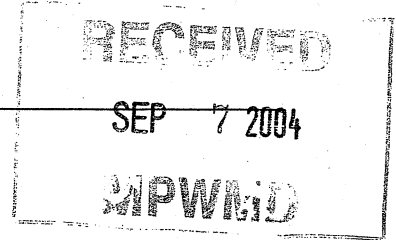




EXHIBIT 14-B

**MONTEREY PENINSULA  
WATER MANAGEMENT DISTRICT**

5 HARRIS COURT, BLDG. G  
POST OFFICE BOX 85  
MONTEREY, CA 93942-0085 • (831) 658-5601  
FAX (831) 644-9558 • <http://www.mpwmd.dst.ca.us>



August 17, 2004

Mr. Eric Marsh  
Las Villas Nogales, Homeowner's Association  
623 Lighthouse Avenue  
Pacific Grove, California 93950

**Subject: APN 189-542-013**

Dear Mr. Marsh:

This letter responds to your inquiry regarding the use of Water Use Credits from properties adjacent to the subject property to develop or sell the subject property with credits.

According to the ownership records on file with Monterey County, the subject parcel is not under identical ownership with the other parcels referenced in your letter (APNs: 189-542-009, 010, 011, and 012). To utilize Water Use Credits from one property to another, the properties must be (1) contiguous to one another, (2) under identical ownership, and (3) the same type of use. These criteria must be current at the time a water permit is issued that utilizes a Water Use Credit.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Pintar".

Stephanie Pintar  
Water Demand Manager

cc: David Laredo