



## STAFF REPORT UTILITIES COMMISSION

Agenda Date: 6/5/2024  
Agenda Section: Business Item

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**Department Origination:** Public Works

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**Agenda Item:** Approve the SEH Professional Services Contract in the Not to Exceed Amount of \$31,200.00 for the 2024 Well Replacement Exploration

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**Approval Required:** Simple Majority Vote

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### **BACKGROUND**

The City of Baxter is experiencing a significant decrease in available aquifer capacity in water supply wells within our existing well field. Recent rehabilitation projects have not been effective at providing a long-term solution to the capacity issue likely due to multiple factors. Further evaluation of the existing wells indicates significant interference between wells resulting in excessive drawdown and reduced capacity. Under a separate services agreement, the Consultant has recommended further evaluation of potential replacement wells on the same City property to the east of the water treatment plant. Based on the recommendation from the Consultant, the services herein initiate a drilling program to characterize aquifer conditions through a sonic drilling program, soil sampling, observation well installation, and water quality testing. Therefore, the goal of this well replacement exploration is to attempt to establish sufficient information to fast track, as necessary, the design and installation of replacement water supply wells without the time and expense to install test wells.

Services include preparations to obtain drilling service bids from a qualified drilling company, field oversight by a geologist during drilling and observation well installation, coordination of water quality sample collection, and presentation of the investigation findings. The proposed field investigation includes the selection of drilling locations to complete two exploratory soil borings and the installation of two observation wells in an area proposed for well replacement construction.

### **FINANCIAL IMPLICATIONS**

The 2024 Well Replacement Exploration has not been budgeted or identified in the water enterprise fund five-year cashflow analysis. The impact on future water utility rates is unknown at this time. The combination of the proposed expenses **WILL** result in future rate increases. A more detailed, mid-year review and update to the cashflows, once the 2023 audit and financial statements are complete, will be necessary to project the estimated future impact on the water enterprise fund and identify potential funding sources.

### **STAFF RECOMMENDATIONS**

City staff recommends approval of the SEH Professional Services Contract in the Not to Exceed Amount of \$31,200 for the 2024 Well Replacement Exploration.

### **COUNCIL ACTION REQUESTED**

**Motion** to approve the SEH Professional Services Contract in the Not to Exceed Amount of \$31,200 for the 2024 Well Replacement Exploration.