

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting: November 9, 2017

Item Number: 007

## Capital Contracting Office

Authorize the use of the construction manager-at-risk method of contracting in accordance with the Texas Government Code Chapter 2269, for the construction of the Information Technology Building at the Austin-Bergstrom International Airport. (Note: MBE/WBE goals will be established prior to issuance of this solicitation.).

District(s) Affected: District 2

<b>Fiscal Note</b>	This action will have no fiscal impact.
<b>Purchasing Language</b>	This request is for Council to authorize the use of the Construction Manager-at-Risk delivery method; therefore, no solicitation has yet been initiated.
<b>For More Information</b>	<p>Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a>.</p> <p>NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.</p>
<b>Council Committee, Boards and Commission Action</b>	October 10, 2017 - Recommended by the Airport Advisory Commission on a vote of 9-0-0-2 with Commission Members Michael Watry and Nadia Barrera-Ramirez absent.

**Additional Backup Information:**

State Statute governs construction procurement for municipalities. The standard method of contracting used for construction services is competitive bidding where the contract is awarded to the lowest responsible bidder. Texas Government Code Chapter 2269 allows for methodologies alternate to low bidding method which may provide the best value to the municipality. These alternate methodologies include: Competitive Sealed proposals, Construction Manager- at-Risk, Design-Build, and Job Order Contracting. Texas Local Government Code Section 252.022(d) allows the City to adopt and use an alternative method such as Construction Manager-at-Risk under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

The Construction Manager-At-Risk method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a Construction Manager-at-Risk to perform preconstruction and construction phase services. The role of the Construction Manager-At-Risk goes beyond performing general contractor services. The Construction Manager is under contract early in the design process to perform key preconstruction phase services such as collaborating with the City and the design team on scope and constructability and to optimize the design and control costs and budgets, and to provide quality assurance-quality control. After design, and before the Construction Manager-At-Risk begins construction, the City will negotiate and execute a Guaranteed Maximum Price for the remainder of the work, including actual construction.

A Construction Manager-at-Risk firm will be selected by a City-staffed evaluation panel that will evaluate and score proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code 2269, the City of Austin will select a Construction Manager-at-Risk firm that will provide the “best value” to the City for preconstruction and construction services for the Project.

The original Information Technology Building at Austin Bergstrom International Airport was constructed by the Air Force in 1952. In order to provide an up-to-date and expanded facility to allow for at least 20 years of growth, a new Information Technology Building is planned. Currently, the site of the new building is next to the existing Information Technology facility and this project may include partial demolition and renovation of the existing building. The new Information Technology building will be the primary location of the Airport's Data Center.

The security and technical requirements of the project, along with the required timeline to start the work, makes the use of Construction Manager-At-Risk the most suitable delivery method. The estimated project cost is \$30,000,000. It is anticipated that construction will begin in Fiscal Year 2020.

This item is not time sensitive, however a delay in authorizing the use of this method would mean a delay to the issuance of this solicitation.

The solicitation and evaluation process is approximately six months. Staff will return to Council for contract approval once the solicitation and evaluation process is complete.