



# City of San Antonio

## Agenda Memorandum

### File Number:

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**Agenda Item Number:** 13

**Agenda Date:** May 19, 2022

**In Control:** City Council A Session

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**DEPARTMENT:** Public Works Department

**DEPARTMENT HEAD:** Razi Hosseini

**COUNCIL DISTRICTS IMPACTED:** District 1

**SUBJECT:**

Contract Amendment (Design-Build): San Antonio Police Station at St. Mary's

**SUMMARY:**

An ordinance amending a Design-Build Services Agreement with F.A. Nunnelly Company in the increased total amount not to exceed \$3,521,294.00 for a total amount of \$14,071,294 for escalated construction material and labor costs related to the San Antonio Police Station at St. Mary's project, a 2017 – 2022 General Obligation Bond Program and Certificates of Obligation funded project, located in Council District 1; and, authorizes the reallocation and amending of the FY 2022 – FY 2027 Capital Improvement Program with funds in the total amount of \$3,600,000.00 of which \$1,400,000.00 is from FY 2021 General Fund and \$2,200,000.00 from the Reserve for Capital Projects to the San Antonio Police Station at St. Mary's project.

**BACKGROUND INFORMATION:**

**Project Background**

On May 6, 2017, voters approved the 2017 Bond Program, which authorized \$18,241,000.00 million for constructing the Police Station at St. Mary's. The Bond Program funds will be used on various capital improvement projects addressing community infrastructure needs to improve the

overall quality of life in San Antonio. The project will be located at 2020 N. St. Mary's Street, including two adjacent properties acquired in May 2020. The project consists of the construction of a new 24,000 square foot building to accommodate the needs of the San Antonio Police Department (SAPD) Patrol, SA Fear Free Environment (SAFFE), Property Crimes, and Critical Response Team (CRT) divisions. Also included as part of the new facility is a community room, approximately 120 parking spaces for SAPD and the public, an outdoor public area, and a Public Art San Antonio component will be included. Construction is anticipated to begin in December 2022 and end by January 2024.

#### Previous Council Action

A previously executed contract with F.A. Nunnelly Company for the design and construction of the San Antonio Police Station at St. Mary's Street project in the amount of \$10,550,000.00 was approved by City Council on December 10, 2020, through Ordinance 2020-12-10-0889. This amendment will increase this contract by \$3,521,294.00 to a total of \$14,071,294.00.

The following table illustrates the contract amendments which have occurred since construction on this project began:

Item	Amount
Original Contract Value	\$10,550,000.00
Previously Authorized Amendments	\$0.00
Proposed Amendment	\$3,521,294.00
Revised Contract Value	\$14,071,294.00

This amendment will provide sufficient funds to facilitate the design and construction completion of the San Antonio Police Station at St. Mary's project.

#### ISSUE:

An ordinance amending a Design-Build Services Agreement with F.A. Nunnelly Company in the increased total amount not to exceed \$3,521,294.00 for a total amount of \$14,071,294 for escalated construction material and labor costs related to the San Antonio Police Station at St. Mary's project, a 2017 – 2022 General Obligation Bond Program and Certificates of Obligation funded project, located in Council District 1; and, authorizes the reallocation and amending of the FY 2022 – FY 2027 Capital Improvement Program with funds in the total amount of \$3,600,000.00 of which \$1,400,000.00 is from FY 2021 General Fund and \$2,200,000.00 from the Reserve for Capital Projects to the San Antonio Police Station at St. Mary's project.

The initial design phase of the San Antonio Police Station at St. Mary's project was completed in September 2021. As part of the initial design phase, estimated construction costs reflected cost increases in labor and materials attributed to the escalating job market and supply chain delays. Some of the most significant cost increases were in concrete, steel, glass, framing and drywall which increased from 2 to 4 times what the costs were since April 2021. In an effort to reduce the

cost of the project to remain within budget, the Public Works Department and the design-build contractor F.A. Nunnelly Company coordinated a value engineering analysis. The results of the analysis identified significant changes to the design and construction of the project. Finalizing the design within the current budget could result in the completion of only a portion of the facility, which would delay the full occupation of the facility until funds are secured to finish the incomplete spaces.

The additional amount of \$3,521,294.00 will amend the current design-build services agreement to provide sufficient funds to facilitate the completion of the design and construction of the San Antonio Police Station at St. Mary's as originally conceptualized by the surrounding community. Construction is anticipated to begin in December 2022 and is expected to be completed in January 2024.

### **ALTERNATIVES:**

As an alternative, City Council could choose not to approve this amendment; however, not approving this amendment will result in the staff's inability to complete the design and construction of the project without compromising the design and construction quality of this project, impacting the future operational capacity of this new facility.

### **FISCAL IMPACT:**

This is a one-time capital improvement expenditure in the amount of \$3,521,294.00 authorized payable to F.A. Nunnelly Company for escalated construction material and labor costs related to the San Antonio Police Station at St. Mary's project, a 2017 – 2022 General Obligation Bond Program and Certificates of Obligation funded project.

This ordinance also approves amending of FY 2022 – FY 2027 Capital Improvement Program with the reallocation of funds in the total amount of \$3,600,000.00, of which \$1,400,000.00 is from FY 2021 General Fund and \$2,200,000.00 from the Reserve for Capital Projects to the San Antonio Police Station at St. Mary's project.

### **RECOMMENDATION:**

Staff recommends approval of this ordinance amending a Design-Build Services Agreement with F.A. Nunnelly Company in the increased total amount not to exceed \$3,521,294.00 for a total amount of \$14,071,294 for escalated construction material and labor costs related to the San Antonio Police Station at St. Mary's project, a 2017 – 2022 General Obligation Bond Program and Certificates of Obligation funded project, located in Council District 1; and, authorizes the reallocation and amending of the FY 2022 – FY 2027 Capital Improvement Program with funds in the total amount of \$3,600,000.00 of which \$1,400,000.00 is from FY 2021 General Fund and

\$2,200,000.00 from the Reserve for Capital Projects to the San Antonio Police Station at St. Mary's project.