



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 9

Agenda Date: May 19, 2022

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD:

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Buildout of an additional City Tower floor for Metro Health's Immunizations and Epidemiology divisions

SUMMARY:

This item will facilitate the construction of an additional floor in City Tower for the Metro Health department. Metro Health's position count and space needs have grown significantly in the FY21 and FY22 budgets, as a result of the City's Covid response and other community priorities. The design build services agreement with Skanska Nunnally, a joint venture ("Skanska Nunnally"), will be amended to fund this construction. The funding source for the the buildout will be the Health Implementation Plan.

BACKGROUND INFORMATION:

Due largely to the pandemic, the Epidemiology Program ("Epidemiology") and the Immunizations Information Systems and Vaccines for Children ("Immunizations") teams have grown dramatically. The Epidemiology team has expanded to 30 employees and the Immunizations team has expanded to 37 employees. Their current locations of Brooks City Base and the Eastside Branch Clinic do not provide sufficient space to accommodate the additional staff. Therefore, Metro Health is in need of an additional floor at the City Tower. These teams must coordinate

closely with Metro Health's leadership, as well as other City and County officials, and consolidating the staff within City Tower will also further this collaboration.

Below is a table outlining the growth in positions for the Immunizations and Epidemiology divisions since FY2020.

	FY20	FY21	FY22
Epidemiology	10	30	30
Immunizations	16	37	37

City Council awarded the design-build contract to Skanska-Nunelly on September 6, 2018. The contract has since been amended several times to add additional scope.

ISSUE:

Metro Health has outgrown its space needs at several facilities. The department's personnel count has increased by 91 positions between FY19 and FY22, with the bulk of the positions added in response to the pandemic and other community priorities. Staff recommends that an additional floor at City Tower be finished out for the department instead of the City making a significant investment in a leased property owned by a third party.

Skanska Nunnelly is currently completing the scope of work for the aspects of the project that were included within the Guaranteed Maximum Price agreed to in December 2020. City Council subsequently amended the contract to buildout a suite for the Internal Affairs division of SAPD. As a result of this amendment, the substantial completion of all interior renovation will extend to January 2023. Skanska Nunnelly will build out the fifth floor consistent with the other floors occupied by the City within City Tower.

ALTERNATIVES:

In the alternative, the City could look for office space available for lease that could accommodate these staff. Doing so would not provide the level of collaboration desired between these teams and the organization's leadership, and significant buildout costs would still be required to bring our network to the building and ready the space for occupancy.

FISCAL IMPACT:

On December 17, 2020, City Council authorized a contract amendment with Skanska Nunnelly that set a guaranteed maximum of an amount not to exceed \$75,089,891. On November 18, 2021, Council approved a contract amendment in order to fund the buildout of a suite for the Internal Affairs department, bringing the contract amount to \$75,974,891. Approval of this item will increase the Skanska-Nunelly contract by \$5,008,974, bringing the total contract amount to \$80,983,865.

This ordinance will also increase the City Tower Renovation Project in the amount of \$5,897,583 and appropriate funds in the amount of \$5,897,583 from the Health Implementation Plan. With

Council approval of this ordinance, the total budget for the City Tower Renovation Project will increase to \$147,767,723. The annual rent for FY23 will be \$321,552, as the rent will be budgeted for 9 months, and FY24 rent will be \$450,441. Rent will escalate 2.5% annually, which is common in the marketplace. Funding for annual rent is subject to City Council appropriation within the City's annually adopted budget.

RECOMMENDATION:

Staff recommends approval of this ordinance to facilitate the buildout of an additional floor in City Tower for Metro Health's Immunizations and Epidemiology divisions.