



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

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February 17, 2026

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Authorize the General Manager to enter into the Second Amendment to the Subgrant Agreement with the Salinas Valley Basin Groundwater Sustainability Agency to increase by \$200,000 the amount of funding for Monterey County Water Resources Agency services in support of Sustainable Groundwater Management Round 2 Implementation Grants #4600015881 (SVBGSA) and #4600015624 (MCWDGSA), for a maximum payable amount of \$600,000; and authorize the General Manager to execute up to two no-cost amendments to the Subgrant Agreement.

RECOMMENDATION:

Monterey County Water Resources Agency Board of Directors:

- a. Authorize the General Manager to enter into the Second Amendment to the Subgrant Agreement with the Salinas Valley Basin Groundwater Sustainability Agency to increase by \$200,000 the amount of funding for Monterey County Water Resources Agency services in support of Sustainable Groundwater Management Round 2 Implementation Grants #4600015881 (SVBGSA) and #4600015624 (MCWDGSA), for a maximum payable amount of \$600,000; and
- b. Authorize the General Manager to execute up to two no-cost amendments to the Subgrant Agreement.

SUMMARY/DISCUSSION:

In 2022, the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) adopted Groundwater Sustainability Plans (“GSP or GSPs”) for the Eastside Aquifer, Forebay Aquifer, Langley Area, and Upper Valley Aquifer Subbasins. Also in 2022, the SVBGSA and Marina Coast Water District Groundwater Sustainability Agency (“MCWDGSA”) adopted a GSP for the Monterey Subbasin.

In 2024, the SVBGSA and MCWDGSA were awarded funding from the State of California Department of Water Resources for Sustainable Groundwater Management Round 2 (“SGM Round 2”) Implementation Grants. The SGM Round 2 grants to the SVBGSA and MCWDGSA include tasks related to expanding well registration and groundwater extraction reporting programs for compliance with the Sustainable Groundwater Management Act (“SGMA”); these tasks are a continuation of work that the Monterey County Water Resources Agency (“Agency”) has been collaborating on with the SVBGSA through a Round 1 Subgrant Agreement that was authorized by the Agency Board of Directors in September 2022. The SGM Round 2 Implementation Grant also includes work to engage interested parties in to further develop and study various GSP implementation projects.

The Agency Board of Directors approved the Subgrant Agreement on January 21, 2025, which included tasks related to expanding well registration and groundwater extraction reporting programs, in the amount of \$250,000 (Attachment 1). On February 18, 2025, the Agency Board of Directors approved Amendment Number 1 to the Subgrant Agreement, revising the workplan and increasing the amount payable to the Agency by \$150,000, for a total amount of \$400,000 of staff time (Attachment 2). Under the Subgrant Agreement, Agency staff has been working on implementation project studies that are related to Agency operations, facilities and permits, including the New Seawater Intrusion Project, Brackish Groundwater Restoration Project, Reservoir Re-operations, and the Castroville and Eastside Canals Project and Salinas River Water Right 11043 Analysis. Amendment Number 2 to the Subgrant Agreement provides \$200,000 of additional funding, for a total amount of \$600,00 toward Agency staff time (Attachment 3). The funding provided by Amendment Number 2 to the Subgrant Agreement will allow Agency staff to continue supporting project studies and data expansion/SGMA compliance tasks, including expansion and enhancement of the Groundwater Monitoring Program. Work on tasks described in the Subgrant Agreement must be completed by March 31, 2026.

Agency efforts on the work covered by the SGM Round 2 Subgrant Agreement align with Agency Strategic Plan Goal B - Strategy 2: Collaborate with local Groundwater Sustainability Agencies, define MCWRA's role, and implement a GSA integration plan and Goal C - Strategy 6: Pursue grant funding and cost saving opportunities from all available sources, including collaborating with the GSA.

OTHER AGENCY INVOLVEMENT:

California Department of Water Resources, Marina Coast Water District Groundwater Sustainability Agency, and Salinas Valley Basin Groundwater Sustainability Agency

FINANCING:

Grant funds will cover the full amount of the work and deliverables described in the Second Amendment to the SGM Round 2 Subgrant Amendment. No cost share is required by the subgrantee.

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Approved by: Ara Azhderian, General Manager, (831) 755-4860

Attachments:

1. Subgrant Agreement between the Monterey County Water Resources Agency and Salinas Valley Basin Groundwater Sustainability Agency
2. Subgrant Agreement Amendment 1
3. Subgrant Agreement Amendment 2