.01	
11 Heating, Ventilation and Air Conditioning	\$873,102		\$0.93	
12 Electrical Lighting, Power and Communications	\$4,334,468		\$4.63	
13 Fire Protection Systems	\$4,216,230		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$47,273,131		\$50.45
General Conditions	8.00%	\$3,781,850		\$4.04
Subtotal		\$51,054,981		\$54.49
Bonds	1.00%	\$472,731		\$0.50
Subtotal		\$51,527,713		\$55.00
Liability Insurance	1.00%	\$472,731		\$0.50
Subtotal		\$52,000,444		\$55.50
General Contractor Fee	4.00%	\$2,080,018		\$2.22
Subtotal		\$54,080,462		\$57.72
Design / Estimating Contingency	10.00%	\$5,408,046		\$5.77
Subtotal		\$59,488,508		\$63.49
Escalation	7.37%	\$4,383,764		\$4.68
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$63,872,272</u>		\$68.17

Total Area: 936,940 SF

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab	68,669	CY	\$8.00	\$549,356
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	360,500	SF	\$20.00	\$7,210,000
Sump	4	EA	\$5,000.00	\$20,000
Dewatering	1	LS	\$60,000.00	\$60,000
Total - 1 Foundations				<u>\$7,839,356</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	69,696	SF	\$10.00	\$696,960
Reinforcement, 550 lb/cy	709,867	LB	\$0.90	\$638,880
Concrete, allowance	1,291	CY	\$200.00	\$258,133
Sack and finish	69,696	SF	\$0.52	\$36,242
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Levels 2 and 3	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	22,704	SF	\$8.00	\$181,632
Reinforcement, 2 lb/sf	22,704	LB	\$0.90	\$20,434
Concrete, allowance	420	CY	\$165.00	\$69,373
Sack and finish	22,704	SF	\$0.90	\$20,434
Reinforced enclosed walls, 12" CMU, stairs	9,801	SF	\$30.00	\$294,030
Customer entry and exit ramp	1	LS	\$3,195,000.00	\$3,195,000
Shuttle entry and exit ramp				<i>in QTA</i>
Total - 2 Vertical Structure				<u>\$5,411,118</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include Shuttler & Customer Circulation)				
Reinforced concrete slab on grade, 5" thick			(\$7 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	866	SF	\$5.00	\$4,332
Reinforcement, 2.5 lbs/sf	901,250	LB	\$0.90	\$811,125
Aggregate base, 6"	360,500	SF	\$1.28	\$461,440
Vapor barrier	360,500	SF	\$0.30	\$108,150
Concrete, allowance	5,608	CY	\$165.00	\$925,283
Concrete thickenings, allowance	25	CY	\$165.00	\$4,160
Sack and finish	360,500	SF	\$0.52	\$187,460
Premium for depressed slab	1	LS	\$72,000.00	\$72,000
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	630,640	SF	\$5.00	\$3,153,200
Edge forms in place, multi use	1,308	SF	\$5.00	\$6,539
Post tensioning tendons, plastic sheathed, .75 lbs/sf	472,980	LB	\$1.60	\$756,768
Reinforcement, 3lb/sf	1,891,920	LB	\$0.80	\$1,513,536
Concrete, allowance	9,810	CY	\$185.00	\$1,814,842
Sack and finish to flat and sloped soffits and sides	630,640	SF	\$1.04	\$655,866
Premium for increase in foundation, slab, columns and beams at Bus Plaza	54,200	SF	\$100.00	\$5,420,000
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	147,226	SF	\$6.00	\$883,358
Post tensioning tendons, plastic sheathed, 95 lb/cy	303,041	LB	\$1.60	\$484,866
Reinforcement, 194 lb/cy	618,842	LB	\$0.80	\$495,073
Concrete, allowance	3,190	CY	\$205.00	\$653,931
Sack and finish to sides	147,226	SF	\$0.52	\$76,558
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	24,318	SF	\$6.00	\$145,908
Reinforcement, 300 lb/cy	270,200	LB	\$0.80	\$216,160
Concrete, allowance	901	CY	\$205.00	\$184,637
Sack and finish to sides	24,318	SF	\$0.52	\$12,645
Premium for depressed slab	1	LS	\$126,000.00	\$126,000
Miscellaneous				
Miscellaneous concrete works, curbs and islands	936,940	SF	\$0.50	\$468,470
Miscellaneous metal and rough capentry	936,940	SF	\$0.10	\$93,694
Total - 3 Floor & Roof Structures				<u>\$19,736,001</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>4 Exterior Cladding</u>				
Canopy				<i>in CSA</i>
Architectural formliner, allow to 50% of Level 3 R/R façade	14,735	SF	\$45.00	\$663,053
Total - 4 Exterior Cladding				<u>\$663,053</u>
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing, Pedestrian & Bus Plaza	54,200	SF	\$6.00	\$325,200
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	936,940	SF	\$0.15	\$140,541
Miscellaneous caulking and sealants	936,940	SF	\$0.15	\$140,541
Total - 5 Roofing and Waterproofing				<u>\$606,282</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Total - 6 Interior Partitions, Doors and Glazing				
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	69,696	SF	\$0.62	\$43,212
Paint walls	42,306	SF	\$0.62	\$26,230
Paint underside and sides of suspended slabs and beams	802,184	SF	\$0.62	\$497,354
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$566,796</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping				
Striping, stalls, allow	2,665	EA	\$32.50	\$86,610
Hatched striping	1	LS	\$22,000.00	\$22,000
Directional signage / graphics, allowance	936,940	SF	\$0.05	\$46,847
Miscellaneous specialties				
Code/Graphics required signage	936,940	SF	\$0.25	\$234,235
Miscellaneous specialties	936,940	SF	\$0.10	\$93,694
Total - 8 Function Equipment and Specialties				<u>\$483,386</u>
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	10	FLT	\$20,000.00	\$200,000
Elevators				
Traction passenger elevator, 4000 LBS, 4-stops	4	EA	\$350,000.00	\$1,400,000
Total - 9 Stairs and Vertical Transportation				<u>\$1,600,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$1,500.00	\$1,500
Domestic cold water	1	LS	\$2,700.00	\$2,700
Condensate drainage	1	LS	\$2,200.00	\$2,200
Emergency/roof/overflow drainage systems	936,940	SF	\$0.10	\$93,694
Miscellaneous plumbing	936,940	SF	\$0.90	\$843,246
Total - 10 Plumbing Systems				<u>\$943,340</u>

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CONRAC Construction Component Detail R&R

Element	Quantity	Unit	Unit Cost	Total
<u>11 Heating, Ventilation and Air Conditioning</u>				
Air handling equipment	936,940	SF	\$0.40	\$374,776
Air distribution and return	936,940	SF	\$0.40	\$374,776
Controls, instrumentation and balancing	936,940	SF	\$0.10	\$93,694
Miscellaneous HVAC				
Test / balance HVAC	160	HR	\$86.60	\$13,856
Seismic bracing, etc.	1	LS	\$16,000.00	\$16,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$873,102</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	936,940	SF	\$0.50	\$468,470
HVAC and equipment connections	936,940	SF	\$0.10	\$93,694
Convenience power	936,940	SF	\$0.30	\$281,082
Lighting and lighting control	936,940	SF	\$2.50	\$2,342,350
Special systems				
Fire alarm system	936,940	SF	\$0.15	\$140,541
Tel/data/PA	936,940	SF	\$0.25	\$234,235
Security and surveillance system	936,940	SF	\$0.40	\$374,776
Code Blue phone system - allowance	32	LOC	\$8,760.00	\$280,320
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$119,000.00	\$119,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$4,334,468</u>
<u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	936,940	SF	\$4.50	\$4,216,230
Total - 13 Fire Protection Systems				<u>\$4,216,230</u>

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CONRAC Construction Cost Summary Customer Service Area (CSA)

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$3,310,680		\$44.99
1 Foundations	\$195,756		\$2.66	
2 Vertical Structure	\$151,289		\$2.06	
3 Floor & Roof Structures	\$1,715,835		\$23.32	
4 Exterior Cladding	\$1,081,740		\$14.70	
5 Roofing and Waterproofing	\$166,061		\$2.26	
B) Interiors (6-7)		\$2,062,203		\$28.03
6 Interior Partitions, Doors and Glazing	\$14,716		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$2,047,487		\$27.83	
C) Equipment and Vertical Transportation (8-9)		\$2,506,691		\$34.07
8 Function Equipment and Specialties	\$106,691		\$1.45	
9 Stairs and Vertical Transportation	\$2,400,000		\$32.62	
D) Mechanical and Electrical (10-13)		\$3,693,882		\$50.20
10 Plumbing Systems	\$184,049		\$2.50	
11 Heating, Ventilation and Air Conditioning	\$1,712,121		\$23.27	
12 Electrical Lighting, Power and Communications	\$1,466,602		\$19.93	
13 Fire Protection Systems	\$331,110		\$4.50	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$11,573,456		\$157.29
General Conditions	8.00%	\$925,876		\$12.58
Subtotal		\$12,499,333		\$169.87
Bonds	1.00%	\$115,735		\$1.57
Subtotal		\$12,615,067		\$171.45
Liability Insurance	1.00%	\$115,735		\$1.57
Subtotal		\$12,730,802		\$173.02
General Contractor Fee	4.00%	\$509,232		\$6.92
Subtotal		\$13,240,034		\$179.94
Design / Estimating Contingency	10.00%	\$1,324,003		\$17.99
Subtotal		\$14,564,037		\$197.93
Escalation	7.37%	\$1,073,238		\$14.59
TOTAL ESTIMATED CONSTRUCTION COST		\$15,637,275		\$212.52

Total Area: 73,580 SF

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
Excavation				
Overexcavation and recompaction under slab and ramp	1,644	CY	\$8.00	\$13,156
Reinforced concrete, including excavation				
Reinforced concrete mat foundation, 16" thick	8,880	SF	\$20.00	\$177,600
Dewatering	1	LS	\$5,000.00	\$5,000
Total - 1 Foundations				<u>\$195,756</u>
<u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	6,468	SF	\$10.00	\$64,680
Reinforcement, 550 lb/cy	65,878	LB	\$0.90	\$59,290
Concrete, allowance	120	CY	\$200.00	\$23,956
Sack and finish	6,468	SF	\$0.52	\$3,363
Non load bearing walls				<i>in R&R</i>
Total - 2 Vertical Structure				<u>\$151,289</u>
<u>3 Floor & Roof Structures</u>				
Floor at lowest level (include core areas)				
Reinforced concrete slab on grade, 5" thick	(\$7 /SF)			
Forms in place, edge form, ply / dimensional, multi-use		SF	\$5.00	
Reinforcement, 2.5 lbs/sf	22,200	LB	\$0.90	\$19,980
Aggregate base, 6"	8,880	SF	\$1.28	\$11,366
Vapor barrier	8,880	SF	\$0.30	\$2,664
Concrete, allowance	138	CY	\$165.00	\$22,792
Concrete thickenings, allowance		CY	\$165.00	
Sack and finish	8,880	SF	\$0.52	\$4,618

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	88,698	SF	\$5.00	\$443,489
Edge forms in place, multi use				<i>in R&R</i>
Post tensioning tendons, plastic sheathed, .75 lbs/sf	66,523	LB	\$1.60	\$106,437
Reinforcement, 3lb/sf	266,093	LB	\$0.80	\$212,875
Concrete, allowance	1,380	CY	\$185.00	\$255,252
Sack and finish to flat and sloped soffits and sides	88,698	SF	\$1.04	\$92,246
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	24,620	SF	\$6.00	\$147,720
Post tensioning tendons, plastic sheathed, 95 lb/cy	50,676	LB	\$1.60	\$81,082
Reinforcement, 194 lb/cy	103,486	LB	\$0.80	\$82,789
Concrete, allowance	533	CY	\$205.00	\$109,354
Sack and finish to sides	24,620	SF	\$0.52	\$12,802
Reinforced concrete upturn/downturn moment framed beams				NA
Miscellaneous				
Miscellaneous concrete works, curbs and islands	73,580	SF	\$1.00	\$73,580
Miscellaneous metal and rough carpentry	73,580	SF	\$0.50	\$36,790
Total - 3 Floor & Roof Structures				<u>\$1,715,835</u>
<u>4 Exterior Cladding</u>				
Exterior storefront system				
CSB, Level 2	5,445	SF	\$110.00	\$598,950
Cores, Level 2	4,389	SF	\$110.00	\$482,790
Canopy				NA
Total - 4 Exterior Cladding				<u>\$1,081,740</u>
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing, CSB	23,998	SF	\$6.00	\$143,987
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	73,580	SF	\$0.15	\$11,037
Miscellaneous caulking and sealants	73,580	SF	\$0.15	\$11,037
Total - 5 Roofing and Waterproofing				<u>\$166,061</u>

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - core	73,580	SF	\$0.20	\$14,716
Total - 6 Interior Partitions, Doors and Glazing				<u>\$14,716</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$40.00	\$819,600
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$2.50	\$53,800
				<i>By Tenants</i>
Wall finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$20.00	\$409,800
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$2.00	\$43,040
				<i>By Tenants</i>
Ceiling finishes				
Elevator Lobbies, Levels 1 to 3, allow	20,490	SF	\$30.00	\$614,700
Support areas (including restrooms) & Elev lobby on Level 4 CSB area	21,520	SF	\$1.50	\$32,280
				<i>By Tenants</i>
Painting				
Paint concrete columns	6,468	SF	\$0.62	\$4,010
Paint underside and sides of suspended slabs and beams	113,318	SF	\$0.62	\$70,257
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$2,047,487</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Directional signage / graphics, allowance	73,580	SF	\$0.10	\$7,358
Miscellaneous specialties				
Building specialties and millwork	73,580	SF	\$1.00	\$73,580
Code/Graphics required signage	73,580	SF	\$0.25	\$18,395
Miscellaneous specialties	73,580	SF	\$0.10	\$7,358
Total - 8 Function Equipment and Specialties				<u>\$106,691</u>

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
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9 Stairs and Vertical Transportation

Stairs

Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings *in R & R*

Elevators

Traction passenger elevator, 4000 LBS, 4-stops *in R & R*

Escalator

16.5' rise with 40" tread including outdoor package	2	Pair	\$500,000.00	\$1,000,000
33' rise with 40" tread including outdoor package	2	Pair	\$700,000.00	\$1,400,000

Total - 9 Stairs and Vertical Transportation **\$2,400,000**

10 Plumbing Systems

Sanitary fixtures and rough-in	1	LS	\$30,000.00	\$30,000
Domestic cold water	1	LS	\$24,000.00	\$24,000
Gas system, allow	73,580	SF	\$0.15	\$11,037
Condensate drainage	1	LS	\$16,000.00	\$16,000
Emergency/roof/overflow drainage systems	73,580	SF	\$0.50	\$36,790
Miscellaneous plumbing	73,580	SF	\$0.90	\$66,222

Total - 10 Plumbing Systems **\$184,049**

11 Heating, Ventilation and Air Conditioning

Air handling equipment	73,580	SF	\$10.00	\$735,800
Air distribution and return	73,580	SF	\$9.00	\$662,220
Controls, instrumentation and balancing	73,580	SF	\$4.00	\$294,320

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CONRAC Construction Component Detail CSA

Element	Quantity	Unit	Unit Cost	Total
Miscellaneous HVAC				
Test / balance HVAC	16	HR	\$86.60	\$1,386
Seismic bracing, etc.	73,580	SF	\$0.25	\$18,395
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$1,712,121</u>
 <u>12 Electrical Lighting, Power and Communications</u>				
Service and distribution	73,580	SF	\$5.00	\$367,900
HVAC and equipment connections	73,580	SF	\$1.00	\$73,580
Escalator connection, 480v				
Elevator connection, 480v				
Convenience power	73,580	SF	\$2.50	\$183,950
Lighting and lighting control	73,580	SF		
RAC Lease Space / Common Lobby (Level 2)	31,570	SF	\$0.50	\$15,785
Core areas	42,010	SF	\$8.00	\$336,080
Special systems				
Fire alarm system	73,580	SF	\$1.50	\$110,370
Tel/data/PA	73,580	SF	\$3.00	\$220,740
Security and surveillance system	73,580	SF	\$2.00	\$147,160
Miscellaneous electrical requirements				
Seismic requirements	73,580	SF	\$0.15	\$11,037
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,466,602</u>
 <u>13 Fire Protection Systems</u>				
Fire protection systems				
Dry sprinkler system	73,580	SF	\$4.50	\$331,110
Total - 13 Fire Protection Systems				<u>\$331,110</u>

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CONRAC Construction Cost Summary (RCS) Rental Car Storage / Employee Parking

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$13,455,590		\$36.24
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$2,862,354		\$7.71	
3 Floor & Roof Structures	\$7,610,507		\$20.50	
4 Exterior Cladding	\$643,916		\$1.73	
5 Roofing and Waterproofing	\$2,338,812		\$6.30	
B) Interiors (6-7)		\$483,076		\$1.30
6 Interior Partitions, Doors and Glazing	\$74,248		\$0.20	
7 Floor, Wall and Ceiling Finishes	\$408,828		\$1.10	
C) Equipment and Vertical Transportation (8-9)		\$344,182		\$0.93
8 Function Equipment and Specialties	\$204,182		\$0.55	
9 Stairs and Vertical Transportation	\$140,000		\$0.38	
D) Mechanical and Electrical (10-13)		\$1,559,469		\$4.20
10 Plumbing Systems	\$371,315		\$1.00	
11 Heating, Ventilation and Air Conditioning	\$58,000		\$0.16	
12 Electrical Lighting, Power and Communications	\$1,081,554		\$2.91	
13 Fire Protection Systems	\$48,600		\$0.13	
E) Site Work (14-16)		\$0		\$0.00
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$0		\$0.00	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$15,842,317		\$42.67
General Conditions	8.00%	\$1,267,385		\$3.41
Subtotal		\$17,109,702		\$46.09
Bonds	1.00%	\$158,423		\$0.43
Subtotal		\$17,268,125		\$46.51
Liability Insurance	1.00%	\$158,423		\$0.43
Subtotal		\$17,426,548		\$46.94
General Contractor Fee	4.00%	\$697,062		\$1.88
Subtotal		\$18,123,610		\$48.82
Design / Estimating Contingency	10.00%	\$1,812,361		\$4.88
Subtotal		\$19,935,971		\$53.70
Escalation	7.37%	\$1,469,101		\$3.96
TOTAL ESTIMATED CONSTRUCTION COST		\$21,405,072		\$57.66

Total Area: 371,240 SF

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>1 Foundations</u>				
				NA
Total - 1 Foundations				
 <u>2 Vertical Structure</u>				
Columns and pilasters				
Reinforced concrete columns, 24"x24", allow	(\$1,263 /CY)			
Forms, steel slip forms, multi use	6,792	SF	\$10.00	\$67,920
Reinforcement, 550 lb/cy	69,178	LB	\$0.90	\$62,260
Concrete, allowance	126	CY	\$200.00	\$25,156
Sack and finish	6,792	SF	\$0.52	\$3,532
Non load bearing walls				
Reinforced concrete crash walls, 4' high, Level 4	(\$26 /SF)			
Forms, job built ply / dimensional, multi use	19,848	SF	\$8.00	\$158,784
Reinforcement, 2 lb/sf	19,848	LB	\$0.90	\$17,863
Concrete, allowance	368	CY	\$165.00	\$60,647
Sack and finish	19,848	SF	\$0.90	\$17,863
Reinforced enclosed walls, 12" CMU, RAC Support	56,511	SF	\$30.00	\$1,695,330
Customer entry and exit ramp				<i>in R&R</i>
Shuttle entry and exit ramp, Levels 3 to 4	1	LS	\$753,000.00	\$753,000
Total - 2 Vertical Structure				<u>\$2,862,354</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>3 Floor & Roof Structures</u>				
Floor at lowest level				NA
Roof and suspended floors				
Prestressed post-tensioned concrete floor and roof slabs, 5" thick			(\$13 /SF)	
Forms in place, edge form, ply / dimensional, multi-use	392,696	SF	\$5.00	\$1,963,480
Edge forms in place, multi use	1,761	SF	\$5.00	\$8,805
Post tensioning tendons, plastic sheathed, 0.75 lbs/sf	294,522	LB	\$1.60	\$471,235
Reinforcement, 3lb/sf	1,178,088	LB	\$0.80	\$942,470
Concrete, allowance	6,109	CY	\$185.00	\$1,130,092
Sack and finish to flat and sloped soffits and sides	392,696	SF	\$1.04	\$408,404
Prestressed post-tensioned concrete beams, allow 14" x 35"			(\$813 /CY)	
Forms, job built ply / dimensional, multi use	109,366	SF	\$6.00	\$656,194
Post tensioning tendons, plastic sheathed, 95 lb/cy	225,111	LB	\$1.60	\$360,178
Reinforcement, 194 lb/cy	459,700	LB	\$0.80	\$367,760
Concrete, allowance	2,370	CY	\$205.00	\$485,766
Sack and finish to sides	109,366	SF	\$0.52	\$56,870
Reinforced concrete upturn/downturn moment framed beams, allow 24" x 36"			(\$621 /CY)	
Forms, job built ply / dimensional, multi use	17,676	SF	\$6.00	\$106,056
Reinforcement, 300 lb/cy	196,400	LB	\$0.80	\$157,120
Concrete, allowance	655	CY	\$205.00	\$134,207
Sack and finish to sides	17,676	SF	\$0.52	\$9,192
Miscellaneous				
Miscellaneous concrete works, trenches, curbs and islands	371,240	SF	\$0.75	\$278,430
Miscellaneous metal and rough capentry	371,240	SF	\$0.20	\$74,248
Total - 3 Floor & Roof Structures				<u>\$7,610,507</u>
<u>4 Exterior Cladding</u>				
Garage screen, allow to 50% of Level 4 façade	14,309	SF	\$45.00	\$643,916
Total - 4 Exterior Cladding				<u>\$643,916</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>5 Roofing and Waterproofing</u>				
Roofing				
Apply polyurethane traffic waterproofing	371,240	SF	\$6.00	\$2,227,440
Caulking, sealants, and miscellaneous				
Expansion and seismic joints	371,240	SF	\$0.15	\$55,686
Miscellaneous caulking and sealants	371,240	SF	\$0.15	\$55,686
Total - 5 Roofing and Waterproofing				<u>\$2,338,812</u>
<u>6 Interior Partitions, Doors and Glazing</u>				
Interior partitions - RAC Support areas	371,240	SF	\$0.20	\$74,248
Total - 6 Interior Partitions, Doors and Glazing				<u>\$74,248</u>
<u>7 Floor, Wall and Ceiling Finishes</u>				
Applied finishes				
Floor finishes				
Concrete sealer				<i>Not required</i>
Painting				
Paint concrete columns	6,792	SF	\$0.62	\$4,211
Paint walls	132,870	SF	\$0.62	\$82,379
Paint underside and sides of suspended slabs and beams	519,738	SF	\$0.62	\$322,237
Total - 7 Floor, Wall and Ceiling Finishes				<u>\$408,828</u>
<u>8 Function Equipment and Specialties</u>				
Specialties				
Signage and striping	371,240	SF	\$0.15	\$55,686
Directional signage / graphics, allowance	371,240	SF	\$0.05	\$18,562
Miscellaneous specialties				
Code/Graphics required signage	371,240	SF	\$0.25	\$92,810
Miscellaneous specialties	371,240	SF	\$0.10	\$37,124
Total - 8 Function Equipment and Specialties				<u>\$204,182</u>

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CONRAC Construction Component Detail (RCS) Rental Car Storage / Employee Parking

Element	Quantity	Unit	Unit Cost	Total
<u>9 Stairs and Vertical Transportation</u>				
Stairs				
Stairs, metal pan, concrete fill, 6' 4" wide, including landings and railings	7	FLT	\$20,000.00	\$140,000
Elevators				
Traction Freight elevator, 5000 LBS, 4-stops				<i>in QTA</i>
Traction passenger elevator, 4000 LBS, 4-stops				<i>in R & R</i>
Total - 9 Stairs and Vertical Transportation				<u>\$140,000</u>
<u>10 Plumbing Systems</u>				
Sanitary fixtures and rough-in	1	LS	\$3,000.00	\$3,000
Domestic cold water	1	LS	\$2,500.00	\$2,500
Condensate drainage	1	LS	\$2,000.00	\$2,000
Emergency/roof/overflow drainage systems	371,240	SF	\$0.88	\$326,691
Miscellaneous plumbing	371,240	SF	\$0.10	\$37,124
Total - 10 Plumbing Systems				<u>\$371,315</u>
<u>11 Heating, Ventilation and Air Conditioning</u>				
HVAC system, allow	1	LS	\$58,000.00	\$58,000
Total - 11 Heating, Ventilation and Air Conditioning				<u>\$58,000</u>

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CONRAC Construction Component Detail **(RCS) Rental Car Storage / Employee Parking**

Element	Quantity	Unit	Unit Cost	Total
<u>12 Electrical Lighting, Power and Communications</u>				
Electrical system, lighting and lighting control, allow	371,240	SF	\$2.50	\$928,100
Special systems				
Security and surveillance system	371,240	SF	\$0.35	\$129,934
Code Blue phone system - allowance	2	LOC	\$8,760.00	\$17,520
Miscellaneous electrical requirements				
Seismic requirements	1	LS	\$6,000.00	\$6,000
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,081,554</u>
<u>13 Fire Protection Systems</u>				
Fire Protection - Dry sprinkler system				
RAC Storage areas				<i>not required</i>
RAC Support	10,800	SF	\$4.50	\$48,600
Total - 13 Fire Protection Systems				<u>\$48,600</u>

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Site Work

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Site Work Construction Cost Summary

Element		Subtotal	Total	Cost / SF	Cost / SF
E) Site Work (14-16)			\$15,120,072		\$20.42
14 Site Preparation and Demolition		\$2,118,577		\$2.86	
15 Site Paving, Structures and Landscaping		\$9,279,935		\$12.53	
16 Utilities on Site		\$3,221,560		\$4.35	
17 Off-site Work		\$500,000		\$0.68	
Subtotal			\$15,120,072		\$20.42
General Conditions	8.00%		\$1,209,606		\$1.63
Subtotal			\$16,329,677		\$22.05
Bonds	1.00%		\$151,201		\$0.20
Subtotal			\$16,480,878		\$22.26
Liability Insurance	1.00%		\$151,201		\$0.20
Subtotal			\$16,632,079		\$22.46
General Contractor Fee	4.00%		\$665,283		\$0.90
Subtotal			\$17,297,362		\$23.36
Design / Estimating Contingency	10.00%		\$1,729,736		\$2.34
Subtotal			\$19,027,098		\$25.69
Escalation	7.37%		\$1,402,125		\$1.89
TOTAL ESTIMATED CONSTRUCTION COST			<u>\$20,429,223</u>		\$27.59

Total Area: 740,520 SF

CONRAC
San Diego International Airport
 San Diego, California
 Concept Design Statement of Probable Cost

June 20, 2011

Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>14 Site Preparation and Demolition</u>				
Buildings demolition				<i>Excluded</i>
Site Demolition				
Demo and remove existing ac paving, allowance	1	LS	\$370,000.00	\$370,000
Relocate existing 60" main storm drain line, allowance	1	LS	\$560,000.00	\$560,000
Remove and dispose existing storm drain lateral line, allowance	1	LS	\$88,000.00	\$88,000
Site protective construction				
Erosion control	740,520	SF	\$0.05	\$37,026
Storm Water Prevention and Protection Program	2,000	HR	\$45.00	\$90,000
Hazmat abatement				<i>Excluded</i>
Site clearing and grading				
Clearing and grubbing				NA
Rough grading (assumed to be a balanced site)	-	SF	\$1.00	
Fine grading	740,520	SF	\$0.29	\$214,751
Temporary construction				
Green screen fence, allow	37,940	SF	\$20.00	\$758,800
Total - 14 Site Preparation and Demolition				<u>\$2,118,577</u>

15 Site Paving, Structures and Landscaping

Vehicular paving				
Bus Plaza, premium for finishes only	54,200	SF	\$10.00	\$542,000
Visitor parking, concrete	14,084	SF	\$12.00	\$169,008
Employee parking, concrete	32,974	SF	\$12.00	\$395,688
Customer return road, asphalt	46,093	SF	\$6.00	\$276,558
Curb cuts	4	EA	\$30,000.00	\$120,000
Vehicular ramp				
Bus Flyover	24,645	SF	\$250.00	\$6,161,250
Parking lot striping / signage				
Striping, stalls, allow	125	EA	\$17.00	\$2,133
Hatched striping	1	LS	\$2,000.00	\$2,000
Directional signage / graphics, allowance	147,351	SF	\$0.05	\$7,368
Pedestrian paving				
Allowance for concrete walkway, 4" thick, allowance	15,000	SF	\$8.00	\$120,000
Raised concrete pavement	18,450	SF	\$8.00	\$147,600

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Site Work Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
Site Walls				
Reinforced concrete crash walls, 4' high, Bus Plaza	3,320	SF	\$26.00	\$86,320
Landscaping				
Minor site landscaping and irrigation, allowance	70,000	SF	\$10.00	\$700,000
Site amenities				
Service station, assume single-story structure				<i>Excluded</i>
Security Guard Booths				<i>Excluded</i>
Service yard, open-air with fencing	23,334	SF	\$15.00	\$350,010
Signage and Art in Public Places				
Exterior Building Signage	1	LS	\$200,000.00	\$200,000
Art in Public Places				<i>Soft costs</i>
Total - 15 Site Paving, Structures and Landscaping				<u>\$9,279,935</u>
<u>16 Utilities on Site</u>				
Allowance for site utilities -fire/sewer/water/storm drainage	740,520	SF	\$3.00	\$2,221,560
Site power, security and lighting	1	LS	\$1,000,000.00	\$1,000,000
Existing jet fuel lines (relocation costs by others)	1	LS		<i>Excluded</i>
Total - 16 Utilities on Site				<u>\$3,221,560</u>
<u>17 Off site Improvements</u>				
Vehicular paving				
Reconfigured intersection				<i>Excluded</i>
Bus Flyover and connecting roads to Terminal				<i>Excluded</i>
Regional wayfinding signage	1	LS	\$500,000.00	\$500,000
Pedestrian overhead bridge				<i>Excluded</i>
Total - 17 Site Paving, Structures and Landscaping				<u>\$500,000</u>

CONRAC
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LEED

CONRAC
San Diego International Airport
 San Diego, California
 Concept Design Statement of Probable Cost

June 20, 2011

LEED Construction Cost Summary

Element	Subtotal	Total	Cost / SF	Cost / SF
A) Shell (1-5)		\$0		\$0.00
1 Foundations	\$0		\$0.00	
2 Vertical Structure	\$0		\$0.00	
3 Floor & Roof Structures	\$0		\$0.00	
4 Exterior Cladding	\$0		\$0.00	
5 Roofing and Waterproofing	\$0		\$0.00	
B) Interiors (6-7)		\$0		\$0.00
6 Interior Partitions, Doors and Glazing	\$0		\$0.00	
7 Floor, Wall and Ceiling Finishes	\$0		\$0.00	
C) Equipment and Vertical Transportation (8-9)		\$500,000		\$0.30
8 Function Equipment and Specialties	\$500,000		\$0.30	
9 Stairs and Vertical Transportation	\$0		\$0.00	
D) Mechanical and Electrical (10-13)		\$1,650,614		\$0.99
10 Plumbing Systems	\$0		\$0.00	
11 Heating, Ventilation and Air Conditioning	\$0		\$0.00	
12 Electrical Lighting, Power and Communications	\$1,650,614		\$0.99	
13 Fire Protection Systems	\$0		\$0.00	
E) Site Work (14-16)		\$250,000		\$0.15
14 Site Preparation and Demolition	\$0		\$0.00	
15 Site Paving, Structures & Landscaping	\$250,000		\$0.15	
16 Utilities on Site	\$0		\$0.00	
Subtotal		\$2,400,614		\$1.44
General Conditions	8.00%	\$192,049		\$0.11
Subtotal		\$2,592,663		\$1.55
Bonds	1.00%	\$24,006		\$0.01
Subtotal		\$2,616,670		\$1.56
Liability Insurance	1.00%	\$24,006		\$0.01
Subtotal		\$2,640,676		\$1.58
General Contractor Fee	4.00%	\$105,627		\$0.06
Subtotal		\$2,746,303		\$1.64
Design / Estimating Contingency	10.00%	\$274,630		\$0.16
Subtotal		\$3,020,933		\$1.81
Escalation	7.37%	\$222,615		\$0.13
TOTAL ESTIMATED CONSTRUCTION COST		<u>\$3,243,548</u>		\$1.94

Total Area: 1,672,775 SF

CONRAC
San Diego International Airport
 San Diego, California
 Concept Design Statement of Probable Cost

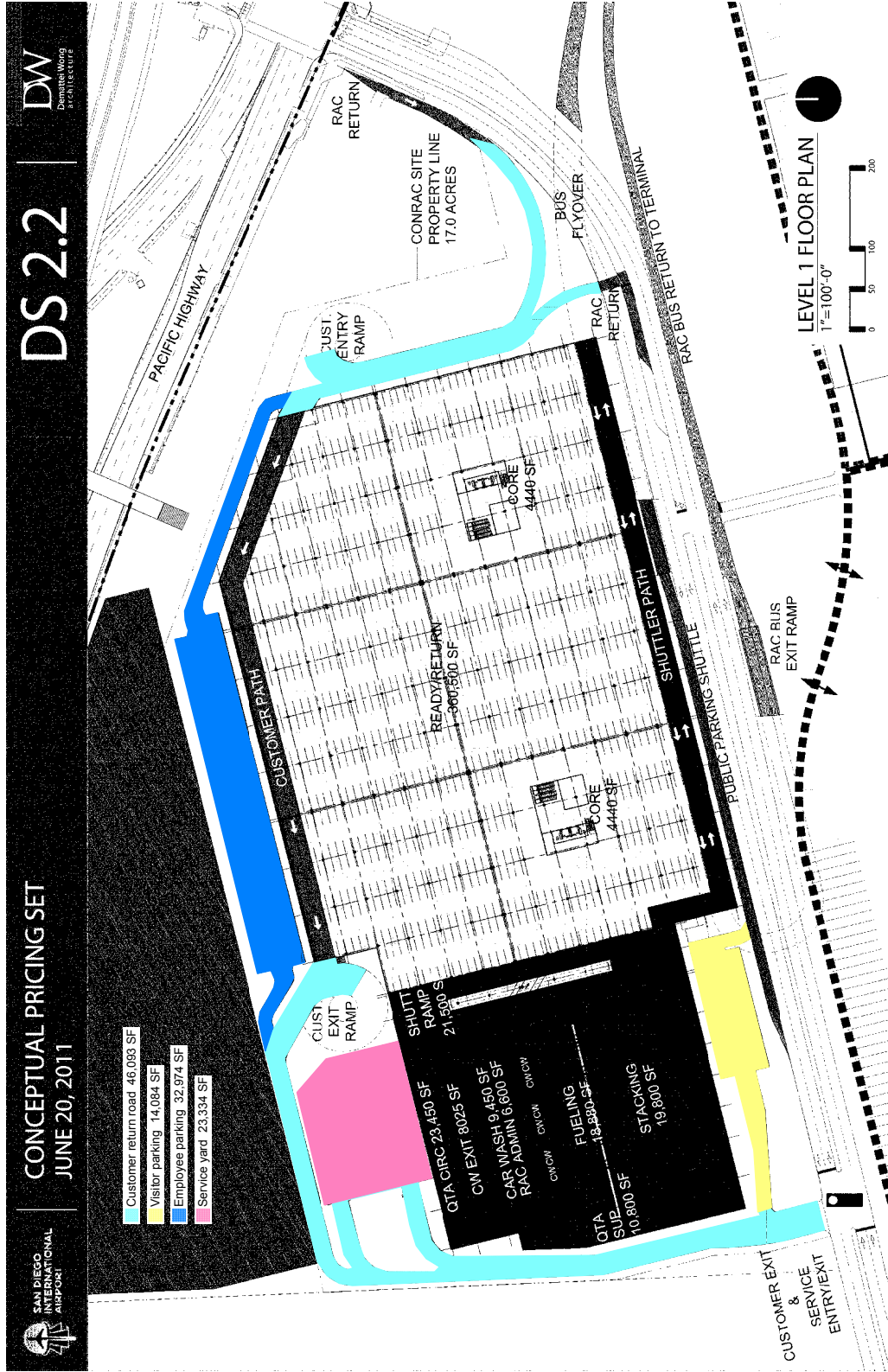
June 20, 2011

LEED Construction Component Detail

Element	Quantity	Unit	Unit Cost	Total
<u>8 Function Equipment and Specialties</u>				
Miscellaneous specialties LEED certification	1	LS	\$500,000.00	\$500,000
Total - 8 Function Equipment and Specialties				<u>\$500,000</u>
<u>12 Electrical Lighting, Power and Communications</u>				
Lighting and lighting control Premium to meet LEED requirement				
Areas -QTA	291,015	SF	\$1.75	\$509,276
Areas -Ready and Return Garage	936,940	SF	\$1.10	\$1,030,634
Areas -Customer Service Area	73,580	SF	\$1.00	\$73,580
Areas -Rental Car Storage/ Employee Parking Area	371,240	SF	\$0.10	\$37,124
Total - 12 Electrical Lighting, Power and Communications				<u>\$1,650,614</u>
<u>15 Site Paving, Structures & Landscaping</u>				
Landscaping LEED requirement	1	LS	\$250,000.00	\$250,000
Total - 15 Site Paving, Structures & Landscaping				<u>\$250,000</u>

CONRAC
San Diego International Airport
Concept Design Statement of Probable Cost

Exhibits



CONCEPTUAL PRICING SET
JUNE 20, 2011

DS 2.3

DW
Dianne Wong
architecture

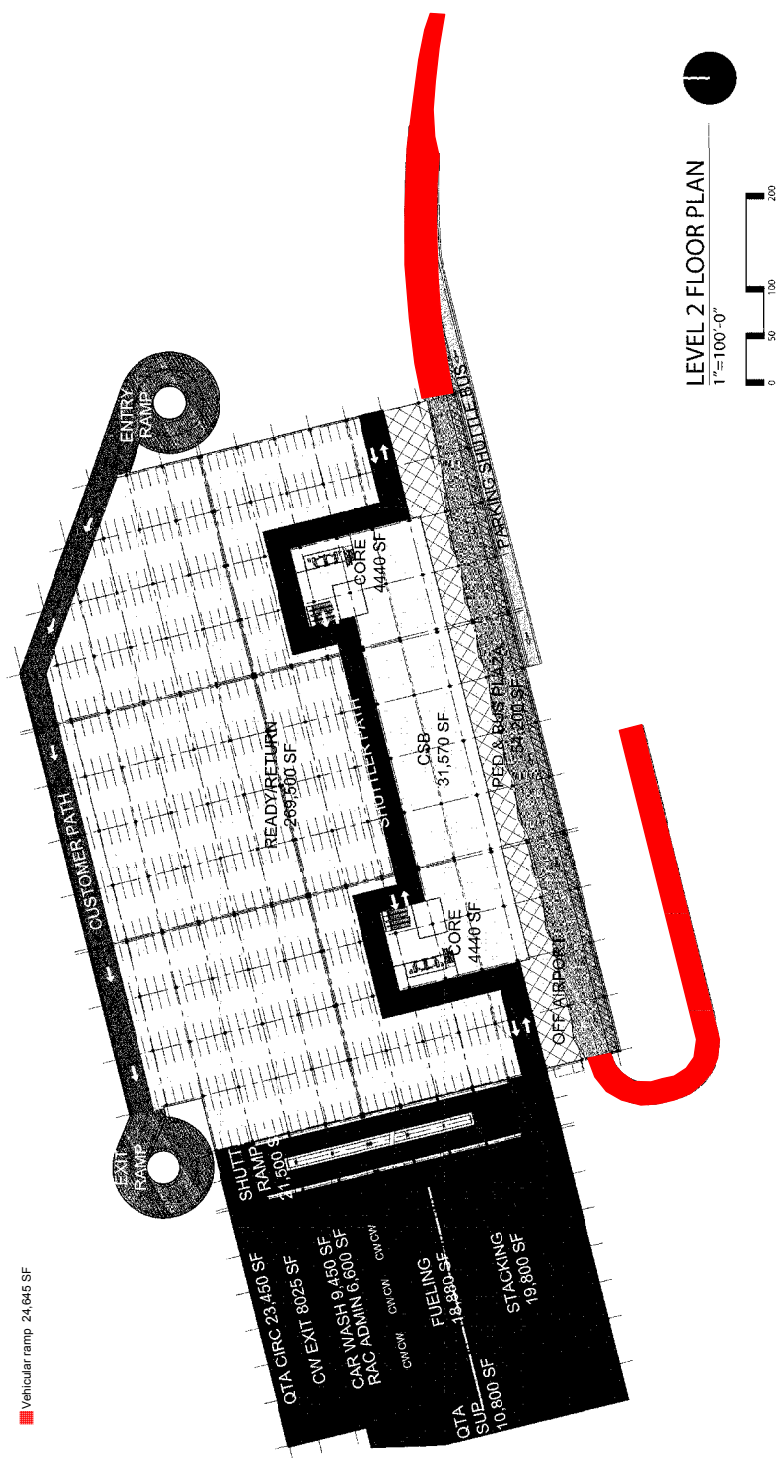


EXHIBIT I – RENTAL CAR INDUSTRY LETTERS



September 26, 2012

Mr. Vernon D. Evans
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138-2776

RE: Consolidated Rental Car Center – Customer Facility Charge

Dear Mr. Evans:

The purpose of our letter is to voice our support for the request for Board approval to implement the alternative Customer Facility Charge (CFC) pursuant to California Civil Code Section 1936(m)(2).

The plan of finance, drafted by the Authority, with its underlying assumptions regarding estimated project costs and passenger/customer growth rates for the foreseeable future, confirms that the current \$10.00/transaction being collected from each rental car contract, is insufficient to meet the obligations required to construct this needed facility. The legislation now allows for individual airports to implement the alternative daily rate.

We agree that collection of the maximum daily rate allowed under the law is reasonably necessary to finance the San Diego Rental Car Facility, and support your request to the Board for the authority to do so at this time.

Thank you for your continuing efforts to improve facilities and customer service at the San Diego airport.

Best regards,

Lorraine Tallarico
Director of Properties, West Area

cc: Robert Bouta, Vice-President, Properties & Facilities

Cendant Car Rental Group, Inc.
513 Eccles Avenue, Suite A
South San Francisco, CA 94080
Main: (650) 616-0150 / Fax: (650) 624-0179



Connie Q. Gurich
Director, Properties

The Hertz Corporation
6151 Century Blvd., Suite 600, Los Angeles, CA 90045
Telephone: (310) 568-3459
Fax: (310) 568-3454

September 26, 2012
Vernon Evans, CFC
San Diego County
Regional Airport Authority
P. O. Box 82776
San Diego, CA 92138-2776

Re: Proposed Change in the Customer Facility Charge (CFC)

Dear Vernon,

As has been discussed in our various Industry meetings, The Hertz Corporation is in support of the Implementation and collection of an Alternative Customer Facility Charge pursuant to California Civil Code 1936. We recognize that we need a CFC rate based on transaction rental days, rather than per transaction, in order to generate sufficient CFC revenues to fully fund all CFC eligible projects in the Consolidated Facility.

We urge you to secure Board approval of the full extent of the Alternative Customer Facility Charge beginning with a \$6.00 per transaction day rate effective November 1, 2012 then increasing as required to \$7.50 effective January 1, 2014 and finally going to \$9.00 per transaction day if needed effective January 1, 2017. We expect the CFC to cover all eligible projects including bus purchases and the busing operation associated with the Consolidated Facility.

Please keep us closely informed of your progress in this very important change to the CFC rate. The Alternative CFC rate is critical to the progress of the project. Thank you.

Sincerely yours,





SENT VIA EMAIL

August 20, 2012

Mr. Vernon Evans
Vice President, Finance/Treasurer
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138-2776

Dear Mr. Evans:

As you are aware, we have been working with the Authority to develop a consolidated rental car facility on the north side of the airport. DTG Operations, Inc. dba Dollar Rent A Car and Thrifty Car Rental (DTG) is writing to express our support of the Authority's implementation of a change to the CFC from \$10 per transaction to \$6 per day. These funds will be used for the planning, design and construction of the new consolidated rental car facility at the San Diego International Airport.

We look forward to our continued partnership of this project.

Sincerely,

A handwritten signature in black ink that reads "Tammy Branham".

Tammy Branham
Executive Director, Properties & Concessions

Cc: Troy Ann Leech
Eric Podnieks

Podnieks Eric

From: Arnold Goehring [arnold@foxrentacar.com]
Sent: Monday, September 24, 2012 3:14 PM
To: Evans Vernon
Cc: Leech Troy Ann; Podnieks Eric
Subject: New CFC Rates for CORAC

Dear Mr. Evans:

As one of the future tenants of the yet to be built consolidated rent a car center in San Diego Fox Rent A Car, Inc. wants to go on record as supporting the implementation of the CFC schedule permitted by California Civil Code 1936 as soon as possible.

Early collection of the new CFC will reduce the amount of borrowing required for the facility, and that is clearly in the best interest of all the stakeholders.

Sincerely,

Arnold Goehring
Vice President
Fox Rent A Car, Inc.
310-625-5369

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ENTERPRISE HOLDINGS

Enterprise Holdings
600 Corporate Park Drive
Saint Louis, MO 63105

enterpriseholdings.com

October 1, 2012

VERNON D. EVANS
VICE PRESIDENT, FINANCE/TREASURER
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
P.O. BOX 82776
SAN DIEGO, CA 92138-2776

Dear Vernon-

Enterprise Holdings is generally supportive of the proposed Board agenda item in the Staff Report regarding the requested change to the CFC --- from transaction to daily-rate CFC.

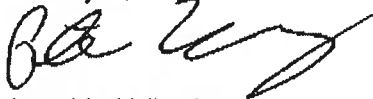
We are generally supportive because Staff has expressly acknowledged that 1) the goal/intent of the ConRac project is to have all CFC-eligible items fully covered ("100%") by CFC funds; 2) the current transaction-based CFC will not generate enough funding to achieve this goal/intent; 3) the \$9.00/day CFC (available January 2017) is expected to be necessary to achieve this goal/intent.

Our support remains general at this time because we do not have 1) a final Lease; 2) a fully-defined "Project" (or defined tenant improvement obligations); or 3) a final (viable) "Financial Feasibility Report" or plan of finance for the fully-defined "Project".

Our general support of this proposed Board agenda item is our good-faith attempt as your strong business partner to keep our negotiations/discussions regarding this ConRac "Project" moving forward in a positive manner.

Please advise if you have any questions about our input/feedback.

Thank you.



Peter VanValkenburg
Director of Properties and Airport Relations
Enterprise Holdings