



New Braunfels Utilities Construction Manager as Constructor

- **Action Item**

- March 28, 2024

Agenda

- Introduction
- Background
- Staffing projections
- CM solicitation timeline
- CM Selection Criteria
- Final Scoring
- SpawGlass qualifications
- Project overview
- Risk management
- Financial impact
- Next steps
- Schedule
- Summary
- Questions

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Introduction

- **Headquarters Need**
 - The 2017 Facility Master Plan identified a need for larger administration, operational, training, and maintenance facilities
 - Desire to consolidate staff at one location to improve collaboration and communication
 - Multiple staffing studies indicated substantial growth of the Utility over the next 20 years and a need to decrease the number of customers per employee
 - The existing Main Plaza facility is old and has issues with parking, physical security, and alterations would require upgrades for building, fire, and ADA code compliance
 - The existing Service Center facility is at capacity, FM 306 traffic makes building access difficult and unsafe, existing site is not large enough to accommodate NBU needs based on staffing studies
 - Determined that the acquisition of additional property was needed to accommodate a single consolidated Headquarters Facility
- **Action Item Purpose**
 - Seek approval from the Board of Trustees to move forward with the selected Construction Manager (CM) to construct the new headquarters facility

NBU FACILITIES MASTER PLAN STUDY

FY19-FY38

Prepared by

mp/a

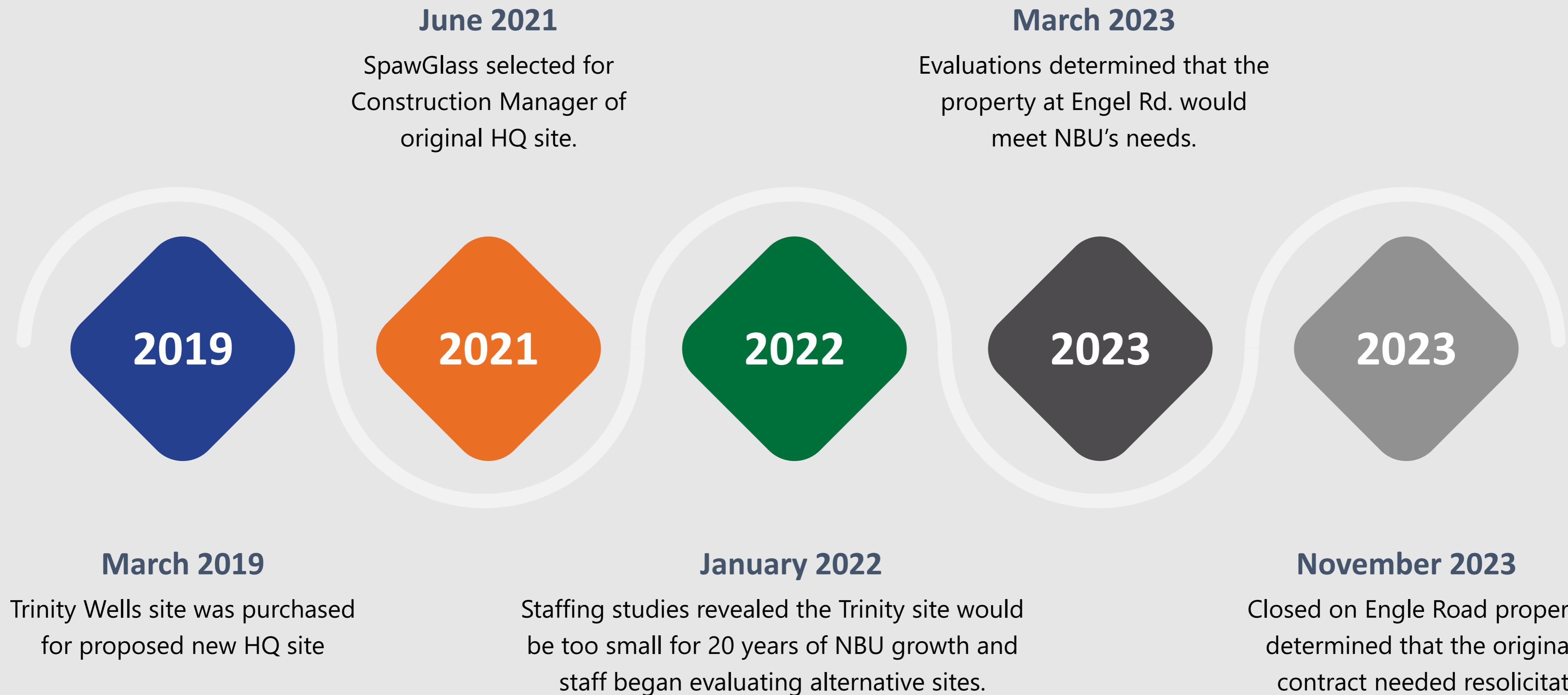
CgM Architects

Greener Cities

Smith Holt, LLC

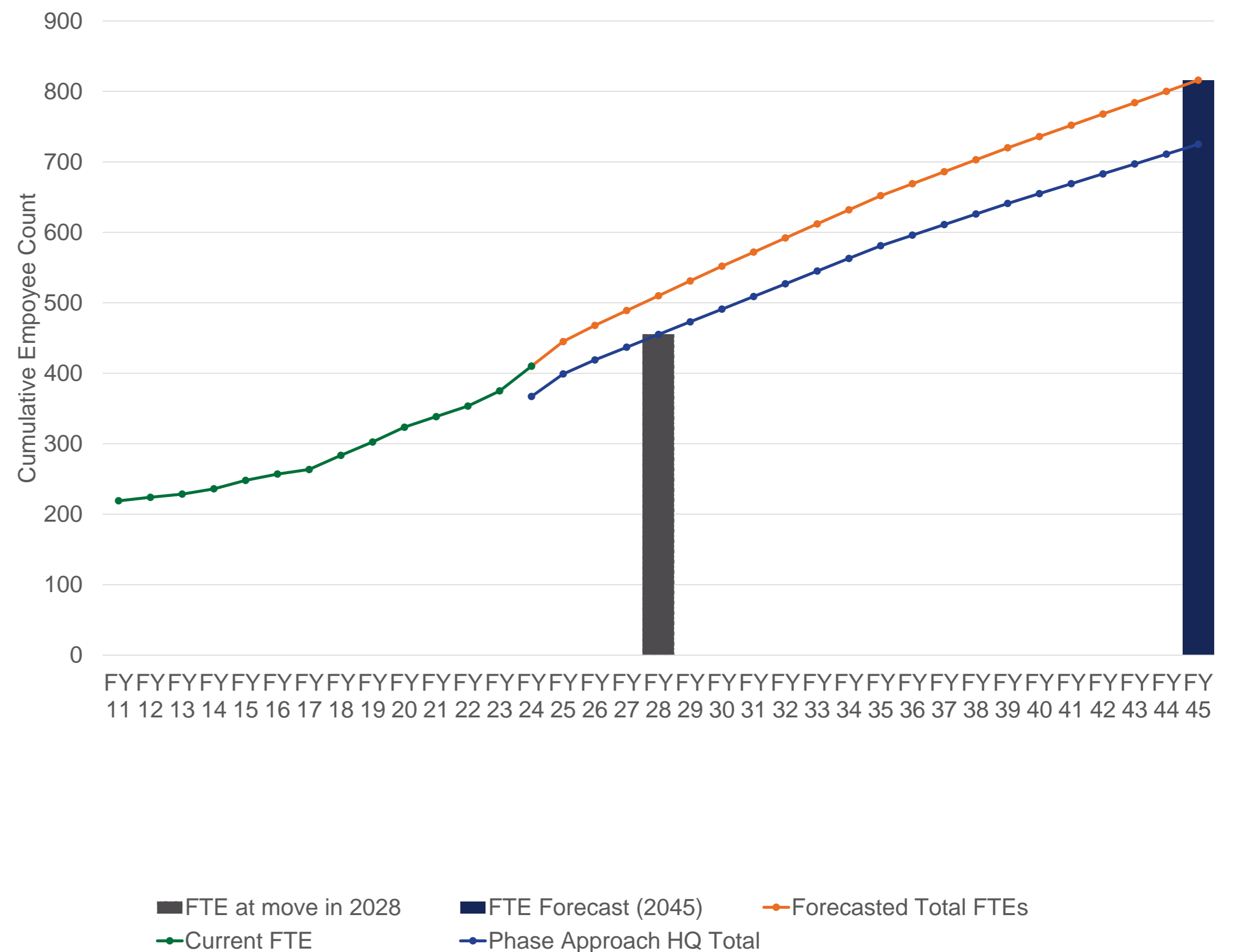
Combs Consulting Group

Background



Staffing Projections for HQ

- **CM solicitation originally issued for up to 800 FTEs**
- **NBU staff evaluated three staffing models and projected 725 FTEs at the HQ location in the year 2045.**
- **725 number was presented and approved at January 18th Strategic Board Retreat**
- **Staff at move-in to HQ FY 2028 – 455**
- **Staff at HQ in FY 2045 - 725**



CM Solicitation Timeline


- **November 3 - New Braunfels Utilities (NBU) Solicited for a Construction Manager at Risk (CMAR)**
- **November 21 - NBU hosted a pre-bid meeting**
- **November 29 - NBU hosted a site visit**
- **December 12 - NBU opened five proposals**
 - Cadence McShane
 - Flintco LLC
 - Joeris General Contractors
 - Morganti Texas
 - SpawGlass Contractors
- **January 2 – NBU evaluation team met and shortlisted the top two contractors**
 - Joeris General Contractors
 - SpawGlass Contractors
- **January 9 – NBU interviewed two short-listed contractors**




Selection Criteria

- Criterion One - Respondent's pricing and delivery proposal (35 Points)
- Criterion Two - Respondent's experience and past performance on similar projects (25 Points)
- Criterion Three - Respondent's project planning and scheduling for this project (25 Points)
- Criterion Four - Respondent's estimating and cost control measures for this project (10 Points)
- Criterion Five – References (5 Points)
- Criterion Six – Interviews (15 Points)
- Total Possible Score = 115 Points

Final Scoring

	Scores
Pre-Interview Ranking	96
Interview Score	15
Final Score	111

	Scores
Pre-Interview Ranking	100
Interview Score	15
Final Score	115

Spawglass

- **Ranked #1** after scoring and interview process
- **Lowest cost by \$1,012,000 in CM fees**
- **Proposed project, plan, and cost met parameters within RFP**
 - Total contract cost = \$145,000,000
- **Experienced staff**
 - Project Executive - 33 years of experience
 - Project Manager -15 years of experience
 - Superintendent 1 - 33 years of experience
 - Superintendent 2 - 12 years of experience
- **References (All positive)**
 - Frost Bank
 - Bill Miller
 - NuStar Energy
 - San Antonio Water Systems
 - Guadalupe Valley Electric Company



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Spawglass (Continued)

- **Experience with similar sized projects and cost**
 - One Frost Corporate Headquarters - Four-level, 434,270 SF Class A office building and a 546,656 SF parking garage
 - Bill Miller Bar-B-Q Campus Headquarters – Multi-level, 280,000 SF Class A facility
 - NuStar Energy L.P. New Corporate Campus - Six-level, 300,000 SF Class A facility
 - San Antonio Water Systems New Operations Center – Multiple building campus to include the design and construction of two new service centers on separate sites. Total building area was 47,806 SF
 - City of San Antonio Northwest and Southeast Service Centers - Multiple building campus to include the design and construction of 10 new buildings



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Project Overview

- **Property**
 - 76-acre property located at IH-35 and Engel Road
- **Headquarters Facility**
 - 200,000 SF office building to house 725 employees
 - 20,000 SF climate controlled warehouse facility with a dock area for fleet vehicle access
 - 30,000 SF equipment building
 - 20,000 SF vehicle maintenance facility with vehicle lift capability, fluids distribution, and exhaust evacuation capabilities
 - 880 total parking spaces for customers, employees, fleet, and deliveries
 - Bulk storage yard
 - Training and testing facilities
 - Water ground storage tank and pump station
 - Access roads off of IH 35 and FM 482 and required signalization



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Risk Management

- **Use of a Construction Manager by way of a Construction Manager at Risk contract decreases possible risks**
 - Risk Allocation: CMAR shifts more of the construction risks from the owner to the CM. The CM is responsible for managing these risks,
 - Cost overruns
 - Schedule delays
 - Coordination issues
 - Contractual issues with subcontractors
 - Cost Control: The CMAR provides a Guaranteed Maximum Price (GMP) early in the process, allowing the owner to have cost certainty.
 - If costs exceed the GMP due to unforeseen circumstances, it's the CMAR's responsibility.

Financial Impacts

- **Total contract cost to include fees: \$145,000,000**
 - Disbursements to come from the Capital Projects fund for fiscal years 2024 – 2027
- **Alternative funding sources**
 - Sale of Main Office
 - Reimbursements from the sale of the Service Center after relocation
 - Possible sale of NBU Annex
- **Considered phasing options**
 - Future cost of construction out weighed current savings
 - Safety and security issues

Next Steps

1

Annexation

Currently working to get the entire property inside city limits to be considered at March 25 and April 8 City Council Meetings.

SD Completion

Schematic Design is the high level spatial design considering programming and site considerations.

2

3

DD Start

Design Development is the phase where the ideas from SD start to take shape in size and materials.

4

GMP Development

Guaranteed Maximum Price development is the how and how much packages.

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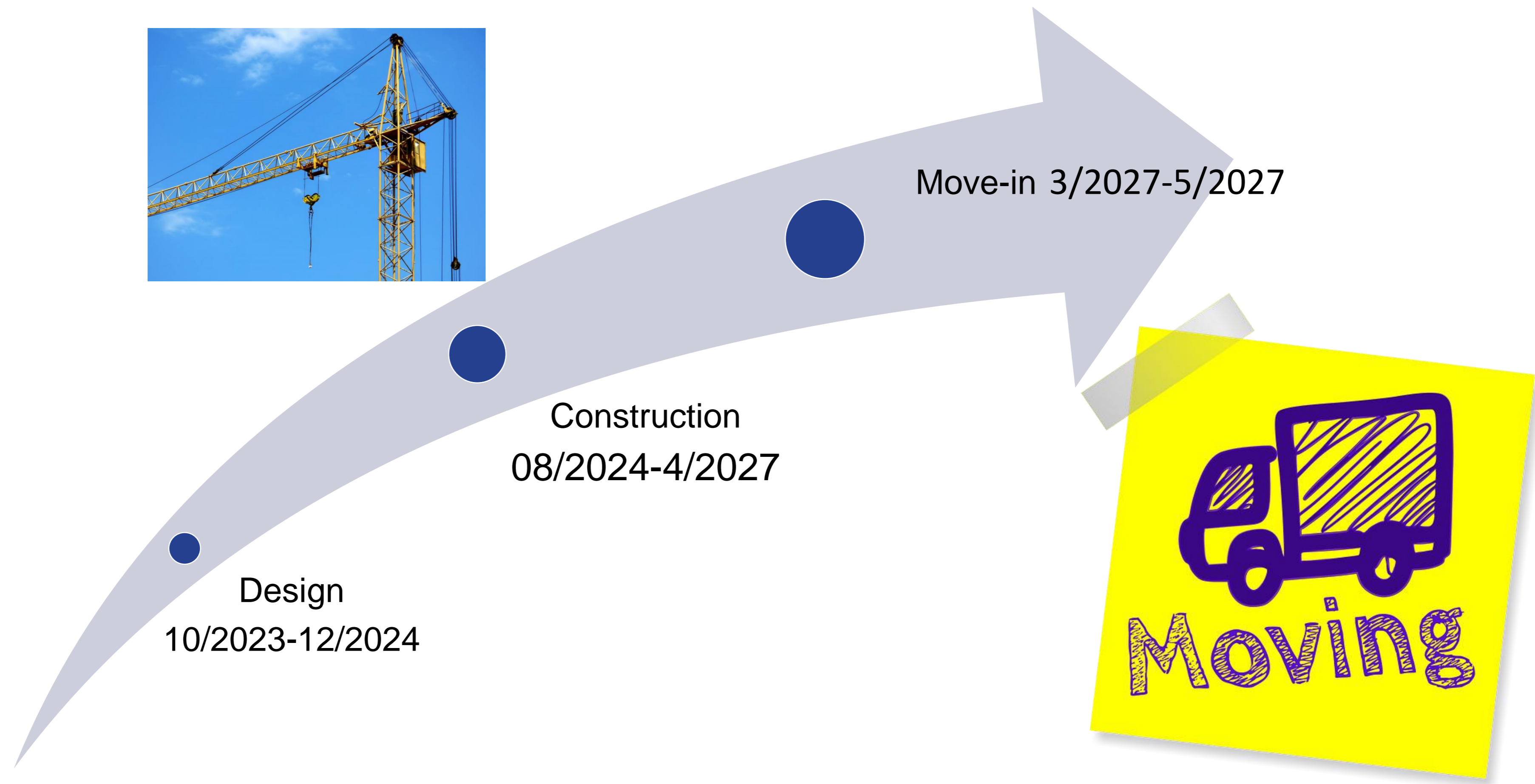
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Anticipated Schedule



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Summary

- The applicable State laws for solicitation were followed
- Five proposals were submitted evaluated and ranked
- Two respondents were interviewed
- Based on 6 criteria SpawGlass ranked first among all respondents with a perfect score of 115 points
- Staff requests the Board's approval to proceed with SpawGlass for the construction of the new headquarters.

Questions?

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