



Meeting Date: January 30, 2025 **Agenda Type:** Consent Items for Action

From: Adam Willard, P.E. **Reviewed by:** Michael Short, P.E.
Chief Engineer of Water Director of Water Services and
Systems Compliance

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. for the Design of the I-35 Interceptor Upgrade Project

BACKGROUND

In compliance with the New Braunfels Utilities (“NBU”) Purchasing Policy, NBU executed a Professional Services Agreement (the “Agreement”) with Kimley-Horn and Associates, Inc. (“Kimley-Horn”) on July 8, 2020, for professional engineering services for the I-35 Interceptor Upgrade Project (the “Project”). On September 30, 2021, the Board approved a Professional Services Contract Amendment (the “First Amendment”) to (i) add additional project management, routing, design, permitting and easement acquisition services, (ii) extend the time of completion to June 27, 2026, and define the time of completion for the new services, (iii) remove supplemental services relating to subsurface utility engineering and easement surveying and reallocate the related compensation, and (iv) authorize additional compensation for the services (the “First Amendment”).

On January 25, 2024, the Board approved a Professional Services Contract Amendment (“the Second Amendment”) to (i) add additional project management support, easement acquisition survey and support services, retaining wall analysis and design for access improvements, and odor control study and analysis pertaining to NBU facilities at the property located at 470 Rio Drive, New Braunfels, TX (the “Rio Bar Screen”), and (ii) authorize additional compensation for the services (the “Second Amendment” and, together with the First Amendment and the Original Agreement, the “Agreement”).

Based on the analysis performed on the Rio Bar Screen as part of the Second Amendment, NBU requires additional final design services related to the wastewater interceptor, as well as additional preliminary design services, final design services, permitting and easement acquisition services, bid phase services, and construction phase services for the Rio Bar Screen (the “New Services”). As a result, NBU staff requests that the Board approve the Third Amendment to the Agreement (the “Third Amendment”), which includes (i) adding the New Services, (ii) including additional compensation for the New Services, and (iii) extending the completion date for the Project to December 31, 2027.

This item is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved.

Upon completion of the final design, NBU staff will solicit two construction contracts, one for the Rio Bar Screen and one for the I-35 Interceptor, and bring the construction contracts to the Board for approval in February 2026 and September 2026. NBU staff plans to begin construction on the Rio Bar Screen in March 2026 and complete construction in September 2026. NBU staff plans to begin construction on the Interceptor in September 2026 and complete construction by December 2027.

FINANCIAL IMPACT

The total financial impact of the Third Amendment is \$687,000.00, including supplemental services. The total contract amount for the Agreement and the Third Amendment with Kimley-Horn for the Project is \$1,782,000.00, including supplemental services. The Project is budgeted within the Fiscal Year 2025 through Fiscal Year 2028 NBU Board approved Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Third Amendment to the Professional Services Agreement with Kimley-Horn