



# City of San Antonio

## Agenda Memorandum

**File Number:** 13-1061

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**Agenda Item Number:** 35.

**Agenda Date:** 12/19/2013

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Frank Miller

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Authorization for Reimbursement for a Rental Car Technical Representative and Recognition of City as Manager of the CONRAC Project

### **SUMMARY:**

This Ordinance authorizes the reimbursement of funds, in an amount not-to-exceed \$1,000,000.00 estimating \$92,000.00 for pre-design phase services; \$245,500.00 for design phase services; \$502,000.00 for construction phase and project close-out services; and, \$126,500.00 for reimbursables and project contingency, to the rental car agencies (RACs), for the industry technical representative services of Jacobsen Daniels Associates (JDA) during the design, construction and project close-out phases of the Consolidated Rental Car Facility (CONRAC) project at the San Antonio International Airport.

The contract between JDA and the rental car agencies has been amended to recognize the services of JDA will be under the direction of the City of San Antonio as the project manager for the CONRAC project.

The cost for the reimbursement will be funded from the Customer Facility Charge (CFC) which is collected by the airport-area rental car companies for the planning, design, construction and project closeout of the CONRAC at the Airport.

### **BACKGROUND INFORMATION:**

On March 8, 2012, City Council authorized the implementation of the CFC and approved the Rental Car CFC Policy through Ordinance 2012-03-08-0173. CFC funds are collected by the rental car companies and remitted

to the airport. The collected funds can then be used for the costs for the planning, design, construction, and project financing, including a rental car technical representative for the CONRAC.

An Industry Technical Representative has been used at several airports during the development, design, construction and project close-out for CONRACs, including San Jose, Chicago Midway, Tampa, Seattle and Austin. The technical representative:

- Provides effective value engineering
- Understands the operating requirements for RAC industry
- Recognizes the lifecycle cost implications of such a facility as the CONRAC
- Coordinates the tenant improvements
- Manages conflicts among the RACs

As part of the CFC policy, the RACs were identified as the entity to procure the services of the industry representative. The RACs released a solicitation for an industry technical representative in May 2013 which closed in June 2013 and selected Jacobsen Daniels Associates in July 2013. At the October 3rd, 2013 meeting, the City Council requested the item be referred to the High Profile Contract Committee (HPCC) for additional review of the selection process used by the RACs and the role of the industry technical representative.

At the HPCC meeting on November 12, 2013, the Aviation Department presented a comparison of the selection process utilized by the RACs and the process most likely used by the City if it were to have released the solicitation. Questions raised during the committee discussion included the City's participation with the RACs during the solicitation and selection process of the technical representative; the role of the technical representative and the relationship with the City during the program; and, what, if any, impact there would be to the delivery of the CONRAC.

The Aviation Department explained its role in the selection of JDA - staff members were notified of the process being used by the RACs and vetted the selected firm with other airports and TranSystems, the design firm for the CONRAC project. The Aviation Department also stated to the Committee members that the City is managing the project team, which includes TranSystems, Turner Construction (Construction Manager at Risk), and JDA.

Following further discussion, the HPCC motioned that the contract between JDA and the RACs be amended in order to recognize the City of San Antonio as the manager for the CONRAC project and all members of the project team. The amendment was approved with the item to move forward to the full City Council for consideration.

## **ISSUE:**

City Council approval is required to authorize the City to reimburse the rental car agencies for the rental car technical representative during the design and construction of the CONRAC

## **ALTERNATIVES:**

City Council could elect to not authorize the reimbursement of the rental car firms with CFCs for the rental car technical representative during the design and construction of the CONRAC. However, this action could result in the absence of a technical representative that would be an important part of the City's design and construction team effort.

**FISCAL IMPACT:**

Funds in the amount not-to-exceed \$1,000,000.00, estimating \$92,000.00 for pre-design phase services; \$245,500.00 for design phase services; \$502,000.00 for construction phase and project close-out services; and, \$126,500.00 for reimbursable and project contingency from the Consolidated Rental Car Project, funded by CFC funds, will be authorized for this action.

**RECOMMENDATION:**

Staff recommends the authorization to reimburse the rental car agencies in an amount not-to-exceed \$1,000,000.00, funded by CFC funds, for an industry technical representative involved in the design and construction of the CONRAC located at the San Antonio International Airport.