



● Downtown City Office Building (Frost Renovation) Project

City Council A-Session, Item #6
September 6, 2018

LORI HOUSTON, ASSISTANT CITY MANAGER

MIKE FRISBIE, P.E., TCI DIRECTOR/CITY ENGINEER

Background

LORI HOUSTON, ASSISTANT CITY MANAGER



Project Background

- City purchased current Frost Tower office building as a component of a Public-Private Partnership (P3)
- Facilitated construction of Frost's new office tower; and
- Result in redevelopment of Municipal Plaza as residential housing, and renovation of current Frost Tower to consolidate City offices in a modernized office space



Key Benefits

- Redirection of approximately \$3.8 million annually in rent
- Streamlined City Operation processes and improved collaboration
- Centralization of key public services
- Close proximity to City Hall and Council Chambers



Efficiency

Consolidates City Operations



Growth

First Downtown Office Tower in 27 Years



Livability

265 Downtown Housing Units

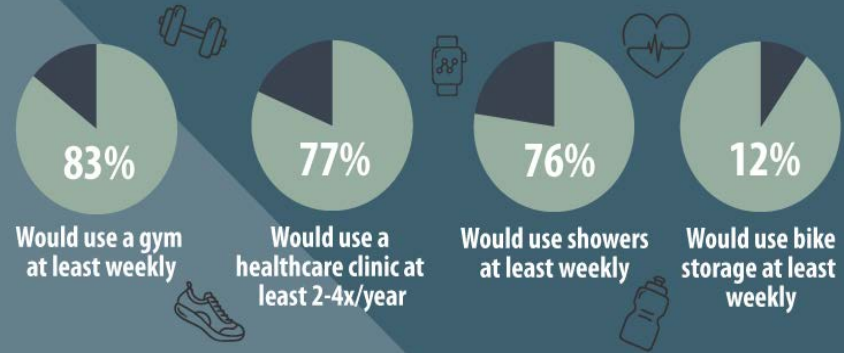
24
City Departments
1,400 Employees

Departments moving to renovated City Office Tower currently office in 7 locations across City.

Potential Amenities



Wellness Amenities



Other Employee Amenities



Financing

Frost



- City completed 30 year Pro Forma which analyzed cost-benefit of P3 Project
- Based on 30 year Pro Forma, project will be cost neutral to City
- \$75.6 Million will come from issuance of debt and proceeds from sale of properties
- Debt issued will be self-supporting and will be funded through savings from consolidation of departments

City Council Actions/Briefings

- June 4, 2015 – City Council Approve P3 which included the acquisition of Frost Bank Tower.
- December 8, 2016 – City Council authorized debt issuance for acquisition of Frost Bank Tower.
- October 11, 2017 – City Council B Session Briefing on City Hall and Frost Bank Tower.
- Audit and Accountability Committee
 - April 26, 2018 – Pre Solicitation
 - August 23, 2018 – Post Solicitation



Project Delivery

MIKE FRISBIE, P.E., DIRECTOR/CITY ENGINEER



Project Scope

-  Hazardous material abatement
-  Necessary code compliance upgrades
-  Mechanical, electrical and plumbing
-  Fire protection
-  Lighting
-  Technology upgrades
-  New security solutions
-  Construction of improvements
-  Furniture, Furnishings & Equipment



Renovation

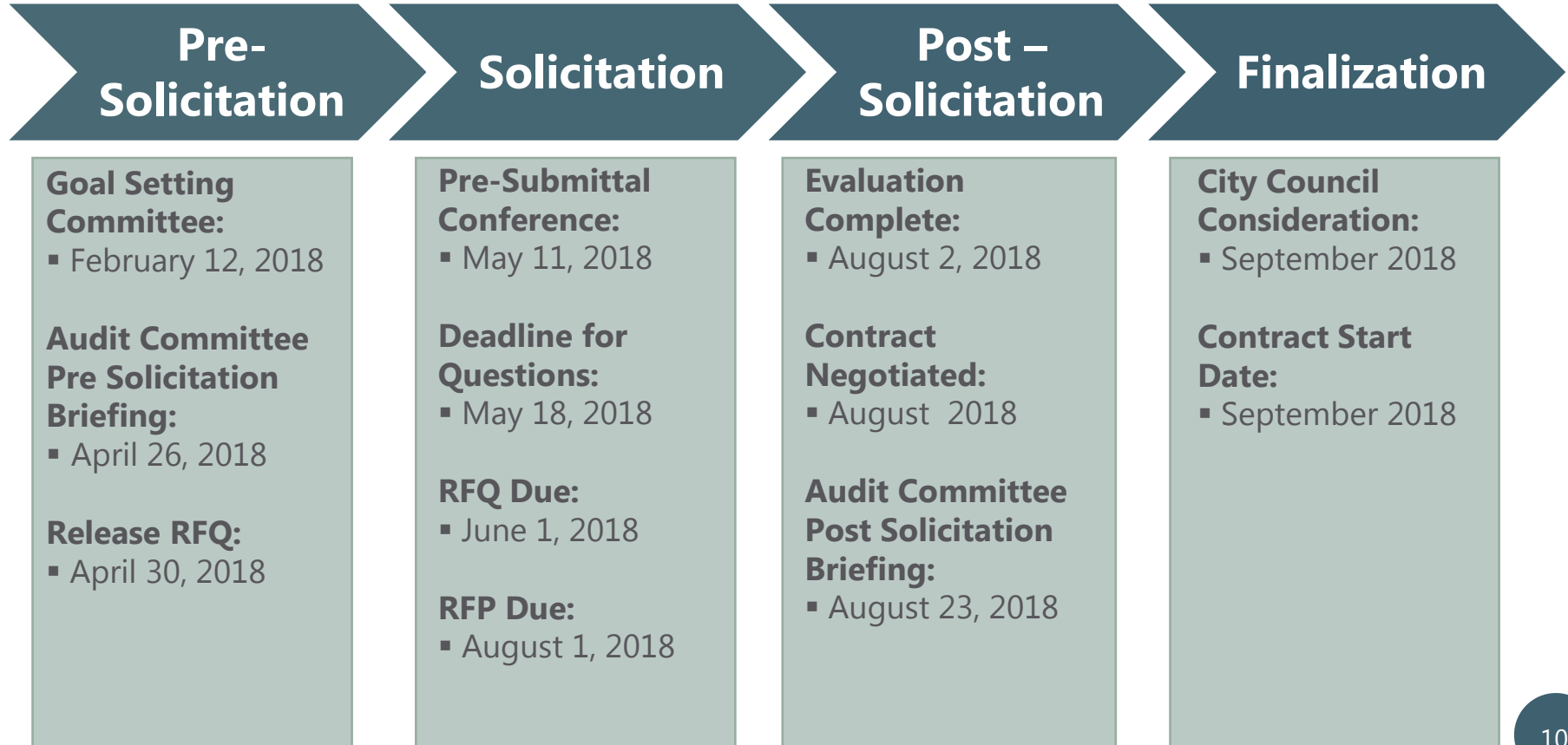
17 FLOORS

FOR CITY OFFICES, MEETING
ROOMS, AMENITIES

5 FLOORS

FOR TENANTS

Project Delivery – Design Build



Solicitation Requirements

- SBEDA Subcontracting:
 - ✓ SBE 30%
 - ✓ M/WBE 25%
 - ✓ AABE 5%
- SBE Joint Venture Program
- Mentorship Project

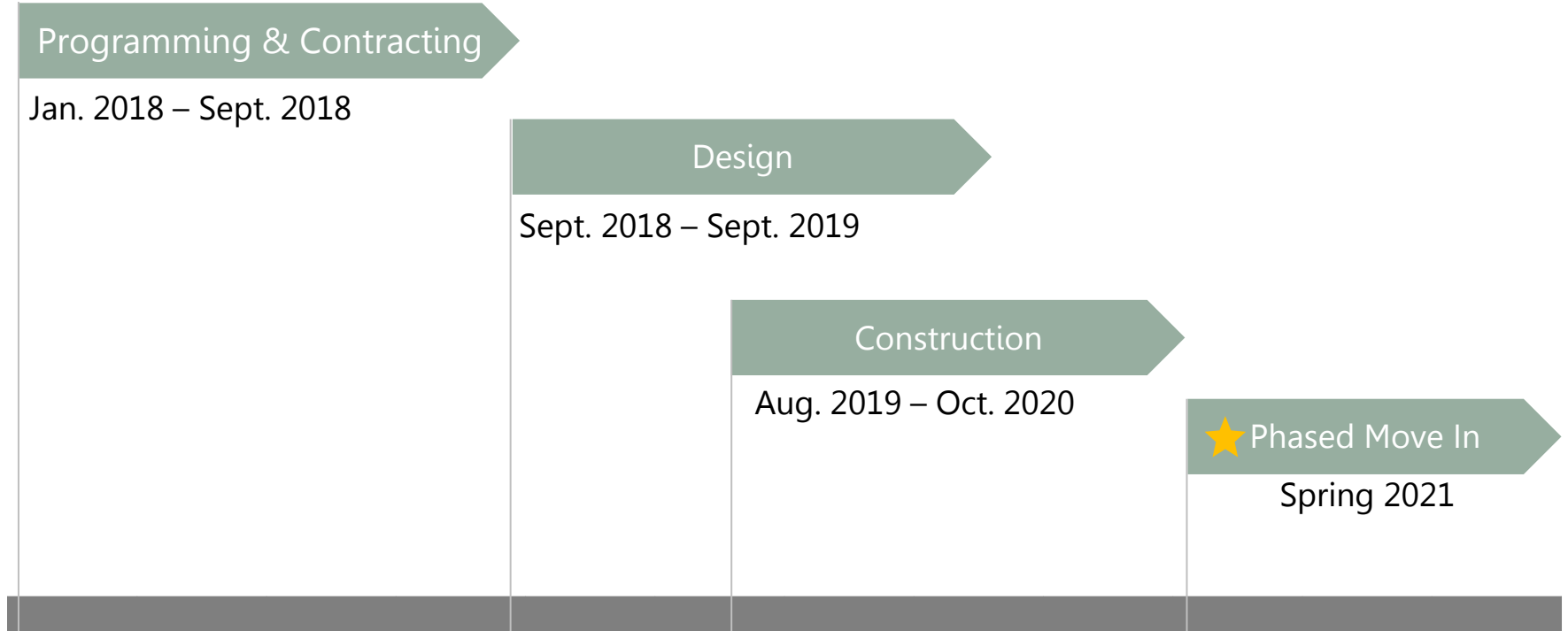
Phase I - RFQ Evaluation Criteria

- A. Experience, Background, Qualifications of DB Firm, Key Personnel, Key Sub-Consultants: *35 Points*
- B. Experience with issues in San Antonio Region & past experience with City of San Antonio: *10 Points*
- C. Understanding of Project and Proposed Management Plan: *20 Points*
- D. DB Team's past experience working together: *15 Points*
- E. SBE Joint Venture Program: *20 points*

Phase II - RFP Evaluation Criteria

- A. Proposed Design Plan: *20 Points*
- B. Proposed Construction Plan: *20 Points*
- C. Context Sensitive Design: *10 Points*
- D. Overall Evaluation of Firm/Team and Ability to Provide Required Services: *10 Points*
- E. Proposed Fees for General Conditions/ Overhead & Profit: *20 Points*
- F. SBE Joint Venture Program: *20 points*

Project Schedule



| Recommendation

Approval of the following :

- Execution of Design-Build Services Agreement with Joint Venture partnership of Skanska USA Building, Inc. and F.A. Nunnelly Company not-to exceed \$59.5 million.
- Amending Capital Improvement Budget with appropriation of \$75.6 million





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