

**Amendment No. 2 to Proposition 1 Integrated Regional Water Management Grant  
Disbursement Agreement Between City of Salinas and Monterey One Water**

This Amendment No. 2 (“Amendment No. 2”) to the Proposition 1 Integrated Water Management Grant Disbursement Agreement (the “Disbursement Agreement”) is entered into this \_\_\_\_ day of January 2024, by and between the City of Salinas (the “City”) and Monterey One Water (M1W). The City and M1W may be individually referred to herein as a “Party” and collectively referred to as the “Parties”.

**RECITALS**

WHEREAS, the City and M1W first entered into the Disbursement Agreement effective February 16, 2021, pursuant to which M1W agreed to act as and provide certain services for the Industrial Wastewater Treatment Facility (“IWTF”) to the City for compensation; and

WHEREAS, pursuant to an amendment entered into as of March 20, 2023, the City and M1W extended the Disbursement Agreement for two additional years, to April 1, 2025, to allow additional time for completion of all aspects of the IWTF project description components identified in the Disbursement Agreement.

WHEREAS, the original funding amount allocated to M1W under the Disbursement Agreement was \$448,752 (“Original Funding Amount”).

WHEREAS, the currently outstanding portion of the IWTF project to be completed by M1W includes assessment and potential repair of an abandoned 33-inch pipeline (“Remaining Work”).

WHEREAS, based upon review of the competitive bid received by M1W, the Parties have determined that the Original Funding Amount is insufficient to complete the Remaining Work, with a budget shortfall of \$392,221.

WHEREAS, the City has available additional funds from a stormwater grant received by the City from the State Water Resources Control Board in the required amount of \$392,221, and desires to provide such funding to M1W to provide for completion of the Remaining Work.

NOW, THEREFORE, in mutual consideration of the terms and conditions set forth below, the Parties agree as follows:

**TERMS**

1. M1W will award a contract for the Remaining Work, for the total bid price of \$598,600.

2. The City shall reimburse M1W for all costs of the Remaining Work, and hereby agrees to increase the Original Funding Amount by an additional \$392,221.
3. Except as amended by this Amendment No. 2, all provisions of the Disbursement Agreement, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, as authorized representatives of the City and M1W have entered into this Amendment No. 2 to the Disbursement Agreement as of the date first written above.

CITY OF SALINAS

---

Jim Pia, Interim City Manager  
APPROVED AS TO FORM:

- 
- Chris Callihan, City Attorney
  - Rhonda Combs, Assistant City Attorney

MONTEREY ONE WATER

---

Paul Sciuto, General Manager