



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/27/2018

District B

Item Creation Date: 11/16/2018

HAS - Construction Manager-at-Risk (CMAR) Services Contract with Hensel Phelps (HP) for Federal Inspection Services (FIS) Renovation and Expansion Project at IAH, Project 828

Agenda Item#: 94.

Background:

RECOMMENDATION:

Enact an ordinance appropriating \$4,590,000.00 for Pre-construction Services from Fund 8207 - Airport System Consolidated ITRP AMT Construction Fund and \$ 23,537,937.00 for Construction Works (Enabling and Early Works) from Fund 8207 - Airport System Consolidated ITRP AMT Construction Fund and \$351,313.00 for Civic Art from Fund 8011 – Airports Improvement Fund and \$401,500.00 for Engineering and Materials Testing from Fund 8207 - Airport System Consolidated ITRP AMT Construction Fund; and approving and authorizing a Construction-Manager at Risk (CMAR) Services contract between the City of Houston and Hensel Phelps for the Federal Inspection Services (FIS) Renovation and Expansion project (Project No. 828) at George Bush Intercontinental Airport/Houston (IAH).

SPECIFIC EXPLANATION:

The Federal Inspection Services (FIS) Renovation and Expansion Project will modernize and expand the existing FIS facility to remain competitive and allow for future international passenger growth in the nation's eighth busiest international gateway and the second-fastest growing airport since the events of September 11, 2001.

The current facility was designed prior to the U.S. Customs and Border Protection (CBP) merger into one group. The consolidation led to duplication of space and improper functional adjacencies. The existing FIS facility requires a major building systems renovation and expansion to meet passenger demand, aircraft up-gauging, current code requirements, and new CBP processing technologies.

The FIS CMAR will provide Phase 1 – Pre-construction Services and Construction Works (Enabling and Early Works) and Phase 2 – Construction Services, furnishing 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. The Scope of Work includes construction, permitting, supervision, testing, inspection, integration, commissioning building and system components and interfacing with third party commissioning services firms, provider for integrated systems testing, information technology, systems integration and activation, regulatory requirements, project closeout, and all reasonably necessary general conditions.

Specifically, the scope includes demolition, new construction, renovation, and reconfiguring the existing FIS facility for improvements to the primary processing, secondary processing, Baggage Claim Hall, CBP Administrative Offices, Airline Ticket and Baggage Service Offices, Recheck Area, Restrooms, Security Screening Check Point (SSCP) and Recheck SSCP, and Concessions. The design and construction must be in multiple phases to allow continuation of passenger services in the existing FIS Building, and integrated with the New International Terminal Processor being constructed as part of this Project by the FIS CMAR. The New International Terminal Processor will include a new Ticketing Hall, Arrival/Departures curbs and Roadway Modifications, Baggage Modifications, and Operational Readiness and Airport Transfer (ORAT) of the Foreign Flag carriers.

At the completion of Phase 1 - Pre-construction Services, there will be an additional appropriation for further Construction Works as part of the total Guaranteed Maximum Price (GMP) proposal for Phase 2 - Construction Services. Phase 2 – Construction Services will commence upon issuance of an NTP following the establishment of the GMP and will be complete in accordance with the Scope of Work. A portion of the spending under this contract may be eligible for reimbursement under either the FAA AIP or PFC programs.

PROCUREMENT:

On June 1, 2016, a Request for Qualification (RFQ) for Construction Manager-at-Risk Services for Houston Airport System, Federal Inspection Services (FIS) Renovation and Expansion was posted on HAS's website and advertised in the Houston Chronicle June 17, 2016 and June 24, 2016. HAS received six (6) Statements of Qualifications (SOQ) responses to the RFQ August 9, 2016, from the following firms:

Hensel Phelps
Manhattan Construction
Turner Construction
Skanska Gonzalez Joint Venture
Clark Horizon Joint Venture
Balfour Beatty

The Evaluation Committee (EC) reviewed, scored and ranked the six (6) SOQs. The first score ranking was very close. So, in an effort for better public transparency, the Mayor asked for the submissions to be re-evaluated and a second committee was selected independent from the original evaluation team with Strategic Procurement Division (SPD) overseeing the new process.

The second EC re-evaluated the following submissions:

Hensel Phelps
Manhattan Construction
Turner Construction
Skanska Gonzalez
Clark Horizon

The EC's findings, based upon the evaluation of the proposed scope of work, resulted in Hensel Phelps and Turner Construction being invited to participate in the Oral Presentation/Interview step.

Following their Oral Presentation/Interview, Hensel Phelps was recommended for award by the EC.

The committee ultimately recommended Hensel Phelps for the FIS CMAR project, based on the following points:

- Scope Approach
- Organization and Management
- Firm Project Experience
- Key Personnel:
- Pre-construction and Construction Phase Services:
- Project Management Control

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 and/or its sub-contractors provide benefits for some employees but will pay into the Contractor Responsibility Fund for others in compliance with City policy.

ENGINEERING TESTING SERVICES CONTRACT:

As part of this appropriation, \$ 401,500.00 will be funded to finance Engineering and Materials testing services as follows:

Vendor Name	Contract No.	Appropriation Amount
HVJ Associates	4600012372	\$200,750.00
Aviles Engineering Corporation	4600012370	\$200,750.00
Total this Appropriation:		\$401,500.00

Further funding for Engineering and Materials testing services will be included in the appropriation request for Phase 2 - Construction Services.

CIVICART:

As part of this Appropriation, \$ 351,313.00 will be included for the City's Civic Art Fund, based on the Appropriation of initial Construction Works (Enabling and Early Works).

Further funding for Civic Art will be included in the appropriation request for Phase 2 - Construction Services.

PROJECT COSTS: The total appropriation is as follows:

\$ 4,590,000.00 Pre-construction Services
\$ 23,537,937.00 Construction Works (Enabling and Early Works)
\$ 351,313.00 Civic Art (1.75%)
\$ 401,500.00 Engineering and Materials Testing Laboratories
\$ 28,880,750.00 Total Appropriation

M/WBE PARTICIPATION:

The Minority/Women Business Enterprise (MWBE) goal for the Phase 1 – Pre-construction Services portion of this contract remains at 10%. Hensel Phelps proposes to accomplish 14.93% for Phase 1 through the services performed by the following firms:

Certified Firm	Type of Work	Planned Participation Percentage (%)
MWBE:		10.00% Goal
D. Samuels & Associates, LLC	COH Compliance	0.65
Bradlink, LLC	BIM Management	5.45
Preston Banks Construction	Project Controls	6.54
Hillday Public Relations	Outreach and Coordination	2.29
MWBE Participation		14.93

FAA AIP GRANT PROGRAM:


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

CIP FISCAL NOTE:

This item is a capital project. This appropriation is for a Construction Manager-at-Risk (CMAR) services contract with Hensel Phelps (HP) for the Federal Inspection Services (FIS) Renovation and Expansion Project at George Bush Intercontinental Airport Houston (IAH); Project No. 828.

There is no impact to the FY19 Adopted Operating Budget for this item. Therefore, no fiscal note is required as stated in the Financial Policy Ord. 2014-1078 as an Operating Budget Item.

Director's Signature:



Mario C. Diaz
Houston Airport System

Andy Icken
Chief Development Officer

Amount of Funding:

\$ 28,529,437.00 HAS-Consolidated ITRP AMT Construction Fund (8207)
\$ 351,313.00 HAS-Aprt Improvement (8011)
\$ 28,880,750.00 TOTAL

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