



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 9/17/2019

To: Board of Supervisors

Department or Agency Name(s): Transportation and Public Works

Staff Name and Phone Number: Johannes J. Hoevertsz 707-565-2231

Vote Requirement: Majority

Supervisory District(s): All

Title:

Award of Agreement for Construction Manager (Construction Management at-Risk firm) for the Charles M. Schulz - Sonoma County Airport Terminal Area Redevelopment Project

Recommended Action:

Approve and authorize the Chair to execute an agreement with Q & D Construction for pre-construction design services and phased construction services related to the Airport terminal modernization project using a Construction Management at Risk delivery method. Authorize the Director of Transportation and Public Works to issue a Notice to Proceed for pre-construction design services for an amount not to exceed \$80,000.

Executive Summary:

The Department of Transportation and Public Works Airport Division (TPW) is requesting the Board authorize the Chair award and execute an agreement with Q & D Construction, for Construction Manager Services related to the Airport terminal modernization project. This initial award will include authorizing the Director of Transportation and Public Works to issue a Notice to Proceed for pre-construction services not to exceed \$80,000. TPW will return to the Board within the next six (6) months for approval of the construction services portions of the agreement.

Discussion:

The Charles M. Schulz- Sonoma County Airport (Airport) is the sixth fastest growing airport in the nation. To keep up with this growth, the Airport determined there was a need to expand the existing terminal in order to accommodate increases in airline traffic. Presently the Airport is in the final stages of the design phase of a terminal modernization project, which will include 33,000 square feet of new terminal construction and renovation of 7,000 square feet of the existing terminal. Improvements include enlarging security lines to improve passenger traffic flow, expanding commercial airline hold room capacity, relocating the Travel Security Administration (TSA) security screening area to expedite passenger processing, redesign of the baggage carousel to improve the customer experience, and completing an overall modernization of the terminal facility. This modernization project will help to accommodate the rapid growth in passenger enplanements.

Due to the complexities and time constraints of the terminal project, the Airport has determined that the Construction Management at-Risk (CMAR) delivery method provides the greatest opportunity for the project's success and presents the best value for the County. The CMAR method requires a commitment by a Construction Manager (CM) to deliver a capital project within a Guaranteed Maximum Price (GMP). The GMP

is calculated by the selected CM based on construction documents and specifications at the time of the GMP plus any reasonably inferred items or tasks. In addition to representing the Airport's interests during construction (for a fee), the CM manages and controls construction costs to not exceed the GMP. All costs exceeding the GMP not driven by change orders are the financial responsibility of the CM. This method will allow the County to better predict the total cost of construction and effectively manage project delivery timelines.

In order to provide an accurate GMP, the CMAR model requires the selected contractor to engage in various pre-construction services. In addition to constructability reviews, the CM performs value engineering reviews and verification that drawings and specifications are clear and reasonably accurate in order to minimize the need for change orders during construction. In order to achieve these objectives the CM works directly with the project owner (the Airport) and the architect (Mead & Hunt) throughout the final design phases. The collaboration between these entities provides greater oversight of project concepts, goals, and requirements, as well as an accelerated construction schedule and increased cost certainty throughout the project. Assuming the County and the selected CM agree to a GMP at the conclusion of the pre-construction phase, the Airport will return to the Board for authorization to proceed with the construction services phase of this agreement.

The Airport initiated the CMAR selection process with a General Contractor Industry Forum on November 9, 2018. The purpose of the Forum was to provide interested General Contractors more information about the terminal project and a future Request for Proposals & Qualifications (RFPQ). Topics discussed included the delivery method (CMAR), general scope of the project, and tentative timelines. This was an informational meeting intended to gauge contractor interest only. Ten (10) individuals attended the event, representing eight (8) interested firms.

On May 8, 2019, the Airport released a RFPQ. This RFPQ was a culmination of work between the Airport, County Counsel, C&S Companies, Mead & Hunt, and the consulting firm Orbach Huff Suarez & Henderson LLP (acting as outside legal counsel with expertise in CMAR processes). On May 20, 2019, a mandatory site visit conference was held at the Airport, which was attended by twenty-four (24) individuals, representing fourteen (14) interested parties. Questions from interested parties were collected and answered via the County Purchasing Portal on June 7, 2019. Three (3) final proposals were received by the RFPQ deadline of June 13, 2019.

The three submitted RFPQ's were evaluated by Airport staff and outside consultants with initial rating scores assigned based on criteria described in the RFPQ. After initial ratings were completed, all proposers were invited to attend interviews on July 16, 2019. Interviews included timed presentations by each firm, a situational exercise, and formal questions and answers. The interview team was composed of representatives from the Airport, other County departments, consultants and other Airports. Also present as advisory observers were representatives from legal counsel and additional engineering consultants. Final rankings were cumulative based on multiple criteria listed and detailed in the RFPQ. Cumulative scoring included a base score determined by initial reviews of proposals, plus interview rating scores. After all scores were tabulated Q & D Construction was determined to be the best value to the County.

The scope of work for the entire agreement is to perform both pre-construction and construction services in connection with the modernization and improvements of the Airport terminal. The entire terminal modernization project will be a phased project, contingent on federal funding for each phase of the project. A \$10,000,000 Federal Aviation Administration (FAA) grant was conditionally awarded in May 2019 and will be

finalized when the Airport receives the GMP. The grant will cover 90.66% of the costs associated with this request (\$72,528), with the remaining balance (\$7,472) paid from Airport Operations. The pre-construction phase of work includes project development, review and analysis of geotechnical reports, land use issues, design review, licenses, permits, constructability review, and value engineering. This phase of work will be complete when the contractor submits their GMP and at which time the Airport will return to the Board for approval of the construction services portion of the agreement and a construction contract with an amount defined by the proposed GMP.

In addition to pre-construction services, construction services outlined in this agreement include:

- Relocation of the current security checkpoint during construction
- Construction of a support building and connector area
- Extension of utilities to construction points
- Demolition of former hold room and security checkpoint
- Creation of outdoor concessions seating area
- Creation of new baggage screening and makeup areas
- Remodel of temporary security checkpoint to hold room seating
- Creation of new ticketing lobby, remodel of terminal entry for automated ticketing kiosks
- Creation of entry canopies adjacent to expanded entry
- Remodel of current ticketing modular to office space

At this time, the Airport is not requesting funding for the above outlined construction services, but a detailed request to proceed with construction services will be brought to the Board within the next six months.

The timeline for completion of the terminal modernization project is estimated at three (3) years. Design phase is roughly six (6) months; twenty-four (24) months for completion of construction and six (6) months for project close out and punch list.

The total costs for the entire project are estimated between \$25 and \$27 million depending on the number phases needed to match funding and grant schedules. Anticipated FAA funding is \$20 million. The remaining \$5-\$7 million includes grant match and ineligible project costs, which will be financed with a long-term debt instrument. Airport operating income and passenger facility charges will pay the principal and interest on this instrument. FAA has programmed \$10 million in grant funds toward the terminal project to date. The FAA will work with the Airport to ensure the remaining grant funding is issued for all phases of this project. The Airport will be returning to the Board to gain approval for additional financing as the phases are defined and GMP obtained for the local match.

CEQA- The approval of the current contract, which will authorize work on potential plans and specifications for

the intended terminal project anticipated by the November 21, 2011 EIR regarding the Charles M. Schulz Sonoma County Airport Master Plan Implementation Project, is within the scope of the programmatic EIR and therefore does not require additional environmental review at this time, pursuant to CEQA Guidelines Section 15268(c). As a contract authorizing only preconstruction, design-phase work on a project that has not yet been authorized, the current action is also for planning and scoping work only, and therefor is exempt from CEQA under Guideline 15262.

Prior Board Actions:

April 30, 2019 - Board Presentation Future Growth of the Airport

February 26, 2019 - Mead & Hunt Task Order #9

January 29, 2019 - Sprung Structure Lease Purchase Option & Sprung Structure Extension Purchase

May 8, 2018 - Terminal Expansion Update

May 8, 2018 - Long Term Financing for Terminal Expansion Projects

February 21, 2017 - Approve Sprung Structures Tent Lease

February 9, 2016 - Board Presentation Future Growth of the Airport

February 9, 2016 - Mead & Hunt Master Agreement

September 13, 2016 - Financing Expansion of Existing Passenger Terminal

September 13, 2016 - Approve Contracts for Mead & Hunt Terminal Design

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Budgeted Expenses	\$80,000		
Additional Appropriation Requested			
Total Expenditures	\$80,000		
Funding Sources			
General Fund/WA GF			
State/Federal	\$72,528		
Fees/Other	\$7,472		
Use of Fund Balance			
Contingencies			
Total Sources	\$80,000		

Narrative Explanation of Fiscal Impacts:

This work order will be 90.66% funded with a FAA grant. The remaining \$7,472 will be paid from \$4,848,275 in funds appropriated for Airport capital improvement projects in fiscal year 2019-20.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Agenda Date: 9/17/2019

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

CMAR Agreement

Related Items "On File" with the Clerk of the Board:

None