



Meeting Date: May 25, 2021 **Agenda Type:** Consent Items for Action

From: Gregory Thomas **Reviewed by:** Gretchen Reuwer
Chief Engineer of Electric Director of Electric Services and
Services Compliance

Submitted by: Ryan Kelso **Approved by:** Ian Taylor
Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize CEO or His Designee to Negotiate and Execute a Contract with Lambda Construction I, Ltd. For Foundation Additions at the E.C. Mornhinweg, TXI, and Hortontown Substations

BACKGROUND

On June 25, 2020, New Braunfels Utilities (“NBU”) approved the fiscal year 2021 capital improvement plan (“CIP”) that included expansions and upgrades to several NBU substations (the “Substation Upgrade Project”). As part of the Substation Upgrade Project, NBU must complete foundation work at the E.C. Mornhinweg, TXI, and Hortontown Substations prior to the commencement of any expansion construction, upgrade construction, or delivery of any new power transformers (the “Foundation Additions Project”). Specifically, the Foundation Additions Project includes (i) foundation work at the Hortontown Substation to facilitate a 138kV switch stand relocation and (ii) foundation work at the E.C. Mornhinweg and TXI substations to accommodate the delivery of new power transformers that must be set by crane on concrete foundations.

On March 12, 2021, NBU staff issued a request for bids (“RFB”) for the Foundation Additions Project. On March 31, 2021, NBU received five (5) bids. NBU staff selected Lambda Construction I, Ltd. as the lowest responsible bidder; therefore, NBU staff recommends the selection of Lambda Construction I, Ltd. for the Foundation Additions Project. A copy of the bid tabulation is included as an Exhibit below.

In order to reduce the cost associated with the Substation Upgrade Project and maintain critical schedules, NBU Electric elected to separate the Foundations Additions Project from the other components of the overall Substation Upgrade Project, including the Substation Breaker Project, which is also being presented to the NBU Board this month. NBU will begin the procurement process for the remainder of the Substation Upgrade Project in summer of 2021 and present the related contracts to the Board in accordance with requirements of the Purchasing Policy.

This item is being presented to the Board because the total contract amount exceeds \$250,000.

FINANCIAL IMPACT

The total cost of the contract with Lambda Construction I, Ltd. for the Foundation Additions Project is \$362,070.50. This expenditure is included in the NBU Board of Trustees approved five-year CIP.

LINK TO STRATEGIC PLAN

Maintain Organizational Reliability and Resiliency

EXHIBITS

1. Bid Tab – RFB 02606

Bidder, Labor & Materials Services	Bid Price
<u>Lambda Construction I, Ltd.</u>	<u>\$362,070.50</u>
Primoris T&D Services	\$372,673.84
Dorazio Enterprises	\$394,779.00
Sayers Construction Services	\$507,999.92
Thompson Construction Services	\$553,704.34

2. Purchase Order Contract with Lambda Construction I, Ltd.