



# City of San Antonio

## Agenda Memorandum

**File Number:**18-6923

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**Agenda Item Number:** 15B.

**Agenda Date:** 12/13/2018

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation & Capital Improvements

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

**COUNCIL DISTRICT(S) IMPACTED:** Citywide

**SUBJECT:** Contract Amendments: Renovation and Expansion of the Commercial Federal Inspection Station Facility at San Antonio International Airport

### SUMMARY:

Consideration of the following ordinances related to the Renovation and Expansion of the Commercial Federal Inspection Station Facility (FIS) project at the San Antonio International Airport (SAT):

- A. An ordinance authorizing an amendment in an amount not to exceed \$445,000.00 to CNG Engineering, PLLC professional service agreement for additional design and construction administration service for an increased value not to exceed \$2,201,167.00.
- B. An ordinance authorizing an amendment in the increased amount of \$2,150,000.00 to the Construction Manager at Risk contract with Turner Construction Company for a total contract value not to exceed \$19,706,535.00 to provide for additional construction services in support of FIS Operations at the airport including additional scope modifications. These modifications include: demolition/excavation/leveling of unforeseen concrete slabs; rerouting of the existing utilities; upgrading existing mechanical/electrical infrastructure in adherence with code compliance; extending general conditions; and, adding project contingency.

### BACKGROUND INFORMATION:

Federal law requires the United States Customs and Border Protection Agency (CBP) to process international passengers for both commercial and general aviation aircraft at designated airports. International passengers on commercial aircraft are processed by the CBP in the FIS located in Terminal A. This facility is currently undersized for the projected growth in international passengers and requires upgrades to meet new federal

standards.

In April 2015, City Council authorized a professional services agreement with CNG Engineering and a construction contract with Turner to design, renovate and expand the commercial FIS (also known as the Customs Area) in Terminal A of the airport.

The project, which began construction in March 2017, renovates and expands the existing 25,000 square foot FIS facility to 48,041 square feet which will allow CBP staff to increase their process capacity from 400 international passengers during peak hours to 800 international passengers during peak hours, substantially improving the customer experience and strengthening the airport system's position with international partners as the city advocates for increased air service. This project has required close coordination with CBP in order to allow the agency to continue operations with the on-going construction.

#### Previous Council Actions - CNG Engineering and Turner Construction Company

On April 30, 2015, City Council authorized two contracts related to the renovation and expansion of the commercial FIS project at the airport. The first, a professional services agreement with CNG Engineering, PLLC, was approved in the value of \$1,200,000.00. Amendments to the agreement have increased the contract value to \$2,201,167.00. The second, a construction manager at risk contract with Turner Construction Company, was valued at \$10,500,000.00.

#### Proposed Council Actions

- A. Additional design services are needed to ensure compliance with the governing airport technical design standards for a new quarantine room, new training room, Delta Airlines baggage services office modifications and additional construction management services. This action will increase the professional service agreement with CNG Engineering, PLLC in the amount of \$445,000.00.

#### **CNG Engineering, PLLC**

<b>Item</b>	<b>Amount</b>
Original Contract Value	\$1,200,000.00
Previous Amendments	\$556,167.00
<i>Proposed Amendment</i>	<i>\$445,000.00</i>
<b>Revised Contract Value</b>	<b>\$2,201,167.00</b>

- B. An ordinance authorizing an amendment in the increased amount of \$2,150,000 to the Construction Manager at Risk with Turner Construction Company for a total contract value not to exceed \$19,706,535.00 to provide for additional facility construction to support FIS Operations at the San Antonio International Airport including additional scope modifications. These modifications include: demolition/excavation/leveling of unforeseen concrete slabs; rerouting existing utilities; upgrading existing mechanical/electrical infrastructure to adhere to recent code changes extending general conditions; and, adding project contingency.

#### **Turner Construction Company**

Original Contract Value \$10,500,000.00	
Previous and Deductive Change Orders	\$7,056,535.00
<i>Proposed Amendment</i>	<i>\$2,150,000.00</i>
<b>Revised Contract Value</b>	<b>\$19,706,535.00</b>

## **ISSUE:**

Consideration of the following ordinances related to the Renovation and Expansion of the Commercial FIS project at the Airport:

- A. This ordinance amends the professional services agreement with CNG Engineering, PLLC increasing the contract value from \$1,756,167.00 to a revised contract value not to exceed \$2,201,167.00 for additional design and construction administration service for an increased value not to exceed \$2,201,167.00.
- B. This ordinance amends the Construction Manager at Risk contract with Turner Construction Company revising the contract value from \$17,556,535.00 to a not to exceed amount of \$19,706,535.00 to provide for additional construction services in support of FIS Operations at the airport including additional scope modifications. These modifications include: demolition/excavation/leveling of concrete slabs; rerouting of the existing utilities; upgrading existing mechanical/electrical infrastructure in adherence with code compliance; extending general conditions; and, adding project contingency.

The project has experienced a number of changes to include modifications to design drawings, changes to constructed work and additional work to resolve unforeseen site conditions. The renovation project is very complex requiring ten plus phases of construction in order to maintain current operations. Since the start of the project there have been modifications to the governing airport technical design standards for the Customs and Border Protection Agency. As a result changes to the project scope were made to ensure compliance and best practice. The City has worked with Turner Construction Company to develop an agreement that reconciles all project delays and additional costs associated with the aforementioned items. Approval of this Council Action allows the project team to close all open issues and complete the project.

## **ALTERNATIVES:**

City Council could choose not to approve these ordinances; however, this would adversely affect the timely completion of the project and limit the ability and capacity of the airports CBP facility to process passengers in a timely and efficient manner.

## **FISCAL IMPACT:**

This action will appropriate funding in the amount of \$2,474,000.00 into the Federal Inspection Station Facility project from the Airport Improvement and Contingency Funds and amend the FY 2019 - FY 2024 Capital Improvement Program.

- A. This is a one-time capital improvement expenditure to increase the contract value of the professional services agreement to CNG Engineering, PLLC from \$1,756,167.00 to a not to exceed amount of \$2,201,167.00.
- B. This is a one-time capital improvement expenditure to increase the contract value to the construction contract with Turner Construction Company from \$17,556,535.00 to a not to exceed amount of \$19,706,535.00.

## **RECOMMENDATION:**

Staff recommends approval the amendment to the professional services agreement with CNG Engineering, PLLC and the change order to the construction contract with Turner Construction Company for the Renovation and Expansion of the Commercial Federal Inspections Station at the airport.