



Meeting Date: February 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 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 Pesado Construction Company for the Construction of the Sewer Infrastructure Package 2 – Phase 2 Project

BACKGROUND

On October 18, 2024, New Braunfels Utilities (“NBU”) issued a request for bids for the Sewer Infrastructure Package 2 – Phase 2 Project, which includes (i) 1,200 linear feet (“LF”) of 8-inch and 600 LF of 15” gravity main by open cut construction, (ii) construction of approximately 345 LF of 8-inch gravity main by jack or bore construction with 24” steel casing, (iii) construction of new manholes, (iv) abandonment and grout filling of existing sanitary sewer mains and associated manholes, (v) connections to the NBU sanitary sewer system, (vi) sewer bypass pumping for construction, (vii) traffic control, (viii) storm water pollution prevention, and (ix) all other appurtenances necessary to complete the Project (the “Project”). The Project will replace an aged sewer main that services the Landa Park Aquatics Center and Wurstfest facilities and a small portion of aged sewer line adjacent to Common Street that requires regular maintenance. The Project is essential to prevent potential failures that could impact water quality due to the proximity to the Comal Springs and Landa Lake, an environmentally and historically sensitive area.

On December 13, 2024, NBU received four (4) 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 \$1,967,985.00, which was the lowest base bid out of the four (4) 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 \$1,967,985.00. The Project is budgeted within the Fiscal Year 2025 through Fiscal Year 2026 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$200,000.00, which is approximately 10% of the total contract amount, will be added to the project construction budget. The total contract amount plus contingency is \$2,167,985.00.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Financial Excellence

EXHIBITS

1. Bid Tab and Evaluation Criteria – (CSP 25-0021)

Bid Tab	
<i>Bidder</i>	<i>Total Cost</i>
Pesado Construction Company	\$1,967,985.00
Spiess Construction Company, Inc.	\$2,364,443.00
Lupe Rubio Construction Company, Inc.	\$3,005,847.09
Ram 2 Utilities (Incomplete Submittal – Disqualified)	\$1,355,956.48

Evaluation Criteria	Possible Points	Lupe Rubio Construction Co.	Pesado Construction Company	Spiess Construction Co., Inc.
1. Proposed Schedule/Contract Time	20	2.7	12.0	12.0
2. Past Performance on Similar Projectse	10	4.7	7.3	6.3
3. Overall Qualifications, Reputation, Past Relationship with NBU and Public Owners.	7.5	4.0	6.5	6.0
4. Available resources to complete the Project.	7.5	4.0	5.0	4.5
5. The Contractor's corporate history and stability.	2.5	1.3	2.0	1.5
6. References	2.5	1.5	1.5	1.5
7. Purchase Price	50	32.7	50.0	41.6
TOTAL POINTS	100	50.9	84.3	73.4
	Rank	3	1	2

- 2. Construction Contract with Pesado
- 3. Letter of Recommendation from John Moy