

AIRPORT FACILITIES IMPROVEMENTS

The Mission Statement of Houston Airport System (HAS) is to provide a safe and dynamic air services network that fosters economic vitality for the transportation industry and the greater Houston region. As the center of a regional transportation system, by 2020 grow the infrastructure to efficiently, conveniently, and safely support 80 million passengers. Provide seamless passenger and cargo services that are free of obstacles and employ the best of technology in the most environmentally conscious manner.

AIRPORT CAPITAL PLAN

Security issues, terminal renovations, runway rehabilitations and an automated people mover system (APM) dominate the five-year CIP. Design and construction of the in-line baggage security system represents over 18% of the five-year program, Hobby (HOU) terminal expansion represents 15%, the APM represents 12%, while the terminal renovations at IAH represent 10%.

Demand driven Master Plans for HOU and Ellington Field (EFD) were completed in FY2004. An Environmental Impact Statement (EIS) for Runway 17-35 and/or Runway 12L-30R is scheduled in early FY2006 in anticipation of the need to increase runway capacity. The EIS, which could take 3 years to complete, is required prior to the design and construction of any airfield improvement project.

The demand driven Master Plan for Bush Intercontinental Airport (IAH) will be completed by October 2005, with an EIS scheduled for late FY2006 in anticipation of the need for an additional runway. Implementation of projects stemming from the IAH master plan is expected to begin appearing in the FY 2007-2011 CIP. The triggers for new projects, air carrier activity and passenger traffic counts, will be monitored by the Houston Airport System at both HOU and IAH.

These Master Plans serve as a road map to future development and growth for the system. Among the primary sources of new projects for the CIP are these master plans. Projects in the master plans are evaluated annually to determine if demand justifies moving a project from the general 20-year capital improvement plan into the five-year CIP. Since master plan projects are demand driven and not time driven, the annual review of airport statistics, master plan assumptions, and industry performance dictate whether a project should be moved into the capital program. The continuous planning process means that master plan projects may not follow a rigid development schedule once in the five-year CIP.

Highlights of the FY2006-2010 program include:

- In-line baggage screening for HOU and IAH including modifications to the existing buildings and baggage handling systems.

- Three terminal renovations projects: Renovation of Terminal C at IAH, Renovation of Terminal D at IAH and Renovation of the terminal at HOU.
- Extension of the APM from Terminal B to Terminal A. This extension will complete the circuit between all terminals at IAH, allowing the movement of people who have cleared security, to travel between all the terminals at IAH without passing through security again.
- Four runway rehabilitation projects: HOU Runway 12R-30L; HOU Runway 4-22; IAH Runway 9-27; and IAH Runway 15L -33R.

FUNDING FOR HOUSTON AIRPORT SYSTEM CIP

The FY2006-2010 HAS Facilities Improvements Program totals \$874 million and is funded by several sources. Significant funding sources include: \$231 million in revenue bonds; \$358 million in system revenue funds; and \$168 million in grant funding (approved and proposed).

2006-2010 CAPITAL IMPROVEMENT PLAN

CITY OF HOUSTON

| SOURCE OF FUNDS SUMMARY (\$THOUSANDS) | | | | | | | | | |
|---------------------------------------|--------------------------------------|--|------------------------------------|---------------|----------------|----------------|----------------|----------------|------------------|
| Source of Funds | Appropriations through Dec. 31, 2004 | Estimated Appropriations Jan. 1 - June 30 2005 | Fiscal Year Planned Appropriations | | | | | Total | Total |
| | | | 2006 | 2007 | 2008 | 2009 | 2010 | 2006-2010 | |
| Airports Improvement Fund | 212,291 | 44,180 | 104,792 | 74,168 | 72,945 | 44,500 | 58,919 | 355,324 | 611,795 |
| Revenue Bonds/Commercial Paper | 1,151,138 | 13,713 | 230,695 | | | | | 230,695 | 1,395,546 |
| CRC-SFRB | 250 | | | | | | | 0 | 250 |
| FAA/AIP (Federal Funds) | 74,752 | | 12,825 | | 10,228 | | | 23,053 | 97,805 |
| Arpt Syst Comm Pap A, C AMT | 1,050 | | | | 702 | | | 702 | 1,752 |
| Airport Renl & Replacement Fund | 16,247 | 25 | 560 | 1,265 | 470 | 660 | | 2,955 | 19,227 |
| Proposed FEMA | | | 1,500 | | | | | 1,500 | 1,500 |
| Proposed TSA | | | | | 66,234 | 94,784 | | 161,018 | 161,018 |
| Undetermined Funding | | | | | | 5,808 | 93,075 | 98,883 | 98,883 |
| Total | 1,455,728 | 57,918 | 350,372 | 75,433 | 150,579 | 145,752 | 151,994 | 874,130 | 2,387,776 |

Aviation Department Facilities

FY2005 - 2009 CAPITAL IMPROVEMENT PLAN
(\$THOUSANDS)

| CIP NO. | COUNCIL DISTRICT | PROJECT NAME | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | TOTAL FY2005 - 2009 |
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Aviation Department Facilities

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| A-0008 | B | CFR 54 AND 92 EXPANSION AND MODIFICATION - GBIAH | | | 702 C | | | 702C |
| A-0042 | I | AIRSIDE FACILITY REPAIRS - HOU | | 1,830 DC | | 110 DC | | 1,940DC |
| A-0058 | B | AIRPORT DRAINAGE FACILITIES - GBIAH | | | | | 500 D | 500D |
| A-0063 | B | AIRSIDE FACILITY REPAIRS - GBIAH | 5,540 C | 660 DC | | 110 DC | | 6,310DC |
| A-0082 | B | LAND ACQUISITION, NE OF WILL CLAYTON - GBIAH | | | | | 775 A | 775A |
| A-0091 | B | MODIFY/EXPAND CENTRAL PLANT - GBIAH | 22,990 C | | | | 3,700 D | 26,690DC |
| A-0131 | BEI | ASBESTOS ABATEMENT SERVICES - HAS | 4,535 C | | | | | 4,535C |
| A-0138 | BEI | TECHNICAL ENGINEERING SERVICES - HAS | 100 D | 900 D | 250 D | | 250 D | 1,500D |
| A-0141 | I | TERMINAL AND FINISHES - HOU | 129,667 C | | 4,000 D | | | 133,667DC |
| A-0153 | E | AIRSIDE FACILITY REPAIRS - EFD | | 275 C | | | | 275C |
| A-0203 | B | INTERNATIONAL SERVICES EXPANSION PROGRAM - GBIAH | 100 D | 900 C | | | | 1,000DC |
| A-0204 | B | EAST MIDFIELD TAXIWAY - GBIAH | | | | 5,808 D | | 5,808D |

LEGEND: A = ACQUISITION D = DESIGN C = CONSTRUCTION E = EQUIPMENT O = OTHER R = ART

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(\$THOUSANDS)

| CIP NO. | COUNCIL DISTRICT | PROJECT NAME | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | TOTAL FY2005 - 2009 |
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| A-0221 | B | EXPAND AIRPORT SERVICES COMPLEX - GBIAH | | | 11,771 DC | | | 11,771DC |
| A-0310 | I | REFURBISH PARKING GARAGE - HOU | 4,000 C | | | | | 4,000C |
| A-0318 | B | TERMINALS A&B UPGRADES - GBIAH | 340 D | | | | | 340D |
| A-0322 | B | REHABILITATE TERMINAL C - GBIAH | 63,947 C | | | | | 63,947C |
| A-0341 | BEI | VHF RADIO TRUNK SYSTEM - HAS | 850 O | | | | | 850O |
| A-0348 | BEI | MISCELLANEOUS CONSTRUCTION - HAS | 7,500 C | | | | | 7,500C |
| A-0354 | B | PEOPLE MOVER EXTENSION - GBIAH | 8,500 D | | | | 91,510 DC | 100,010DC |
| A-0362 | I | FLEET MAINTENANCE SHOP - HOU | | 131 D | 3,939 C | | | 4,070DC |
| A-0364 | | REPLACE A&G BUILDING - HOBBY | | 250 D | 2,250 C | | | 2,500DC |
| A-0368 | BE | AVIATION PLANNING SERVICES - HAS | | | 200 O | 200 O | 200 O | 600O |
| A-0372 | BEI | ACCESS CONTROL SYSTEM MODIFICATIONS - HAS | 3,842 O | | | | | 3,842O |
| A-0373 | B | LANDSIDE ROADWAY REPAIRS - GBIAH | 110 DC | 110 DC | 110 DC | 110 DC | 65 D | 505DC |

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| A-0383 | I | ROADWAY SIGNAGE IMPROVEMENTS - HOU | | | | | 650 D | 650D |
| A-0389 | E | RUNWAY 17L-35R REHABILITATION - EFD | | | | | 109 D | 109D |
| A-0397 | B | CONSTRUCT T/W "NC" - GBIAH | | | | | 3,816 C | 3,816C |
| A-0411 | I | REROOF ARFF STATION 81 - HOU | | 5 D | 63 C | | | 68DC |
| A-0417 | BEI | IMPLEMENT GIS SYSTEM - HAS | 2,000 O | 2,000 O | 2,000 O | 4,000 O | 4,000 O | 14,000O |
| A-0421 | B | SOUTHEAST QUADRANT LAND ACQUISITION - GBIAH | 1,000 A | | | | 6,655 A | 7,655A |
| A-0422 | BEI | CIVIC ART FOR AVIATION - HAS | 3,514 DC | 352 DC | 1,577 DC | 1,537 C | 1,589 DC | 8,569DC |
| A-0423 | BEI | GENERAL ENVIRONMENTAL SERVICES - HAS | 50 O | 50 O | | | | 100O |
| A-0427 | E | BUILDING REPAIRS - EFD | 310 C | | | | | 310C |
| A-0428 | E | AIRFIELD ELECTRICAL WORK - EFD | 7,900 C | | | | | 7,900C |
| A-0430 | B | NEW HPD FACILITY - GBIAH | | | | | 350 D | 350D |
| A-0434 | B | CONSTRUCTION ACCOUNTING SERVICES - GBIAH | 300 O | | | | | 300O |

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| A-0435 | B | TERMINAL A NEW GATES & TRANSFORMERS - GBIAH | | 1,000 C | | | | 1,000C |
| A-0437 | B | INSTALL AUTOMATED VEHICLE IDENTIFICATION SYSTEMS - GBIAH | | | | | 100 D | 100D |
| A-0438 | I | OVERLAY RUNWAY 12R-30L - HOU | 1,724 D | 15,206 C | | | | 16,930DC |
| A-0439 | I | REPLACE AIRPORT PERIMETER FENCE AND ACCESS CONTROLS - HOU | 9,480 C | | | | | 9,480C |
| A-0441 | E | EXTEND CHALLENGER BOULEVARD - EFD | | | | | 55 D | 55D |
| A-0451 | B | RUNWAY 15L SURFACE CONDITIONING - GBIAH | 18,300 C | | | | | 18,300C |
| A-0461 | B | CONCRETE LINE SOUTH BANK OF GREENS ROAD DITCH - GBIAH | | | 250 D | 2,250 C | | 2,500DC |
| A-0470 | E | MISCELLANEOUS PAVEMENT AND CIVIL WORK - EFD | 13,234 C | | | | | 13,234C |
| A-0475 | BEI | WETLAND MITIGATION AND LAND ACQUISITION - HAS | 550 C | | | | | 550C |
| A-0476 | B | NOISE MITIGATION PROGRAM - GBIAH | 3,801 A | | | | | 3,801A |
| A-0477 | B | INTER-TERMINAL TRAIN (ITT) - GBIAH | 600 D | | 7,200 DC | 22,000 DC | | 29,800DC |
| A-0478 | B | WIDEN AND CONCRETE BOTTOM OF DITCH "N" - GBIAH | | | | | 600 D | 600D |

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| A-0479 | B | INNOVATIVE ENVIRONMENTAL TECHNOLOGIES - GBIAH | 900 D | | | | | 900D |
| A-0481 | B | ROADWAY SIGNAGE - GBIAH | | | | | 400 D | 400D |
| A-0482 | B | INTERIOR SIGNAGE - GBIAH | | | | | 400 D | 400D |
| A-0483 | B | TERMINAL D REMODELING - GBIAH | 3,182 DC | 21,634 C | | | | 24,816DC |
| A-0486 | B | SECURITY ENHANCEMENTS - GBIAH | 9,049 C | | 75,207 DCO | 93,247 CO | | 177,503DCO |
| A-0487 | B | TWO - LANE ROAD LEE ROAD, KENSWICK/VOLTA DRIVE - GBIAH | | 2,085 C | | | | 2,085C |
| A-0492 | B | EMPLOYEE PARKING LOT - GBIAH | | 1,000 D | 10,000 C | | | 11,000DC |
| A-0493 | E | TAXIWAY AND RAMP PAVEMENT - EFD | | | 10,700 C | | | 10,700C |
| A-0494 | BEI | BUILDING PROTECTION ENHANCEMENTS - HAS | | 110 D | 1,100 C | | | 1,210DC |
| A-0495 | B | ALTERNATIVE POWER SUPPLY FOR CRITICAL SYSTEMS - HAS | 122 D | 1,220 C | | | | 1,342DC |
| A-0496 | BEI | INDEPENDENT PEER REVIEW - HAS | | 750 O | | | | 750O |
| A-0500 | B | FIRE ALARM SYSTEM INTEGRATION - GBIAH | 1,950 O | | | | | 1,950O |

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| A-0503 | B | FUEL FARM STORAGE FACILITY IMPROVEMENTS - GBIAH | | 725 D | 4,650 C | | | 5,375DC |
| A-0504 | I | LANDSIDE FACILITY REPAIRS - HOU | 110 DC | 110 DC | 110 DC | 110 DC | | 440DC |
| A-0505 | I | IMPROVE TRAFFIC MOVEMENT ALONG AIRPORT BOULEVARD - HOU | | | | | 3,120 DC | 3,120DC |
| A-0506 | I | LOW PRESSURE BOILERS - HOU | | | 500 D | 5,000 C | | 5,500DC |
| A-0509 | B | LANDSIDE ROADWAY REPAIRS - GBIAH | | 10,840 C | | 110 DC | | 10,950DC |
| A-0510 | B | NEW GT STAGING AREA - GBIAH | 200 D | 2,500 C | | | | 2,700DC |
| A-0511 | B | AIRPORT NOISE MONITORING PROGRAM - GBIAH | 2,000 D | | | | | 2,000D |
| A-0512 | B | MODIFICATIONS TO THE GIS BUILDING - GBIAH | | | | | 700 O | 700O |
| A-0514 | B | REHABILITATION OF RUNWAY 9-27 - GBIAH | 1,469 D | | 14,000 C | | | 15,469DC |
| A-0519 | I | LANDSIDE ROADWAY IMPROVEMENTS - HOU | | | | 110 DC | | 110DC |
| A-0522 | B | DRAINAGE MASTER PLAN - GBIAH | 1,300 O | | | | | 1,300O |
| A-0523 | B | TRACON SITE SUPPORT - GBIAH | | 5,000 DC | | | | 5,000DC |

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| A-0524 | B | WILL CLAYTON BLVD FLOOD CONTROL PROJECT - GBIAH | | | | | 125 D | 125D |
| A-0525 | B | IAH PUBLIC SAFETY OFFICES - GBIAH | | 750 D | | | 4,250 C | 5,000DC |
| A-0526 | I | RUNWAY 17-35 EXTENSION - HOU | 3,000 O | | | 3,500 D | | 6,500DO |
| A-0527 | I | NORTHWEST AIRFIELD RECONFIGURATION (RUNWAY 17, 12R, 12L) - HOU | | | | | 2,625 D | 2,625D |
| A-0528 | I | LAND ACQUISITION FOR FUTURE EXPANSION - HOU | 3,000 A | | | | 22,000 A | 25,000A |
| A-0529 | I | DRAINAGE MASTER PLAN - HOU | 900 O | | | | | 900O |
| A-0532 | I | CONSTRUCTION OF ELLINGTON FIELD BYPASS - EFD | | | | | 900 D | 900D |
| A-0533 | I | DRAINAGE MASTER PLAN - EFD | 200 O | | | | | 200O |
| A-0536 | BEI | REPLACEMENT OF JETWAYS - HAS | 1,200 O | | | 7,400 O | | 8,600O |
| A-0537 | B | INSTALLATION OF BOLLARDS - GBIAH | 50 D | 450 C | | | | 500DC |
| A-0538 | B | SECURITY BREACH CONTAINMENT - GBIAH | 200 D | 1,800 C | | | | 2,000DC |

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| A-0540 | B | ENVIRONMENTAL IMPACT STUDY - GBIAH | 5,000 O | | | | | 5,000O |
| A-0541 | BEI | SECONDARY CONTAINMENT OPERATIONS - HAS | | 1,800 C | | | | 1,800C |
| A-0542 | I | RUNWAY 4-22 RECONSTRUCTION - HOU | | | | | 1,200 D | 1,200D |
| A-0543 | I | SECURITY UPGRADES AT HOBBY - HOU | 1,646 DC | | | | | 1,646DC |
| A-0544 | E | EAST WEST TAXI LANE - EFD | | | | 150 D | 1,350 C | 1,500DC |
| A-0545 | B | CITY ECONOMY LOT COVERED PARKING - GBIAH | 110 D | 990 C | | | | 1,100DC |

TOTAL PLAN:

| | | | | | | | | |
|--|--|--|---------|--------|---------|---------|---------|---------|
| | | | 350,372 | 75,433 | 150,579 | 145,752 | 151,994 | 874,130 |
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