



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 8/26/2025

District D

Item Creation Date: 8/12/2025

25CONS632 – Additional Appropriation – Structure Tone Southwest, LLC - Holcombe Lab Expansion

Agenda Item#: 44.

**Background:**

**RECOMMENDATION:** Appropriate additional funds for construction services.

**SPECIFIC EXPLANATION:** The General Services Department (GSD) recommends that City Council appropriate an additional \$5,744,000.00 to the CMAR contract with Structure Tone Southwest, LLC to provide construction phase services. The Centers for Disease Control (CDC) cancelled a portion of the federal grant supporting this project on March 24, 2025. This project was originally a federal Government funded project. Due to the cancellation, additional funding is required.

**PROJECT LOCATION:** 2250 Holcombe, Houston, TX 77030

**PROJECT DESCRIPTION:** The project will design and construct a new, approximately 14,000 square foot, two-story, Biosafety Level 2 (BSL-2) lab adjacent to the existing lab buildings on the same site. The purpose of the new lab is to allow for the study of emerging diseases in coordination with the CDC. The new facility will operate on Mechanical Electrical Plumbing Technology systems, including a backup generator, which are independent of the existing systems on site. This work shall include utility connections, partial parking lot reconstruction (more spaces, utility routes, and underground detention), flatwork between the existing and new buildings, and landscaping around the new structure. When the building is completed in Fall 2026, operating costs will begin in Fiscal Year 2027.

**PREVIOUS HISTORY:** On November 29, 2023, by Ordinance 2023-1021; City Council awarded a construction manager at risk (CMAR) Contract to Structure Tone Southwest, LLC to provide pre-construction and construction phase services for the new Holcombe Lab Expansion for the Houston Health Department.

**FUNDING SUMMARY:** It is recommended that City Council appropriate funds for construction phase services, including an additional appropriation of \$80,000.00 for materials testing services under the contract with QC Laboratories.

\$ 5,380,800.00	Construction Cost (Estimate)
\$ 283,200.00	5% Contingency Cost (Estimate)
<hr/>	
\$ 5,664,000.00	Total Estimated Contract Services
\$ 80,000.00	Materials Testing
<hr/>	
<b>\$ 5,744,000.00</b>	<b>Total Funding</b>

**M/WBE PARTICIPATION:** A 16.00% MBE goal and a 5.00% WBE goal have been established for the construction phase services of this contract. The construction manager will submit the list of proposed certified subcontractors with the issuance of the GMP proposal.

**FISCAL NOTE:** The five-year projected operating and maintenance costs for this project are listed below:

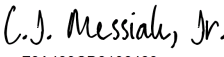
Project	FY2026	FY2027	FY2027	FY2029	FY2030	Total
Holcombe Lab Expansion WBS No. H-000426	\$0	\$627,647.00	\$988,000.00	\$1,037,400.00	\$1,089,270.00	\$3,742,317.00

**PAY OR PLAY PROGRAM:** The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the contractor provides health benefits to eligible employees in compliance with City policy.

**HIRE HOUSTON FIRST:** does not apply to this expenditure, because it involves the use of federal funds and is subject to specific procurement rules of the federal government.

**WBS No:** H-000426

**DIRECTOR'S SIGNATURE/DATE:**

DocuSigned by:  
 8/15/2025  
FOA499CD3106409...  
C. J. Messiah, Jr.  
General Services Department

\_\_\_\_\_  
Stephen L. Williams, M. Ed., MPA  
Houston Health Department

**Prior Council Action:**

Ordinance no. 2023-1021; Dated November 29, 2023

**Amount and Source of Funding:**

**\$5,744,000.00** Public Health Consolidated Construction Fund (4508)

**Previous Funding:**

**\$9,852,340.00** Federal Government – Grant Funded (5000)

**Contact Information:**

Enid M. Howard  
Council Liaison  
**Phone:** 832-393-8023

<sup>DS</sup>  


**ATTACHMENTS:**

**Description**

CIP FORM A

Prior Council Action

MAPS

**Type**

Backup Material

Backup Material

Backup Material