



# City of San Antonio

## Legislation Details (With Text)

**File #:** 16-4747

**Type:** Capital Improvements

**In control:** City Council A Session

**On agenda:** 10/13/2016

**Title:** An Ordinance for the Henry B. Gonzalez Convention Center Expansion Project, authorizing change orders in the amount of up to \$2,500,000.00 to the existing Design Build Services agreement and amending the total contract amount not-to-exceed \$307,300,000.00 payable to Hunt-Zachry, a Joint Venture, a Hotel Occupancy Tax funded project, for multiple unforeseen site conditions and operational adjustments, located citywide, and as a planned part of the project close-out, existing project funds will be moved to address final project issues. [Carlos Contreras, Assistant City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 1295, 2. Project Map COs, 3. FI Sheet-Convention Center Expansion COs, 4. Draft Ordinance, 5. Ordinance 2016-10-13-0785

Date	Ver.	Action By	Action	Result
10/13/2016	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Transportation & Capital Improvement

**DEPARTMENT HEAD:** Mike Frisbie, P.E.

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Contract Change Order Authorization for the Henry B. Gonzalez Convention Center Expansion

**SUMMARY:**

An ordinance for the Henry B. Gonzalez Convention Center Expansion Project, authorizing change order in the amount up to \$2,500,00000 to the existing Design Build Services agreement and amending the total contract amount not-to-exceed \$307,000,000.00 payable to Hunt-Zachry, a Joint Venture, a Hotel Occupancy Tax funded project, for multiple unforeseen site conditions and operational adjustments, located citywide and as a planned part of the project close-out, existing project funds will be moved to address final project issues.

**BACKGROUND INFORMATION:**

The Henry B. Gonzalez Convention Center (HBGCC) originally was constructed for HemisFair 1968. HBGCC

was expanded and renovated in 1974, 1977, 1986 and again in 1999. In 2010, the City hired a consultant to perform a facilities development study of the Convention Center. Recommendations received from the consultant included the replacement of the 42-year-old west building by expanding the convention center to the east, in order to create contiguous exhibit halls and optimally distributed meeting spaces. Ultimately the plan to expand the Convention Center was brought before City Council on September 9, 2012 and awarded as a Design-Build contract to Hunt-Zachry, a Joint Venture, on October 10, 2012 through Ordinance 2012-09-20-0711.

The eastern expansion of HBGCC was completed in January 2016 with demolition of the west side and related improvement expected to be completed in December 2016. As the project approaches its final completion date, a number of amendments are required to address unforeseen site conditions and ensure more efficient HBGCC operations. Examples of these amendments include: discovery of unknown foundations that required demolition; the rebuild of an existing elevator that was determined to be non-compliant with code; replacement of substandard underground conduit; revision of way-finding signage; the addition of wall protection for the back house corridors; and power enhancements for select areas. This effort was planned part of the project close-out; existing project funds will be moved to address these final project issues.

This HBGCC expansion marks the largest single capital improvement project in the City of San Antonio's history and increased the HBGCC footprint to 1.65 million square feet. The expansion includes more than 800,000 square feet of new construction and more than 78,000 square feet in the existing building. The expansion comprises 260,000 square feet of new exhibition space, along with a 54,000 square foot ballroom, making the Henry B. Gonzalez Convention Center the largest of its kind in Texas. The expansion makes the HBGCC more competitive and allows it to be considered for larger meetings groups.

**ISSUE:**

This is an ordinance for the Henry B. Gonzalez Convention Center Expansion Project, authorizing change orders in the amount up to \$2,500,000.00 to the existing Design-Build Services agreement and amending the total contract amount not-to-exceed \$307,300,000.00 payable to Hunt Zachry, a Joint Venture, a Hotel Occupancy Tax funded project, for multiple unforeseen site conditions and operational adjustments located citywide. This effort was a planned part of the project close-out, existing project funds will be moved to address these final project issues.

**ALTERNATIVES:**

As an alternative, City Council could choose not to authorize the use of these Project funds; however this would result in multiple claims by Hunt-Zachry for costs incurred due to unforeseen site conditions as well as a decrease in the operational capabilities of the HBGCC staff.

**FISCAL IMPACT:**

This ordinance authorizes use of existing Project funds to issue and approve up to \$2,500,000.00 in contract change orders for a total contract amount not-to-exceed \$307,300,000.00 authorized payable to Hunt-Zachry, a Joint Venture. This is a Hotel Occupancy Tax funded project and funding is included in the 2017-2022 Capital Improvement Program Budget

**RECOMMENDATION:**

Staff recommends approval of this ordinance for the Henry B. Gonzalez Convention Center Expansion Project, authorizing change orders in the amount of up to \$2,500,000.00 to the existing Design Build Services

agreement and amending the total contract amount not-to-exceed \$307,300,000.00 payable to Hunt-Zachry, a Joint Venture, a Hotel Occupancy Tax funded project, for multiple unforeseen site conditions and operational adjustments, located citywide.