



Meeting Date: January 25, 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: Michael Short, P.E. **Approved by:** Ryan Kelso
Director of Water Services Interim Chief Executive Officer
and Compliance

RECOMMENDED ACTION: Authorize Interim CEO or his Designee to Negotiate and Execute a Construction Contract with Pesado Construction Company, Inc. for the Construction of the Mission to Westpointe Connection Water Line Project

BACKGROUND

On October 13, 2023, New Braunfels Utilities (“NBU”) issued a request for bids for the Mission to Westpointe Connection Water Line Project, which includes (i) construction of approximately 8,300 linear feet of 16-inch and 24-inch water main, including trenching/backfill, trench safety, fittings, valves, connections and other appurtenances, from the intersection of Lark Lane and Chaparral Drive to Westpointe Drive in New Braunfels, Texas; (ii) preparation of right-of-way including clearing and grubbing and construction staking; (iii) storm water pollution prevention; (iv) groundwater control; (v) traffic control; (vi) tree protection/removal/replacement; (vii) site restoration; and (viii) all other appurtenances necessary to complete the project (the “Project”). The Project will provide additional supply capacity/flexibility in the Mission Pressure Zone as a needed pipeline for the expanded Trinity Membrane Treatment Plant capacity.

On November 7, 2023, NBU received nine (9) bids for the Project during the public bidding process. The project team evaluated the bids and recommends the selection of Pesado Construction Company, Inc. (“Pesado”) for the Project. Although Skyblue Utilities, Inc. was the apparent low bidder, the project team found through a thorough review of bid packages that Pesado Construction submitted a more comprehensive and qualitative lowest responsible bid. Therefore, Pesado is recommend for selection as the lowest responsible bidder who provides the best value to NBU based on the selection criteria, including their cost of work, their experience and reputation, their safety record, and their past performance on similar projects with NBU. Pesado’s proposal includes a base bid of \$4,399,825.00, which is the second lowest base bid out of the nine (9) 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.

FINANCIAL IMPACT

The total financial impact of the Contract with Pesado for the Project is \$4,399,825.00. The Project is budgeted within the fiscal year 2024 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$200,000, which is approximately 4.5% of the total contract amount, will be added to the project construction budget. The total contract amount plus contingency is \$4,599,825.00.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Financial Excellence

Stewardship

EXHIBITS

1. Construction Contract with Pesado
2. Letter of Recommendation from Plummer
3. Bid Tab – (RFB 02675)

Bid Tab	
<i>Bidder</i>	<i>Total Cost</i>
Aaron Concrete Contractors	\$ 6,733,912.00
BRCT, LLC	\$ 6,296,650.00
CC Carlton	\$ 4,981,380.00
DNT Construction	\$ 5,791,152.50
E-Z Bell Construction, LLC	\$ 5,745,926.00
Pesado Construction Company	\$ 4,399,825.00
Qro Mex Construction Company	\$ 4,812,818.00
Skyblue Utilities, Inc.	\$ 4,389,193.58
Spieß Construction Co. Inc.	\$ 4,759,710.00