MEMORANDUM

October 19, 2015

To: Supervisor London Breed, Board President

From: Naomi Kelly, City Administrator and Capital Planning Committee Chair

Copy: Members of the Board of Supervisors
      Angela Calvillo, Clerk of the Board
      Capital Planning Committee

Regarding: (1) The San Francisco International Airport’s Supplemental Appropriation (2)
          Calendar Year (CY) 2016 Annual Infrastructure Construction Cost Inflation
          Estimate (AICCIE)

In accordance with Section 3.21 of the Administrative Code, on October 19, 2015, the Capital
Planning Committee (CPC) approved the following action items to be considered by the Board
of Supervisors. The CPC’s recommendations are set forth below.

1. Board File Number: TBD

   Approval of the Supplemental Appropriation Ordinance
   appropriating a total of $473,450,000, consisting of
   $243,000,000 in Airport Capital Plan Bonds, $230,000,000
   of proceeds from Hotel Special Facility Revenue Bonds
   and other long-term financing, and $450,000 of Airport
   Fund Balance to fund the San Francisco International
   Airport Hotel Project

   Recommendation:
   Recommend the Board of Supervisors (BOS) approve the
   Supplemental Appropriation Ordinance.

   Comments:
   The CPC recommends approval of these items by a vote
   of 11-0.

   Committee members or representatives in favor include:
   Naomi Kelly, City Administrator; Conor Johnston, Board
   President’s Office; Kate Howard, Mayor’s Budget
   Director; Nadia Sesay, Controller’s Office; Mohammed
   Nuru, Director, Public Works; Darton Ito, SFMTA;
   Kathryn How, SFPUC; John Rahaim, Director, Planning
   Department; Toks Ajike, Recreation and Parks
   Department; Ivar Satero, San Francisco International
   Airport; and Elaine Forbes, Port of San Francisco.

2. CPC Action Item:

   Adoption of the AICCIE for CY 2016 at 5.0%. This rate
   was determined using a combination of cost inflation data;
   market trends; national, state and local construction cost
   inflation indices; and discussion with local construction
experts. A copy of the analysis is available under the October 19th CPC meeting at http://onesanfrancisco.org/

Action:
The CPC approves adoption of AICCIE at 5.0% for CY 2016.

Comments:
The CPC approves this item by a vote of 11-0.

Committee members or representatives in favor include: Naomi Kelly, City Administrator; Conor Johnston, Board President’s Office; Kate Howard, Mayor’s Budget Director; Nadia Sesay, Controller’s Office; Mohammed Nuru, Director, Public Works; Ed Reiskin, Director, SFMTA; Kathryn How, SFPUC; John Rahaim, Director, Planning Department; Toks Ajike, Recreation and Parks Department; Ivar Satero, San Francisco International Airport; and Elaine Forbes, Port of San Francisco.