

RESOLUTION NO. 18-10698

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF BILLINGS, MONTANA, AUTHORIZING THE
USE OF AN ALTERNATIVE PROJECT DELIVERY
METHOD FOR CONSTRUCTING THE AIRPORT
TERMINAL EXPANSION PROJECT.**

WHEREAS, 18-2-502, MCA, authorizes the City to use an alternative project delivery contract method when constructing public improvements. A governing body that uses an alternative project delivery contract shall determine that the proposal meets at least two of the criteria described in 18-2-502, MCA, subsections (2)(a) through (2)(c) and the provisions of subsection (3); and

WHEREAS, the City of Billings has determined that in order to accommodate the future growth of the City and surrounding area, and to enhance the travel experience from the Billings Logan International Airport (Airport), it intends to expand the Terminal Building including the construction of a new modern concourse area with three to four new holdroom areas with passenger loading bridges, an enhanced concession area, a more efficient screening area, and an upgrade to customer amenities such as restrooms. These improvements could add as much as 90,000 square feet to the Airport Terminal Building; and

WHEREAS, the City Council has determined that it desires to use the alternative project delivery contract method that is commonly called General Contractor Construction Management (GCCM) Agreement to construct the project, and therefore makes the following findings, in conformance with the referenced State law.

FINDINGS

1. The City Council approved a contract for construction project management and engineering services from Morrison-Maierle Engineering, a professional engineering and project management consulting firm with alternative project experience. Previous relevant experience includes the Missoula Airport, the Butte Airport, and the Bozeman Airport.
2. Procurement of the GCCM shall be through an open public process. All qualified contractors are eligible to compete, following Montana statutes and City of Billings Ordinances. A Request for Qualifications (RFQ) will be prepared and distributed and will be used to short list qualified competitors, using a scoring system to rate (1) relevant experience, (2) proposed staff, and (3) proposed approach. A City appointed Selection Committee will score and rank statements of qualifications using the stated scoring criteria. The selected competitors will then prepare detailed Request for Proposals (RFP) that will be judged and scored by the Selection Committee against scoring criteria stated in the RFP. Formal presentations by the competitors will be held to further clarify and address Selection Committee questions. The highest scored team will be

awarded the GCCM contract. GCCM competitors are free to select subcontractors and consultants as they see fit, similar to traditional delivery methods. Competitors will be encouraged to seek the most competitive, qualified consultants, subcontractors, and local providers in order to provide the best value to the City.

3. The expansion of the Airport is a complicated project that requires the Airport to remain open throughout the construction period. This unfortunately causes undue hardships on the Terminal Building's tenants, such as the airlines and concessionaires, as well as the screening operations that must ensure the Terminal remains secure. In order to remain operational during the construction of this complicated project, the construction project will need to be built in phases. With a GCCM on board the contractor will be able to advise the architects and engineers on scalability and constructability of each phase, as well as estimated time frames and cost estimates for each of the proposed phases. The GCCM will be invaluable in sorting out the complexities of this project.
4. Alternative project delivery contracts can also provide a significant benefit with regard to construction schedules. Because the Terminal Expansion will need to be constructed in phases, the individual phases will need to be on schedule to ensure the impacts to passengers, airlines, and other Terminal tenants, and the Transportation Security Administration (TSA) are all mitigated by the timely completion of each phase. Otherwise, financial implications to the users of the Terminal start to come into play. During each phase, there will be some tenants that either will be impacted by less revenues or increased operating costs, the result of the passenger flows through the Terminal being redirected. As each phase of the project is completed, the public will start to benefit from the improvements being put in place. Additionally, this can also benefit the revenues to the Airport by bringing the concessions back on line. By bringing the GCCM on early in the planning stages of the project, the Airport should benefit through a significant reduction in costly surprises and delays.
5. The procurement methodology employed by the Airport and Morrison-Maierle for this GCCM Agreement will encourage broad, aggressive design and pricing competition. GCCM competitors are free to select subcontractors and consultants as they see fit, similar to traditional delivery methods. Competitors will be encouraged to seek the most competitive, qualified consultants, subcontractors, and local providers in order to provide the best overall value to the City. Unsuccessful competitors will be given the opportunity to review the selected team's materials, Selection Committee scoring, and other materials, once a contract has been awarded.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

The City Council hereby adopts the above stated findings of fact and determines that using the alternative project delivery contract is warranted and necessary for the proposed construction of the Airport Terminal Expansion Project. These findings establish compliance with the requirements of 18-2-502(2) and 18-2-502(3), MCA.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana, on the 12th day of February, 2018.

CITY OF BILLINGS



By: William A. Cole
William A. Cole, Mayor

ATTEST:

By: Denise R. Bohlman
Denise R. Bohlman, City Clerk