



Meeting Date: June 25, 2026 **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 Argo Utilities, LLC, for the Construction of the Emergency Preparedness Plan Generators, Phase 2 Project, as Required by Senate Bill 3, Acts 2021, 87th Texas Legislature, Regular Session

BACKGROUND

On March 5, 2026, New Braunfels Utilities (“NBU”) issued a request for bids for the Senate Bill 3 Emergency Preparedness Plan (“EPP”) Generators, Phase 2 Project (“the Project”) in alignment with S.B. 3, 87th Texas Legislature, Second Called Session (2021), which includes (i) installation of emergency generators and automatic transfer switches at the FM 306 Pump Station, Newk’s Pump Station, and the County Yard Pump Station ; (ii) preparation of sites, including clearing and grubbing, and construction staking; (iii) storm water pollution prevention; (iv) installation of fencing and gates; (v) site grading; (vi) restoration; and (vii) all other appurtenances necessary to complete the Project. The Project will bring NBU into compliance with the second phase of the Texas Commission on Environmental Quality (“TCEQ”) required Emergency Preparedness Plan.

On April 6, 2026, NBU received three (3) bids for the Project during the public bidding process. The Project team evaluated the bids and recommends the selection of Argo Utilities LLC (“Argo Utilities”) for the Project. Argo Utilities 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. Argo Utilities’ proposal includes a base bid of \$2,420,500.00.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Argo Utilities 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 Argo Utilities for the Project is \$2,420,500.00. The Project is budgeted within the Fiscal Year 2026 through Fiscal Year 2028 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for Project change orders, a contract contingency in the amount of \$120,000.00, which is approximately 5% of the total contract amount, will be added to the Project construction budget. The total Contract amount plus contingency is \$2,540,500.00.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Safety and Security

Stewardship

EXHIBITS

1. Construction Contract with Argo Utilities
2. Bid Tabulation – CSP 26-0029

| Bid Tabulation (CSP 26-0029) | | |
|------------------------------|---------------------------------|----------------|
| 1 | Alterman, Inc. | \$2,631,000.00 |
| 2 | Argo Utilities LLC | \$2,420,500.00 |
| 3 | McDonald Municipal & Industrial | \$1,721,717.00 |

3. Bid Evaluation Matrix – Competitive Sealed Proposal 26-0029

| Bid Evaluation Matrix | | | | |
|-----------------------|---|----------------|--------------------|---------------------------------|
| Item | Criteria | Alterman, Inc. | Argo Utilities LLC | McDonald Municipal & Industrial |
| 1. | Cost of the Work | 32.7 | 35.6 | 50 |
| 2. | Proposed Schedule / Contract Time | 16 | 16 | 0 |
| 3. | Past Performance on Similar Projects | 6 | 7 | 5 |
| 4. | Overall Qualifications, Reputation, Past Relationship with NBU, and Public Owners | 5 | 8 | 5 |
| 5. | Available resources to complete the Project | 2.5 | 3 | 3 |
| 6. | The Contractor's corporate history and stability | 1.25 | 1.25 | 1.25 |
| 7. | References | 0 | 1.5 | 1.5 |
| | Total Score | 63.45 | 72.35 | 65.75 |