

**THIS IS A DRAFT AND WILL BE REPLACED BY
THE FINAL, SIGNED ORDINANCE OR
RESOLUTION ADOPTED BY CITY COUNCIL.**

ORDINANCE

**APPROVING THE NEGOTIATION AND EXECUTION OF A
CONSTRUCTION MANAGER AT RISK CONTRACT WITH
HENSEL PHELPS CONSTRUCTION CO. IN AN AMOUNT NOT TO
EXCEED \$1,000,000,000, INCLUSIVE OF CONTINGENCY TO BE
NEGOTIATED IN A NOT-TO-EXCEED AMOUNT OF 10% OF THE
CONTRACT VALUE, FOR THE NEW TERMINAL FACILITY AND
ENABLING PROJECTS OF THE TERMINAL DEVELOPMENT
PROGRAM AT SAN ANTONIO INTERNATIONAL AIRPORT.**

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WHEREAS, in May 2022 City Council was briefed on the initial schedule and plan for the design and construction of the new terminal facility and its enabling projects at San Antonio International Airport, which plan is being implemented through the Terminal Development Program (TDP); and

WHEREAS, the Construction Manager at Risk (CMAR) contract will provide for preconstruction and construction services for the new terminal facility and enabling projects at San Antonio International Airport (SAT) which will include a 17-gate concourse & associated aircraft apron, a new Federal Inspection Services area, expansion of the elevated roadway, central utility plant enhancements, a multi-story ground transportation center including additional parking, north ramp remain overnight aircraft parking, demolition/preparation site work, and utilities improvements; and

WHEREAS, the CMAR solicitation process is a two step process and in June 2023 the City issued a Request for Qualifications for the CMAR and received three responsive submittals on July 21, 2023; and

WHEREAS, an evaluation committee consisting of representatives from the City Manager’s Office, Aviation Department, Anser (the Executive Program Manager), Airport System Development Committee, Hartsfield-Jackson Atlanta International Airport, and SAT’s Airline Technical Representative evaluated and ranked the three submissions on August 11, 2023, and shortlisted all three firms; and

WHEREAS, for step two of the CMAR solicitation, City requested the firms to provide additional information to include a Detailed Proposed Work Plan/Approach, Proposed Costing Methodology, and Disadvantaged Business Enterprise (DBE) Program; and

WHEREAS, September 26, 2023, the three firms were interviewed and scored based on the published criteria and based on the scoring, the evaluation committee recommends awarding a CMAR construction contract to Hensel Phelps pending the negotiation and execution of a contract; and

WHEREAS, this Ordinance authorizes the negotiation and execution of a CMAR construction contract with Hensel Phelps in an amount not to exceed \$1,000,000,000, inclusive of contingency to be negotiated in a not-to-exceed amount of 10% of the contract value, for the new terminal facility and enabling projects at SAT as part of the TDP; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee is authorized to negotiate and execute a Construction Manager at Risk contract with Hensel Phelps Construction Co. in an amount not to exceed \$1,000,000,000.00, inclusive of contingency to be negotiated in a not-to-exceed amount of 10% of the contract value, for the new terminal facility and enabling projects at San Antonio International Airport as part of the TDP.

SECTION 2. Payment not to exceed \$10,000,000.00 is authorized to be encumbered with purchase orders and made payable to Hensel Phelps construction Co., in support of Project 33-03349 New Terminal Projects using WBS 33-03349-01-05-01-XX with GL 5402030. Funding is provided by Interim Airport Financing and an Airport Terminal Development Grant and is in the FY24-FY29 CIP Budget.

Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

SECTION 3. Additional funding in the amount of \$990,000,000.00, for subsequent years is contingent upon City Council approval of subsequent budgets within the term length of this contract.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall be effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

KRH
12/12/2023
Item No.

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PASSED and APPROVED this 12th day of December 2023.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney