

ORDINANCE 2018-09-06-0677

**AUTHORIZING THE NEGOTIATION AND EXECUTION OF A DESIGN-BUILD SERVICES AGREEMENT WITH THE JOINT VENTURE PARTNERSHIP OF SKANSKA USA BUILDING INC. AND F.A. NUNNELLY COMPANY IN AN AMOUNT NOT-TO-EXCEED \$59,500,000.00; AND, AMENDING THE FY 2018 - 2023 CAPITAL IMPROVEMENT BUDGET WITH THE APPROPRIATION OF \$75,666,087.00 TO THE DOWNTOWN CITY OFFICE BUILDING (FROST RENOVATION) PROJECT.**

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**WHEREAS**, in June 2015, City Council approved a Comprehensive Development agreement with Weston Urban LLC/Frost Bank, a Public/Private Partnership, to allow the City to acquire the current Frost Bank Tower building, which will serve as a consolidated administrative building for the City; and

**WHEREAS**, the original Frost Bank building was constructed in 1975 and consists of 22 floors including a basement, comprising approximately 445,600 square feet of useable office space and an adjacent, eight (8)-story parking garage with 732 spaces; and

**WHEREAS**, the renovated building will office 24 City departments and approximately 1,400 City employees, consolidating several departments that are currently located in multiple leased buildings and will provide approximately five (5) floors for tenant offices in the tower and retail space on the street level; and

**WHEREAS**, in April 2018 the City released a Request for Qualifications (RFQs), the first of a two-part solicitation process to select a Design-Build firm for the design and construction of the Frost Bank building renovation; and

**WHEREAS**, City received five responsive Statements of Qualifications (SOQs) in January 2018, of which an evaluation committee, comprised of City staff from City Manager's Office, Transportation & Capital Improvements, East Point, Information Technology Systems Department (ITSD), Office of Finance, as well as an American Institute of Architects representative, evaluated and ranked the SOQs and short-listed three firms to submit responses to a Request for Proposal; and

**WHEREAS**, the same selection committee evaluated and scored the interview and the proposals of the shortlisted firms and recommends the joint venture partnership of Skanska USA Building Inc. and F.A. Nunnelly Company be awarded the Design-Build contract for this project; and

**WHEREAS**, it is necessary to authorize the negotiation and execution of a Design-Build Services Agreement in an amount not-to-exceed \$59,500,000.00 with the joint venture partnership of Skanska USA Building Inc. and F.A. Nunnelly Company for the design and construction of the Downtown City Office Building (Frost Renovation) Project; and



**WHEREAS**, this Ordinance will also amend the FY 2018 - 2023 Capital Improvement Budget with the appropriation of \$75,666,087.00 to the Downtown City Office Building (Frost Renovation) Project; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager, or her designee, is authorized to negotiate and execute a Design-Build Services Agreement with the joint venture partnership of Skanska USA Building Inc. and F.A. Nunnelly Company for the design and construction of the Downtown City Office Building (Frost Renovation) Project in an amount not to exceed \$59,500,000.00.

**SECTION 2.** The budget in SAP Fund 43099000, Other Capital Projects, SAP Project Definition 23-01477, Downtown City Office Building, shall be revised by increasing SAP WBS element 23-01477-90-02-02 entitled FY 2019 Unissued CO's, SAP GL account 6101100 - Interfund Transfer In, by the amount \$65,478,697.00.

**SECTION 3.** The amount of \$10,187,390.00 is appropriated in SAP Fund XXXXXX, Property Disposition, SAP Internal Order # 390000002XXX, SAP GL account 6102100 - Interfund Transfer out entitled From 29084000 to 23-01477-90-14-01. The amount of \$10,187,390.00 is authorized to be transferred to SAP Fund 40099000.

**SECTION 4.** The budget in SAP Fund 40099000, Other Capital Projects, SAP Project Definition 23-01477, Downtown City Office Building, shall be revised by increasing SAP WBS Element 23-01477-90-14-01 entitled Transfer from I/O# 390000002XXX, SAP GL Account 6101100 - Interfund Transfer In, by the amount \$10,187,390.00.

**SECTION 5.** The amount of \$75,660,000.00 is appropriated in SAP Fund 40099000, OtherCapital Projects, SAP Project Definition 23-01477, Downtown City Office Building, and the budget shall be revised by increasing SAP WBS Elements as follows:

WBS NO.	WBS NAME	G/L	G/L NAME	PLAN VERSION 0 REVISION/ Appropriation
23-01477-05-01-01	Construction-City	5402030	Cap Admin-Direct	1,600,000.00
23-01477-05-01-01	Construction-City	5402050	Cap Admin-Indirect	825,600.00
23-01477-05-02-01	Construction-City	5201140	Construction Cost	59,500,000.00
23-01477-05-04	Design Enhancement	5201040	Fees to Prof Contr	756,600.00
23-01477-05-04	Design Enhancement	5402060	Cap Admin-PASA	113,500.00
23-01477-05-06	Project Contingency	5201140	Construction Cost	1,373,400.00
23-01477-06-03	FF&E	5501065	CAP<5000 - Furn & Fix	326,500.00
23-01477-06-07	ITSD Equipment	5201040	Fees to Prof Contr	6,000,000.00
23-01477-06-07	ITSD Equipment	5701050	Computer Equip (Modified)	2,000,000.00
23-01477-06-08	Permits	5201040	Fees to Prof Contr	113,400.00
23-01477-06-09	Fees	5201040	Fees to Prof Contr	3,051,000.00
			<b>Totals</b>	<b>75,660,000.00</b>

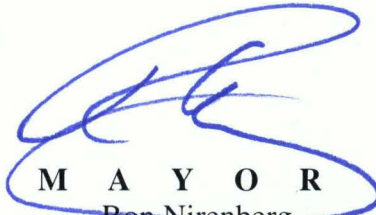
**SECTION 6.** Payment in the amount not to exceed \$59,500,000.00 in SAP Fund 40099000, Other Capital Projects, SAP Project Definition 23-01477, Downtown City Office Building, is authorized to be encumbered and made payable to Joint Venture (JV) partnership of Skanska USA Building Inc. and F.A. Nunnelly Company, for design-build services. Payments for

services are contingent upon the availability of funds and the sale of future City of San Antonio, Certificate of Obligation Bonds in accordance with the adopted capital budget. Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years

**SECTION 7.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

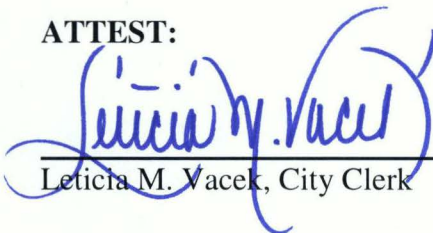
**SECTION 8.** This Ordinance shall be effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED and APPROVED** this 6<sup>th</sup> day of September, 2018.



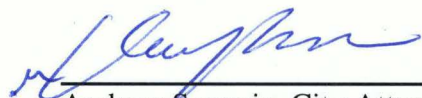
**M A Y O R**  
Ron Nirenberg

**ATTEST:**



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Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**



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Andrew Segovia, City Attorney



<b>Agenda Item:</b>	<b>6A ( in consent vote: 6A, 6B )</b>						
<b>Date:</b>	09/06/2018						
<b>Time:</b>	10:24:44 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	Ordinance for the Downtown City Office Building (Frost Renovation) Project, approving a Design-Build Services Agreement with the Joint Venture (JV) partnership of Skanska USA Building Inc. and F.A. Nunnelly Company in an amount not-to-exceed \$59,500,000.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8	x					
John Courage	District 9		x				
Clayton H. Perry	District 10			x			