



Meeting Date: March 28, 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 Chief Executive Officer
and Compliance

RECOMMENDED ACTION: Authorize CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for the Design of the Gruene Wastewater and Inverted Siphon Improvements as part of the Gruene Road Sewer Main Rehabilitation/Relocation Project

BACKGROUND

On February 8, 2021, New Braunfels Utilities (“NBU”) approved a Professional Services Agreement (the “Agreement”) with Freese and Nichols, Inc. (“FNI”) for professional engineering services for the Gruene Wastewater and Inverted Siphon Improvements Project (the “Project”). On May 24, 2022, the NBU Board of Trustees approved a Professional Services Contract Amendment (the “First Amendment”) to (i) add additional services related to the Project (defined therein); (ii) increase the compensation; (iii) extend the time for completion of the Services; (iv) modify the Supplemental Services to allow for general professional engineering services; and (v) increase the compensation for Supplemental Services.

NBU and FNI have identified a need to combine the project milestones relating to the odor control and non-odor control components of the Project and add additional services not contemplated in the Agreement, including final design phase services, field services, and construction phase services (the “New Services”). As a result, NBU staff requests that the Board approve the Second Amendment to the Agreement (the “Second Amendment”), which will (i) add the New Services, (ii) extend the time of completion, (iii) authorize additional compensation for the New Services, and (iv) increase the amount of Supplemental Services authorized under the Agreement.

This item is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved. The Agreement did not initially require Board approval because the cost for the services and supplemental services totaled \$338,808 and did not exceed the \$500,000 threshold for Board approval as required by the NBU Purchasing Policy.

Upon completion of the final design, NBU staff will solicit a construction contract and bring the construction contract to the Board for approval in June 2025. NBU staff plans to begin construction in August 2025 and complete construction by April 2026.

FINANCIAL IMPACT

The total financial impact for the Second Amendment is \$634,844. The total contract amount for the Agreement and the Second Amendment with FNI for the Project is \$1,136,260. The Project is budgeted within the fiscal year 2024 through fiscal year 2026 NBU Board approved Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

EXHIBITS

1. Second Amendment to the Professional Services Agreement with FNI