



Recommendation for Action

File #: 23-3442, **Agenda Item #:** 19.

12/14/2023

Posting Language

Approve a resolution finding that the use of the construction manager at risk method of contracting, as authorized by Subchapter F, Chapter 2269 of the Texas Government Code, is the project delivery method that provides the best value to the City for the West Parking Garage-Lot B project as part of the Airport Expansion and Development Program.

(Note: MBE/WBE goals will be established prior to issuance of this solicitation).

Lead Department

Financial Services Department.

Managing Department

Financial Services Department.

Fiscal Note

A Recommendation for Council Action with the not to exceed contract amount for each resultant contract will be presented to Council once the Construction Manager at Risk selection has been completed.

Purchasing Language:

This request is for Council to authorize the use of the Construction Manager at Risk method; therefore, no solicitation has yet been initiated.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

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 design-build under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

The Construction Manager at Risk (CMAR) method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a CMAR to perform preconstruction and construction phase services. The role of the CMAR goes beyond performing general contractor services. The CMAR 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 CMAR begins construction, the City will negotiate and execute a Guaranteed Maximum

Price for the remainder of the work, including actual construction.

A CMAR 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 CMAR firm that will provide the “best value” to the City for preconstruction and construction services for the Project.

This project provides for the planning, design and construction of a new approximately 6,500-space parking garage on Lot B. This project is necessary to replace the existing Red parking garage and other parking facilities that will be removed to construct the new Arrivals & Departure Hall preserving the customer experience and enhancing the airport’s revenue.

The complexity of the project requires experienced design and construction teams specialized in the design and construction of parking garages on an airport campus. The CMAR approach allows for staff and other airport project teams to collaborate in constructing replacement amenities in an already constrained airport.

The CMAR approach provides the opportunity to optimize the project schedule, addressing key milestones for design and construction to timely construct critical replacement parking amenities. A CMAR project delivery is the best delivery method supporting the airport’s need to guide the parking garage design. The CMAR approach can effectively resolve complex phasing of design and construction minimize impacts to parking and transportation operations in an active airport and simultaneous construction events on the airport campus.

A delay in authorization of the methodology will result in a delay in the issuance of the solicitation and construction improvements needed to timely replace passenger parking amenities. The estimated construction budget for this work is \$310,197,000 and it is anticipated that construction will begin Fall of 2026.

The CMAR solicitation and evaluation process is approximately five months.