

Staff Report

TO: Board of Directors

FROM: Thor Larsen, Water Resources Superintendent
Chip Close, Director of Water Operations

DATE: October 14, 2026

SUBJECT: Water Rights Support Contract Amendment (Consent)

OPERATIONS

RECOMMENDATION:

Amend Water Rights Support Contract #Ops 2026-01 with HDR Engineering, Inc., by increasing the contract amount by \$71,498, for a total contract authorization of \$171,276, and authorize the General Manager to execute the appropriate documents.

BACKGROUND:

The Nevada Irrigation District (NID) maintains a robust water supply portfolio consisting of 55 distinct water rights. These rights are essential to NID's ability to manage and control its water resources and provide the District with greater operational independence than agencies that rely on purchasing water from outside sources. Protecting, maintaining, and properly reporting on these water rights is fundamental to NID's mission and long-term water supply reliability.

Historically, water rights reporting to the State Water Resources Control Board (SWRCB) was required on a triennial basis. Following the 2013–2015 drought, however, the SWRCB adopted regulations requiring annual reporting. In response, NID partnered with MBK Engineers to develop a water use and reporting model to track water use and allocate diversions to individual water rights. This model has served the District well and has supported NID's ongoing compliance with state reporting requirements.

CURRENT CHALLENGE:

The SWRCB adopted additional requirements pursuant to Senate Bill 88 (SB 88) requiring water rights holders to make several updates to their reporting and compliance processes, including:

- Submitting accounting methodology reports
- Meeting new automated reporting requirements; and
- Updating Alternative Compliance Plans

To address these regulatory changes, NID initially reached out to MBK Engineers for assistance due to their familiarity with NID's existing reporting model. MBK Engineers was unavailable to provide the necessary support. As an alternative, NID selected HDR Engineering, Inc. (HDR) to update the water rights model based on HDR's strong understanding of NID's facilities and water operations, as well as its demonstrated experience supporting the District with evolving regulatory requirements.

HR has made significant progress on the required updates; however, the remaining work is expected to exceed the funding available under the existing contract. An amendment increasing the contract authorization by \$71,498 is therefore necessary to complete the remaining work and ensure NID is prepared to meet the upcoming water rights reporting and compliance requirements.

BUDGETARY IMPACT:

Funding for the requested contract amendment will come from the Water Operations Consulting Services Budget, which is forecast to have sufficient funds to cover the additional \$71,498 in contract expenditures.