



# City of San Antonio

## Legislation Details (With Text)

**File #:** 18-2990  
**Type:** Procedural  
**In control:** City Council A Session  
**On agenda:** 5/17/2018  
**Title:** Approval of two Ordinances related to federally-funded airfield projects at San Antonio International Airport: [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]  
**Sponsors:**  
**Indexes:** Aviation Contract, Aviation Other  
**Code sections:**  
**Attachments:** 1. KHA DCD, 2. KHA Subs and Ownership, 3. Settlement with Spawglass, 4. KimleyHorn Amendment, 5. Draft Ordinance, 6. Draft Ordinance, 7. Item 18-2990 A--Exhibit 1--Amendment 7, 8. Item 18-2990 B--Exhibit 1--Settlement Agreement

Date	Ver.	Action By	Action	Result
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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Russell J. Handy

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Airfield Projects at the San Antonio International Airport

**SUMMARY:**

Consideration of two Ordinances related to federally-funded airfield projects at San Antonio International Airport:

- A. Ordinance authorizing the amendment to a professional services agreement with Kimley-Horn and Associates, Inc. (KHA) for additional construction phase services for Terminal Area Taxiways Package 3 including construction management, construction administration and inspection services for the design and planning of Runway and Taxiway improvement projects at San Antonio International in the amount not to exceed \$451,957.84.
- B. Ordinance authorizing a Settlement Agreement with Spawglass Civil Construction, Inc. (Spawglass) as part of the Terminal Area Taxiway Improvements Package 3 at the San Antonio International Airport for an amount to not to exceed \$178,263.56. Subject to approval by City Council, the Department will authorize a change order to incorporate the settlement agreement and reduce quantities for a net zero change to the

construction contract.

## **BACKGROUND INFORMATION:**

The City regularly coordinates with the Federal Aviation Administration (FAA) for continued Airport Improvement Program (AIP) funding for eligible projects at the San Antonio International Airport. AIP funding eligibility is based on the Airport's preliminary submittal of its annual Airport Capital Improvement Plan (ACIP) to the FAA. These projects may be eligible for grant funding at 75% of eligible project costs with a 25% local matching share. AIP funding available to the Airport for the airfield projects is a combination of entitlement dollars which are based upon the annual enplanements and discretionary dollars which are offered on a competitive basis to airports and are subject to available funding in any given year. The construction for the projects are packaged and phased in order to maximize potential FAA grant money the City would be eligible to receive each year and minimize impacts to airline and airport operations.

In January 2013, City Council authorized, through Ordinance 2013-01-31-0065, a professional services agreement with KHA for three FAA AIP funded airfield projects: Runway 12R Rehabilitation, Terminal Areas Taxiways, and Taxiway E Reconstruction. The scope of work included planning, design, and construction administrative services, including resident project representation and inspection services, for all three projects. The contract value did not include construction administration services since the amount is determined after the design has been completed. Runway 12R is now Runway 13R and will be referenced so for the rest of the memo.

On December 10, 2015, City Council authorized the construction contract with Spawglass for Terminal Area Taxiways Improvements, Package 3. The scope of work included in this phase of the project included the reconstruction of Taxiway N southwest from Taxiway G to just beyond Runway 4/22. As part of the project, Taxiway N reconstruction will additionally shift the taxiway centerline 50 feet to the southeast (toward Runway 4/22), reconstruct and construct new connector taxiways to Runway 4/22 and construct several connector taxiways to the Terminal A apron to improve aircraft operations in and around the terminal area while incorporating new design standards and maintaining runway capacity.

### *A. Amendment with KHA Agreement*

The original contract amount for planning and design services was \$5,191,606.00. Previous amendments were authorized for additional design services and construction administration services for each package and other airfield projects. This amendment will increase the contract in the amount of \$451,957.84 and provide for construction management, construction administration, and inspection services for the remaining duration of the Terminal Area Taxiways Improvement Package 3 construction project. Funds will come from the Aviation Capital Budget and the department will seek reimbursement for part of the funds from the FAA.

### *B. Settlement with Spawglass*

Spawglass submitted to the Aviation Department Claims for Temporary Suspension of Work related to the Terminal Area Taxiway Improvements Package 3 project. The Aviation Department had suspended work in order to mitigate airfield operational impacts during the closure of primary Runway 13R. Following negotiations, an agreement between both parties was developed in the amount of \$178,263.56 for materials, supervision, down time labor, equipment/equipment credit, subcontractor down time labor, batch plant standby cost, Webber escalation costs and time extensions. Following approval by City Council of this claim, the City will execute a change order to incorporate the settlement agreement and reduce the amount of quantities within the project to pay the settlement.

**ISSUE:**

- A. This action continues the City Council's policy of utilizing federal funds for airport projects when available, enhancing airfield capacity and safety, and improving land uses at the San Antonio International Airport.
- B. The City and Spawglass, through negotiations, reached an agreement on the claim submitted by Spawglass and the amount exceeded \$50,000.00 which requires the approval of the City Council.

**ALTERNATIVES:**

- A. If the amendment is not approved by the City Council, construction administrative services cannot be conducted for Terminal Area Taxiways Package 3, which is part of the scope of work under the agreement with KHA. City staff does not have the expertise and without KHA the City would not be able to maintain eligibility for FAA AIP grant funds.
- B. If this settlement is not approved by the City Council, this case will proceed to a mediation or jury trial. It is in the best interest of the City to settle this matter to avoid the uncertainties and risks associated with litigation in a case of disputed damages.

**FISCAL IMPACT:**

- A. Funding for the amendment to the professional services agreement with KHA in the amount of \$451,957.84 for construction administration services. The funding is available from the previously appropriated Terminal Area Taxiways Project Package 3 Construction Contingency in the FY 2018 Aviation Capital Budget.
- B. With the approval of this claim by City Council, a change order will be executed to reduce quantities in the amount of \$178,263.56 to fund the claim resulting in a net zero for the contract. There is no fiscal impact.

**RECOMMENDATION:**

Staff recommends the authorization an amendment with KHA and settlement agreement with SpawGlass for Terminal Area Taxiway Project Package 3.