



Meeting Date: September 22, 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 Crom CFG Industries, LLC for the Construction of the Water Tank Rehabilitation Phase 2 – Kerlick Elevated Storage Tank Project in the Amount of \$1,788,243.65 Plus a \$180,000.00 Contingency for a Total Budgeted Amount Not to Exceed \$1,968,243.65

BACKGROUND

On July 2, 2026, New Braunfels Utilities (“NBU”) issued a request for bids for the Water Tank Rehabilitation Phase 2 – Kerlick Elevated Storage Tank Project (the “Project”), which includes the following items within its scope: (i) full rehabilitation of the interior and exterior coating systems, including structural repairs and appurtenance replacement for the existing Kerlick 0.75 million gallon (“MG”) steel multi-leg elevated storage tank; (ii) civil site improvements including overflow routing, altitude valve, gates, and fencing; (iii) electrical and instrumentation improvements and heat tracing; (iv) storm water pollution prevention plan; (v) site restoration; and (vi) all other appurtenances necessary to complete the Project. The Project will rehabilitate and replace aging infrastructure that has reached or exceeded its useful life as well as improve facility access and operations.

On July 22, 2026, NBU received four (4) bids for the Project during the public bidding process. The Project team evaluated the bids and recommends the selection of Crom CFG Industries, LLC (“Crom”) for the Project. Crom 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. Crom’s proposal includes a base bid (plus add/alternates) of \$1,788,243.65, which was the second lowest base bid out of the four (4) respondents.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Crom 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 Crom for the Project is \$1,788,243.65. 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 \$180,000.00, which is approximately 10% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$1,968,243.65.

The Project may be selected by the Texas Water Development Board (“TWDB”) under the Water Supply and Infrastructure Grants (“WSIG”) program. NBU submitted an application for consideration under the WSIG in July 2026 and is currently awaiting determination. If selected, the Project would be funded by the TWDB, with no repayment required. In the absence of approval within the WSIG program, the Project will be rate funded.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Safety and Security

EXHIBITS

1. Construction Contract with Crom
2. Bid Tabulation – (RFB 26-0133A)

Bid Tabulation (RFB 26-0133A)		
1	Crom CFG Industries, LLC	\$1,788,243.65
2	O&J Coatings, Inc	\$1,770,000.00
3	Blastco Texas, Inc	\$2,303,659.00
4	Viking Painting LLC	\$2,693,100.00

3. Bid Evaluation Matrix – Competitive Sealed Proposal (26-0133A)

Bid Evaluation Matrix					
Item	Criteria	Crom CFG Industries, LLC	O&J Coatings, Inc	Blastco Texas, Inc	Viking Painting LLC
1.	Cost of the Work	49.5	50.0	38.4	32.9
2.	Proposed Schedule / Contract Time	18.0	18.0	18.0	15.0
3.	Overall Qualifications, Reputation, Past Relationship with NBU, and Public Owners	7.0	6.0	5.0	7.0

4.	Past Performance on Similar Projects	2.0	3.5	3.0	2.5
5.	Available Resources to Complete the Project	1.5	0.5	1.0	1.5
6.	The Contractor's Corporate History and Stability	1.3	1.0	0.3	1.3
	Total Score	79.2	79.0	65.7	60.1