



# City of San Antonio

## Agenda Memorandum

**File Number:**16-3207

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**Agenda Item Number:** 36.

**Agenda Date:** 6/16/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

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

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

Contract Award: (Professional Services) Spatial Programming and Efficiency Study for the Frost Bank Tower Building

### **SUMMARY:**

An ordinance for the Spatial Programming and Efficiency Study for the Frost Bank Tower Building authorizing a Professional Services Agreement for in an amount not to exceed \$532,564.00 to Facilities Programming and Consulting, a Frost Bank loan-funded Project, and appropriating an additional \$11,000.00 from the Frost Bank Facilities Special Revenue Fund, located Council District 1.

### **BACKGROUND INFORMATION:**

#### Project Background

On June 4, 2015, Mayor Ivy R. Taylor and the San Antonio City Council unanimously approved a Public Private Partnership between the City of San Antonio, Weston Urban and Frost Bank that will result in a consolidated office tower for City operations, facilitate the development of 265 housing units in the Central Business District and construct a new office tower in downtown San Antonio. This transaction will allow the consolidation of existing City staff into one location, providing budget savings and more efficient service.

The City intends to sell the City-owned Municipal Plaza Building, as well as the 319 West Travis and 403 North Flores properties, to Weston Urban. Under this plan, Frost will sell the Frost Bank Tower and Garage to the City; thereafter, Weston Urban will construct a 400,000-square-foot office tower on the corner of Flores and Houston Street, which will serve as Frost Bank's new corporate headquarters, with a scheduled completion date

of that building in 2019. Upon Frost Bank's move into its newly constructed headquarters, its former tower building will be renovated by the City of San Antonio for use by an estimated 1,300 City of San Antonio employees.

This Project provides for an organizational analysis, efficiencies study, economic analysis and spatial programming services for the coordinated consolidation of City departments into the Frost Bank Tower building. Project is anticipated to begin July 2016 and estimated to be completed by December 2017.

#### Procurement of Services

A Request for Qualifications (RFQ) was released in March 2016. This RFQ was advertised in the San Antonio Hart Beat, on the City's website through the Texas Electronic State Business Daily and through TCI. Eight firms responded to the RFQ on April 19, 2016. A selection committee, consisting of representatives from Transportation and Capital Improvements (TCI), City Manager's Office, Finance, Building and Equipment Services, and Office of Management and Budget evaluated, scored and ranked the submissions. Scoring was based on the published evaluation criteria, which included Evaluation of Background, Experience and Qualifications of Prime Firm, Project Delivery Plan, and participation in the Small Business Enterprise (SBE) and Minority/Women - Owned Business Enterprise (M/WBE) Prime Contractor Program.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee applied the SBE Prime Contractor Program with ten preference points and the M/WBE Prime Contractor Program with ten preference points. Facilities Programming and Consulting received ten SBEDA evaluation preference as they are a certified SBE. The Goal Setting Committee also set a 16% SBE subcontracting goal.

This contract was developed utilizing a formal request for qualifications process; therefore, as required by the Ethics Ordinance, a Discretionary Contracts Disclosure Form has been included herein as an attachment.

#### **ISSUE:**

This ordinance authorizes the execution and negotiation of a professional services contract in an amount not to exceed \$532,564.00 to Facilities Programming and Consulting, to provide programming services and comprehensive studies for the Spatial Programming and Efficiency Study for the Frost Bank Tower Building, a Frost Bank loan-funded Project, and appropriates an additional \$11,000.00 from the Frost Bank Facilities Special Revenue Fund located in Council District 1.

This contract provides for conducting organizational analysis, efficiency studies, economic analysis and spatial programming services for the coordinated consolidation of City departments into the existing Frost Bank Tower building. The consultant also will develop a workspace plan aligned with the City's Core Values: Teamwork, Integrity, Innovation and Professionalism.

The Frost Bank Tower building consists of 22 floors including a basement comprised of approximately 445,600 square feet of usable office space. The City plans to occupy twelve floors, the entire basement level and some of the street level in the Frost Bank Tower building, utilizing 367,000 square feet. Under the current plan, the City would have six floors and the remaining street level space for lease to third parties. The Project is anticipated to begin in July 2016 and estimated to be completed by December 2017.

**ALTERNATIVES:**

As an alternative, City Council could choose not to award this contract and require staff to re-advertise this Project. Considering the additional time required for another solicitation process, this would adversely affect the timely completion of the Project.

**FISCAL IMPACT:**

This is a one-time capital improvement expenditure in the amount not to exceed \$543,265.00 to Facilities Programming and Consulting. Funds are available from a Frost Bank loan and are included in the FY 2016-2021 Capital Improvement Budget. This action also appropriates an additional \$11,000.00 from the Frost Bank Facilities Special Revenue Fund.

**RECOMMENDATION:**

Staff recommends approval of this ordinance authorizing negotiation and execution of a professional services contract in an amount not to exceed \$532,564.00 to Facilities Programming and Consulting for programming services and comprehensive studies for the Spatial Programming and Efficiency Study for the Frost Bank Tower Building Project, and appropriating an additional \$11,000.00 from the Frost Bank Facilities Special Revenue Fund