



**Meeting Date:** December 14, 2023      **Agenda Type:** Consent Items for Action

**From:** Jacob Tschoepe      **Reviewed by:** Shawn Schorn  
Program Portfolio Manager      Director of Business Planning

**Submitted by:** Shawn Schorn      **Approved by:** Ryan Kelso  
Director of Business Planning      Interim Chief Executive Officer

**RECOMMENDED ACTION:** Authorize Interim CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for Owner’s Representative Services for the New Braunfels Utilities Headquarters Project

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## **BACKGROUND**

On June 24, 2021, New Braunfels Utilities (“NBU”) entered into a Professional Services Agreement (the “Agreement”) with Freese and Nichols, Inc. (“FNI”) for Owner’s Representative Services to include project management, pre-construction phase services, constructive phase services and close and warranty services (“Original Services”) for the NBU Headquarters Project (“NBU HQ”), to be completed by September 30, 2023, (the “Project”).

The Project was delayed briefly to allow for the completion of a staffing study, and upon completion of the study, it was determined that a larger site was required to accommodate the additional staff identified.

Upon completion of the staffing study, NBU and FNI identified a need to (i) add alternate site study services and site due diligence assessment services (“New Services”); and (ii) reduce the number of meetings related to supplemental services, and exclude the requirements for coordination with the Trinity Water Treatment Plant and Wellfield Expansion Project.

As a result, NBU staff requests that the Board of Trustees approve the First Amendment to the Agreement (the “First Amendment”) to (i) add the New Services, (ii) delete certain services that are no longer needed, (iii) authorize additional compensation for the New Services, and (iv) extend the completion time for the New Services to December 31, 2028; and (v) engage the Supplemental Services, authorize the related compensation, and define a time of completion for the Supplemental Services of December 31, 2027. This item is being presented to the Board because the total amount for the professional services agreement including this amendment, exceeds \$500,000.

## **FINANCIAL IMPACT**

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The total financial impact of the First Amendment is \$ 1,398,003. The total contract amount for the Agreement and the First Amendment with FNI for the Project is \$4,539,571. The Project is budgeted within the fiscal year 2023 through fiscal year 2027 NBU Board approved Capital Improvement Projects Budget as NBU Headquarters.

## **LINK TO STRATEGIC PLAN**

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**Infrastructure and Technology**

**Safety and Security**

## **EXHIBITS**

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1. First Amendment to the Professional Services Agreement with FNI