



Recommendation for Action

File #: 22-1274, Agenda Item #: 8.

3/3/2022

**Posting Language**

Authorize negotiation and execution of an amendment to the design-build agreement with The Whiting-Turner Construction Company, for construction services for the Existing Terminal Centralized Baggage Handling System Upgrades project in an amount of \$157,055,614, for a total contract amount not to exceed \$173,113,614.

[Note: This amendment will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) and 49 CFR Part 26 (Disadvantaged Business Enterprise Program). Current participation to date is 26.96% DBE.]

**Lead Department**

Financial Services Department.

**Managing Department**

Public Works Department.

**Fiscal Note**

Funding is available in the Fiscal Year 2021-2022 Capital Budget of the Department of Aviation.

**Purchasing Language:**

Original contract was awarded through a qualifications-based selection process.

**Prior Council Action:**

June 20, 2019 - City Council authorized use of Design-Build methodology.

October 19, 2019 - City Council authorized negotiation and execution of a Design-Build agreement not to exceed \$16,000,000.

**For More Information:**

Inquiries can be directed to Rolando Fernandez, 512-974-7749, Beverly Mendez, 512,974-3596, or Project Managers, Joseph Medici, 512-974-7274, and Rohini Kumarage, 512-530-7547.

**Council Committee, Boards and Commission Action:**

February 8th, 2022 - Recommended by the Airport Advisory Committee on an 8-0-1-1 vote. Vice Chair Madole abstained. Commissioner Coon was absent.

**Additional Backup Information:**

A vital infrastructure to the airport, the project provides for a new centralized baggage handling system (BHS) that will improve airport flow of baggage and passengers, support the Transportation Security Administration's efficiency, and future growth of the airport. This contract allows Department of Aviation staff to work with a

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highly qualified design and construction team to explore design alternatives, costs, locations, construction schedule of a long-term reconfiguration and replacement of the BHS included in the 2040 AUS Masterplan and future operational requirements. Council's prior authorization of \$16,000,000 was an estimate to implement short-term upgrades to the system, consider alternatives to bridge the gap in BHS performance over the past few years and recommend acceleration of certain masterplan projects. Council's approval provided for preliminary and design phase services including 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.

The initial long term project estimate of \$94,000,000 considered an immediate and long-term solution for the equipment improvements to the baggage handling system. Results derived from preliminary design, an optimization study and recommendations from the BHS equipment manufacturer provided a more accurate cost estimate for the project including infrastructure improvements and a building expansion.

The new cost estimate of \$157,055,614 will allow completion of the design and construction of the full BHS for AUS to construct a solution that meets the demand of 30 million annual passengers. Disadvantage Business Enterprise subcontractor outreach and all other services associated with the development of work packages for construction phase services and negotiation of the guaranteed maximum price will be completed in 2022. Design Builder will continue to hold community involvement and outreach throughout the construction phase for an estimated project completion in summer 2024.

This amendment has been approved by the City's Change Control Committee. The Change Control Committee was established to comply with Council Resolution No. 20120126-048, which required the establishment of consistent criteria and process to evaluate contractual changes for all contracts administered by the Financial Services Department. The Change Control Committee is comprised of management-level subject matter experts.

Whiting-Turner Contracting Co. is located in Austin, TX.

**Strategic Outcome(s):**

Mobility.