

AGENDA



Recommendation for Council Action (CMD)

Austin City Council	Item ID:	36918	Agenda Number	9.
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Meeting Date:	October 23, 2014
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Department:	Contract Management
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Subject

Authorize negotiation and execution of a construction manager-at-risk contract with HENSEL PHELPS CONSTRUCTION COMPANY for the Austin-Bergstrom International Airport terminal/apron expansion and improvements project in preconstruction phase services for the amount of \$1,720,000 with \$86,000 contingency for a total contract amount not to exceed \$1,806,000.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Capital Budget of the Department of Aviation.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	Best Value to the City of Austin of three Statements of Qualifications received.
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Prior Council Action:	February 13, 2014 – authorized the use of the Construction Manager-at-Risk contracting method in accordance with Texas Government Code Section 2269, Subchapter F.
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For More Information:	Robin Camp, 512-974-7830; Janice White, 512-530-6388; Lynda Williams, 512-974-3066; Elizabeth Godfrey, 512-974-7141
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Boards and Commission Action:	October 14, 2014 - Approved by a 4-0-1 vote by the Austin Airport Advisory Commission with Commissioner Murphy abstaining from the vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with 49 CFR Part 26, Disadvantaged Business Enterprise Program (DBE) by meeting the DBE Goal of 9.63% for the preconstruction phase services. Prior to entering into the construction phase, the City will establish DBE goals for construction and the Construction Manager-at-Risk will submit a compliance plan meeting the construction goals or documentation detailing their Good Faith Efforts to meet the established goals.
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Additional Backup Information

Recent growth patterns have suggested that Austin-Bergstrom International Airport (ABIA) will need additional space for passengers utilizing both the terminal, and aircraft parking at the terminal gates, as soon as 2015. Currently, ABIA has 24 contact gates which have boarding bridges that service airplanes parked at each gate. The terminal is nearing its service capacity of 11 million total passengers.

In keeping with the recommendations in both the 2003 and 2008 Master Plan and Master Plan Phasing Projects, respectively, this project expands the existing terminal to the east. This expansion will “balance” the terminal and provide much needed space for the ever-expanding passenger and aircraft operational numbers. The terminal addition will be able to accommodate approximately 4 million additional passengers per year for a total of 15 million annual passengers – an increase of 27% that will provide a passenger level of service through 2025.

The Construction Manager-At-Risk (CMR) method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a CMR to perform preconstruction and construction phase services.

Following Council authorization, the City will negotiate and execute a contract with Hensel Phelps Construction Company for preconstruction phase services for an amount not to exceed \$1,806,000. Hensel Phelps will collaborate with the City and the design firm throughout the design development to include constructability and scope reviews for optimal design; control of costs; preparation of budgets and schedules; construction trade outreach; and procurement of construction.

Preconstruction phase services (concurrently with design) is anticipated to extend until mid-late summer of 2015, at which time the construction manager will be expected to propose a guaranteed maximum price (GMP) proposal for the first phase of construction. It has not yet been determined the number of phases or GMP proposals for construction. Completion of all work is anticipated to be mid-2018.

This RCA is to request funding authorization in the amount of \$1,720,000 for preconstruction phase services plus \$86,000 owner contingency.

The top-ranked CMR firm was selected by a City-staffed review panel that evaluated and scored proposals based on published evaluation criteria to determine the highest ranked proposer. The City selected the CMR firm that will provide the “best value” to the City for preconstruction and construction services for the project in accordance with Government Code 2269.

The DBE participation goal stated in the solicitation was 9.63%. The top-ranked CMR firm provided a DBE compliance plan that met the goal of the solicitation and was approved by the Small and Minority Business Resources Department.

Notification of issuance of a Request for Qualifications (RFQ) for the Construction Manager-at-Risk contract was sent to 296 firms on May 19, 2014. The RFQ was obtained by 129 firms; three firms submitted statements of qualifications. None of the firms were certified MBE /WBE firms. All three firms were evaluated and two firms were short-listed and asked to provide proposals. Proposals were evaluated and both shortlisted firms were interviewed. Interviews resulted in the following ranking:

TOP RANKED FIRM: Hensel Phelps Construction Company, Austin, Texas

SECOND RANKED FIRM: Austin Commercial, Austin, Texas

Additional subcontracting opportunities will also arise during the construction phase of this project; however, the

specific scopes and magnitude of the construction work cannot be determined until design has been sufficiently completed. Prior to entering into the construction phase, the City will establish DBE goals for construction and the CMR firm will submit a compliance plan meeting the construction goals or documentation detailing their Good Faith Efforts to meet the established goals.

Hensel Phelps Construction Company is located in Austin, Texas.