

Construction Manager at Risk (CMAR) Contract for the Terminal Development Program



Jesus H. Saenz, Jr., IAP
San Antonio Airport System
December 12, 2023

Airport System Is An Economic Engine for our Region

• Jobs Creation

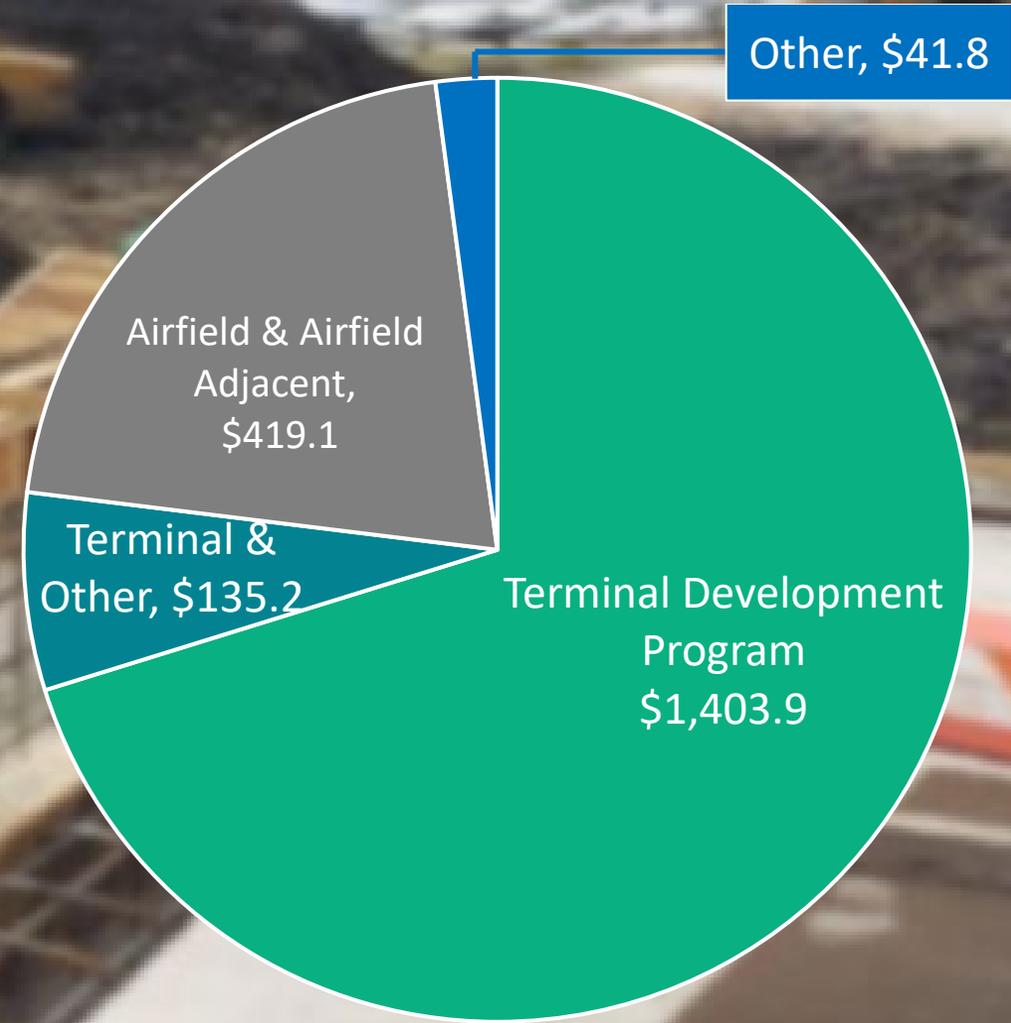
- Terminal Development Program is anticipated to create an estimated **6,000 positions**
 - 87.3% of CMAR contract will go to local contractors
- Other contractor and engineering jobs in Airport System's \$2 Billion Capital Improvement Program, which includes **over \$595 million**, are not part of the CMAR
- Airline & airfield tenants, concession and other airport operations

• Regional Spending From New Flights

- Spending by passenger on new flight (one-way):
 - **\$520/Seat/Domestic Flight**
 - **\$780/Seat/International Flight**

FY 2024-FY 2029 Capital Improvement Program

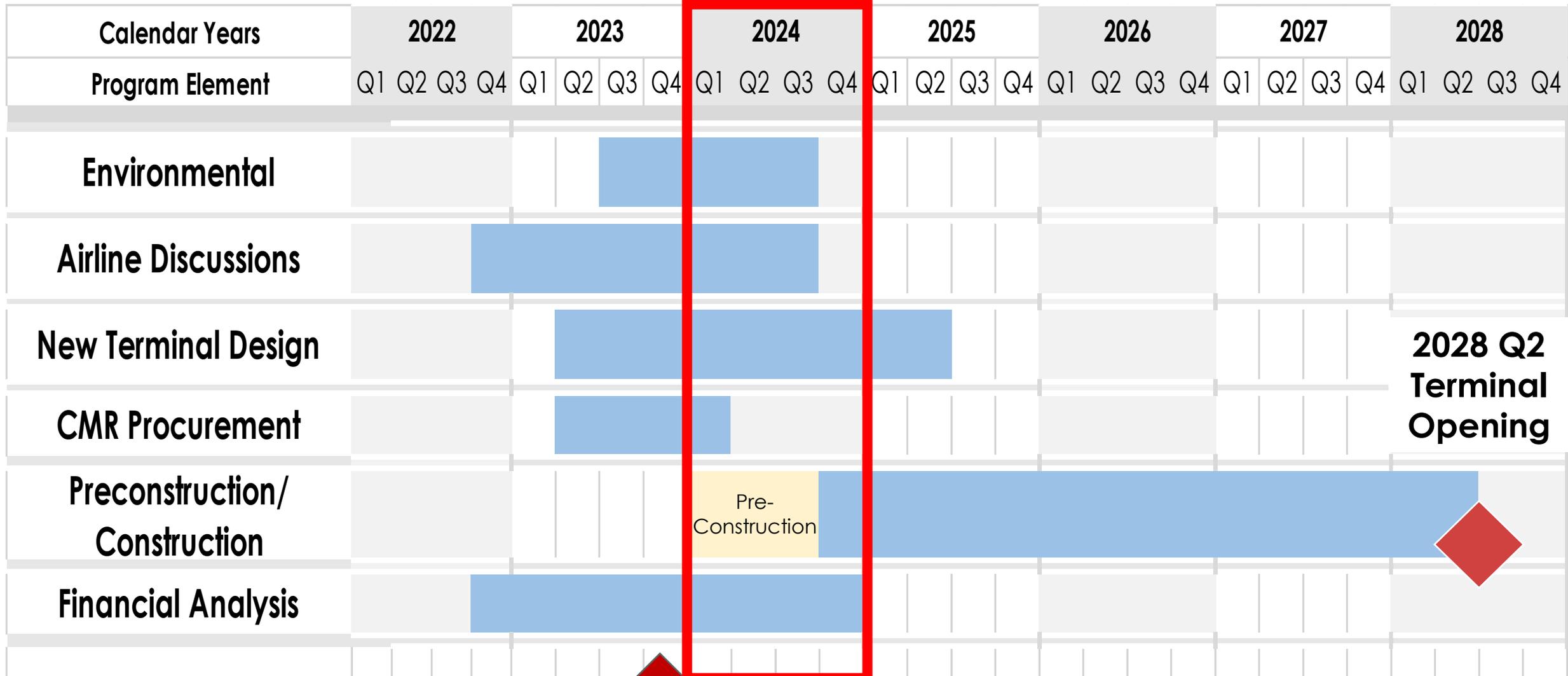
Program Category	Total
Terminal Development Program	\$1,403.9
Terminal & Other	\$135.2
Airfield & Airfield Adjacent	\$419.1
Other (IT & Security, Stinson and Roadway & Parking)	\$41.8
Total	\$2,000.0





Enhancing Passenger Experience, Supporting Airport System's Goals

Where We Are Today



**2028 Q2
Terminal
Opening**

We Are Here

New Terminal Facility Project Scope

- 17-gate concourse & associated aircraft apron with New Federal Inspection Service (Customs Area)
- Expansion of elevated roadway
- Central utility plant enhancements
- Multi-story ground transportation center including additional parking
- North ramp remain overnight aircraft parking
- Related demolition/preparation site work
- Utilities improvements

CMAR Construction Contract Value:

- Not to Exceed \$1 Billion (of \$1.4B program)

Solicitation Type:

- Construction Manager at Risk



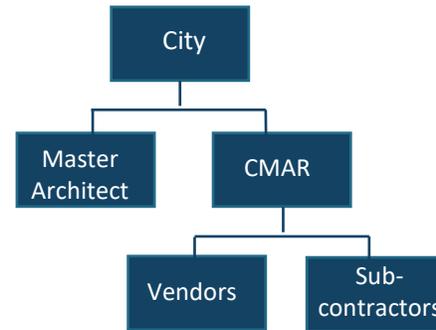
Why CMAR For New Terminal Facility?



CMAR works with Master Architect to **maintain cost and schedule efficiencies** through design phase

Improves project's **constructability & biddability**

Implementation of real-time options that can save time or budget *without reducing project quality*



City keeps control of design through a direct relationship with Master Architect

Allows City to engage CMAR to work with the Master Architect *early in the process*



Market-based project pricing of all major Project elements

Significant opportunity for local contractors as CMAR is required to *bid out all projects*

CMAR Procurement Diversity & Inclusion Process

Construction Eligible for Federal Funding/Grants
Through FAA

Disadvantaged Business Enterprise

- Pre-Construction DBE goal is 11.33%
- Goals will be set for each individual package
- Selected contractors will need to meet or exceed set goals
- Will include progress in periodic reports to Council

Per 49 CFR Part 26, as a requirement of accepting federal funding for projects, associated solicitations must be selected under DBE Program.

SBEDA and other local preference programs cannot be applied, nor can geographic preference be used in awarding points. ⁸

CMAR Bidding Opportunities

Bid Package Opportunities: **Approximately 20-25**



Total Construction Spend - \$1B

Evaluation Committee



Maria Villagomez

Deputy City Manager,
Evaluation Committee Chair



Jeff Coyle

Assistant City Manager



Jesus Saenz, Jr. IAP

Director of Airports



Tim O'Krongley

Deputy Aviation Director



John Dickson

Airport System Development
Committee Chair



Gen. Ed Rice (retired)

Airport System Development
Committee Member



Dave Brandenburg

Executive Program Manager



Doreen Danielson

Airline Technical Representative



Frank Rucker

Deputy General Manager of
Infrastructure, Hartsfield-Jackson
Atlanta International Airport

Schedule



May 11, 2023
Pre-Solicitation B Session



August 11, 2023
Evaluation Committee Met
& Scored 3 Responses



June 5, 2023
Release of Solicitation
Documents



September 26, 2023
Interviews with 3 Firms;
Negotiations initiated with
selected respondent



July 21, 2023
3 Responses Received; due
diligence performed



November 29, 2023
Post Solicitation B Session
with target Council Date of
December 12, 2023

2-Step Evaluation Process

Written Proposals: Is the proposer qualified? (RFQ)

Experience, Background, &
Qualifications of CMAR including Sub
Consultants

Qualifications for Key Personnel

General Proposed Work
Plan/Approach

Interviews: How will the proposer approach the project? (RFP)

Detailed Proposed Work
Plan/Approach

Proposed Costing Methodology

Disadvantaged Business
Enterprise Program

Step 1: Proposer Qualification Scoring

<p>RFQ: #AVI060523JR Construction Manager at Risk for New Terminal Facility</p> <p>Score Summary STEP 1 August 11, 2023</p>	<p>Maximum Points</p>	<p>Austin Commercial, LP 3535 Travis Street, Suite 300 Dallas, TX 75204</p>	<p>Hensel Phelps Construction Co 8326 Cross Park Dr. Austin, TX 78754</p>	<p>Sundt PCL Joint Venture 714 S. Santa Rosa Avenue San Antonio, TX 78204</p>
<p>A -Experience, Background, & Qualifications of CMAR including Subcontractors</p>	<p>35</p>	<p>31.22</p>	<p>30.56</p>	<p>29.67</p>
<p>B - Qualifications of Key Personnel</p>	<p>35</p>	<p>28.22</p>	<p>28.22</p>	<p>29.56</p>
<p>C - General Proposed Work Plan/Approach</p>	<p>30</p>	<p>25.89</p>	<p>26.00</p>	<p>25.00</p>
<p>TOTAL SCORE</p>	<p>100</p>	<p>85.33</p>	<p>84.78</p>	<p>84.23</p>
<p>RANK BASED ON TOTAL SCORE</p>		<p>1</p>	<p>2</p>	<p>3</p>

Step 2: Approach to Project Evaluation

RFQ: #AVI060523JR Construction Manager at Risk for New Terminal Facility Score Summary STEP 2 September 26, 2023	Maximum Points	Hensel Phelps Construction Co 8326 Cross Park Dr. Austin, TX 78754	Austin Commercial, LP 3535 Travis Street, Suite 300 Dallas, TX 75204	Sundt PCL Joint Venture 714 S. Santa Rosa Avenue San Antonio, TX 78204
A -Detailed Proposed Work Plan/Approach	50	47.00	36.33	19.56
B - Proposed Costing Methodology*	30	20.06	22.09	26.53
A - B Sub-Total	80	67.06	58.42	46.09
C - Disadvantaged Business Enterprise (DBE) Program	20	20.00	20.00	20.00
TOTAL SCORE	100	87.06	78.42	66.09
RANK BASED ON TOTAL SCORE		1	2	3

*Costing Methodology was scored based on two components.

Hensel Phelps: Who They Are

- **Global Aviation Terminal Contractor**
- **Largest Aviation Contractor in the Country**
- **\$20B+ in experience at Active Airports**

- ✓ Nashville (BNA)
- ✓ Miami (MIA)
- ✓ Los Angeles (LAX)
- ✓ Seattle (SEA)



- ✓ Baltimore (BWI)
- ✓ Austin (AUS)
- ✓ Houston Hobby (HOU)
- ✓ Houston (IAH)

Hensel Phelps: Industry Impact



- Proven Track Record With Successful Mentor-Protégé Program
- Networking Events Designed To Reach Out to Local Small Business Communities
 - Airport Vendor Outreach Program already begun
 - Alignment with Ready to Work



National Diversity Excellence Award, Associated Builders & Contractors (ABC)

2023, 2022, 2021, 2018, 2017, 2016, 2015, 2013, 2012, 201



Dwight D. Eisenhower Award for Excellence in Construction, U.S. Small Business Administration

2022, 2018, 2014



National Diversity and Inclusion Award, Associated General Contractor

2023, 2022, 2019

TDP Budget Breakdown

Contract Capacity Through Construction of New Terminal

	Approved to Date	Approval Request Dec 12, 2023	Total
CMAR General Conditions and Fee (12.65%)		Not to Exceed: \$1 Billion	Not to Exceed: \$1 Billion
Executive Program Manager Anser Advisory (2%)	\$6 Million	\$24 Million	\$30 Million
PM/CM Freese & Nichols (4%)	\$32 Million	\$23 Million	\$55 Million
Master Architect Corgan (10%)	\$30 Million	\$90 Million	\$120 Million
Other Project Costs Not Within CMAR (Return to Council as Appropriate)			\$195 Million
Overall Entire Program Budget: \$1.4 B			

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