



Meeting Date: August 27, 2026 **Agenda Type:** Consent Items for Action

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

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 Guerra Underground LLC for the Construction of the Water and Sewer Infrastructure Replacement Project Located at Bridge Street, Butcher Street, Sunset Drive, and Hampshire Street

BACKGROUND

On May 9, 2026, New Braunfels Utilities (“NBU”) issued a request for proposals for the Water and Sewer Infrastructure Replacement Project (the “Project”), which includes (i) construction of approximately 2,600 linear feet (“LF”) of 4-inch to 18-inch water main and approximately 2,900 LF of 6-inch to 12-inch sewer main along Bridge Street, Butcher Street, Sunset Drive, and Hampshire Street; (ii) removal or abandonment of existing water mains, sewer manholes, and sewer mains; (iii) stormwater pollution prevention; (iv) traffic control; (v) site restoration; and (vi) all other appurtenances necessary to complete the Project. The Project will replace and upsize various segments of water and wastewater infrastructure that has reached the end of service life.

On June 3, 2026, NBU received six (6) bids for the Project during the public bidding process. The Project team evaluated the bids and recommends the selection of Guerra Underground, LLC (“Guerra Underground”) for the Project. Guerra Underground was selected as the respondent who provides the best value to NBU 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. Guerra Underground’s proposal includes a base bid of \$2,600,843.65.

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

This item is being presented to the Board because the total amount of this contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total financial impact of the Contract with Guerra Underground for the Project is \$2,600,843.65. The Project is budgeted within the Fiscal Year 2027 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for Project change orders, a contract contingency in the amount of \$260,000.00, which is approximately 10% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$2,860,843.65.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Stewardship

EXHIBITS

1. Construction Contract with Guerra Underground
2. Bid Tabulation – (RFB 26-0069)

Bid Tabulation (RFB 26-0069)		
1.	Blackrock Construction	\$3,810,230.00
2.	EZ-Bel Construction	\$4,222,788.00
3.	Guerra Underground, L.L.C.	\$2,600,843.65
4.	Lupe Rubio Construction Co., Inc.	\$2,466,963.48
5.	R.L. Jones, L.P.	\$2,496,178.50
6.	Spiess Construction Co., Inc.	\$2,859,322.00

3. Bid Evaluation Matrix – Competitive Sealed Proposal (26-0069)

Bid Evaluation Matrix							
Item	Criteria	Blackrock Construction	EZ-Bel Construction	Guerra Underground, LLC	Lupe Rubio Construction Co., Inc.	R.L. Jones, LP	Spiess Construction Co., Inc.
1.	The Cost of the Work	32.4	29.2	47.4	50	50	43
2.	Proposed Schedule / Contract Time	13.21	6	12	11.2	8	10
3.	Past Performance on Similar Projects	7	5	6	4	4	6
4.	Overall Qualifications, Reputation, Past Relationship with NBU and Public Owners	7	5	6	4	5	9

5.	Available Resources to Complete Project	3	3	3.5	3	1.8	3.5
6.	Contractor's Corporate History and Stability	1.5	.65	1.5	1.5	1.5	1.5
7.	References	1.5	.5	1.5	1.5	1.5	1.5
	Total Score	65.37	49.34	77.93	75	71.71	74.47