



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/13/2022

District B

Item Creation Date: 8/25/2022

HAS – Additional Appropriation for the Program Management Support Services (PMSS) Contracts with the Houston Aviation Alliance (HAA) and Parsons & HJ Russell IAH Team; Project No. 801

Agenda Item#: 16.

Summary:

ORDINANCE appropriating \$15,600,000.00 out of Airport System Consolidated ITRP AMT Construction Fund for Program Management Support Services Agreements between City of Houston and **HOUSTON AVIATION ALLIANCE**, a Joint Venture, and **PARSONS & H. J. RUSSELL IAH TEAM**, a Joint Venture, for the Houston Airport System; (Project No. 801) - **DISTRICT B - JACKSON**

Background:

Recommendation

Enact an Ordinance appropriating \$15,600,000.00 for the Program Management Support Services (PMSS) contracts with the Houston Aviation Alliance (HAA), a Joint Venture, and the Parsons & HJ Russell IAH Team, a Joint Venture (Project No. 801).

Specific Explanation:

The Program Management Support Services (PMSS) scope of services includes the provision for staffing, services, and systems in support of the Project Management, Design Management, and Construction Management (PM/DM/CM) and Project Controls Services of the IAH Terminal Redevelopment Program (ITRP).

On April 8, 2015, Houston City Council enacted Ordinance 2015-314, approving and authorizing two PMSS Contracts—one with the Houston Aviation Alliance (HAA) and one with the Parsons & HJ Russell IAH Team—and appropriating an initial amount of \$21,000,000.00. The contracts have a term of 8 years with a two-year extension option (10 years total).

On October 19, 2016, City Council enacted Ordinance 2016-801, approving and authorizing Amendment No. 1 to the Contract and appropriating an additional \$22,000,000.00.

On March 7, 2018, City Council enacted Ordinance 2018-174, appropriating an additional \$18,144,400.00.

On May 8, 2019, City Council enacted Ordinance 2019-349, approving and authorizing Amendment No. 2 to the Contract and appropriating an additional \$18,900,000.00. Amendment No. 2 updated the Contract's *Exhibit B: PMSS Consultant's Raw Salary Rates* due to increases caused by inflation and annual cost of employment increases.

On August 26, 2020, City Council enacted Ordinance 2020-739, appropriating an additional \$13,000,000.00.

On September 29, 2021, City Council enacted Ordinance 2021-840, appropriating an additional \$14,600,000.00.

Over the course of the contract, a wide variety of skills and capabilities are required under the PMSS contracts by the Houston Airport System. Resource requirements are prepared on an individual basis for each assignment, and Letters of Authorization (LOAs) are executed prior to the commencement of any given assignment. Appropriations have been completed on an annual basis, funding approximately each subsequent year of services.

The total PMSS appropriation to date is \$107,644,400.00 with HAA receiving \$38,193,200.00 and PHJR receiving \$69,451,200.00. It is anticipated that City Council will be asked to approve a final additional appropriation of approximately \$12M for FY2024 to fund the remainder of the contract term. The total cost of the PMSS contracts is still within the \$135.2M PMSS Budget and is included in the overall ITRP Budget.

It is now requested that City Council approve an additional appropriation of \$15,600,000.00 for continued and uninterrupted delivery for Program Management Support Services in support of ITRP.

Project Costs:

The \$15,600,000.00 will be allocated to the two contracts (HAA and Parsons & HJ Russell IAH Team) as needed through Letters of Authorization (LOAs). A portion of the spending may be eligible for reimbursement under either the FAA AIP or PFC Programs.

M/WBE Participation:

The M/WBE goal approved for each contract is 35%. The current participation achieved by HAA is 39.89%. The current participation achieved by Parsons & HJ Russell IAH Team is 37.89%. The standard for meeting M/W/SBE participation goals is the demonstration of Good Faith Efforts. The M/W/SBE performance and Good Faith Efforts on this project remain on target towards the goal. The HAS Office of Business Opportunity will continue to monitor these agreements in accordance with its procedures.

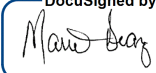
CIP Fiscal Note:

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

Director's Signature:

DS
JS

DocuSigned by:



Mario C. Diaz
Houston Airport System

Andy Tcken
Chief Development Officer

Prior Council Action:

04/08/2015 (O) 2015-314
10/19/2016 (O) 2016-801
03/07/2018 (O) 2018-174
05/08/2019 (O) 2019-349
08/26/2020 (O) 2020-739
09/29/2021 (O) 2021-840

Amount and Source of Funding:

\$15,600,000.00
Airport System Consolidated ITRP AMT Construction Fund
Fund 8207

Contact Information:

Todd Curry 281/233-1896
Jarrett Simmons 281/233-1675

ATTACHMENTS:

Description

Signed Coversheet
Previous RCAs
Previous Ordinances
OBO Documentation
HAA OIF
Parsons & HJ Russell OIF
SAP Document
Ordinance

Type

Signed Cover sheet
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Financial Information
Ordinance/Resolution/Motion