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**Meeting Date:** January 29, 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 Pesado Construction Company for the Construction of the Saengerhalle North Interceptor Project, Located Generally Along Willowbrook Avenue Between Alves Lane and FM 1101

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## **BACKGROUND**

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On October 4, 2025, New Braunfels Utilities (“NBU”) issued a request for bids for the Saengerhalle North Interceptor Project, which includes (i) construction of approximately 4,600 linear feet (“LF”) of 12-inch to 21-inch gravity sewer main by open cut and trenchless construction methods; (ii) abandonment and grout fill of existing sanitary sewer mains and associated manholes, (iii) connections to the NBU sanitary sewer system, (iv) sewer bypass pumping for construction; (v) clearing and grubbing; (vi) traffic control; (vii) storm water pollution prevention; (viii) site restoration; and (ix) all other appurtenances necessary to complete the Project (the “Project”). The Project will benefit the NBU system by improving resiliency and expanding capacity for future growth.

On November 4, 2025, NBU received five (5) bids for the Project during the public bidding process. The Project team evaluated the bids and recommends the selection of Pesado Construction Company (“Pesado”) for the Project. Pesado 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. Pesado’s proposal includes a base bid of \$2,506,863.00.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Pesado 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 Pesado for the Project is \$2,506,863.00. The Project is budgeted within the Fiscal Year 2026 through Fiscal Year 2027 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for Project change orders, a contract contingency in the amount of \$250,000.00 which is approximately 10% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$2,756,863.00.

## **LINK TO STRATEGIC PLAN**

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### **Infrastructure and Technology**

## **EXHIBITS**

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1. Construction Contract with Pesado
2. Bid Tabulation – (RFB 26-0018)

Bid Tabulation (RFB 26-0018)		
1	Dust and Dirt, LLC	\$1,844,458.25
2	Lupe Rubio Construction Co., Inc.	\$2,339,108.65
3	M5 Utilities, LLC	\$3,758,304.14
4	Pesado Construction Company, Inc.	\$2,506,863.00
5	Spiess Construction Co., Inc.	\$2,748,582.00

3. Bid Evaluation Matrix – Competitive Sealed Proposal 26-0018

Bid Evaluation Matrix						
Item	Criteria	Pesado Construction	Spiess Construction	M5 Utilities	Dust and Dirt, LLC	Lupe Rubio Construction
1.	Cost of the Work	36.79	33.55	24.54	50	39.43
2.	Proposed Schedule / Contract Time	24	21	27	0	0
3.	Past Performance on Similar Projects	8	6	8	3	3
4.	Overall Qualifications, Reputation, Past Relationship with NBU, and Public Owners	4	4	3	1	1
5.	Available resources to complete the Project	2	1.5	2	1	.75
6.	Contractor's corporate history and stability	2	1.5	2	.75	.75
	Total Score	76.79	67.55	66.54	55.75	44.93