

**AGENDA**



**Recommendation for Council Action (CMD)**

Austin City Council

Item ID:

46350

Agenda Number

15.

Meeting Date:

June 18, 2015

Department:

Contract Management

**Subject**

Authorize negotiation and execution of a design-build agreement with SPAWGLASS CONTRACTORS, INC. for the Animal Center Kennel Additions and Campus Infrastructure Improvements Project for preliminary and design phase services in an amount not to exceed \$800,000.

**Amount and Source of Funding**

Funding in the amount of \$675,000 is available in Fiscal Year 2014-2015 of the Capital Budget of Animal Services Office and funding in the amount of \$125,000 is available in Fiscal Year 2014-2015 of the Capital Budget Health and Human Services Department.

**Fiscal Note**

A fiscal note is attached.

**Purchasing Language:**

Best value to the City of Austin of three Statements of Qualification received and evaluated through the City's qualifications-based selection process.

**Prior Council Action:**

December 11, 2014 - Council authorized use of the Design-Build delivery method.

**For More Information:**

Kalpana Sutaria, 512-974-7225; Rolando Fernandez, 512-974-7749; Vincent LeMond, 512-974-5632; Elizabeth Godfrey, 512-974-7141.

**Boards and Commission Action:**

June 1, 2015 – Approved by the Health and Human Services Council Committee with Council Member Garza absent  
June 10, 2015 - Reviewed by the Animal Advisory Commission.

**Related Items:**

**MBE / WBE:**

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 33.20% MBE and 15.80% WBE participation.

**Additional Backup Information**

On December 11, 2014, Council authorized the use of a design-build project delivery method in accordance with Texas Government Code Chapter 2269, subchapter G; by which a governmental entity contracts with a single entity to provide both design and construction services for the Animal Center Kennel Addition and Campus Infrastructure project.

Design-build is a project delivery method where a single firm or joint venture is hired to provide both design and construction services. Design-build is best for large complex projects with schedule constraints. There tends to be fewer change orders during construction when a single legal entity is responsible for both design and construction services. The City primarily uses this process for facility work or improvements to real property.

The Design-build contract is recommended for award to the Design-builder providing the best value to the City, as established through a qualification based selection process. A design-build solicitation is a 2-step process consisting of Request for Qualifications (step 1) and Request for Additional Information and Interviews (step 2). A diverse City-staffed Evaluation Panel comprised of technical experts, reviews, scores, and shortlists design-builders during step 1 who are then eligible to proceed to step 2. Completion of steps 1 and 2 result in the selection of the highest-ranked design-builder.

Council's authorization is requested to negotiate and execute an agreement with the highest ranked design-builder 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 design-builder submits a Guaranteed Maximum Price Proposal for the Construction Phase and staff requests Council's approval to negotiate and execute a Guaranteed Maximum Price Proposal Amendment. Once that Amendment is executed, construction can begin.

The Austin Animal Center is running at its full capacity. The Town Lake Animal Center, which provided overflow spaces, has failed health inspections administered by the Department of State Health Services and it is financially impractical to bring the facility into compliance with existing State health rules and regulations. With the City's "no-kill" ordinance and lack of overflow space, there is an urgency to procure design and construction services to complete this project as soon as possible. The Austin Animal Center is located at the Health and Human Services Department campus along with other Health and Human Services Department offices. This campus was purchased from the State in 2000, which housed Texas School for the Deaf from the late 1950s to 2000. Four buildings were renovated and are currently used for Health and Human Services Department offices.

This project consists of several new kennel buildings to add kennel spaces, associated parking for the Animal Center and Campus buildings, Loop Road reconstruction, storm drainage to alleviate flooding issues around the campus, landscaping, and an irrigation system as required by site permit and way-finding signage. The kennel buildings will be similar in design to the existing kennel buildings at the Austin Animal Center campus and will continue with the Health and Human Services Department and Austin Animal Center Campus Vision plan.

The design-build method is the most effective delivery method for meeting such schedule constraints within the project budget as each phase (design and construction services) is carefully negotiated. The City advertised a Request for Qualifications that included selection criteria, a design criteria manual, and other required information. A City-staffed evaluation panel has reviewed the proposed statements of qualification and scored them in accordance with the evaluation criteria to determine the highest ranked proposer offering the best value to the City.

The Animal Services Office and the Health and Human Services Department are requesting Council authorization to negotiate and execute the design-build contract for preliminary and design 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 preliminary phase services with the top ranked firm, said firm will be notified in writing that negotiations will cease. Pursuant to statute, staff will then proceed to negotiate with the next firm in the order of selection ranking, returning to Council prior to contract execution.

Prior to Construction Phase Services, staff intends to return to Council with a recommendation to negotiate and execute a contract amendment(s) for the construction phase services when design is sufficiently complete.

The estimated total design-build budget is approximately \$5,900,000 (inclusive of full design and construction services and contingency).

Participation goals stated in the solicitation for design phase services were 1.90% African American; 9.00% Hispanic; 4.90% Native/Asian America; and 15.80% WBE. The recommended firm and alternate firm provided MBE /WBE Compliance Plans, which met the goals of the solicitation, and were approved by the Small and Minority Business Resources Department.

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 separate MBE /WBE goals for construction and the design-build firm shall submit a Compliance Plan meeting the construction goals or documentation detailing their good faith efforts to meet the established goals for approval by the Small and Minority Business Resources Department.

This Request for Qualifications solicitation was issued on February 16, 2015 through the City's Vendor Connection web portal, which resulted in 2,486 firms receiving notice. The solicitation documents were obtained by 109 firms and three firms submitted responses. One of the firms was a certified MBE /WBE firm. Of the firms evaluated, two firms were short-listed and interviewed which resulted in the following ranking:

**RECOMMENDED FIRM:** SpawGlass Contractors, Inc., is located in Austin, Texas

**ALTERNATE FIRM:** Solis Constructors, Inc., is located in Austin, Texas