



Meeting Date: May 30, 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: Michael Short, P.E. **Approved by:** Ryan Kelso
Director of Water Services Chief Executive Officer
and Compliance

RECOMMENDED ACTION: Authorize CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Merrick & Company for the Development Plan Review Project for Water and Wastewater Construction

BACKGROUND

On August 6, 2021, New Braunfels Utilities (“NBU”) entered into a Professional Services Agreement (the “Agreement”) with Merrick & Company (“Merrick”) for professional engineering services for the Development Plan Review project (the “Project”). On January 26, 2023, the Board approved a Professional Services Contract Amendment (the “First Amendment”) in order to (i) reduce the Professional’s time to provide comments on construction plans; (ii) add a weekly reporting requirement for the Professional regarding the status of construction plan review; (iii) add a Renewal Term (defined therein), thereby extending the completion date to July 31, 2024; and (iv) increase the total not to exceed amount of compensation to be paid to the Professional to \$560,000.00.

NBU has identified a need to further extend this Agreement, due to the high volume of plan submittals associated with rapid growth in New Braunfels’ water and wastewater service areas. As a result, NBU staff requests that the Board approve the Second Amendment to the Agreement (the “Second Amendment”), to (i) revise the hourly billing rate structure; (ii) increase the Professional’s construction plan review time; (iii) add two one-year renewal terms, thereby extending the completion date to July 31, 2026; and (iv) increase the total not to exceed amount of compensation to be paid to the Professional under the Agreement to \$850,000.00.

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

FINANCIAL IMPACT

The total financial impact for the Second Amendment is \$290,000.00. The total contract amount for the Agreement, the First Amendment, and the Second Amendment with Merrick for the Project is \$850,000.00. The Project is budgeted within the fiscal year 2024 through fiscal year 2026 NBU Board approved Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Customers and Community

Stewardship

EXHIBITS

1. Second Amendment to the Professional Services Agreement with Merrick