



AGENDA ITEM SUMMARY

Agenda Date	June 24, 2025
Requested Action	APPROVE RESOLUTION NO. 2025-R41; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, AWARDING THE CONTRACT FOR CONSTRUCTION OF THE AMMANN ROAD GROUND STORAGE TANK AND PUMP STATION PROJECT TO _____ FOR AN AMOUNT NOT TO EXCEED \$_____; AND AUTHORIZING THE CITY MANAGER TO MANAGE AND EXECUTE THE RELATED CONTRACT WITH A NOT TO EXCEED TOTAL CONSTRUCTION COST OF \$_____.
Contact Person	Michael Mann – Utilities Director
Background Information	<p>The Utilities Capital Improvements Plan includes three interrelated projects to receive and distribute additional water from the GBRA Western Canyon Project. These projects include:</p> <ol style="list-style-type: none">1. A new storage tank and pump station on Ammann Road near the City of Fair Oaks Ranch2. A GBRA-delivered pipeline bringing water to the site3. A City pipeline delivering water from the new tank and pump station to the easternmost point of Boerne's potable water system in the George's Ranch area <p>The tank and pump station project is the first to be bid, given its longer construction timeline. Completion is scheduled for March 2027. The pipeline projects will be timed accordingly to ensure alignment.</p> <p>This project includes the construction of a one-million-gallon ground storage tank and a pump station facility with three high-service pumps, with space for a future fourth pump. Kimley-Horn and Associates completed the design, and Kendall County issued the site development permit in April 2025. At design completion, the engineer's cost estimate was \$7.7 million.</p> <p>Seven bids were received on June 3, ranging from \$8.9 million to \$10.5 million for the base project. An alternate bid option featuring a smaller tank (approximately 500,000 gallons) was also included for comparison. However, the alternate only reduced the cost by an average of</p>

	<p>\$312,000.</p> <ul style="list-style-type: none"> • Lowest base bid: Pesado Construction (San Antonio) – \$8,907,229.00 • Lowest alternate bid: Keeley Construction Group (New Braunfels) – \$8,541,000.00 <p>Because all bids exceeded the engineer’s estimate and budgeted CIP amount, staff and Kimley-Horn conducted a value engineering review. Potential cost-saving measures include:</p> <ul style="list-style-type: none"> • Reducing on-site paving and parking areas • Installing chain link fence on the east side instead of ornamental steel • Removing the security system from the current plans <p>Estimated savings from these adjustments total \$160,000 to \$170,000. Final savings would be negotiated with the selected contractor.</p> <p>Staff recommends awarding the base bid (without scope reductions) to Pesado Construction. A recommendation letter from Kimley-Horn is included. To allow for possible scope adjustments or unanticipated costs, staff further recommends authorizing a not-to-exceed construction amount of \$9,000,000.</p>
Strategic Alignment	<p>F2 – Investing in and maintaining high-quality infrastructure systems and public assets.</p> <p>B2 – Advancing master plan recommendations.</p>
Financial Considerations	Funding for this project is available from the Water Impact Fee Fund.
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	The City Council may consider awarding the contract for the smaller tank version or including some of the value engineering reductions. However, these options could impact long-term operations or site aesthetics.
Supporting Documents	<p>Resolution No. 2025-R41</p> <p>Bid Tabulation</p> <p>Kimley-Horn Award Recommendation Letter</p>