

April 4, 2024

Mr. Jeffrey Morriss  
New Braunfels Utilities  
355 FM 306  
New Braunfels, TX 78130

Re: **Hueco Springs Substation Project (R-1933) and Henne Breaker Addition Project (R-1900 Bid Proposal Evaluation**

Dear Jeffrey:

Bid requests for the Hueco Springs Substation and Henne Breaker Addition Projects were received on the submittal deadline of March 14, 2024. One bid was received. Below is the bid tabulation of the bid proposal amounts.

Name of Bidder	Hueco Springs Bid Proposal Amount	Henne Bid Proposal Amount
Lambda Construction I, LLC	\$4,661,586.26	\$302,149.39

A comparison of Lambda's bid to a similar greenfield substation project, "Project B", that was bid in February of this year was performed. Labor and material units were compared if similar equipment was used. Labor only units were compared if dissimilar equipment was used for a similar unit. Project B is located in an area with very little rock, while the Hueco Springs's site is very rocky.

The comparison found that almost all the units were very similar in price for the similar units that did not include excavation. For labor units that required excavation (foundations, ground grid, trenching conduit & cable), the labor units were two to three times more expensive for the Hueco Springs project. The increase in labor costs is aligned with the two different types of soil associated with the two sites.

Lambda provided a schedule for the Hueco Springs Substation project that included a start date of November 5, 2024, and a completion date of August 5, 2025. Lambda took one exception to the specification in regard to the control house roof. The specification states that the roof is to be "a single piece without joints". Lambda is proposing to use is a multipiece precast roof from Lonestar Prestress. This is the same roof installed by Lambda at the Welter Road Substation and the EC Mornhinweg Substation.

Based on NBU's experience with Lambda on similar projects and based on the comparison of units to a recently bid similar project, Lambda Construction I, LLC is an acceptable bid for the Hueco Springs Substation and Henne Breaker Addition projects.

We, at SEnergy, thank you for the opportunity to be of assistance to NBU. Please call if you have any questions or require anything further.

Sincerely,



Dotty DiSanto, PE  
Project Manager

TX Fir, Reg. #: F-1594  
DKD, RGG, JGG