



Meeting Date: April 30, 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 Capital Excavation Company for the Construction of the Western Downtown to Morningside Pressure Zone Conversion Project

BACKGROUND

On December 5, 2025, New Braunfels Utilities (“NBU”) issued a request for bids for the Western Downtown to Morningside Pressure Zone (“PZ”) Conversion Project, which includes (i) construction of approximately 17,000 linear feet of 4-inch, 6-inch, 8-inch, 12-inch, 16-inch, and 18-inch water main piping by open cut and trenchless methods generally along FM 482 from Marigold Way to Old Hwy 81 and along the IH 35 Southbound Frontage Road and Old Hwy 81 from the new NBU Headquarters property to Solms Road; (ii) pressure reducing valve (“PRV”); (iii) grout fill abandonment of existing piping; (iv) removal of existing piping; (v) traffic control; (vi) storm water pollution prevention; (vii) restoration; and (viii) all other appurtenances necessary to complete the Project (the “Project”). The Project will address existing low-pressure issues by converting customers in a portion of the Downtown PZ to the Morningside PZ and provide additional capacity to serve future growth.

On January 20, 2026, NBU received five (5) bids for the Project during the public bidding process. The Project team evaluated the bids and recommended the selection of Capital Excavation Company. (“CapEx”) for the Project. CapEx 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. CapEx’s proposal includes a base bid of \$7,403,248.95, which was the lowest base bid out of the five (5) respondents.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with CapEx 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 CapEx for the Project is \$7,403,248.95. The Project is budgeted within the Fiscal Year 2026 through Fiscal Year 2028 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for Project change orders, a contract contingency in the amount of \$400,000.00, which is approximately 5% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$7,803,248.95.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Construction Contract with CapEx
2. Bid Tabulation – (RFB 26-0058)

Bid Tabulation (RFB 26-0058)		
1	Capital Excavation Co.	\$7,403,248.95
2	E-Z Bel Construction, LLC	\$10,567,436.59
3	Guerra Underground, LLC	\$12,576,905.82
4	Skyblue Utilities, Inc.	\$7,544,544.93
5	Spiess Construction Co., Inc.	\$10,881,615.00

3. Bid Evaluation Matrix – Competitive Sealed Proposal 26-0058

		Bid Evaluation Matrix				
Item	Criteria	Capital Excavation Co.	E-Z Bel Construction, LLC	Guerra Underground, LLC	Skyblue Utilities, Inc.	Spiess Construction Co., Inc.
1.	Cost of the Work	50	35	29.4	49.1	34
2.	Proposed Schedule / Contract Time	18	3	12	0	18
3.	Past Performance on Similar Projects	8	4	5	4	7
4.	Overall Qualifications, Reputation, Past Relationship with NBU, and Public Owners	2.15	0.5	1.5	0.75	2
5.	Available Resources to Complete the Project	1.75	0.75	1.5	0.75	1.75
6.	Contractor's Corporate History and Stability	1.5	0.5	1	0.75	1.5
7.	References	1.5	0	1.5	1	2.15
	Total Score	82.9	43.75	51.9	56.35	66.4