



Meeting Date: December 12, 2024 **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 Construction Contract with Capital Excavation Company for the Construction of the Goodwin/Conrads Adjustments Project Joint Bid with the City of New Braunfels

BACKGROUND

On September 26, 2017, the Board approved a Memorandum of Understanding (the “MOU”) between the City of New Braunfels (“CONB”) and NBU for various joint bid projects. The MOU specifically approved five (5) projects but also permitted the use of the joint bid process for other projects. The CONB and NBU decided to use the joint bid process for the CONB’s Goodwin Conrads Roadway and Utility Adjustments Project and the NBU Goodwin/Conrads Adjustments Project (collectively, the “Project”), pursuant to the MOU. The NBU Project includes sewer main line adjustments, sewer manhole installations, waterline adjustments, and waterline valve adjustments. The Project will coordinate and resolve conflicts between water and sewer facilities and the CONB’s roadway work in the area.

On October 8, 2024, NBU, along with the CONB, issued a request for bids for the Project. On November 4, 2024, NBU and CONB received two (2) bids for the Project during the public bidding process. The project team evaluated the bids and recommends the selection of Capital Excavation Company (“Cap Ex”) for the Project. Cap Ex was selected as the respondent who provides the best value to NBU and the CONB collectively based on the selection criteria, the weighted value for those criteria, and the ranking evaluation, including their cost of work, proposed schedule, past performance on similar projects, overall qualifications, available resources, corporate history, and references. Cap Ex’s proposal includes a base bid of \$1,983,569.80 for the NBU Project.

Cap Ex was the lowest overall bidder for the Project, but was not the lowest bidder with respect to the NBU Project. Pursuant to the terms of the MOU, NBU is eligible for a reimbursement of \$157,123.83 if the CONB and NBU select Cap Ex as the contractor for the Project.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Cap Ex for the Project.

This item is being presented to the Board because the total amount of this contract exceeds \$250,000.

FINANCIAL IMPACT

The total financial impact of the Contract with Cap Ex for the Project is \$1,983,569.80. The Project is budgeted within the fiscal year 2025 through fiscal year 2026 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$200,000.00, which is approximately 10% of the total contract amount, will be added to the Project construction budget. The total contract amount plus contingency is \$2,183,569.80. The total cost to include contingency is over the approved fiscal year 2025 budget. The costs for this Project will be updated within the proposed fiscal year 2026 through fiscal year 2030 Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Financial Excellence

Stewardship

EXHIBITS

1. Construction Contract with Capital Excavation