



Meeting Date: August 29, 2024 **Agenda Type:** Consent Items for Action

From: Adam Willard, P.E. **Reviewed by:** Michael Short, P.E.
Chief Engineer of Water Director of Water Services and
Systems Compliance

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 Hydro Resources Mid–Continent, Inc. for the Construction of the Aquifer Storage and Recovery D1 Well Deepening Project

BACKGROUND

On April 29, 2024, New Braunfels Utilities (“NBU”) issued a request for bids for the Aquifer Storage and Recovery D1 (“ASR – D1”) Well Deepening Project, which includes (i) construction for the disassembly, deepening by drilling, acid treatment, development, testing, and reassembly of the existing Edwards Aquifer ASR-D1 well at the NBU ASR site; and (ii) all other appurtenances necessary to complete the Project (the “Project”). The Project will extend the existing ASR well deeper into the Lower Edwards Aquifer to allow for a better formation of the ASR bubble and improved water retrieval.

On May 29, 2024, NBU received one (1) bid for the Project during the public bidding process. The project team evaluated the bid and recommends the selection of Hydro Resources Mid – Continent , Inc. (“Hydro Resources”) for the Project. Hydro Resources proposal includes a base bid of \$823,349.00.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Hydro Resources 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 Hydro Resources for the Project is \$823,349.00. The Project is budgeted within the fiscal year 2024 through fiscal year 2025 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$85,000, which is approximately 10% of the total contract amount, will be added to the project construction budget. The total contract amount plus contingency is \$908,349.00.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Financial Excellence

Stewardship

EXHIBITS

1. Construction Contract with Hydro Resources
2. Contract Agreement Bid Form
3. Letter of Recommendation from ASR Systems