

## AGENDA

**Recommendation for Council Action****AUSTIN CITY COUNCIL****Regular Meeting: November 29, 2018**Item Number: **005****Capital Contracting Office**

Authorize negotiation and execution of a design build agreement with SpawGlass Contractors, Inc., for design and construction services for the Austin Convention Center Warehouse and Marshalling Yard project in an amount not to exceed \$40,000,000. [Note: This contract will be awarded in compliance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 20.00% MBE and 17.80% WBE participation.]

**District(s) Affected:** District 3

<b>Lead Department</b>	Austin Convention Center  <b><u>Managing Department(s)</u></b> Public Works Department
<b>Fiscal Note</b>	Funding in the amount of \$37,095,404 is available in the Fiscal Year 2018 - 2019 Capital Budget of the Austin Convention Center Department. Funding in the amount of \$2,904,596 is available in the Convention Center Capital Fund of the Austin Convention Center Department.
<b>Purchasing Language</b>	Best Value to the City of Austin of seven offers received.
<b>Prior Council Action</b>	June 22, 2017- City Council authorized use of Alternative Delivery Method. April 20, 2017 - City Council authorized the purchase of 41.167 acres of land.
<b>For More Information</b>	Inquiries should be directed to the City Manager's Agenda Office, at

	<p>512-974-2991 or AgendaOffice@austintexas.gov.</p> <p>NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Aiden Cohen, 512-974-1929, or the Project Manager, Alison Von Stein, 512-974-7217.</p>
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### **Additional Backup Information:**

The Austin Convention Center Department hosts over 300 events per year at two locations: the Austin Convention Center in downtown Austin and the Palmer Events Center adjacent to Lady Bird Lake.

The existing Austin Convention Center marshalling and loading yard accessible through Red River Street is increasingly inadequate due to the intensified activity with the new Fairmont Hotel at the North East corner of Cesar Chavez and Red River streets and the high number of events, festivals, and construction projects requesting road closures in Downtown Austin. The Austin Convention Center Department currently manages the queuing and staging area for truck traffic awaiting access to the facility by idling the trucks on Red River Street. The added complexity of managing truck and vehicular traffic on Red River Street while staging move-in and move-out of events, and the limited area currently available at the Austin Convention Center yard, prompted the Austin Convention Center Department to look for a more feasible alternative to conduct event logistics and optimize the operations and public safety in this area of downtown.

The proposed Warehouse and Marshalling Yard entails the planned construction of an approximately 30,000 gross square foot mixed use building containing warehouse and office space, the construction of truck and passenger vehicle parking, Americans with Disabilities Act accessible routes, coordination with adjacent property owners, and connections to existing utilities.

With the limited service capacity in the Austin Convention Center service yard, the department developed a long-term strategy to enhance facility coordination and operational efficiency impacting traffic corridors in the area. As a result, the Austin Convention Center Department, with the assistance of the Office of Real Estate Services, identified a suitable site to streamline event logistics, optimize operational efficiency and increase public safety in the adjacent area of downtown.

On April 20, 2017, Council approved the acquisition of 41.167 acres of land located at 838, 840 and 904 S. U.S. Highway 183 in Austin, Travis County, Texas for purpose of building a mixed-use warehouse and marshalling yard facility for Austin Convention Center Department operational needs. The location and size of the site allows for mitigation of current and future Austin Convention Center service yard issues.

Page 36 of the Fiscal Year 2019 CIP Plan provided to Council included the Austin Convention Center Department's spending plan for the Warehouse and Marshalling Yard totaling \$36.2 million, reflected in the Warehouse and Marshalling Yard Phase I project (\$18.3 million) and the Convention Center Improvements project (\$17.9 million in FY 2022-2023).

The Fiscal Year 2019 CIP Plan can be accessed at:

[<https://assets.austintexas.gov/budget/18-19/downloads/fy\\_19\\_5\\_year\\_cip\\_plan\\_final.pdf>](https://assets.austintexas.gov/budget/18-19/downloads/fy_19_5_year_cip_plan_final.pdf)

The Fiscal Year 2019 - Fiscal Year 2023 Financial Forecast presentation to Council highlighted the project spending related to the Warehouse and Marshalling Yard project. The CIP spending on slide 38 includes the amounts contained in the Fiscal Year 2019 CIP Plan.

The Fiscal Year 2019 - Fiscal Year 2023 Financial Forecast can be accessed at:

[<https://assets.austintexas.gov/budget/18-19/downloads/FY19\\_Forecast\\_Presentation.pdf>](https://assets.austintexas.gov/budget/18-19/downloads/FY19_Forecast_Presentation.pdf)

On June 22, 2017, Council authorized the use of a design-build project delivery method in accordance with Texas Government Code Section 2269, Subchapter G; by which a governmental entity contracts with a single entity to provide both design and construction services for the Austin Convention Center Warehouse and Marshalling Yard project.

Design-build is a method of construction procurement under which design and construction services are contracted through one entity, either a joint venture between a design consultant and a constructor or from a single entity with both capabilities.

The design-build contract is recommended for award to the Design-Builder providing the best value to the City, as established through a qualifications-based selection process. A design-build solicitation is a 2-Step Process consisting of Request for Qualifications and Request for Additional Information. A diverse City-staffed Evaluation Panel comprised of technical experts, reviews, scores, and shortlists Design-Builder firms, the result of which is the selection of the highest-ranked firm. Council's authorization is requested to negotiate and execute an agreement with the highest ranked firm to begin design phase services. MBE/WBE goals are initially established for the design phase services only. When design is sufficiently complete and prior to Construction Phase, MBE/WBE goals are established based on identified construction trades.

The Austin Convention Center is requesting Council authorization to negotiate and execute the design-build contract for preliminary, design, and construction phase services for this project. The preliminary and design phase includes schematic design, design development, construction documents, constructability reviews, value engineering, cost estimating, scheduling, development of a safety program, quality assurance, site security, environmental protection plans, permitting, pre-construction services, MBE/WBE subcontractor outreach and all other services associated with the development of work packages for construction phase services.

With Council's authorization of this request, staff will negotiate with the highest ranked firm that offers the best value to the City on the basis of published selection criteria. Should the City be unsuccessful in negotiating a satisfactory agreement for services with the top ranked firm, said firm will be notified in writing that negotiations will cease.

The contract allows until December 2020 for completion of this project. This project is located within zip code 78741, District 3. The project will be managed by the Public Works Department.

SpawGlass Contractors, Inc. is located in Austin, Texas.