

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETINGS

MEETING DATE(S): FEBRUARY 12 & 17, 2026

FROM: DANNY FRIEND – DIRECTOR OF OPERATIONS

FOR: ACTION X DIRECTION _____ INFORMATION _____



APPROVE CONTRACT AMENDMENT NO. 2 FOR KYLE GROUNDWATER, INC.

STAFF RECOMMENDATION

Authorize the General Manager to approve a contract amendment with KYLE Groundwater, Inc. (KGI) to provide hydrogeological support services for the Well 30 Rehabilitation Project. This amendment increases the contract amount by \$78,862.30 (includes a 10% contingency), revising the total from \$93,187.30 to \$172,049.60.

SUMMARY

Staff budgeted for the rehabilitation of Well 30 in the current fiscal year. Pumping equipment was removed and a downhole evaluation was completed in June 2025. Although Well 30 has been offline for several years due to mechanical failure, the recent failure of Well 34 has made its rehabilitation urgent to maintain adequate supply within the 1530 pressure zone. With multiple wells currently offline, timely action is needed to ensure reliable water delivery ahead of increased seasonal demand. To expedite completion staff obtained a quote from KGI for hydrogeologic oversight and construction management, as they developed the rehabilitation work plan for Well 30 and are already providing similar services for the Well 35 and 28 rehabilitation projects.

ANALYSIS

Approval of Amendment No. 2 with KGI will provide the hydrogeologic oversight and construction management necessary to support the rehabilitation of Well 30. These services are critical to ensuring the work is completed in accordance with the approved rehabilitation plan and industry standards. Given the urgency created by reduced system capacity and anticipated peak seasonal demand, timely restoration of Well 30 is essential to maintaining reliable service in the 1530 pressure zone. Utilizing KGI, who developed the rehabilitation plan and is supporting similar projects, allows for efficient project delivery and reduced implementation risk.

FINANCIAL DATA		
Cost Associated with this action:	\$78,862.30	
Current FY cost:	\$78,862.30	
Future FY cost:	\$0	
Is it covered in current year budget:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Budget adjustment needed:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If yes, year needed:	N/A	
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	Capital 201 Fund	
BID/Job#	11886	
Current BID/Job balance	\$746,838	
Balance remaining if approved:	\$667,975.70	

FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

The cost for services authorized under this amendment will be covered by the approved capital Job No. 11886. This action aligns with Strategic Plan Goal 4.3 – Maintain and renew assets while facilitating strategic Capital Improvements.

ATTACHMENTS

- Exhibit A: Original Contract Agreement and Amendment No. 1
- Exhibit B: Amendment No. 2