

**State of Texas  
County of Bexar  
City of San Antonio**



**Meeting Minutes  
City Council Special Meeting**  
City Hall Complex  
San Antonio, Texas 78205

**2021 – 2023 Council Members**

Mayor Ron Nirenberg

Mario Bravo, Dist. 1 | Jalen McKee-Rodriguez, Dist. 2  
Phyllis Viagran, Dist. 3 | Dr. Adriana Rocha Garcia, Dist. 4  
Teri Castillo, Dist. 5 | Melissa Cabello Havrda, Dist. 6  
Ana Sandoval, Dist. 7 | Manny Pelaez, Dist. 8  
John Courage, Dist. 9 | Clayton Perry, Dist. 10

**Thursday, May 11, 2023**

**1:00 PM**

**Municipal Plaza Building**

The City Council convened a regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 1:03 PM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

**PRESENT:** 11 – Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Castro, Pelaez, Courage, Perry

**ABSENT:** None

**ITEMS**

1. Briefing on the Terminal Development Program for the San Antonio International Airport, pre-solicitation briefing on the Construction Manager at Risk for the New Terminal and post-solicitation for the Terminal A Ground Loading Facility and Relocation of Vehicle Gate 20 project. [Jeff Coyle, Assistant City Manager; Jesus Saenz, Director, Aviation]

City Manager Erik Walsh introduced the Item and Aviation Director Jesus Saenz who provided background and overview of the Item. Saenz began the presentation by providing information on the proposed Request for Proposals (RFP) for the Terminal A Ground Load Facility and Relocation of Vehicle Gate 20. Saenz listed the scope of the project, timeline for the RFP and

outlined the scoring criteria for the project and stated that the process included written proposals and an interview phase. Saenz reported that Hensel Phelps Construction Co. was the recommended firm.

Saenz provided a pre-solicitation briefing for the Construction Manager at Risk (CMR) for the New Terminal Facility. Saenz provided rationale for the selection of CMR as the construction delivery method including flexibility for phasing and project management while maintaining owner control. Saenz stated that the Master Architect would design the facility and oversee the project construction and work of the CMR. Saenz provided a timeline and criteria for the CMR solicitation and its two-phase evaluation process and listed the evaluation panelists.

City Manager Walsh proposed that City Council delegate authority to approve change orders to the project within the available, City Council approved project contingency. City Manager Walsh explained that the ability to delegate such authority was allowed under Texas Government Codes 2269 (alternative delivery construction contract) and 2254 (professional/consulting services.) This would allow for timely and immediate solutions to problems in the field, reduced program cost and was the best financial risk mitigation tactic for large construction projects such as the Terminal Development Program (TDP) and Airfield Programs.

Saenz stated that the City Council would be asked to approve the contract for the Terminal A Ground Load Facility and Relocation of Vehicle Gate 20 and the Delegation of Authority Ordinance on May 18, 2023. He stated that the CMR for the New Terminal Facility would be released June 5, 2023 and post solicitation briefings would occur in the fall of 2023.

Mayor Nirenberg supported staff recommendations to speed up the program and reduce costs but requested clarification on any current City Council action that might be needed. City Manager Walsh stated that the only action would be those outlined by Saenz in his presentation.

Councilmember McKee-Rodriguez asked if there already had been a delegation of authority Ordinance. City Manager Walsh stated that this was not done previously but could be a model to be used in the future. Councilmember McKee-Rodriguez recommended other best practice reviews to help improve construction timelines and save money. Councilmember McKee-Rodriguez suggested moving the project forward as quickly as possible.

Councilmember McKee-Rodriguez asked what would happen if the City did not receive Federal funding for the project. Saenz assured the Councilmember that the Airport could pay for the project with its own revenues which could include issuance of debt. City Manager Walsh noted that leases at the airport were under negotiation and would help pay for the improvements.

Councilmember Rocha Garcia asked how long the temporary ground load facility might be utilized and if it could be operated in inclement weather. Saenz confirmed that the facility would accommodate inclement weather, noting that additional capacity was needed already but it was considered temporary as the facility would need to grow. Councilmember Rocha Garcia requested data on passenger level projections.

Councilmember Cabello Havrda thanked John Dixon for his work on the Aviation Terminal

Development Board. Councilmember Cabello Havrda asked how the department might be able to anticipate rising costs. The consultant stated that decisions were guided by communications and costs reviewed as the project progressed.

Councilmember Cabello Havrda asked about penalties for poor quality work by construction companies and how the delegation of authority could help other projects. City Manager Walsh stated that the City would need to consider more CMR contracts and fewer low bids.

Councilmember Courage stated that he understood this project to cost between \$700 million to \$1 billion noting that typical contingencies were typically 10%, noting this could authorize the City Manager to spend up to \$100 million and recommended a review of use of this authority within 30 days after approval of a change order by the City Manager. City Manager Walsh agreed that there should be regular reporting on the project and use of contingency to the City Council but clarified that 10% might be too much of a contingency for the TDP. Councilmember Courage stated that the voters would hold elected officials accountable for going over budget.

Mayor Nirenberg clarified that this would be only within the City Council approved Budget but added that there needed to be a memorandum sent to City Council within a few days.

Councilmember Castillo echoed Councilmember Courage's concerns noting that it was the City Council's responsibility to provide oversight of the City's money as they were accountable to the voters. Councilmember Castillo otherwise supported the TDP and Saenz' recommendations.

Councilmember Bravo recommended a balanced approach to using funds responsibly noting that sometimes construction projects experienced delays that we could not control, however, taxpayers expected us to spend their money efficiently and become nimbler so he supported the delegation of authority.

Councilmember Perry requested a financing plan for the project and recommended that passenger fees be maintained at low rates so that passengers did not go to other airports because our fees were too high. Saenz reminded the City Council that there was a plan to deliver the project which included a Budget and more would be known at 30% design. Saenz stated that in 2024, the City was expected to receive a Guaranteed Maximum Price from the CMR and at that time, a financing plan could be developed. Councilmember Perry recommended that a cost and finance plan be developed sooner.

Councilmember Perry noted that the City completed a new Customs Facility a few years ago and as a result of a delay from the FAA, the project cost an additional \$2 million. He asked if the Customs Facility was planned to be closed. Saenz stated that the \$25 million Customs Facility would have had a 10 year life span and recovered its cost from fees and was planned to be replaced with a new facility within the TDP.

Councilmember Perry noted that the City Council should be involved in policy and not day-to-day operations of the City but expressed concern with the delegation of authority and recommended however that the City Manager report use of any funds expeditiously. Councilmember Perry noted that construction delay costs of \$800,000 per day only at its peak and recommended incentives to

be built into the project. Councilmember Perry recommended leaving the RFP open for 60 days to allow more time for proposers to assemble their teams.

Councilmember Viagran supported the delegation of authority to the City Manager because the project was large and our city needed to be nimble, noting that this was a documented best practice. Councilmember Viagran requested a robust outreach plan to vendors to ensure significant participation by small, minority and women-owned businesses. Councilmember Viagran noted that this was a regional airport and there were contractors outside of San Antonio in the small surrounding cities that could also participate.

Councilmember Pelaez commented that there were large change orders in the Convention Center Project and not all of them came to City Council. City Manager Walsh stated that this was a Design-Build project. Councilmember Pelaez supported the delegation of authority Ordinance.

Councilmember Perry supported keeping the Jenny aircraft on display and recommended a display of a Huey aircraft.

Mayor Nirenberg closed the discussion by speaking in support of the Item and mentioned the desire for a display of our International Sister Cities in the new Terminal to showcase our global connectivity.

## **EXECUTIVE SESSION**

Mayor Nirenberg recessed the meeting into Executive Session at 2:07 p.m. to deliberate or discuss any of the following:

- A. Economic development negotiations pursuant to Texas Government Code Section 551.087 (economic development).
- B. The purchase, exchange, lease or value of real property pursuant to Texas Government Code Section 551.072 (real property).
- C. Legal issues related to litigation involving the City pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Legal issues relating to COVID-19 preparedness pursuant to Texas Government Code Section 551.071 (consultation with attorney).

Mayor Pro-Tem Viagran reconvened the meeting in Open Session at 2:42 p.m. and announced that no official action had been taken in Executive Session.

## **ADJOURNMENT**

There being no further discussion, Mayor Pro-Tem Viagran adjourned the meeting at 2:42 p.m.

**Approved**

**Ron Nirenberg  
Mayor**

**Debbie Racca-Sittre  
City Clerk**