



Meeting Date: March 27, 2025 **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 South Kuehler Interceptor Phase 1 Project

BACKGROUND

On November 15, 2024, New Braunfels Utilities (“NBU”) issued a request for bids for the South Kuehler Interceptor Phase 1 Project, which includes (i) 6,050 linear feet (“LF”) of 36-inch and 42-inch gravity sewer main by open cut construction, (ii) construction of approximately 150 LF of 36-inch gravity sewer main by trenchless methods, (iii) construction of approximately 1,000 LF of 8-inch and 10-inch gravity sewer main by open cut construction, (iv) relocation of approximately 80 LF of 12-inch water main, (v) removal and/or abandonment and grout fill of existing sanitary sewer mains and associated manholes, (vi) connections to the NBU sanitary sewer system, (vii) sewer bypass pumping for construction, (viii) concrete structure work, (ix) clearing and grubbing, (x) traffic control, (xi) storm water pollution prevention, (xii) site restoration, and (xiii) all other appurtenances necessary to complete the Project (the “Project”). The Project will increase the sewer line capacity in the South Kuehler Water Reclamation Facility sewer basin, and also replace sewer lines in poor condition.

On December 13, 2024, 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 \$6,112,738.95, which was the third 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 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

The total financial impact of the Contract with Pesado for the Project is \$6,112,738.95. The Project is budgeted within the Fiscal Year 2025 through Fiscal Year 2027 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$ 310,000.00, which is approximately 5% of the total contract amount, will be added to the project construction budget. The total contract amount plus contingency is \$6,422,738.95.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Financial Excellence

Stewardship

EXHIBITS

1. Bid Evaluation Criteria

Evaluation Criteria	Possible Points	Blackrock Construction	Cash Construction Co., Inc.	Pesado Construction Company	Qro Mex Construction Company, Inc.	Skyblue Utilities, Inc.
1. Proposed Schedule/Contract Time	20	4.7	14.0	14.0	12.0	2.7
2. Past Performance on Similar Projects	10	5.3	7.7	8.0	6.3	3.3
3. Overall Qualifications, Reputation, Past Relationship with NBU and Public Owners	7.5	4.5	6.3	6.5	5.0	2.5
4. Available resources to complete the Project	7.5	4.0	5.3	5.5	4.8	3.5
5. The Contractor's corporate history and stability	2.5	1.3	1.6	1.8	1.5	1.1
6. References	2.5	1.5	1.5	1.8	1.5	1.3
Cost of the Work	50	38.3	44.9	46.5	50.0	47.3
TOTAL POINTS	100	59.7	81.1	84.1	81.1	61.7
Rank		5	2	1	3	4

2. Construction Contract with Pesado
3. Letter of Recommendation from Quiddity
4. Bid Tab and Evaluation Summary – (CSP 25-0025)