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**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 Keeley Construction Group, Inc. for the Construction of the Loop 337 Ground Storage Tank Improvements Project

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## **BACKGROUND**

On May 1, 2026 New Braunfels Utilities (“NBU”) issued a request for proposals for the Loop Ground Storage Tank (“GST”) Improvements Project, which includes: (i) demolition of the existing Loop GST pump station facilities, (ii) installation of pumps, motors, valves, flow meter, electrical improvements, SCADA, instrumentation controls, security controls, variable frequency drives, and electrical building, (iii) storm water pollution prevention, (iv) installation of fencing and gates, (v) site grading, (vi) retaining wall construction, (vii) site restoration, and all other appurtenances necessary to complete the Project (the “Project”). The Project will help improve system reliability by replacing aging infrastructure which has reached the end of its service life.

On June 4, 2026, NBU received three (3) bids for the Project during the public bidding process. The Project team evaluated the bids and recommends the selection of Keeley Construction Group, Inc. (“Keeley Construction”) for the Project. Keeley Construction 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. Keeley Construction’s proposal includes a base bid of \$3,635,895.00.

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

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

## **FINANCIAL IMPACT**

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The total financial impact of the Contract with Keeley Construction for the Project is \$3,635,895.00. The Project is budgeted within the Fiscal Year 2027 through Fiscal Year 2029 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for Project change orders, a contract contingency in the amount of \$350,000.00, which is approximately 10% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$3,985,895.00.

## **LINK TO STRATEGIC PLAN**

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### **Customers and Community**

### **Infrastructure and Technology**

### **Safety and Security**

## **EXHIBITS**

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1. Construction Contract with Keeley Construction
2. Bid Tabulation – (CSP 26-0127)

| Bid Tabulation (CSP 26-0127) |                                       |                |
|------------------------------|---------------------------------------|----------------|
| 1.                           | Associated Construction Partners, Ltd | \$4,298,550.00 |
| 2.                           | Argo Utilities                        | \$2,776,300.00 |
| 3.                           | Keeley Construction Group, Inc.       | \$3,635,895.00 |

3. Bid Evaluation Matrix – Competitive Sealed Proposal 26-0127

| Bid Evaluation Matrix |                                                                                  |          |                |                     |
|-----------------------|----------------------------------------------------------------------------------|----------|----------------|---------------------|
| Item                  | Criteria                                                                         | ACP, Ltd | Argo Utilities | Keeley Construction |
| 1.                    | Cost of the Work                                                                 | 32.20    | 50             | 38.07               |
| 2.                    | Proposed Schedule / Contract Time                                                | 16       | 8              | 17                  |
| 3.                    | Past Performance on Similar Projects                                             | 9.38     | 6.25           | 8.75                |
| 4.                    | Overall Qualifications, Reputation, Past Relationship with NBU and Public Owners | 8.75     | 6.25           | 7.5                 |
| 5.                    | Available Resources to Complete the Project                                      | 2        | 1              | 1.9                 |
| 6.                    | Contractor's Corporate History and Stability                                     | 1.25     | .5             | 2                   |
|                       | Total Score                                                                      | 69.58    | 72             | 75.22               |