



County of Monterey

Item No.

Board Report

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

Legistar File Number: WRAG 25-189

November 17, 2025

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Consider recommending that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into Amendment Number 4 to the Agreement for Services with Pacific Coast Well Drilling, Inc. DBA Precision Hydro for the Protection of Domestic Drinking Water Supplies for the Lower Salinas Valley Well Destruction Project (Groups A, C, and D) to extend the term to December 31, 2027.

RECOMMENDATION:

It is recommended that the Finance Committee:

a. Recommend that the Monterey County Water Resources Agency Board of Directors authorize the General Manager to enter into Amendment Number 4 to the Agreement for Services with Pacific Coast Well Drilling, Inc. DBA Precision Hydro for the Protection of Domestic Drinking Water Supplies for the Lower Salinas Valley Well Destruction Project (Groups A, C, and D) to extend the term to December 31, 2027.

SUMMARY/DISCUSSION:

Since 2020, the Monterey County Water Resources Agency ("Agency") has been working on the "Protection of Domestic Drinking Water Supplies for the Lower Salinas Valley" project ("Project"), which is partially funded by Proposition 1 - the Water Quality, Supply, and Infrastructure Improvement Act of 2014 through Agreement No. D1912532 with the California State Water Resources Control Board ("Grant Agreement").

The Project purpose is to destroy abandoned or inactive wells to prevent conduits that allow vertical migration of seawater- and nitrate-contaminated groundwater to aquifers with drinking water supply wells in the Salinas Valley Groundwater Basin.

In order to implement the Project, the Agency completed a competitive bidding process in 2021 to retain a well drilling contractor or contractors. This process resulted in the award of contracts to Maggiora Bros. Well Drilling and Pacific Coast Well Drilling, Inc. DBA Precision Hydro for provision of well destruction services. The Agency entered into an Agreement for Services with Pacific Coast Well Drilling, Inc. DBA Precision Hydro on October 14, 2021 ("Agreement for Services").

Since that time, the Agency has amended the Grant Agreement on two occasions to extend the term of the Project. Amendment No. 1 was completed in February 2023, extending the Work Completion Date to March 31, 2024; Amendment No. 2 was completed in April 2024, extending the Work Completion Date to January 31, 2026 (Attachment 1).

As the Grant Agreement was amended, the Agency also amended the Agreement for Services to extend the Substantial Completion Date. Amendment No. 1 was entered into on March 13, 2022; Amendment No. 2 was entered into on January 4, 2023; and Amendment No. 3 was entered into on January 17, 2024 (Attachment 2). Amendment No. 3 to the Agreement for Services has a Substantial Completion Date of December 31, 2025.

The Agency is working on Amendment No. 3 to the Grant Agreement, which would extend the Work Completion Date to January 31, 2028 and is seeking Amendment No. 4 to the Agreement for Services to align with the pending amendment to the Grant Agreement (Attachment 3). If approved, Amendment No. 4 to the Agreement for Services would extend the Substantial Completion Date to December 31, 2027.

The Finance Committee considered this item at its November 7, 2025 meeting and supported staff's recommendation.

STRATEGIC PLAN ALIGNMENT:

The proposed Amendment No. 4 to the Agreement for Services aligns with adopted Strategic Plan Goal C, Strategy 6.

OTHER AGENCY INVOLVEMENT:

State Water Resources Control Board

FINANCING:

There is no financial impact to the Agency as a result of Amendment No. 4. to the Agreement for Services. Grant funds for the Project are included in the Fiscal Year 2025-2026 Adopted Budget. The total amount estimated for the Agreement for Services in the current fiscal year is \$100,000 in expenditures and \$100,000 in grant revenue.

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

Attachments:

1. D1912532 Executed Amendment 2
2. Agreement for Services Amendment 3 PCWD
3. Agreement for Services Amendment 4 PCWD