



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/15/2016

District B

Item Creation Date: 10/13/2016

**H27020 - Design-Construction Program Management Office (PMO) Building -
ORDINANCE**

Agenda Item#: 31.

Summary:

ORDINANCE appropriating the sum of \$4,934,439.00 out of the HAS Airport Improvement Fund (8011); approving and authorizing a design-build contract between the City of Houston and **PEPPER-LAWSON WATERWORKS, LLC** for the Program Management Office at Houston Intercontinental Airport/Houston for the Houston Airport System (Project No. 821); containing provisions relating to the subject; and declaring an emergency.

Background:

H27020 - Approve an Ordinance authorizing the appropriation of \$4,934,439.00 in the HAS Airport Improvement Fund (8011) and award a contract to PepperLawson Waterworks, LLC for a total amount not exceed \$4,934,439.00 to complete design and perform preconstruction services as phase I of the design and construction of a new Program Management Office (PMO) Building for the Houston Airport System.

SPECIFIC EXPLANATION:

The Director of the Houston Airport System and the Chief Procurement Office recommend that City Council approve an Ordinance authorizing the appropriation of **\$4,934,439.00** in the HAS Airport Improvement Fund (8011), and to award a contract to PepperLawson Waterworks, LLC for a total amount not exceed **\$4,934,439.00** for completion of design and phase I preconstruction services in order to build a new Program Management Office (PMO) Building at George Bush Intercontinental Airport/Houston (IAH). To support passenger volume growth and the airlines' expansion plans, HAS and the airlines will complete a major capital improvement program, known as the IAH Terminal Redevelopment Program (ITRP), and hereinafter referred as the "Program". The Program will include the construction of a new 11-gate concourse (New Terminal C North currently under construction) undertaken by United Airlines (UA) and the reconstruction and integration of the existing Terminal C North and Terminal D into a new single common-use international facility – the Mickey Leland International Terminal (MLIT). The Program will also include several enabling projects to serve the newly constructed facilities (such as the PMO building that is the subject of this request for Council action) as well as a new roadway system and airfield improvements.

PepperLawson Waterworks, LLC will be designated as the "Prime Contractor" of the PMO site and will be required to provide complete Design, Pre-Construction, and Construction Services to complete the PMO Project. The firm must furnish all labor, materials, and equipment necessary and reasonable to complete the entire scope of work in accordance with City requirements and the terms of the contract. The scope of work includes permitting, design, construction, project closeout, and all necessary general conditions.

PepperLawson Waterworks, LLC will perform services for the Project under two phases. Under Phase 1—Design/Pre-Construction/Early Construction Services—PepperLawson Waterworks, LLC will commence work shortly after award of the contract and issuance of a Notice to Proceed (NTP). The culmination of Phase 1 will result in a Guaranteed Maximum Price (GMP), which will be brought to City Council for approval. Upon approval by Council of the GMP, Phase 2 – Construction Services will commence following the issuance of a construction NTP

PROJECT COST: The total appropriation is as follows:

Pre-Construction Services	\$ 400,000
Pre-Con Design (0-60%)	\$ 800,000
Pre-Con Design (60-100%)	\$ 467,000
Enabling Works	\$ 3,200,000
Civic ART Appropriation	\$ 67,439
TOTAL APPROPRIATION	\$ 4,934,439

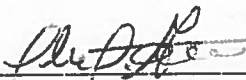
M/WBE PARTICIPATION:

The Minority/Women Business Enterprise (M/WBE) goal for this contract is Design & Professional Services: 30%. Pepper Lawson Waterworks, LLC proposes 76% M/WBE participation through the services performed by the following firms:

<u>Certified Firm</u>	<u>Type of Work</u>	<u>Percentage</u>
Matrix Structural Engineers, Inc.	Structural Engineering Consulting	5.32% MBE
Infrastructure Associates, Inc.	Engineering Services	8.97% MBE
Isani Consultants, L.P.	Engineering Services	22.42% MBE
Team Plus Build LLC	Architectural Services	39.29% MBE

PAY OR PLAY:

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 benefits for some employees but will pay into the Contractor Responsibility Fund for others, in compliance with City policy.



 John J. Gillespie, Chief Procurement Officer
 Finance/Strategic Procurement Division

 Department Approval Authority Signature

Fiscal Note:

This contract is being executed with the purpose of providing certain preconstruction, enabling and design services associated with a new Project Management Office (PMO), Project 821. Upon culmination of the work associated with this contract, a Guaranteed Maximum Price for the construction of the PMO will be brought to Council for approval. An estimate of the annual operating expense impact of the completed project is provided below.

Capital Project Information

See attached Form A

Estimated Fiscal Operating Impact

<u>Project</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY17-FY21 Total</u>
Program Management Office	\$ -	\$ 87,000.00	\$ 348,000.00	\$ 357,000.00	\$ 365,000.00	\$ 1,157,000.00
TOTAL	\$ -	\$ 87,000.00	\$ 348,000.00	\$ 357,000.00	\$ 365,000.00	\$ 1,157,000.00

Estimated Completion Date April 2018

Prior Council Action:

Amount of Funding:

\$4,867,000.00 - HAS- Airport Improvement Fund (8011) CIP No.: A-0800.10

\$ 67,439.00 - HAS- Airport Improvement Fund (8011) CIP No.: A-0422.81

\$4,934,439.00

Contact Information:

Robert Barker (281) 233-1990

Rhonda Arnold (281) 233-1953

Carolyn Hanahan (832) 393-9127

ATTACHMENTS:

Description

Form B

Form A

Tax report

Executive Summary

Affadavit of ownership

Type

Backup Material

Backup Material

Backup Material

Backup Material

Backup Material

Affidavit of compliance

Drug policy

List of Sub-contractors

pay or play

Residency

Resolution of contractor

RCA#H27020- PepperLawson Waterworks, LLC

PepperLawson Waterworks, LLC - Contract

PepperLawson Waterworks, LLC - Ordinance

Other

Other

Other

Other

Other

Other

Signed Cover sheet

Contract/Exhibit

Ordinance/Resolution/Motion