



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 18-00045

City Council

2/8/2018

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

AIRPORT - VT MOBILE AEROSPACE ENGINEERING, INC. PROJECT AT PENSACOLA INTERNATIONAL AIRPORT - AMENDMENT NO. 2 AND AMENDMENT NO. 3 TO ARCHITECTURAL AND ENGINEERING DESIGN SERVICES

RECOMMENDATION:

That City Council authorize the Mayor to execute Amendment No. 2 to the contract with Atkins North America in the amount of \$67,409.00 and Amendment No. 3 in the amount of \$14,166.13 for additional architectural and engineering services for the VT Mobile Aerospace Engineering project at the Pensacola International Airport. Further that City Council authorize Mayor to take all actions necessary related to the execution of the amendments.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Atkins North America was selected as the firm to provide the architectural and engineering design services for the development of the hangar facility to be utilized by VT MAE. The initial cost negotiated with Atkins for the work was based on a general schematic design developed while formulating the lease agreement with VT MAE. After commencement of the formal design activity, certain additional services were required. Additional inspection services were needed to ensure that the concrete for the apron area was being placed in accordance with the required plans and specifications, and additional design services were required to re-design a portion of the second level mezzanine area to include a break area and bathrooms. As the re-design for the mezzanine was done at the request of VT, they will reimburse the City for the cost.

These items have required Atkins North America to expend additional hours not anticipated in their original fee. The additional fees have been reviewed by Mott MacDonald as the Program Administrator and deemed to be fair and reasonable.

PRIOR ACTION:

December 17, 2013 - Mayor Ashton Hayward executed a nonbinding Memorandum of Understanding with ST Aerospace which allowed the City to begin contract negotiations.

June 13, 2013 - City Council adopted a resolution to support the acceptance of a grant offered by the Florida

Department of Transportation as a Joint Participation Agreement # 43360229401 in the amount of \$11,090,000 for air commerce park phases I and IA - Infrastructure Development.

February 13, 2014 - City Council Discussion Item and Presentation on the ST Aerospace Economic Development Project at the Pensacola International Airport.

February 27, 2014 - City Council approved the Interlocal Agreement with Escambia County and the City of Pensacola for Funding of Economic Development Project - ST Aerospace of Mobile, Inc.

September 9, 2014 - City Council approved the lease with VT Mobile Aerospace Engineering

July 16, 2015 - City Council approved the selection of Greenhut Construction and authorized the Mayor to execute the contract.

September 17, 2015 - City Council authorized the Mayor to execute acceptance of the Florida Department of Transportation Joint Participation Agreement # 43571729401 in the amount of \$1,531,546 for construction funding to expand the cargo apron and construct a taxiway connector at the Pensacola International Airport of which \$1,121,242 will be used towards taxiway connecting future VT MAE facility to runway 17-35.

March 17, 2016 - City Council authorized the Mayor to execute acceptance of the Florida Department of Transportation Joint Participation Agreements # 42030029401, # 42960929401, and # 42960939401 in the amount of \$2,975,305 for construction of a taxiway connector at the Pensacola International Airport.

April 14, 2016 - City Council authorized the Mayor to execute acceptance of the Florida Department of Transportation Joint Participation Agreement # 43571769401 in the amount of \$8,599,600 for construction of a hangar at the Pensacola International Airport.

September 22, 2016 - City Council authorized the Mayor to execute Amendment No. 1 to the contract with Atkins North America.

FUNDING:

Budget:	\$23,786,147	FDOT Grant Entitlements
	7,000,000	Industry Recruitment, Retention, and Expansion Funds
	8,000,000	Interlocal Agreement between City and Escambia County
	<u>7,244,300</u>	VT Mobile Aerospace Engineering, Inc.
	<u>\$46,030,447</u>	

Actual:	\$ 2,690,189	Architectural/Engineering Fees - Design and Construction
	1,279,298	Program Management Fees - Design and Construction
	219,707	Environmental Assessment
	581,002	Federal Aviation Administration Equipment Modification
	461,513	Professional Services
	152,901	Geotech/Survey/Airport Layout Plan
	150,000	Construction Manager at Risk Fees - Design
	304,689	Miscellaneous
	750,000	Bridge Financing
	37,576,696	Construction Manager at Risk - GMP

1,864,452 Project Contingency
\$46,030,447

FINANCIAL IMPACT:

The project is expected to create a minimum of 400 full-time, high skilled jobs with an average salary of \$41,000. The total project cost of \$46,030,447 is being funded by a combination of VT MAE investment, state grants, and local funds. The fees for this amendment will come from a combination of those funds.

CITY ATTORNEY REVIEW: Yes

1/16/2018

STAFF CONTACT:

Eric W. Olson, City Administrator
Daniel Flynn, Airport Director

ATTACHMENTS:

- 1) Amendment No. 2
- 2) Amendment No. 3

PRESENTATION: No