



**Meeting Date:** March 28, 2024      **Agenda Type:** Action Items

**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      Chief Executive Officer

**RECOMMENDED ACTION:** Discuss and Consider Authorizing CEO or His Designee to Negotiate and Execute an AIA Standard Form of Agreement Between Owner and Construction Manager as Constructor with SpawGlass, Contractors, Inc. for the Construction of the Proposed NBU Headquarters Facility Project Located on a 76-acre Tract of Property at the Intersection of Engel Road and IH-35

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## **BACKGROUND**

On November 1, 2023, New Braunfels Utilities (“NBU”) closed on a 76-acre tract of property located at IH-35 and Engel Road, to be used as NBU’s Headquarters Facility. The facility consists of the construction of multiple buildings, including up to a 200,000-square-foot office building intended to house up to 800 full-time employees; a 20,000-square-foot climate-controlled warehouse facility with a dock area for fleet vehicle access and separate access for vendor delivery; a 30,000-square-foot-equipment-building; a 20,000 square foot vehicle maintenance facility with vehicle lift capability, fluids distribution, overhead lift capabilities, and exhaust evacuation capabilities. The design will include surface parking for approximately 880 vehicles distributed throughout the site for visitor and contractor parking, employee parking, fleet parking, and short-term parking for deliveries (the “Project”).

On November 3, 2023, NBU solicited Construction Manager at Risk (“CMAR”) advertisement documents, and on December 12, 2023, NBU opened five (5) responses to the CMAR solicitation. After reviewing the proposals with the project team, NBU selected to interview two (2) of the respondents based on the weighted selection criteria outlined in the advertisement documents. Upon completion of the interviews and discussions, NBU selected SpawGlass, Contracts, Inc. (“SpawGlass”) as the NBU CMAR for the Project.

The role of the CMAR for the Project is to accomplish and oversee the construction activities of the Project, including but not limited to providing a Guaranteed Maximum Price (“GMP”) for the Project, pre-construction coordinator, and construction phase management and support for the general conditions of construction. Upon sufficient completion of the design, the CMAR will publicly advertise for bids or proposals and receive bids or proposals from trade contractors or subcontractors for the performance of

all major elements of construction work other than the minor work that may be included in the general conditions.

NBU staff requests that the Board of Trustees approve the AIA Standard Form of Agreement between NBU and SpawGlass for the construction of the NBU Headquarters Facility that allows SpawGlass to serve as the CMAR for the Project (the “Agreement”).

This Agreement is being presented to the Board because the total amount of the Agreement exceeds \$250,000.

## **FINANCIAL IMPACT**

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The total financial impact of the Agreement with SpawGlass for the Project is \$145,000,000. The Project is budgeted within the fiscal year 2024 through fiscal year 2027 NBU Board approved Capital Improvements Projects budget.

## **LINK TO STRATEGIC PLAN**

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**Customers and Community**

**People and Culture**

**Safety and Security**

## **EXHIBITS**

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1. SpawGlass AIA Contract