



# Public-Private Partnership Luis Muñoz Marín International Airport

Selection of Preferred Bidder  
July 19, 2012



# Overview of Process Timeline

June 2010

**Publication of the Desirability and Convenience Study**

July 5, 2011

**Issuance of the Request for Qualifications (“RFQ”)** :  
Open to investors, and published to the local and international press

Sept. 23, 2011

**Announcement of six (6) qualified proponents** (in alphabetical order):  
Fraport / Goldman Sachs; GAA (Macquarie / Ferrovial); GMR and Incheon Airport; Highstar Capital / ASUR; Puerto Rico Gateway Group; Flughafen Zurich AG

October 10, 2011

**Issuance of the Request for Proposals (“RFP”) to qualified proponents**

November 2011

**Proponent briefing sessions and site visits**

March 15, 2012

**Receipt of indicative bids from qualified proponents**

May 22, 2012

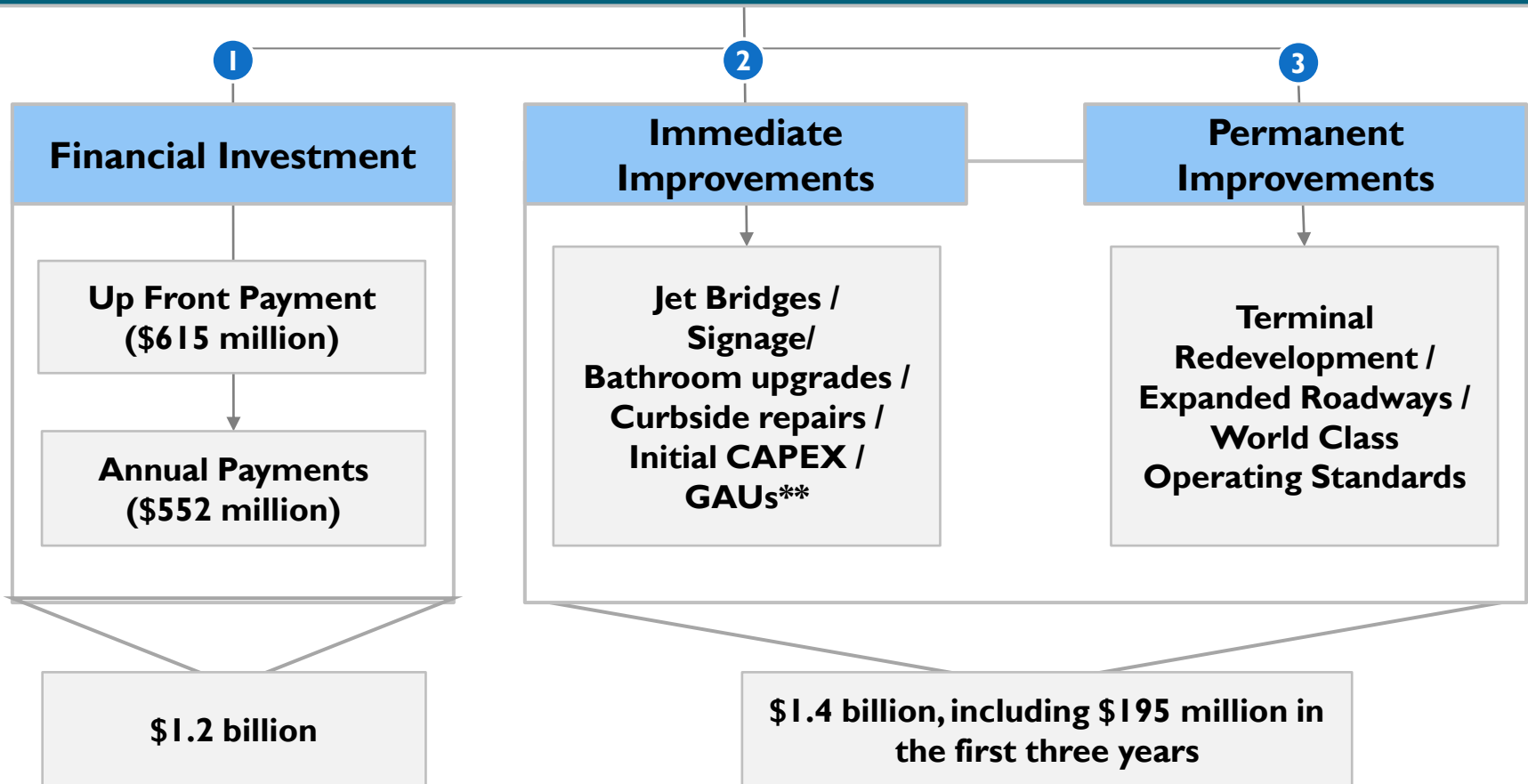
**Approval of shortlisted proponents** (in alphabetical order) :  
GAA (Macquarie / Ferrovial) and Aerostar (Highstar Capital and ASUR)

July 10 / 16, 2012

**Receipt of proposals and best and final bids from two (2) shortlisted proponents**

# First Ever U.S. Airport Investment of its Kind

## TOTAL VALUE = \$2.6 billion\*



\* Approximately \$1.9 billion of the total value constitutes private sector investment.

\*\* GAUs = General Accelerated Upgrades (as indicated in Schedule 13 of Lease Agreement).

# Proposal Evaluation Criteria

Pass/Fail Criteria	Description
<b>Completeness of Proposal</b>	<ul style="list-style-type: none"> <li>• Certification Form</li> <li>• Letters of Credit</li> <li>• Any other material information</li> </ul>
<b>Financial, technical and professional reputation</b>	<ul style="list-style-type: none"> <li>• Financial Strength</li> <li>• No current pending material claims</li> <li>• Technical and Professional Capabilities</li> </ul>
<b>Financing Plan evaluation</b>	<ul style="list-style-type: none"> <li>• Capital structure (equity/debt)</li> <li>• Annual breakdown of net income, WACC and Internal Rate of Return ("IRR")</li> <li>• Timeline schedule for financing from proposal date to financial close.</li> </ul>
<b>Operating Plan evaluation</b>	<ul style="list-style-type: none"> <li>• Description of Operating Plan (operating, maintenance and capital improvements)</li> <li>• Management structure</li> <li>• Key Personnel's background</li> </ul>
<b>Airport Growth Plan evaluation</b>	<ul style="list-style-type: none"> <li>• Plan for increasing traffic and route development</li> <li>• Customer Service</li> <li>• Airlines relationships and development</li> </ul>
Graded Criterion	Description
<b>Offer of Leasehold Fee</b>	<ul style="list-style-type: none"> <li>• Amount to pay at Financial Close</li> </ul>

# Operations Plan

<b>Highlights</b>	<b>Description</b>
<b>Management Structure</b>	<ul style="list-style-type: none"><li>— Experienced transition management team</li><li>— General management structure (CEO, CFO, COO and CCO) focused on implementing a cultural, entrepreneurial, and industry knowledge change among the airport workforce</li></ul>
<b>Staffing</b>	<ul style="list-style-type: none"><li>— Expects to interview all current LMM employees who apply for positions</li><li>— Provide a wide range of training sessions to all personnel</li></ul>
<b>Proposed improvements plan</b>	<ul style="list-style-type: none"><li>— Proponent will comply with General Accelerated Upgrades (“GAU”) as required by Lease Agreement</li><li>— Significant increase in concession, ticketing and circulation space</li><li>— Proponent plans to overhaul all elevators and escalators</li><li>— Expanded roadways, curbsides, roadway canopies and pedestrian walkways</li></ul>

# Airport Growth Plan

Highlights	Description
<b>Route Development and Marketing</b>	<ul style="list-style-type: none"><li>— Identified potential new routes where frequency can be increased, including Latin America, the Caribbean, Europe and the mainland U.S.</li><li>— Intends to coordinate and work along side tourism stakeholders (i.e.: tourism authority, hotels, travel agencies, etc.) to help market Puerto Rico</li></ul>
<b>Non-aero and Commercial Retail Development</b>	<ul style="list-style-type: none"><li>— Increase the mix and quality of retail and food &amp; beverage outlets</li><li>— Grow cargo operations at the Airport</li></ul>
<b>Customer Service</b>	<ul style="list-style-type: none"><li>— Enhance customer experience and reduce waiting times by:<ul style="list-style-type: none"><li>▪ Updating terminal facilities</li><li>▪ Increase airline check-in facilities</li><li>▪ Expand the number of security check-in lanes</li></ul></li><li>— Provide customer service training to all tenant/concessionaire employees in order to ensure high quality customer service</li><li>— Enhanced other passenger services including WiFi , way-finding and cruise passengers</li></ul>
<b>Safety</b>	<ul style="list-style-type: none"><li>— Installing technology in parking garage</li><li>— New Airport Security Plan (ASP)</li><li>— Work along side local police and government agencies</li></ul>

# Airline Participation

***“The airlines serving Luis Muñoz Marín International Airport are excited about this next phase in the Public Private Partnership process, and congratulate Aerostar Airport Holdings on their winning proposal. We look forward to working collaboratively with them to develop the Airport into a world-class facility that will support the airlines in offering exceptional customer service in a cost effective way. In turn, a better Airport will contribute to the Puerto Rican economy by creating new jobs, strengthening tourism and enhancing connections with the world.”***

***-Kevin Costello***

***Chairperson of the San Juan Airport Airline Affairs Committee and Director of Properties & Airport Affairs for JetBlue Airways***

# Partnerships Are Progress

*A new partnership for the future of infrastructure*





**Information available at [www.p3.gov.pr](http://www.p3.gov.pr):**

- ▶ Partnership Committee Report
- ▶ RFQ Shortlist Report
- ▶ Notarial Certificates regarding the receipt of proposals
- ▶ Lease Agreement
- ▶ Use Agreement
- ▶ Agreements Schedules
- ▶ Operating Standards
- ▶ Transaction background presentation
- ▶ Press releases
- ▶ Final bid presentation
- ▶ Presentation by Aerostar Airport Holdings