

AIRPORT DIVISION

CAPITAL IMPROVEMENT PROGRAM

Introduction to Program, Goals and Highlights

The 2009 Executive Proposed CIP Budget for King County International Airport is \$11,810,000. The total 2009-2014 proposed budget plan is approximately \$78,000,000.

The purpose of the King County International Airport (KCIA) capital improvement program (CIP) is to maintain, upgrade and redevelop a first-class general aviation transportation facility that provides safe and continuous general aviation services. The goals of the 2009 KCIA capital program are to continue to fund various airport projects and programs that will help achieve:

- **Financial and Operational Sustainability and Effectiveness:** KCIA needs to continue to prioritize infrastructure investments to optimize the use of available funds. Current funding has not allowed the Airport to overcome deferred maintenance problems and a deteriorating infrastructure in some areas of the Airport.
- **Safety and Security:** To operate a safe and secure airfield facility that meets all applicable federal, state, and local regulatory requirements. Fire fighting and non-fire related airport inspections have been improved in cooperation with the King County Sheriff's Office. The Air Rescue Fire Fighting (ARFF) unit and Airport have modified their memorandum of understanding to improve the team's ability to respond to the changing environment for security and FAA Part 139 certification.
- **Customer Service and Efficiency:** KCIA continues to reach out to the community through quarterly publications, attendance at community meetings and development of the "Fly Quiet" program. KCIA holds quarterly meetings with Airport tenants and holds frequent one-on-one meetings with many tenants.
- **Protect the Environment and Enhance Social Justice:** The Airport's noise abatement program is accelerating to retrofit one hundred homes per year over a ten year period. The Opportunity Skyway Program is a model for job training and youth intervention. The students learn job skills while working on their high school GED.
- **Efficiently Move People and Goods:** The Airport is continuing to review business functions, leasing practices, and land use redevelopment issues in order to meet long-term aviation demands. A market demand analysis is being conducted to identify redevelopment options.

Key issues for the Airport include:

- Eliminating leasehold discounts that keep rates below the fair market value of public property.
- Finding funding for rapidly increasing environmental clean-up costs primarily related to Duwamish contamination.
- Finding funding to recover from years of deferred maintenance.

Project Prioritization Methodology and Asset Preservation

Prioritization: The 2009 projects are prioritized, first, to comply with safety and regulatory requirements as mandated by the Federal Aviation Administration (FAA) and environmental agencies. The next highest priority is to provide airport users and tenants with safe and efficient facilities and infrastructure. The methodology used by the Airport is based on the key policy directions, strategies and goals identified in the 2009 Business Plan.

Environmental Cleanup: Since the Airport sits adjacent to the Duwamish superfund site, it has been subject to numerous environmental issues that have recently escalated in cost in order to conduct more source control studies and provide for legal defense. It is unclear what the long-term costs will be, except that they will be larger than anticipated a year ago.

Noise Abatement: The sound insulation program will retrofit 100 homes per year for 10 years starting in 2009. This will provide relief to many of the Airport's neighbors.

Asset Preservation: Major rehabilitation and ongoing maintenance of the Airport's runways, taxiways, aprons, roads, and other paved surfaces are critical to the safe operations of the Airport and constitute a large portion of the capital program. The Airport's maintenance staff performs the majority of the preventative maintenance of pavement including crack sealing and vegetation control. A facility assessment report of KCIA's buildings was completed in 2003. Based on this study, the Airport has created a facility maintenance program and prioritized major rehabilitation projects based on safety issues and pursuing 'highest and best use' of its facilities. The Airport maintenance staff performs all other repairs and preventative maintenance to the Airport's buildings and improvements including utility structures, utilities and airfield systems.

The CIP request includes \$5 million (95% of cost reimbursed by FAA) to initiate the noise abatement program, nearly \$2.3 million to address environmental issues, and \$4.1 million for asset preservation.

Growth Management and Comprehensive Plan Issues

The airport is exempt from the provisions of the Growth Management Act and the King County Comprehensive Plan.

Financial Planning and Policy Overview

The Airport continues to review its capital program to ensure sufficient resources are available to meet current and future needs. The Airport CIP's primary source of funding is from FAA grants and entitlements. FAA funding for eligible projects is currently based on a 95 percent federal and 5 percent local matching funds methodology. Future funding levels authorized by the federal government for the FAA may not continue to meet the increased need for funding airport projects nationwide. The existing fund balance is used to fund the Airport's share of the costs of various CIP projects. To the maximum extent possible, the Operating Fund will transfer funds to the Capital Fund to support and facilitate capital improvements and redevelopment. KCIA budgets the central services finance charge to the CIP as a project.

2009 Significant Project Highlights

The following table displays project requests over \$500,000.

Significant Projects King County International Airport Capital Improvement Program	2009 Executive Proposed Budget	Continuation of Existing Project
Home Insulation Program	\$5,108,968	X
Airport Facilities Repair	\$4,158,905	X
EMF Property Acquisition	\$1,400,000	
Taxiway "A" Rehabilitation	\$1,000,017	
Pavement Rehabilitation	\$750,000	X
North Boeing Field MTCA	\$650,000	
Airport Fleet	\$635,440	X
New ARFF Station	\$600,000	
7777 Site Remediation	\$572,000	X
Duwamish Clean-Up Slip 4	\$500,000	X
Terminal 117 Malarkey	\$500,000	

Home Insulation Program: \$5,108,968

This funding augments existing dollars and initiates the retrofitting of 100 homes in 2009 in surrounding neighborhoods.

Airport Facilities Repair: \$4,158,905

As a landlord, the Airport is obligated to maintain all leased or public buildings in a safe and useable condition. Many of the Airport's buildings and infrastructure are 50 years old and need significant rehabilitation, renovation, or demolition. In 2003, the Airport's consultant evaluated facilities and infrastructure to determine maintenance and repair priorities. The study provided a tool through which KCIA can triage facilities while maintaining repair and replacement priorities. The CIP request includes \$4,158,905 to fund essential facilities repairs and maintenance. This is funded from standard Airport rates and charges.

EMF Property Acquisition: \$1,400,000

The Electronic Manufacturing Facility (EMF) site is currently leased to the Boeing Company which no longer needs the property. Currently, Boeing leases the site to United Parcel Service. The site is directly south of the Main Terminal Building. The acquisition of the EMF site by the Airport provides control of the only significant airport property for re-development on the airfield. The site would generate an annual revenue stream estimated at \$345,000. Acquisition of the site provides airport management the ability to manage airport growth and development, while responding to aviation demand and market conditions.

Taxiway "A" Rehabilitation: \$1,000,017

Taxiway Alpha is the Airport's primary taxiway serving the majority of Airport's tenants. The Alpha Taxiway is located on the east side of the airfield. This project will rehabilitate the northern section of the taxiway extending from the Alpha 1 to Alpha 6. The proposed project will overlay most of the existing surface to improve durability of the pavement, re-grade the surface to reduce ponding, and install perimeter drains to improve sub-grade stability. The CIP request consists of funding for design. Total cost estimate of \$8,200,000 in the six-year capital plan, is based on historical information and will be re-evaluated after design has progressed. Construction is currently scheduled for 2010.

Pavement Rehabilitation: \$750,000

KCIA is responsible for maintaining the pavement of the runways, taxiways, aircraft parking ramps, service roads, and parking areas. The Airport is obligated through tenant leases, the FAA operating certificate and grant assurances to maintain the airfield. In 2003, the Airport identified extensive airfield and off-airfield pavement programs which are supported by non-FAA funds. The CIP request of \$750,000 for pavement rehabilitation in 2009 is primarily for repairs to the Taxiways and Perimeter Road. An additional \$3,500,000 is planned for 2010-2014.

Airport Fleet: \$635,440

KCIA maintains a fleet of light-duty vehicles and heavy-duty equipment that is safe, reliable and ready to respond to a variety of circumstances. The Airport's fleet condition is monitored and tracked using the Airport Fleet Replacement program. Each year, the database as well as business needs are used to identify candidate vehicles and equipment for the next year's budget request. The CIP request is \$635,440 for 2009, and an additional \$2,603,024 is programmed for 2010 through 2014.

New Aircraft Rescue Fire Fighters (ARFF) Station: \$600,000

This project is for a new ARFF station at a location that meets FAA criteria and will accommodate associated equipment upgrades and the new AARF vehicle. The 2009 funding request is for site planning and design for a new station. The total project cost estimate will be developed after the site has been selected and design has progressed.

Environmental Projects: \$2,222,000

The 7777 site remediation, Duwamish clean-up, Terminal 117, and North Boeing Field Model Toxic Controls Act (MTCA) projects are all environmental clean-up projects surrounding the Duwamish.

CIP Program Accomplishments and Completion Lists

Projects Completed in 2007

- 001340 Master Plan EIS
- 001368 Pavement Rehabilitation
 - Gate 6/Midfield Airpark Pavement Repairs
 - Alpha Side Service Road Repairs
 - Alpha Taxiway Repairs
 - DHL Gate
 - 7300 Building Parking Lot
- 001374 Utility Improvement Plans
- 001378 Home Insulation Program (On-going)
- 001392 Security Improvements (On-going)
 - Access Security System Networking (Design only)
- 001393 Security Consultant
- 001399 Flight Tracking Monitoring System
- 001400 Airport Facilities Repair (On-going)
 - Maintenance Storage Bldg. Demolition
 - North Annex HVAC Units
 - 7300 Bldg. - Exterior wall repairs
 - AOC Bldg. - Controls and Instrumentation, testing and balancing
 - Arrivals Bldg. S. - Demolish building
 - 7300 Bldg. - Roofing of northern section
 - FAA Tower - Replace elevator
 - 7300 Bldg. - Replace HVAC Controls
 - FAA Tower - Exterior repair and painting
 - Maintenance Bldg. - Fire system sprinklers replacement
 - Terminal Building / 7300 Bldg. Complex - Tree Pruning and Removal
 - North Annex Bldg. - Roof, 1st Floor, center section
 - AOC Tenant Improvements
 - Maintenance Bldg. – Interior Wall Demolition
 - Maintenance Bldg. – Replace Exterior Wall Covering
- 001403 Taxiway “B” Overlay (Design only)
- 001408 Master Plan Update
- 002100 Airport Survey
- 002102 Airport Development (On-going)
- 002108 Galvin Ramp Rehabilitation
- 002109 Duwamish Clean-Up Slip 4 (On-going)
- 002116 Airport Master Planning (On-going)
- 002117 LDA Noise Impact Study

Projects to be Completed in 2008

- 001295 Runway 13R – 31L Overlay
- 001339 Emergency Generators (Ongoing)
- 001356 Runway 13R Shift (Safety Area)
- 001368 Pavement Rehabilitation
 - South Service Road Overlay
 - Terminal Road & Parking

Perimeter Road Rehabilitation
 001378 Home Insulation Program (On-going)
 001400 Airport Facilities Repair (On-going)
 AOC Landscaping Improvements
 AOC Exterior Improvements
 Maintenance Bldg. – Relocate Fuel Facility
 Maintenance Bldg. – Bulk Storage Covers
 Maintenance Bldg. – Replace Windows
 Terminal Building Exterior Repairs & Painting
 Maintenance Bldg. - Internal Lighting Upgrade
 Northwest Pump House – Remove & Replace Pumps
 Maintenance Bldg. – South Bays Electrical Panel
 Washington State Aero Building Demolition
 Demolition of Various Buildings (Design Only)
 001403 Taxiway Bravo Overlay
 002102 Airport Redevelopment (On-going)
 002110 ARFF Apparatus (Fire Truck)
 002118 Airport Fleet (Ongoing)
 D10714 Finance Charges to Airport CIP (On-going)

Projects to be Completed in 2009

001339 Emergency Generators (On-going)
 001359 Alternative Approach
 001368 Pavement Rehabilitation (On-going)
 001369 Steam Plant Access Road
 001378 Home Insulation Program (On-going)
 001389 7777 Site Remediation
 001392 Security Improvements
 001400 Airport Facilities Repair (On-going)
 Main Terminal
 Arrivals Building
 7300 Building
 Finelli Site (Aviator Book Store)
 ATCT Tower
 AOC Building
 Pumphouses
 001414 Helipad Consolidation
 002102 Airport Development (On-going)
 002109 Duwamish Clean-Up Slip 4 (On-going)
 002111 Taxiway “A” Rehabilitation (Design)
 002118 Airport Fleet (On-going)
 002119 New ARFF Station (Site selection and design)
 002121 Terminal 117 Malarkey
 002122 Lower Duwamish Source Control
 002124 Fire Truck Overhaul
 002125 Fuel Farm Security
 002126 Property Acquisition
 D10714 Finance Charges to Airport CIP (On-going)