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**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 Fourth Amendment to the Professional Service Agreement with Arcadis U.S., Inc. for the Design of Phase 4 of the Aquifer Storage and Recovery Project

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## **BACKGROUND**

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On December 16, 2020, the New Braunfels Utilities (“NBU”) Board of Trustees approved a Professional Services Agreement (the “Agreement”) with Arcadis U.S., Inc. (“Arcadis”) for general aquifer storage and recovery support, NBU/Edwards Aquifer Authority (“EAA”) Interlocal Agreement (“ILA”) work group support, analytical modeling of ASR formations, and Phase 4 ASR cycle testing for Phase 4 - Aquifer Storage and Recovery (“ASR”) Project (the “Project”). On January 28, 2022, the Board approved a First Amendment to the Agreement (the “First Amendment”) to modify the Supplemental Services from the Agreement. On October 31, 2022, the Board approved a Second Amendment to the Agreement (the “Second Amendment”) for the Texas Commission on Environmental Quality (“TCEQ”) operating permit support, and wellfield modeling and conceptual design support services. On December 14, 2023, the Board approved a Third Amendment to the Agreement (the “Third Amendment”) for design and bid phase services for the ASR D1 Well to extend the depth of the well for better water quality.

Upon further evaluation of the project, NBU and the Professional have identified the need for (i) monitoring well construction administration and onsite observation services, (ii) additional demonstration well cycle test support services, (iii) a geophysical survey of the proposed well alignment; and (iv) additional modeling and agency coordination (the “New Services”).

As a result, NBU staff requests that the Board approve the Fourth Amendment to the Agreement (the “Fourth Amendment”), which includes (i) adding the New Services and (ii) authorizing the related compensation for the New Services in an amount not to exceed \$341,922.00.

This item is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved.

Upon completion of the final design, NBU staff will solicit a construction contract and bring the construction contract to the Board for approval in October 2026. NBU staff plans to begin construction in December 2026 and complete construction by December 2028.

## **FINANCIAL IMPACT**

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The total financial impact of the Fourth Amendment is \$341,922. The total contract amount for the Agreement, First Amendment, Second Amendment, Third Amendment, and Fourth Amendment with Arcadis U.S., Inc. for the Project is \$3,059,739. The Project is budgeted within the fiscal year 2024 through fiscal year 2028 NBU Board approved Capital Improvements Projects Budget.

## **LINK TO STRATEGIC PLAN**

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### **Infrastructure and Technology**

#### **Stewardship**

## **EXHIBITS**

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1. Fourth Amendment to the Professional Services Agreement with Arcadis