Memo to City Council
Date: November 10, 2026
Submitted By: Nate Miller
Asst. Director Nixa Utilities & Public Works

RE: CONTRACT AMENDMENT FOR ON-CALL WATER SERVICES

Background:

In March of this year City Council authorized staff to solicit proposals to provide on-call services related to inspecting and servicing the Cities 12 wells and one Booster Pump station. The primary purpose of this contract is to provide a means to ensure that the system is properly maintained by establishing an inspection and maintenance program with a qualified vendor. Pricing established in the contract also includes costs related to inspections and repair services for the pulling and replacement of pumps, motors, and associated piping as necessary.

Analysis:

After assessing all proposals received for the established services, Flynn Drilling was chosen to provide the necessary on-call services. A contract was prepared and executed in May of this year. A Flaw has been identified in the executed contract that has limited our ability to utilize the contract services as intended. Section 3.3 identifies a maximum compensation to be paid to the vendor not to exceed $100,000 for the current fiscal year ending December 31, 2026, and $500,000 over the life of the five-year contract. Over the summer we had two wells that experienced catastrophic failure that required immediate action to be taken to repair. In October 2026, another well suffered a failure and will need repairs that are anticipated to exceed the remaining balance that was appropriated for the remainder of this fiscal year.

Recommendation:

Staff are recommending that council authorize the elimination of Section 3.3 of the executed contract to remove the limitation of only allowing the contract to be utilized for $100,000 for the remainder of this current fiscal year. Section 3.4 establishes that the contract can only be used for services if funds are available in the approved budget. It has been realized that emergency needs are unexpected and costs are impossible to anticipate, having a contract limitation as established in Section 3.3 provides a barrier that prevents the use of the contract as intended.

MEMO PREPARED BY:

Nate Miller | Assistant Director Nixa Utilities & Public Works

417-725-2353

RESOLUTION NO. 2026-46

A RESOLUTION OF THE COUNCIL OF THE CITY OF NIXA TO EXECUTE AN ADDENDUM TO CONTRACT NO. 2026-02-PW-W WITH FLYNN DRILLING COMPANY FOR ON-CALL WATER SERVICES AND MAINTENANCE.

WHEREAS on March 10, 2026 Council passed Resolution No. 2026-14 authorizing the City Administrator to solicit proposals for annual inspections, testing, and repair services for twelve (12) groundwater wells and one (1) booster pump; and

WHEREAS Contract No. 2026-02-PW-W between the City and Flynn Drilling Company was executed on May 12, 2026, for a five year term ending on May 12, 2031; and

WHEREAS the executed contract has a not to exceed amount of $500,000.00 over the term of the contract with a provision stating that the maximum amount to be paid to the vendor for the current fiscal year ending December 31, 2026 was not to exceed $100,000.00 (Section 3.3 of Contract); and

WHEREAS in June of this year wells no. 8 and no. 11 suffered catastrophic failure that needed immediate action and had to have emergency repairs. In October of 2026, well no. 4 suffered a failure and will need repairs; and

WHEREAS following the two well failures this summer alongside routine scheduled maintenance, we are nearing the $100,000.00 fiscal threshold. The estimated repair costs for the well currently down are expected to exceed the remaining appropriations for the remainder of this fiscal year; and

WHEREAS City staff is requesting an addendum to Contract No. 2026-02-PW-W to remove a portion of Section 3.3 eliminating the provision that the maximum amount to be paid to the vendor in the current fiscal year not to exceed $100,000.00; and

WHEREAS City staff recommends approval of said addendum.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NIXA, AS FOLLOWS, THAT:

SECTION 1: The City Council hereby authorizes the City Administrator, or designee, to execute Addendum No. 1 to Contract No. 2026-02-PW-W, attached hereto and incorporated herein as “Resolution Exhibit A”.

SECTION 2: The City Administrator and the officers of the City are hereby authorized to do all things necessary or convenient to carry out the terms and intent of this Resolution and the Addendum No. 1 to Contract No. 2026-02-PW-W.

SECTION 3: This Resolution shall be in full force and effect from and after its final passage by the City Council and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

ADOPTED BY THE COUNCIL THIS 10TH DAY OF NOVEMBER, 2026.

ATTEST:

_____ _____

PRESIDING OFFICER ACTING CITY CLERK

APPROVED BY THE MAYOR THIS _____ DAY OF _____, 2026.

ATTEST:

_____ _____

MAYOR ACTING CITY CLERK

APPROVED AS TO FORM:

_____

CITY ATTORNEY

CONTRACT NO.: 2026-02-PW-W **ADDENDUM NO.: 1** **EFFECTIVE DATE: _____**

ADDENDUM NO. 1 TO CONTRACT FOR ON-CALL WATER SERVICES AND MAINTENANCE

WHEREAS City and Contractor entered into Contract No. 2026-02-PW-W on May 12, 2026; and

WHEREAS the parties have performed under the contract and desire that Service Provider should provide more services on the same project, and

WHEREAS Paragraph 3.3 of the Contract set a limit of $100,000.00 of compensation to Service Provider that could not be exceeded for the year 2026, which the parties acknowledge has been met, and

WHEREAS the City desires to engage Service Provider to perform additional services under the terms and conditions of this Contract; and

WHEREAS the Service Provider desires to perform additional services under the terms and conditions of this Contract, and

NOW, THEREFORE, for the considerations herein expressed, it is mutually agreed by and between the City and the Service Provider that this Addendum shall modify the contract as follows:

3. Payment

Paragraph 3, Section 3.3 of the Contract for On-Call Water Services and Maintenance shall be repealed and adopting in lieu thereof a new Paragraph 3, Section 3.3 which shall read as follows: (Explanation: Language in bold-face type (e.g., **thus**) is language to be to be added. Language in bold-faced brackets (e.g., **[~~thus~~]**) is not enacted and is intended to be omitted or deleted.)

3.3 Availability of Funds. The total potential compensation to be paid to the Service Provider over the entire term of this Contract (5 years), including all renewals, is estimated to be $500,000.00 and shall in no event exceed this amount.

Notwithstanding the total contract value, the parties expressly agree that the City's obligation to make payments under this contract is contingent upon the annual appropriation of funds by the City Council**. [~~For the current fiscal year ending December 31, 2026, the City's obligation is limited to the sum of $100,000.00. The Director of Finance's certification applies only to this amount for the current fiscal year.~~]**

All other terms and conditions of the Contract executed on May 12, 2026, shall remain the same.

[Remainder of page intentionally left blank. Signatures follow on next page.]

IN WITNESS WHEREOF, the parties have set their hands on the day and year herein stated.

THE CITY OF NIXA, MISSOURI

_____
Jimmy Liles, City Administrator

Date:_____

ATTEST:

_____
Rebekka Coffey, City Clerk

Approved as to form:

_____
Interim City Attorney

CONTRACTOR

_____
Authorized Signer

_____
Printed Name

_____
Title

Date:_____

Director of Finance Certification:

I certify that this contract is within the purpose of the appropriation to which it is to be charged and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore, and that the appropriate accounting entries have been made.

_____
Jennifer Evans, Director of Finance

CONTRACTOR VERIFICATION

STATE OF MISSOURI)
) ss
COUNTY OF CHRISTIAN)

On this ___ day of _____, 2026, before me personally appeared Danny Flynn, for Flynn Drilling Co., known to me to be the person described in and who executed the above agreement on behalf of said corporation and acknowledged to me that they executed the same as their free act and deed on behalf of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the county and state aforesaid, the day and year first above written.

_____
Notary Public

My commission expires: _____.