

MEMORANDUM OF AGREEMENT

BETWEEN THE SEASIDE BASIN WATERMASTER THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND THE MARINA COAST WATER DISTRICT

TO SHARE IN THE COSTS OF INSTALLING A GROUNDWATER MONITORING WELL

THIS AGREEMENT is made and entered into this _____ day of _____, 2023, by and between the SEASIDE BASIN WATERMASTER, hereinafter referred to as the “WATERMASTER”, and the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT, hereinafter referred to as the “DISTRICT”, and the MARINA COAST WATER DISTRICT, hereinafter referred to as “MARINA COAST,” as follows.

In this Agreement the terms “Party” and “Parties” refer to the WATERMASTER, the DISTRICT, and/or MARINA COAST, either individually or collectively.

RECITALS:

- A. Under Case No. M66343, California Superior Court, Monterey County, on March 27, 2006 by entry of Judgment (“Judgment”) the WATERMASTER was created. The purpose of the WATERMASTER is to assist the Court in the administration and enforcement of the provisions of the Judgment.
- B. As part of carrying out its duties and responsibilities under the Judgment, the WATERMASTER carries out a Monitoring and Management Program (M&MP). Under the M&MP groundwater level and groundwater quality data is collected from a network of monitoring and production wells.
- C. One of the monitoring wells, FO-9 Shallow, developed a casing leak and had to be destroyed. The Parties wish to install a new monitoring well to replace FO-9 Shallow.
- D. The Parties wish to enter into this Agreement to share in the cost of installing the replacement well.

Terms and Conditions

In consideration of the mutual promises contained herein, the WATERMASTER, the DISTRICT, and MARINA COAST hereby agree to the following terms and conditions:

- A. Work to be performed.** The WATERMASTER will have its consultant, Montgomery & Associates, design and install the replacement monitoring well. The Scope of Work and the estimated costs to perform this work are described in Attachment 1 to this Agreement. The staff of each of the Parties to this Agreement will be invited to attend any key meetings and/or conference calls that are held between the WATERMASTER and its consultant as the work is being performed, in order to enable each of the Parties to stay abreast of the work, raise pertinent questions in a timely manner, and provide input as appropriate.

The Parties hereto understand, as stated in Attachment 1, that it is difficult for Montgomery & Associates to accurately estimate the costs to perform the work and that the costs listed in the table in Exhibit C in Attachment 1 are Montgomery & Associates' best estimates. In the event it is determined, during the course of the work, that the cost to complete the work will be greater than the total cost listed in that table, the Parties agree to meet and confer to reach agreement on a revised cost that will be shared as described in paragraph B, so that the work can be completed. Agreement on said revised cost shall not be binding on any Party unless and until that Party formalizes its agreement to the revised cost in writing to each of the other Parties.

- B. Costs of installing the replacement well to be shared.** The costs to be shared are the Total Costs shown in the bottom row of the table in Exhibit C of Attachment 1. These costs will be shared in the following percentages:

WATERMASTER share = 42.5% (estimated to be \$119,763.73)
DISTRICT share = 15% (estimated to be \$42,269.55)
MARINA COAST share = 42.5% (estimated to be \$119,763.72)

(In the event a revised cost is agreed to, as described in paragraph A, these dollar figures will change in accordance with paragraph A).

- C. Documents to be provided.** Once the Draft Technical Specifications are prepared under Task 2 as described in Attachment 1, the WATERMASTER will provide the DISTRICT and MARINA COAST each with one copy of the Draft Technical Specifications for their review and comment. After receipt of those comments, and any comments the WATERMASTER provides, the Final Technical Specifications will be prepared incorporating any appropriate revisions to address those comments. The DISTRICT and MARINA COAST will each be provided one copy of the Final Technical Specifications that will be used for the installation of the replacement well, and will also be provided one copy of the Well Installation Report referred to in Task 3 of Attachment 1, following completion of installation of the replacement well.
- D. Payment of costs and reimbursement to the WATERMASTER.** The WATERMASTER will make progress payments to Montgomery & Associates as it satisfactorily performs the work described in Attachment 1. After the satisfactory completion of the work, the WATERMASTER will provide to the DISTRICT and to MARINA COAST, copies of the payments it made to Montgomery & Associates. Within 30 days of receiving those documents, the DISTRICT and MARINA COAST will reimburse the WATERMASTER for their percentage shares of those costs, subject to the limits set forth in sections A and B..

E. Term of Agreement. The term of this Agreement shall commence on the date of its execution, and shall continue in effect until the WATERMASTER has been reimbursed as described in paragraph D, , except that paragraphs F, G, H, and I shall continue in effect until the replacement well is destroyed..

F. Hold Harmless. Under this Agreement each of the Parties does hereby agree to indemnify, defend, and hold each of other the Parties and their Board members, officers, employees, agents, and representatives harmless from and against any and all liability, claims, suits, actions, damages, and causes of action of any kind arising out of the performance of the work described in this Agreement.

Notwithstanding any input from DISTRICT and/or MARINA COAST, the WATERMASTER shall have sole responsibility for the design, installation, operation, monitoring, repair, and any future replacement of the replacement monitoring well.

G. Venue. In the event that suit shall be brought by any Party to this Agreement, the Parties agree that venue shall be exclusively vested in the state courts of the County of Monterey, or, if brought in federal court, in the United States District Court handling matters arising in Monterey County. Further, the prevailing Party shall be entitled to reasonable attorney fees and costs.

H. Sharing of Well Data; Operational Changes. The WATERMASTER agrees to provide the other Parties with all monitoring data and other output information from the well and in a timely manner and to consult with the other Parties on any operational and other changes proposed to be made to the well.

I. Notices. Written notice shall be deemed to have been duly served if delivered in person or by mail to the individuals and at the addresses listed below:

A. WATERMASTER: Technical Program Manager
 Seaside Basin Watermaster
 P.O. Box 51502
 Pacific Grove, CA 93950

B. DISTRICT: General Manager
 Monterey Peninsula Water Management District
 5 Harris Court, Building G
 Monterey, CA 93940

B. MARINA COAST: General Manager
 Marina Coast Water District
 11 Reservation Road
 Marina, CA 93933

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates shown below.

WATERMASTER

Date: _____

By: _____
(Name) Chair, Board of Directors

DISTRICT

Date: _____

By: _____
David Stoldt, General Manager

MARINA COAST

Date: _____

By: _____
Remleh Scherzinger, General Manager

ATTACHMENT 1

Scope of Work and Cost **to** **Design and Install the Replacement Monitoring Well**

Notes:

1. The Scope of Work in Exhibit A was taken from Montgomery & Associates' Proposal Letter Dated August 3, 2022
2. The well driller's cost quote dated 02/01/2023 is in Exhibit B.
3. The table showing the total estimated costs is in Exhibit C.

EXHIBIT A



MONTGOMERY

& ASSOCIATES

Water Resource Consultants



August 3, 2022

Mr. Bob Jaques
Seaside Watermaster Technical Program Manager
83 Via Encanto
Monterey, CA 93940

SUBJECT: SCOPE AND FEE FOR REPLACEMENT MONITORING WELL FO-9 SHALLOW

Dear Mr. Jaques,

Montgomery & Associates (M&A) is pleased to submit this scope, fee, and schedule proposal to the Seaside Groundwater Basin Watermaster (Watermaster) to provide hydrogeological support and construction management services for a replacement monitoring well for FO-9 shallow. The current FO-9 shallow monitoring well is constructed of 2-inch diameter PVC well casing with a screen intake from 610 to 650-feet below ground surface. This proposal assumes a borehole depth of 660-feet below ground surface (bgs), total well depth of 650-feet bgs, and proposes 2.5-inch Schedule 80 PVC well casing and screen. The deeper depth assumed is because the replacement well may not be located at the location of the original FO-9 shallow monitoring well. The actual location of the well will be determined during Task 2. Schedule 80 PVC is proposed to increase the lifespan of the replacement well.

M&A currently anticipates retaining the support of Maggiora Brothers Drilling (Maggiora) of Watsonville, CA, for well installation and development services. The drilling contractor is subject to change based on project requirements and with prior approval from Watermaster. Martin Feeney will additionally be retained to provide hydrogeological review and monitoring well design recommendations based on his history with Watermaster, as requested.

SCOPE OF WORK

The scope of work includes technical specifications, bidding and contract support, construction management, and reporting. M&A proposes the following tasks to complete the project:

- Task 1 – Project Management
- Task 2 – Technical Specifications
- Task 3 – Construction Management
- Task 4 – Reporting

These tasks are described individually below.

Estimated Drilling Costs

Estimated costs for the construction and development of monitoring well FO-9 shallow are included for budgetary purposes. These costs will be revised based on the selection of the well site and the final details of the technical specifications under Task 2. Costs included herein represent good-faith estimates based on current project understanding and/or assumptions, but may be revised to account for adjustments based on site conditions, well construction details and/or logistics, project duration, changes in labor or material rates, and other such factors. The technical specifications prepared under Task 2 will include a detailed bid schedule and timeline which will be used to refine M&A and Maggiora cost estimates. M&A will

provide revised costs for Task 3 and negotiate any required contract changes prior to beginning well construction activities.

Task 1: Project Management

M&A will provide administrative and budgetary management duties throughout the duration of the project; including but not limited to coordination with Watermaster, attendance at project meetings, assistance with site selection, permitting and providing information needed for Watermaster to obtain approvals from the landowner, budget management, and schedule management.

This task assumes a contract completion date of December 31, 2023. Progress reports will be included with invoice submittals.

Task 2: Technical Specifications

M&A will prepare technical specifications for the FO-9 shallow monitoring well to describe well design features, construction logistics, and installation and development procedures. Technical specifications will be used to gain agreement on the well design, construction logistics, and construction approach. Key components of the well design include borehole drilling, borehole geophysics, well installation, well development, and surface completion.

Task 2 includes preparation of draft technical specifications, one round of comments from Watermaster on the draft, and finalization. Draft and final technical specifications will be transmitted electronically. This task includes costs for one visit to the proposed well site with Watermaster and Maggiora to assess access and other site logistics.

M&A will assist the Watermaster with site selection for the well, including assistance in providing the information needed for Watermaster to obtain any necessary permits and approvals from the landowner. Watermaster is ultimately responsible for obtaining necessary permits.

Task 3: Construction Management

M&A will retain Maggiora to complete well installation and development, and will provide construction management during these activities. M&A will observe and document construction activities, including development of a lithologic log and determination of the final well design based on observations during drilling.

ASSUMPTIONS

- M&A can reasonably rely on the accuracy, timeliness, and completeness of information provided by Watermaster.
- M&A is responsible for tracking, cataloging, and approving submittals. M&A will provide Watermaster copies of all approved contractor submittals.
- Fieldwork will generally be conducted during 12-hour workdays on a standard 5-day workweek.
- Equipment rentals and fieldwork consumable purchases may be required. These may include but are not limited to field notebooks, chip trays and other miscellaneous project supplies. Costs for these items are included herein.
- M&A will assist the Watermaster in coordinating property access with the property owner.

- Prior to the start of drilling activities, M&A will coordinate and oversee subsurface utility locating by a Subtronic Corporation or equally qualified subsurface utility locating company. M&A is specifically not responsible for damages to buried utilities not identified by the property owner, Watermaster, Underground Service Alert of Northern California or the private utility locator.
- M&A and Maggiora will pay for and secure the Monterey County well permit.
- Costs for wellhead surveying (latitude, longitude, and elevation), groundwater sampling and well equipping (datalogger, sample pump, etc.) are not included in this proposal. Costs for these services can be provided upon request.

Construction management costs provided herein are estimated based on anticipated durations for each activity. The following durations are assumed for cost estimating purposes, for a total of approximately 24 field days:

- Utility clearance – 1 day
- Mobilization – 2 days
- Borehole drilling – 13 days
- Well installation – 3 days
- Well development – 3 days
- Well completion and demobilization – 2 days

Actual durations are subject to site conditions, drilling progress, weather and other factors not controlled by M&A. As such, actual costs are subject to increase or decrease based on actual durations. Field oversight costs are based on the Scientist 2 hourly rate, but efforts will be made to use the most cost-efficient, responsible staff level where feasible.

Task 4: Reporting

M&A will prepare a Well Installation Report following completion of site activities. The report will include a description of the work completed, description of the methods and procedures used, results and discussion of drilling and testing activities, conclusions and relevant appendices. A draft well installation report will be prepared in Microsoft Word format for Watermaster comment. Final submittal of this report will include one hardcopy and one PDF copy. The hardcopy report will additionally include long-form print outs of downhole logging (geophysical, caliper, alignment, spinner), a copy of the complete video survey in MP4 format (provided on DVD or flash drive), and one set of drill cutting chip trays.

Maggiora will file the Well Installation Report with the appropriate agency(s) including Monterey County Department of Health.

SCHEDULE

M&A assumes Task 2 will be completed by the end of calendar year 2022, provided the contract is executed by mid-October 2022 and that site selection is also completed during this time period. Well construction would occur in 2023 according to driller availability. The Well Installation Report will be completed within approximately 45 days following the completion of field activities.

EXHIBIT B
MAGGIORA BROS. DRILLING, INC.

DRILLING CONTRACTORS - PUMP SALES & SERVICE
 CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

Corporate Office
 595 Airport Blvd.
 Watsonville, CA 95076

Tel: (831) 724-1338
 Tel: (800) 728-1480
 Fax: (831) 724-3228

Contractor Bid - 02/01/2023
Montgomery & Associates
1970 Broadway, Suite 225
Oakland, Ca 94612
Attn. Bill DeBoer P.G., C.Hg.

Re: Construction of 2.5" Dia. x 655', PVC cased, monitoring well in Seaside, Ca.

The following is Maggiora Bros. Drilling, Inc. proposal:

1 Mobilization, includes permits	LS	1	\$10,000.00	\$10,000.00
2 Drill 10.75" bore hole	LF	670	\$92.00	\$61,640.00
3 E-log	EA	1	\$4,500.00	\$4,500.00
4 Caliper Log	EA	1	\$3,500.00	\$3,500.00
5 2.5" Sch 80, FT, Blank Casing F&I	LF	615	\$25.00	\$15,375.00
6 2.5", Sch80, FT, .030" screen F&I	LF	40	\$35.00	\$1,400.00
7 F & I Gravel Pack	LF	75	\$56.00	\$4,200.00
8 F & I sanitary seal	LF	595	\$55.00	\$32,725.00
9 Well Development - Airlift	HR	8	\$550.00	\$4,400.00
10 Video well	EA	1	\$3,500.00	\$3,500.00
11 Disposal of fluids & cuttings	LS	1	\$12,000.00	\$12,000.00
12 Install flush box and 4' x 4' pad	EA	1	\$1,950.00	\$1,950.00
13 Standby time	HR	0	\$550.00	\$0.00

Price: includes labor, equipment, material, taxes, & freight: \$155,190.00
Adder, if needed: 12", .250 wall x 60', MS Conductor: \$12,480.00

1. Customer is to provide access to site and to mark location of well.
2. Drilling Contractor will USA for drilling. We recommend that the customer have a private locator verify utilities at well location if needed.
3. Customer to provide a source of water for drilling at site and provide a level site for the well drilling equipment.
4. Cuttings and drill fluids to remain on site and are the responsibility of the Customer, unless other provisions have been made.
5. Temp fencing, sound-walls, traffic control, or other BMP's are not included. These can be provided at an additional cost.
6. Drilling Contractor will provide a drilling permit from the County. All other permits are excluded.
7. Test hole destruction, if required, will be \$75/ft. If drilling slows to < 8' in two hours, drilling converts to hourly at \$550.00

MAGGIORA BROS. DRILLING, INC.

DRILLING CONTRACTORS - PUMP SALES & SERVICE

CALIFORNIA CONTRACTOR'S LICENSE NO. 249957

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8. Bonding is not included in this proposal, but can be provided on a cost/plus basis.
9. Maggiora Bros. Drilling, Inc. current backlog is such that we may not be able to start the project for 4 to 5 months.
10. Proposal is valid for 30 days.
11. Due to the volatility of material & fuel costs in the current market, Maggiora Bros. Drilling, Inc. reserves the right to adjust pricing based on the actual cost of materials at the time of order.

Maggiora Bros. Drilling, Inc is a Union company; Operating Engineers, Local #3, as well as, a Certified Small Business. (34073)

If you have any questions, feel free to contact us!

Sincerely,

Michael F. Maggiora

EXHIBIT C

	\$/hr	Bill DeBoer	Field/Staff Hydrogeologi	Editing	Labor Costs	Expenses	Subcontractors			M &A	TOTAL
		Scientist 6	Scientist 2	Technical Editor			Martin Feeney	Maggiora Bros.	Subtronic Locating	10% Markup	
1 Project Management		\$228	\$138	\$80							
Progress tracking, coordination, meeting and		32	-	-	\$ 7,296	\$ -	-	-	-	-	\$ 7,296
Task 1 Subtotals		32	0	0	\$ 7,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,296
2 Technical Specifications											
Site Visit		14	10	-	\$ 4,572	\$ 300	-	-	-	\$ 30	\$ 4,902
Draft Technical Specifications		18	32	4	\$ 8,840	\$ -	\$ 1,000	-	-	\$ 100	\$ 9,940
Final Technical Specifications		-	-	-	\$ -	\$ -	\$ 500	-	-	\$ 50	\$ 550
Construction Management cost revisions		4	-	-	\$ 912	\$ -	-	-	-	\$ -	\$ 912
Task 2 Subtotals		36	42	4	\$ 14,324	\$ 300	\$ 1,500	\$ -	\$ -	\$ 180	\$ 16,304
3 Construction Management											
Subsurface Utility Locating		2	10	-	\$ 1,836	\$ 200	-	-	\$ 1,600	\$ 180	\$ 3,816
Mobilization, Drilling, Well Installation*		12	216	-	\$ 32,544	\$ 4,500	\$ 500	\$ 145,820	-	\$ 15,082	\$ 198,446
Well Development		2	36	-	\$ 5,424	\$ 750	-	\$ 7,900	-	\$ 865	\$ 14,939
Wellhead Completion, Demobilization, Waste		2	24	-	\$ 3,768	\$ 500	-	\$ 13,950	-	\$ 1,445	\$ 19,663
SUBTOTAL COST					\$ 43,572	\$ 5,950	\$ 500	\$ 167,670	\$ 1,600	\$ 17,572	\$ 236,864
Contingency (5%) **					\$ 2,179	\$ 298	\$ 25	\$ 8,384	\$ 80	\$ 879	\$ 11,843
Task 3 Subtotals		18	286	0	\$ 45,751	\$ 6,248	\$ 525	\$ 176,054	\$ 1,680	\$ 18,451	\$ 248,707
4 Reporting											
Draft Well Installation Report		16	24	2	\$ 7,120	\$ -	\$ 500	-	-	\$ 50	\$ 7,670
Final Well Installation Report		4	6	1	\$ 1,820	\$ -	-	-	-	\$ -	\$ 1,820
Task 4 Subtotals		20	30	3	\$ 8,940	\$ -	\$ 500	\$ -	\$ -	\$ 50	\$ 9,490
TOTAL HOURS		106	358	7							
TOTAL COST		\$24,168	\$49,404	\$560	\$76,311	\$6,548	\$2,525	\$176,054	\$1,680	\$18,681	\$281,797
* Includes addition of 12" conductor, if needed.											
** To provide for uncertainties in field conditions and cost changes mentioned in well driller's quote Footnote 11.											