

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**

**Regular Meeting: November 15, 2018**

Item Number: **003**

**Capital Contracting Office**

Authorize additional funding in the amount of \$15,000,000 for the Austin Bergstrom International Airport Parking Garage and Administration Offices Construction Manager-At-Risk contract with Austin Commercial, LP for a revised contractual Construction Cost Limitation not to exceed amount of \$236,200,000.

**District(s) Affected:** District 2

<b>Lead Department</b>	Capital Contracting Office.  <b><u>Managing Department(s)</u></b> Aviation Department
<b>Fiscal Note</b>	Funding in the amount of \$15,000,000 is available in the Fiscal Year 2018-2019 Capital Budget of the Aviation Department.
<b>Purchasing Language</b>	Original contract was awarded through a best value evaluation process.
<b>Prior Council Action</b>	<p>March 23, 2017 - Council approved the Construction Cost Limitation and guaranteed maximum price for the ABIA Parking Garage and Administration Offices.</p> <p>May 19, 2016 - Council authorized the negotiation and execution of a Construction Manager-At-Risk agreement.</p> <p>February 26, 2015 - Council authorized use of Construction Manager-At-Risk Alternative Delivery Method.</p>
<b>For More Information</b>	Inquiries should be directed to the City Manager’s Agenda Office, at

	512-974-2991 or AgendaOffice@austintexas.gov.  NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.
<b>Council Committee, Boards and Commission Action</b>	October 9, 2018 - Recommended by the Airport Advisory Commission on a 9-0-0-2 vote, with Commissioners Walewski and Owens absent.

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**Additional Backup Information:**

On February, 26, 2015, the Construction Manager-At-Risk method of contracting was approved by Council for the ABIA Parking Garage and Administration Offices project (the "Project").

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.

In May 2016, Council authorized the negotiation and execution of a Construction Manager-At-Risk agreement with Austin Commercial, LP for the preconstruction phase not to exceed \$1,200,000.

In March 2017, staff received Council authorization to proceed with construction phase services by approval of a Construction Cost Limitation for the Project in the amount of \$220,000,000.

Austin Bergstrom International Airport is experiencing unprecedented growth in both international and domestic air service. Passenger traffic levels exceeded projections in 2016, and as passenger volumes grow so does the demand for airport parking. This continued and anticipated growth of the airport has necessitated the need for additional public parking and new office space.

This project involves the construction of a new 6,000 space public parking garage with highly desirable, protected spaces, a 70,000 square foot administration office building adjacent to the new garage, and improvements to the entrances to the long term and close-in parking lots to improve traffic flows and new overhead signage on Presidential Boulevard.

The new parking lot is located in the vicinity of Lot A, east of the present consolidated rental car facility and conveniently located near the terminal building. Currently, many administrative offices are housed in the mezzanine level of the terminal. By moving existing administrative offices from the mezzanine

level of the terminal, the airport will be able to free up space for revenue-generating parking for airline and customer use. Additionally, the Department of Aviation staff currently housed in other buildings will be moved to the new office space.

To consolidate the Department of Aviation Human Resources staff with a new ABIA Employment Center, the current aviation building known as the Learning Resource Center (LRC) will be renovated as part of the current Project. This site was considered for the new Administration Building but it was determined to renovate the existing building for public use as a one-stop employment center for the Department of Aviation and all businesses located at the airport.

This Recommendation for Council Action revises the Construction Cost Limitation to provide funding authorization for the renovation of the Learning Resource Center as well as revenue control upgrades, resurfacing, restriping and relighting of the existing economy lots at the airport once the new garage is complete and the lots can be closed for renovation.

The Construction Cost Limitation is not the contract amount, but rather a budget threshold that the final contract amount shall not exceed without prior Council approval. The Construction Cost Limitation is an amount that includes all work performed by the Construction Manager consisting of Preconstruction Phase Services and Construction Phase Services, including fees and construction contingencies