

COUNCIL ACTION FORM

**SUBJECT: ARCHITECTURAL AND ENGINEERING SERVICES FOR AIRPORT
TERMINAL BUILDING AND STORAGE HANGAR PROJECT**

BACKGROUND:

On February 10, 2015, staff presented a report updating City Council on the status of the Airport Terminal Building and Storage Hangar project. This included a brief historical summary of improvements conducted at the Ames Municipal Airport, a project timeline showing critical dates for replacement of the terminal building, a funding summary, a financing and storage hangar agreement with Iowa State University, a discussion of consultant design services, and important next steps necessary to address the ongoing financial stability of the Airport through an updated Fixed Base Operator (FBO) operating agreement.

The next step is to secure professional architectural and engineering design services to facilitate preparation of the new terminal/hangar building site improvements so that ISU and the private sector can construct the hangar portion of the project during the summer of 2015. The total project budget is \$2,410,000, which includes \$867,000 in G.O. Bonds, \$943,000 in revenue abated bonds, \$150,000 in a State of Iowa vertical infrastructure grant, and \$450,000 in federal funds.

The design and construction covered in the site improvements phase of the project is anticipated to utilize all the available federal funds (\$450,000). Those funds represent three years of accrued federal entitlements given annually to all general aviation airports across the nation. Because of this, the site improvement phase must follow all Federal Aviation Administration (FAA) requirements for design and letting of the project.

Bolton & Menk, Inc., has been selected to perform these professional services. This project will be led by Bolton & Menk's aviation group and coordinated out of its Ames office.

In making this selection, staff initiated an open RFQ process in November of 2013 in accordance with the City's purchasing policies. The City's purchasing policies require consultant selections to include cost as a criteria for selection unless otherwise required by Federal or State requirements. In this case, because the project includes federal entitlement funds, the FAA specifically prohibited the City from asking for cost during the selection process. Cost may only be determined after a consultant has been identified as the most qualified and the City enters into negotiations for a scope of services and fee with that consultant.

The scores of that qualifications based selection process are as follows:

<u>Airport Consultant</u>	<u>Average Score</u>
Bolton & Menk, Inc.	90.7
Foth Engineering	80.7
Heery International	69.0

Through this process, Bolton & Menk, Inc. were found to be the most qualified consultant based upon a combination of past aviation experience and their proposed approach to this project.

While the site improvements are being designed, it is proposed that the consultants conduct a parallel effort to begin the architectural design of the terminal building itself. This effort will include continued project coordination with those who are constructing the storage hangar, as well as conducting at least four stakeholder meetings to further refine the final configuration and aesthetics of the terminal building. The end goal will be to have one complete facility to serve as a gateway to the Ames community while at the same time meeting the future growth needs of the Airport.

This City Council action will be to approve two separate design contracts for professional services. The first is for the **site improvements** design, which follows the standards set by the FAA, in an amount not to exceed **\$140,000**. The second contract is for the architectural design of the **terminal building**, which includes stakeholder meetings and design coordination with the hangar portion. That contract is in an amount not to exceed **\$260,000**.

Design fees for aviation projects typically range from 15-20% of the total project cost. The combined professional services fee for both phases of Bolton and Menk’s work is a not to exceed amount of \$400,000, which is approximately 16.6% of the total project cost. In addition to this amount, the scope of the architectural services agreement also includes “**additional services**” in an amount not to exceed **\$90,000** that are **not** authorized at this time. This includes potential design services not included in the base service agreement with its four stakeholder meetings, but which the City may determine are needed in working through the terminal design process with stakeholder groups. Those additional services would need to be authorized by the City in writing before the consultant can conduct that work.

ALTERNATIVES:

1. a) Approve a professional services agreement with Bolton & Menk of Ames, Iowa for design of the site improvements for the Airport Terminal Building project at a not to exceed cost of \$140,000.
- b) Approve a professional services agreement with Bolton & Menk of Ames, Iowa for the building design of the Airport Terminal Building and Hangar project at a not to exceed cost of \$260,000.

2. Direct staff to seek additional alternatives for design of the site improvements and Terminal Building.

MANAGER'S RECOMMENDED ACTION:

By approving these two professional service agreements, the City will be able to move forward without delay following the proposed project timeline presented on February 10th. The anticipated completion date of the overall Terminal Building and Hangar project is May of 2016. It should be noted that staff will also be working on a new FBO solicitation that is anticipated to go into effect after the hangar facility is usable (estimated to be October 2015).

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as noted above.