



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 16

Agenda Date: August 10, 2023

In Control: City Council A Session

DEPARTMENT: Aviation Department

DEPARTMENT HEAD: Jesus H. Saenz Jr.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

On-Call Independent Fee Estimate Services for the San Antonio Airport System

SUMMARY:

This ordinance authorizes a professional services agreement with Kutchins & Groh, LLC for On-Call Independent Fee Estimate (IFE) services for the San Antonio Airport System. The Federal Aviation Administration (FAA) requires the City to utilize IFE services on all planning, design and construction management services contracts over \$100,000 in order for the contracts to be eligible for grant funding. The consultant will provide professional IFE services over the term of the contract for projects at the San Antonio International Airport and, when necessary, at the Stinson Municipal Airport. This agreement is for a three-year term with the option to extend for two, one-year periods for an amount not to exceed \$750,000 effective upon approval of the ordinance.

BACKGROUND INFORMATION:

Independent fee estimates are required by the Federal Aviation Administration (FAA) for planning, design and construction management services that exceed \$100,000 to determine a fair and reasonable price. The IFE consultant provides a third-party review that analyzes proposed consultant engineering, design, planning and consultant management costs per the most current

edition of the FAA Advisory Circulars and other airport, regulatory guidelines and laws.

Most recently, the City was awarded a \$20 million Airport Terminal Program grant for the Terminal A Ground Loading Facility in February 2023 and received \$19.8 million in federal funds in FY 2022 for airfield and other infrastructure improvements.

The City issued a Request for Qualifications (RFQ) for On-Call IFE Services for the San Antonio Airport System on December 30, 2022, with a submission deadline of February 21, 2023. The RFQ was advertised in the San Antonio Hart Beat, the City's Bidding and Contracting Opportunities website, the San Antonio e-Procurement System (SAePS), TVSA, and an email notification was released to a list of potential Respondents. Five responses were received and deemed eligible for evaluation committee review. A selection committee consisting of representatives from the Development and Finance divisions of the Aviation Department evaluated and scored the five responsive submissions on March 27, 2023. Scoring was based on the published evaluation criteria of 100 points, which included Experience, Background, Qualifications (55 points); Understanding of the Project and Proposed Management Plan (25 points); and the Disadvantaged Business Enterprise Program (20 points). Kutchins & Groh, LLC received the highest score and was recommended by the committee to move forward to negotiations.

The solicitation was released under the FAA Disadvantaged Business Enterprise (DBE) Program, therefore, the DBE Program requirements of Title 49 Code of Federal Regulation (CFR) Part 26 apply. The goal is set based on relative availability of certified DBE firms in relation to the universe in specific trades in the primary market. The primary market is San Antonio Metropolitan Statistical Area however participation is open for all DBE certified firms from anywhere in Texas or the nation. The DBE Liaison Officer established a contract specific goal of 8% of the total dollar value of the contract with 10 points applied to all firms for meeting the DBE Goal and 10 points were applied based on their narrative statement.

ISSUE:

This ordinance authorizes a professional services agreement with Kutchins & Groh, LLC for On-Call Independent Fee Estimate services for the San Antonio Airport System. The Federal Aviation Administration (FAA) requires the City to utilize IFE services on all planning, design and construction management services contracts over \$100,000 in order for the contracts to be eligible for grant funding. The consultant will provide professional IFE services over the term of the contract for projects at the San Antonio International Airport and, when necessary, at the Stinson Municipal Airport. This agreement is for a three-year term with the option to extend for two, one-year periods for an amount not to exceed \$750,000.00 effective upon approval of the ordinance.

The consultant will provide professional IFE services over the term of the contract for planning, design, construction administration and other construction phase services, project and program management, or other services contracts supporting a federal grant-funded project. The consultant will be responsible for:

- Reviewing the project and consultant's scopes of work, proposed tasks, and project deliverables provided by the Aviation Department to develop and provide a detailed

fee/cost analysis utilizing a fee breakdown schedule per task in alignment with the Scope of Services being estimated.

- Determining the level of effort necessary for completing the proposed work based on acceptable industry standards.
- Providing a letter or memorandum summarizing the estimated fees, explaining the results of the IFE including the assumptions necessary for the completion of the IFE, and any recommendations for clarifications to improve the accuracy of the IFE and clarity of the scoping document.
- Providing the detailed fee/cost analysis and supporting documentation to the Aviation Department as a draft deliverable for review. If required, Consultant shall address any comments or questions prior to finalizing, participating in a review meeting through written correspondence.
- Preparing for and attending, if necessary, a review meeting with Airport staff to review the results of the IFE. The intent of this meeting is to review any discrepancies or questions related to the IFE and proposed task order and provide comparable fee estimates. The Consultant shall review differences of the IFE and proposed task order when the fee difference of the proposal exceeds 10%. The Consultant shall provide analysis and review analysis findings with SAT to determine if there is a misunderstanding of the scope of services or level of effort required to complete the work.
- Participating in fee negotiations meetings with the other consultant(s), if requested, to finalize pricing of the other consultant's proposed work. Consultant will prepare for and attend negotiation meeting(s), create, and provide meeting notes of negotiation items and actions, and develop a draft and final Record of Negotiations for the project to include required information in compliance with applicable FAA Orders and state and local requirements.
- Delivering the IFE for each assigned project including any assumptions utilized for its development. The IFE deliverable will include a populated fee breakdown schedule per task, summaries of labor hours, fees, and reimbursables by tasks and by prime and sub consultants, and any other pertinent backup information used to develop the IFE. The IFE deliverable will also include a memorandum summarizing assumptions, explanations of IFE results, and any Consultant recommendations for clarifications to improve the accuracy of the IFE/clarity of the scoping document.

ALTERNATIVES:

City Council could elect to not authorize this agreement and require solicitations for On-Call Independent Fee Estimate Services to be solicited separately. However, individual solicitations could delay the project and potentially increase the cost of the project. This agreement supports the requirement of the Federal Aviation Administration (FAA) for all grant-funded projects. The utilization of an on-call agreement allows the Aviation Department to expedite the planning process for potential projects,

FISCAL IMPACT:

This ordinance authorizes an on-call contract for On-Call Independent Fee Estimate Services for the San Antonio Airport System for a three-year term with the option to extend for two, one-year periods for an amount not to exceed \$750,000 effective upon approval of the ordinance. The Federal Aviation Administration (FAA) requires the City to utilize IFE services on all planning, design and construction management services contracts over \$100,000.00 in order for the contracts to be eligible for grant funding.

No funds will be encumbered until services are requested. All expenditures will be in accordance with the Department's adopted budget approved by City Council. Services provided will be on an as needed basis and dependent upon available funding within the adopted funding sources to include Interim Airport Financing, Airport Improvement & Contingency Fund, various Federal Aviation Administration grant programs, General Airport Revenue Bond funds, Stinson Revolving Fund, Passenger Facility Charge Fund, Airport Operating & Maintenance Fund, or Texas Department of Transportation grant funds.

RECOMMENDATION:

Staff recommends the authorization of a professional services agreement with Kutchins and Groh, LLC for On-Call Independent Fee Estimate Services for the San Antonio Airport System.

This contract was procured by means of Request for Qualifications and a Contract Disclosure Form is required.