



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District B

Item Creation Date: 11/17/2021

HAS - Additional Appropriation and Amendment No. 1 (GMP) to the CMAR Services Contract with Hensel Phelps for the FIS Renovation & Expansion Project at IAH; Project No. 828

Agenda Item#:

Background:

RECOMMENDATION:

Enact an ordinance approving and authorizing Amendment No. 1 to the Construction Management-At-Risk (CMAR) Services Contract with Hensel Phelps Construction Co. to accept the Guaranteed Maximum Price (GMP) for the Federal Inspection Services (FIS) Renovation and Expansion Project at IAH and appropriating \$201,519,960.00 (Project No. 828).

SPECIFIC EXPLANATION:

On December 19, 2018, City Council enacted Ordinance 2018-1041, approving a Construction Management-at-Risk (CMAR) Services Contract with Hensel Phelps Construction Co. for the Federal Inspection Services (FIS) Renovation and Expansion Project in the amount of \$28,880,750.00. On November 17, 2020, City Council enacted Ordinance 2020-976 approving a Supplemental Appropriation to the CMAR Services Contract with Hensel Phelps Construction Co. for the construction of Enabling and Early Works Packages in the amount of \$44,515,968.00.

The FIS Renovation and Expansion Project will modernize and expand the existing FIS Facility to allow for future international passenger growth. The existing FIS facility requires building systems renovation and expansion to meet future passenger demand. The Design and Construction of this project will be progressed in phases to allow continuation of existing passenger services while the New International Central Processor (ICP) is being constructed, and renovation of the existing facility is occurring. To support this multi-phased approach, Enabling and Early Works have progressed using multiple Component Guaranteed Maximum Price (CGMP) Amendments to the FIS CMAR to support the delivery schedule.

This request establishes the Guaranteed Maximum Price (GMP) of \$433,890,000.00, which will incorporate all previous appropriated works to date to include:

1. Enabling and Early Works
2. Toll Plaza Garage C Traffic Reroute
3. Baggage Handling System (BHS) Reroute Package Tunnel and Roadway Alignment
4. DE Garage and Helix Demo and Utilities Relocation
5. Radio Intermediate Distribution Frame (RIDF) Radio Room Civil and Utilities Work
6. Terminal E Temporary Closure

The packages requested in this appropriation include:

1. Renovation of the Federal Inspection Services (FIS) area at IAH
2. Construction of the New International Central Processor (ICP)
3. Fitout of the Checked Baggage Inspection System (CBIS)/Checked Baggage Resolution Area (CBRA) facility
4. C Garage Additional Levels
5. Regional Detention Pond
6. Support to facilitate passenger operations within the new and renovated facilities

The FIS CMAR shall provide all labor, materials, and equipment necessary and reasonable to complete the Scope of Work in accordance with City requirements and the terms of the Contract. This appropriation request is for a portion of the full GMP of \$433.89M. The remaining appropriation request for this GMP, Civic Art, Owner's Reserve, and Testing & Inspections is anticipated to be presented to City Council for approval in Spring 2022, totaling approximately \$176.8M.

A portion of the spending under this contract may be eligible for reimbursement under either the FAA AIP or PFC programs.

This item was part of a presentation to the City Council Economic Development Committee Meeting on September 15, 2021.

Project Costs:

Appropriations to this Contract, including this Additional Appropriation, are as follows:

Cost Type	Previous Appropriations	Committed	Remaining Uncommitted	This Appropriation
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CMAR	\$71,199,570.00	\$58,015,211.31	\$13,184,358.69	\$192,500,000.00
Civic Art Fund	\$545,648.00	\$545,648.00	\$0.00	\$1,767,500.00
Owner's Reserve	\$1,250,000.00	1,250,000.00	\$0.00	\$4,504,500.00
Engineering Materials Testing & Inspections	\$401,500.00	\$401,500.00	\$0.00	\$2,747,960.00
TOTAL AMOUNT	\$73,396,718.00	\$60,212,359.31	\$13,184,358.69	\$201,519,960.00

The CMAR row in the table above (Previous Appropriations + This Appropriation columns) and the \$1.25M Committed of Owner's Reserve reflect the GMP amount; the remaining \$168.94M of the \$433.89M GMP will be appropriated in Spring 2022. All costs for the FIS Renovation & Expansion Project, including this appropriation request, are included in the overall \$1.3B ITRP budget.

Civic Art:

As part of this Appropriation, \$1,767,500.00 will be included for the City's Civic Art Fund. Further funding for Civic Art will be included in the subsequent appropriation request for Phase 2 Construction Services.

Engineering Materials Testing & Inspections:

As part of this Appropriation, \$2,747,960.00 will be included for the Engineering Materials Testing & Inspections under the following contracts:

Gorronzona Engineering Services, Inc: Contract No: 4600016494	\$915,986.66
Kenall, Inc. dba Ratnala & Bahl: Contract No: 4600016490	\$915,986.67
Ninyo and Moore Geotechnical and Environmental Science Consultants: Contract No: 4600016489	\$915,986.67
Total Engineering Materials Testing & Inspections:	\$2,747,960.00

Further funding for Engineering Materials Testing & Inspections will be included in the subsequent appropriation request for Phase 2 Construction Services.

FAA AIP Grant Program:

No grants have been applied for at this time. However, if applicable, grants may be applied for in the future.

MWBE Participation:

The Minority/Women Business Enterprise (MWBE) goal for the Phase 1 Pre-Construction Services portion of this contract was 10%. Hensel Phelps achieved 14.9% toward the goal.

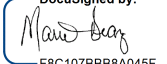
The MWBE goal for the Phase 2 Construction Services, including Enabling and Early Works, is 20% (MBE 15%; WBE 5%). Currently, the MWBE participation for construction is 6.08%; however, only a very small percentage (approximately 7.45%) of Phase 2 work has been performed. The HAS Office of Business Opportunity will continue to monitor this project and is confident the goal will be met by the contractor.

CIP Fiscal Note:

No significant Fiscal Operating impact is anticipated as a result of this project.

Director's Signature:

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JS

DocuSigned by:

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Mario C. Diaz
Houston Airport System

Andy Icken
Chief Development Officer

Prior Council Action:

12/19/2018 (O) 2018-1041
11/17/2020 (O) 2020-976

Amount and Source of Funding:

\$165,223,343.80 HAS 2021A AMT Bond for ITRP Fund (8061)
\$ 34,529,116.20 IAH PFC Capital Projects Fund (8054)
\$ 1,767,500.00 HAS Airports Improvement Fund (8011)
\$201,519,960.00 TOTAL APPROPRIATION

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