



# City of Austin

## Recommendation for Action

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**File #:** 24-4081, **Agenda Item #:** 99.

2/29/2024

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### **Posting Language**

Authorize negotiation and execution of a contract for pre-construction and construction services for the Barbara Jordan Terminal Optimization - Phase 2 project with The Whiting-Turner Contracting Company, in an amount not to exceed \$150,000,000.

[Note: This contract will be awarded in compliance with the requirements of 49 CFR Part 26 (Disadvantaged Business Enterprise Program) and City Code Chapter 2-9A (Minority-Owned and Women-Owned Business Enterprise Procurement Program) by meeting the goals with 10.41% DBE participation.]

### **Lead Department**

Financial Services Department.

### **Managing Department**

Capital Delivery Services.

### **Fiscal Note**

Funding is available in the Capital Budget of the Aviation Department.

### **Purchasing Language:**

The Financial Services Department issued a Request for Proposals (RFP) CLMA049 for these services. The solicitation was issued on September 25, 2023, and closed on November 2, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a log of offer received, is available for viewing on the City's Financial Services website, Austin Finance Online. This information can currently be found at [https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=137746](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=137746).

### **Prior Council Action:**

October 27, 2022 - Council approved the Construction Manager at Risk method of contracting for the Barbara Jordan Terminal Optimization - Phase 2 project.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500. Respondents to the solicitation and their agents should direct all questions to the Authorized Contact Person identified in the solicitation.

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

February 14, 2024 - Recommended by the Airport Advisory Commission on a vote of 09-0-0-2 with Commissioner Hendricks and Commissioner Valdez absent.

### **Additional Backup Information:**

Journey With AUS is Austin-Bergstrom International Airport's multi-year airport expansion, development, and

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improvement program. The vision of the Journey With AUS is to meet the current and future needs of the growing region while staying true to Austin's roots and elevating the passenger journey with an authentic Austin and Central Texas experience.

The Barbara Jordan Terminal Optimization - Phase 2 project is part of the Journey With AUS vision, creating additional square footage for the terminal's atrium infill. This additional square footage will improve ticketing and security queueing areas for the terminal and address essential requirements. The requirements include improving roadways and curbsides for smoother traffic flow, replacement of passenger boarding bridges and infrastructure, system, and utility improvements that will address current deficiencies within the existing terminal. These additional enabling improvements will facilitate other campus-wide improvements that interface with the terminal.

Prior to entering into the construction phase, the City will establish Minority-Owned and Women-Owned Business Enterprise goals for construction. The construction manager-at-risk firm will submit a compliance plan meeting the construction goals or documentation detailing their good faith effort(s) to meet the established goals. 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.

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 firm to perform pre-construction and construction phase services. The role of the construction manager-at-risk firm goes beyond performing general contractor services. The construction manager-at-risk firm is under contract early in the design process to perform key pre-construction phase services such as collaborating with the City and the design team on scope and constructability to optimize the design and control costs. After design and before the construction manager-at-risk firm begins construction, the City will negotiate and execute a guaranteed maximum price (GMP) for the remainder of the work, including actual construction.

The construction manager-at-risk firm is recommended by a City-staffed evaluation panel that evaluated and scored proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code Chapter 2269, the City will select a construction manager-at-risk firm who will provide the best value to the City for pre-construction and construction services for the project.

Notification of issuance of a construction manager-at-risk project was sent to 1,150 firms on September 25, 2023. There was a non-mandatory pre-proposal meeting. Eight prime contractors attended, but only one submitted a proposal. Staff inquired why the other seven did not submit a proposal. Feedback indicated that contractors are working strategically to determine what upcoming projects will best meet their company needs. Contractors referred to the timing of this project being in close proximity with other upcoming projects, and they will not have availability for all the contract work. Other contractors will bid on GMPs as subcontractors.

City staff evaluated this single proposal and conducted an interview with the construction manager-at-risk firm. The interview process reinforced the panel's decision to recommend this contractor for award.

This construction contract is time sensitive and critical to the Phase 2 Project. A delay in the approval of this item will have a significant impact on the Barbara Jordan Terminal Optimization Project.

The contract allows 1,460 calendar days for substantial completion of construction for this project. This project is located within zip code 78719 (District 2).