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Title: Actions related to a parking garage at Fresno Yosemite International Airport:
1. Approve Phase Two of a Progressive Design-Build contract with C Overaa & Co., to construct a parking garage at Fresno Yosemite International Airport in an amount not to exceed \$36,100,000 (Council District 4); and
2. Approve a consulting agreement with BSK and Associates of Fresno, California, to provide geotechnical quality assurance testing and inspection services for the parking garage at Fresno Yosemite International Airport in the amount of \$282,764 (Council District 4).

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. Site Map.pdf, 2. Design Build Contract_Amendment 1 + Exhibit 1.pdf, 3. PLA_Letter of Assent.pdf, 4. BSK Assoc Agrmt_Overaa Ph 2_08.20.20.pdf

Date	Ver.	Action By	Action	Result
8/20/2020	1	City Council	approved	

REPORT TO THE CITY COUNCIL

August 20, 2020

FROM: KEVIN R. MEIKLE, Director of Aviation
Airports Department

SUBJECT

Actions related to a parking garage at Fresno Yosemite International Airport:

1. Approve Phase Two of a Progressive Design-Build contract with C Overaa & Co., to construct a parking garage at Fresno Yosemite International Airport in an amount not to exceed \$36,100,000 (Council District 4); and
2. Approve a consulting agreement with BSK and Associates of Fresno, California, to provide geotechnical quality assurance testing and inspection services for the parking garage at Fresno Yosemite International Airport in the amount of \$282,764 (Council District 4).

RECOMMENDATION

Staff recommends that Council authorize the Director of Aviation to execute: 1) Phase Two of a Progressive Design-Build contract with C Overaa & Co. to construct a parking garage at Fresno

Yosemite International Airport in an amount not to exceed \$36,100,000, and, 2) Consulting agreement with BSK and Associates of Fresno, California, to provide geotechnical quality assurance testing and inspection services for the parking garage project at Fresno Yosemite International Airport (FAT) parking garage project in the amount of \$282,764.

EXECUTIVE SUMMARY

The parking garage (Project) Phase One work has been completed, which included design, cost and schedule development. Phase Two includes construction activities necessary to deliver the Project as designed on schedule and within budget. Completion of the Project will be in November 2021.

The Project will accommodate FAT's parking demand in FY 2022 and beyond, and will put up to 200 people to work, with the vast majority of the craft labor workforce from the Fresno area. Putting people to work at a time when most needed is a strong, positive and confidence building step to recovery. The Project will also have an estimated economic impact of \$22,500,000 to the local economy taking into account the variety of support services associated with building a parking garage, and create additional induced and indirect jobs with the vast majority local.

BACKGROUND

Execution of the Phase Two contract will keep the Project on schedule and avoid increased costs if delayed. The schedule is based on completing all underground work this fall, before the winter months and completion in 2Q FY 2022, just before holiday season.

Due to the COVID-19 pandemic, pricing and labor availability is very good at this time, which further indicates people are ready and want to go back to work. All capital work at airports that have financing in place (like FAT) are moving forward and many are accelerating work to take advantage of favorable construction efficiencies such as good pricing, availability work forces and materials. The Project schedule optimizes favorable pricing and construction efficiencies. A delay will have a significant cost and level of service impact, such as availability of work force as other industry sectors move capital work forward, risk of weather impacts related to underground work, and material demands. Additional cost will also negatively impact Airports strong liquidity position, credit rating and jeopardize the execution of FAT's Terminal expansion scheduled for completion in FY 2024.

The Parking garage will consist of four (4) levels, and will include approximately 917 stalls, electric vehicle charging stations, park assist guidance and revenue control systems, and be fully accessible with dedicated disabled access spaces. Additional optional work, subject to obtaining a Council of Governments New Technology Reserve Grant, include a more robust parking guidance system, roof-top solar with a goal of making the garage a net-zero facility, and funding assistance with vehicle charging stations and pay-on-foot kiosks. All of these elements leverage technology that will reduce greenhouse gas emissions and enhance operational efficiency for the public.

The need for additional parking at FAT is based on a design day of 2.67 spaces per 1000 enplanements, which occurred in back in FY 2018. FAT's projected recovery, now well underway, will be at FY 2018 levels in May 2021, before the garage is scheduled to open.

Amid the COVID-19 pandemic there are three major considerations related to moving airport capital programs forward, (i) minimal to no impact on liquidity, (ii) programs that address current capacity constraints (versus future long term growth), and, (iii) whether funding has been secured. FAT meets all three of these considerations - there will be no impact to airport cash reserves, the parking project schedule meets the demand curve, and funding was secured (Bond/IBank loan) in May 2019 with debt service payments ongoing.

The Phase Two contract includes a guaranteed not-to-exceed construction cost of \$29.0 million and optional work subject to receiving a COG grant of up to \$4.1 million. Other costs include the now-completed Phase One contract (\$3 million). The total Project cost will be a not-to-exceed price of \$36.1 million and is within budget. Airports was able to achieve this outcome due to the collaborative process associated with a Progressive Design Build procurement.

A competitive qualifications based design-build procurement process in accordance with Fresno Municipal Code Section 4-502(d) was conducted in mid-2019. On December 5, 2019, Council awarded a Phase One contract for the design and cost development in accordance with the Project program and budget. This was completed successfully, which enables the Project to move into Phase Two for construction.

The Project requires Quality Assurance (QA) - special inspection and testing services, and includes soils and compaction, structural and post-tensioned concrete, welding and masonry. Airports issued a competitive Request for Qualifications (RFQ) for geotechnical QA testing and inspection on-call services. Nine Statements of Qualifications were received and evaluated. Five firms have been approved to provide QA testing and inspection services for the Airports Department on an on-call or individual basis. BSK and Associates has been determined to be most qualified for this Project. A scope of work and fee, consistent with Project requirements and industry best practices, was negotiated for the Project. QA services are of a specific technical nature and beyond the capabilities of staff to perform, thereby requiring the enlistment of a specialized QA consulting firm.

The City Attorney has reviewed and approved the contracts as to form.

ENVIRONMENTAL FINDINGS

An Initial Study and Mitigated Negative Declaration (IS/MND) was prepared to evaluate the FATforward Passenger Terminal and Parking Expansion Project pursuant to the California Environmental Quality Act (CEQA) and adopted State CEQA Guidelines (Title 14, California Code of Regulations [CCR], Chapter Three). The City of Fresno Airports Department is the “lead agency” for this project (CEQA Guidelines, §15367). Based on the IS/MND, the following findings are made: (1) the project will not generate significant effects on the environment, and, (2) when all applicable mitigation measures have been applied to the project, the project will result in a less than significant impact on the environment.

A public Notice of Intent to Adopt a Mitigated Negative Declaration for FATforward was published in the local newspaper on December 20, 2019, as required for public review and comment. A Notice of Determination was recorded with the Fresno County Clerk’s office on February 27, 2020, and Council adopted the IS/MND on March 19, 2020.

LOCAL PREFERENCE

The Project will be executed using the Council approved Project Labor Agreement and Targeted Hiring Policy, and it is anticipated that up to 75 percent of the craft labor will be local hires.

FISCAL IMPACT

Financing for the Project was secured (Bonds) in May 2019 and the funding was appropriated in the Airports Adopted FY 2020 and FY 2021 budgets. Executing the Project will have no impact on the City's General Fund or Airports financial stability through FY 2021 and beyond. FAT is the largest driver in economic activity in the Central San Joaquin Valley with \$928 million of annual economic activity and 10,769 direct, induced and indirect jobs (2019 data). The parking garage project will help enable the airport to meet the regions current and future demand, resulting in further economic activity and job growth.

Attachments:

- Site Map
- Design Build Contract Amendment No. 1
- PLA Letter of Assent
- BSK and Associates Agreement