

EXHIBIT 11-A



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File No. 03510.000

RECEIVED

JUL 03 2006

MPWMD

July 3, 2006

Ms. Henrietta Stern
Monterey Peninsula Water Management District
P. O. Box 85
Monterey, CA 93942

**Re: Page-Lamont Annexation into Water West Water Distribution System;
APN 187-021-034**

Dear Ms. Stern:

Enclosed please find a completed application and fees for annexation of the rest of the 20 acre Lamont parcel into the Water West Service Area.

In regards to your counsel's question as to whether fee per your decision allows annexation of additional property into the Water West Service Area, I offer the following:

On May 17, 2002, Mary Currier et al filed a Write of Mandate against the Monterey Peninsula Water Management District asking the court to direct the District to issue an allocation to the Curriers property located in the Water West Service Area. The Water West Water Company had previously been acquired by, and annexed into, the California American Water Company.

The District argued that Cal Am did not have the legal right to serve the Currier property as a result of State Water Resource Control Board's Order 95-10. However, the court found that the residential lots within the Water West Service Area have an established water allocation and that there is a special reserve for the Water West Service Area in addition to the allocation of 0.44 AFY for each of the active connections within the Water West Service Area. The Lamont parcel is located partially within the Water West Service Area and is entitled to an allocation from the special reserve.

In short, in its order the court recognized the allocation for the existing 432 active connections as well as the existence of a special reserve of 12.76 AFY that is available to all parcels in the Water West Service Area. The court ruling does not prohibit annexation of new territory into the Water West Service Area. In this case, annexation of the small portion of the Lamont property

**Certified by the State Bar of California Board of Legal Specialization as a Specialist in Estate Planning, Trust and Probate Law.*

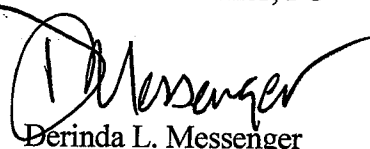
Henrietta Stern
Monterey Peninsula Water Management District
July 3, 2006
Page 2

into the Water West Service Area results in consistency between the water company's service boundary and the parcels that are actually served.

If you need anything further, please feel free to call me.

Sincerely,

Lombardo & Gilles, PC

A handwritten signature in black ink, appearing to read "Derinda L. Messenger". The signature is written in a cursive style with a large initial "D".

Derinda L. Messenger
DLM:rp

Enclosures

cc: Mike Maiorana
Client



MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

5 HARRIS COURT, BLDG. G
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MONTEREY, CA 939420085 • (831) 658-5600
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PERMIT APPLICATION TO CREATE NEW or AMEND EXISTING WATER DISTRIBUTION SYSTEM

Office Use Only	
Pre-Application Name/Date	<u>Pagi-Lamont</u>
Application ID Number	<u>20060705 PAB</u>
Date Application Accepted	<u>JULY 5, 2006</u>
Date Application Deemed Complete	

FEE AMOUNT- The application fee must be paid concurrently with permit application. The fee amount varies depending upon the level of review required:

- Level 2 Permit Fee: \$1,400 for up to 20 hours of staff time
- Level 3 or Level 4 Permit Fee: \$2,450 for up to 35 hours staff time *paid 7/5/06 HSL*

FEE RULES- For more complex projects where staff time exceeds the number of pre-paid hours of staff time, a fee of \$70 per hour will be charged. See Rule 60 for complete fee information.

CONFIRMATION OF PERMIT REVIEW LEVEL- The permit review level required for this application is based upon a preliminary evaluation of basic information provided in the Pre-Application Form. During the review of this application, staff will confirm the review level. If it is determined that a higher or lower level of review is required, the applicant will be notified, and the higher or lower fee will be required or refunded.

SECTION 1 -- APPLICANT INFORMATION

1. Name of System Water West (Cal-Am)
2. Assessor's Parcel Number(s) in System Numerous
3. System Street Address/Area Country Club Heights, Carmel Valley
4. Name of Applicant Cal-Am and Lavielle Lamont
(If the applicant is not the system owner or operator, the form must also be signed by the system owner or operator.)
5. Mailing Address c/o Lombardo & Gilles, PC
6. Contact Numbers (ph/fax/e-mail) 754-2444/754-2011/derinda@lomgil.com
7. Agent (if any) Lombardo & Gilles, PC Attn: Derinda L. Messenger, Esq.
8. Agent Mailing Address P.O. Box 2119
9. Agent Contact Numbers (ph/fax/e-mail) 754-2444/754-2011/derinda@lomgil.com

SECTION 2 -- WATER DISTRIBUTION SYSTEM INFORMATION

NOTE: Please attach additional pages, if necessary, to complete each question.

10. **Attach Map** (8 ½ x 11 or larger): Show the parcels to be served and the approximate location of the wells(s), easements and/or water supply facilities.
11. **Water Source Information.** Complete the table below by describing both the existing and proposed water source(s) to supply the proposed water system:

Source and System Information	Existing (list/describe)	Proposed (list/describe)
A. Water Source (groundwater, surface water, reclaimed, desalination, etc.)	None	Groundwater
B. Cal-Am water service	No	Yes (Water West)
C. Total number of wells	0	0
D. Water system infrastructure (list major system components, e.g.; tanks, treatment, backflow, meters, etc.)	None	Service Main
Other relevant information, comments or expansion on answers above:		

12. **Interties and Emergency Supply.** Please check appropriate box for items A through F below. For all "yes" responses use the space provided to describe the item and list associated attachments, if any.

- A. Is there an emergency water supply in case of system failure? Yes No N/A
- B. Will the system intertie to any other water distribution system? Yes No N/A
- C. Has the other water system approved the intertie? Yes No N/A
- D. Has a backflow device to prevent cross-contamination been installed? Yes No N/A
- E. Must the local Fire Department approve this water system? Yes No N/A
- F. What is the source of water for Fire Protection? Wells and storage tanks

Description of "yes" responses: _____

A. Emergency generators, standby pumps, storage tanks

D. 70% Backflow devices have been installed

ck

13. **Water Rights Information.** For systems utilizing wells located within the Carmel Valley Alluvial Aquifer (CVAA), applicants are encouraged, but not required, to obtain a "Water Rights Confirmation" letter from the District prior to the submittal of this application. For systems utilizing wells outside the CVAA, complete item "A" only.

- A. Water Rights Outside of CVAA. Attach a copy of the deed showing ownership of property (overlying rights to percolating groundwater is assumed).
- B. If within CVAA, has a "Water Rights Confirmation Letter" been issued by the District?
 Yes No N/A
 If "Yes," state date of letter and attach a copy to this application _____
 If "No," complete questions C, D and E below.
- C. Basis of water right claimed (*see Form IG96-11 for guidance*)
 Riparian (invalid for 2+ parcels unless same owner)
 Pre-1914
 SWRCB domestic registration
 SWRCB appropriative permit
 Other (specify) SWRCB Order 95-10
- D. If assisted by attorney, attach Form IG96-12, Declaration of Competency
- E. Attach supporting water rights documentation. (*MPWMD has examples on file for review*)

14. **Water Quality Information.** For wells that will provide potable (drinking) water to one or more connections, water quality information is required prior to further processing of this application.
- Irrigation/agricultural use only (non-potable use only). *No water quality analysis required.*
 - 1 connection- Please attach water quality test results for "general mineral, general physical, inorganics" + coliform (described in Title 22, Chapter 15)
 - 2+ connections- Please attach water quality test results as required by Monterey Co. Health
15. **Water Use.** Complete the table below by describing both the existing and proposed uses to be served by the proposed water system:

Use and Demand Information	Existing (list/describe)	Proposed (list/describe)
A. Residential service (potable, drinking water); includes standard landscaping. List all separate structures/units served.	Vacant parcel	Single family residence
B. Commercial service (potable, drinking water)	N/A	N/A
C. Industrial service (potable or non-potable)	N/A	N/A
D. Total number of structures served	0	1-2
E. Irrigation/agriculture (non-potable) Describe crop(s) and/or agric. use	0 acres	0 acres
F. Additional Landscaping (non-potable)	0 acres	0.5 acres
G. Other/live-stock (non-potable)	0	0
H. Total number of parcels served	Unk	Unk
I. Total acreage served (all parcels)	Unk acres	Unk acres
J. Estimated water use, if known. (Please include information showing how estimate was calculated)	0 acre-feet per year	0.5 acre-feet per year
Other relevant information, comments or expansion on answers above:		

16. **Well Source and Pumping Impact Assessments.** Most systems using groundwater wells will be required to submit a *Well Source and Pumping Impact Assessment* with this formal application. Please complete the items below to confirm the name and contents of the Assessments.

Title, date, and preparer's name of Assessment: N/A

The following required items are typically included within all Assessments. Please check all boxes to confirm that the items have been included either in the Assessment or as separate attachments to this application.

- Well logs (State DWR "Well Completion Report")
- Results of well capacity/pumping tests (*Hydrologist should follow MPWMD procedures*)
- Copy of approved Well Construction Permit from Monterey County Health Department
- Pump horsepower, pump make, pump type
- Water quality analysis (for potable uses only)

Comments: _____

17. **Reliability of Supply (Non-Well).** For sources of supply other than groundwater wells, describe water source and production facilities, including reliable yield and water quality testing performed. Attach and list associated information, if any.

N/A

18. **Land Use/CEQA Information.** Please complete all applicable items below.

A. Zoning and land-use designations for parcels served (available from Monterey County or City)

RDR/10-D-S-RAS

B. Permits and approvals required or received from other agencies (e.g., Planning Department, Building Department, Health Department, Coastal Commission, CPUC). Include file numbers and resolution numbers used by the agencies.

Monterey County File No. PLN 980343 (2 lot minor subdivision)

C. Recent or pending subdivisions to be served by the proposed water system. Include file numbers and resolution numbers used by the agencies.

None

D. Environmental documents prepared by jurisdiction or other lead agency _____

Initial Study and Negative Declaration

E. Status of lead agency CEQA actions. Provide date of formal action (e.g., Notice of Determination, Neg. Dec., EIR, etc.) Include agency file numbers and resolution numbers.

Negative Declaration adopted and minor subdivision approved March 9, 2000

19. **MPWMD Permits**

Describe and list previous MPWMD permits received, if any, including permit number and date issued. Include existing well meter information, if applicable.

None

20. **List unique issues, considerations and/or special conditions, if any, which may pertain to the proposed water system. This is a 20 acre parcel that lies partially within the Water West Service Area and this annexation proposal serves to make the boundaries of the Water West System consistent with the parcel it serves**

SECTION 3- SIGNATURES, RESPOSIBLE PARTIES AND ATTACHMENTS

I declare under penalty of perjury that the information in this application and on accompanying attachments is correct and accurate to the best of my knowledge and belief.

Don LaVelle LaNona 7/3/06
Signature of Applicant (Please sign and print name) Date

Messinger 7/3/06
Signature of Agent (Please sign and print name) Date

Charles W Kemp 6/26/06
Signature of System Owner/Operator (required) Date
(Please sign and print name)

Responsible Party(ies). Pursuant to MPWMD Rule 22-C, please provide name(s) and address(es) of person(s) "who, at all times, will be available and legally responsible for the proper performance of those things required of a permit holder by this ordinance."

Name(s): _____

Address(es) _____

Attachments. Please list all attachments, including map, included with this Application Form

- Attachment : 18A: Resolution of Approval
- Attachment : 18D: Initial Study & Negative Declaration
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____
- Attachment : _____

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Supplemental Questionnaire for Water Distribution System Application

NOTE: Attach additional pages, if necessary, to complete each question.

- S1. Does this request rely upon an "Environmental Document", as per the California Environmental Quality Act (CEQA)? If so, please specify the type of Environmental Document that was prepared (or will be prepared) and provide details regarding its preparation (e.g. notice of preparation, notice of completion, and any public hearing dates). Indicate CEQA lead agency.
- None
- S2. Has any new information regarding the proposed project, its environmental impacts, the severity of those impacts, mitigations for those impacts, or alternatives become available since the lead agency reviewed the project?
- None
- S3. Will this request have any significant effects on the environment based upon the Environmental Document or other information? If so, describe the effects and the mitigations, if any, that are proposed to minimize those effects.
- None
- S4. Is the source of supply shared by any other water distribution system? Would the addition of the proposed production result in an adverse cumulative impact on the environment?
- No. No.
- S5. Does this request rely on any specific hydrologic, geologic, or other technical study? If so, state the name of the study, the date it was finalized, and the principal author or authors. Attach a copy of each study cited.
- None
- S6. Have there been any studies done to determine if an alternative water supply is economically feasible and physically available? If so, please describe the alternatives that were identified and the reasons why they were rejected.
- None

S7. Will the request cause any possible duplication of service with an existing water distribution system? Explain why the duplication of service is necessary.

No

S8. Will the request result in either exportation of water outside of or importation of water into the Monterey Peninsula Water Management District? If so, please specify the quantities that would be either exported or imported.

N/A

S9. Will the request create or increase an overdraft of ground water, or cause a degradation in water quality due to sea-water intrusion or some other type of contamination?

No

S10. Will this request adversely affect the ability of existing water distribution systems and individual users to produce water?

No

S11. If the request is for an annexation of new territory into an existing water distribution system service area, is the property to be annexed surrounded by, or adjacent to other properties in the service area?

Yes. In fact, the subject property is partially within the Service Area

I declare under penalty of perjury that the information in this questionnaire and on accompanying attachments is correct to the best of my knowledge and belief.

Charles W Kemp

Signature of Applicant; please print name below

June 26, 2006

Date/Location

July 7, 2006

Anthony G. Osow

Note: The applicant may attach written findings for the Board to review and consider to support the action requested.

Monterey Peninsula Water Management District

5 Harris Court, Bldg. G - P.O. Box 85 - Monterey, CA 93942-0085 - (831) 658-5601 - Fax (831) 644-9558 - www.mpwmd.dst.ca.us

HOW ARE RESIDENTIAL REMODELS AND ADDITIONS COMPUTED?

For remodel and addition permits, the same water permit process applies to calculating the fees as for new connections, except that no charge is made for exterior uses.

Table I may be applied to remodels/additions in the same way new construction permits are calculated. Total the number of fixture units to be added to the property. Multiply the total by \$209.48 to determine the water permit processing fees.

TABLE I: RESIDENTIAL FIXTURE UNIT COUNT

TYPE OF FIXTURE	NO. OF FIXTURES	FIXTURE UNIT VALUE	FIXTURE UNIT COUNT
Washbasin (lavatory sink), each	4	x 1 unit =	4
Two washbasins in the Master Bathroom	2	x 1 unit =	1
Toilet, ultra low-flow (1.6 gallons-per-flush)	5	x 1.7 =	8.5
Toilet, ultra low-flow (1.0 gallon-per-flush)*		x 1.3 =	
Toilet, ultra low-flow (0.5 gallon-per-flush)*		x 1.0 =	
Urinal (1.0 gallon-per-flush)		x 1 =	
Urinal (0.5 gallon-per-flush)		x 0.5 =	
Waterless urinal*		x 0 =	
Masterbath (one per site): Tub & separate shower	1	x 3 =	3
Large bathtub (may have showerhead above)	2	x 3 =	6
Standard bathtub (may have showerhead above)		x 2 =	
Shower, separate stall	1	x 2 =	2
Shower, each additional fixture: (includes additional showerheads, rain bars, body spray nozzles, etc.)		x 2 =	
Shower system or custom shower (varies per specs)		x =	
Kitchen sink (with optional dishwasher)	1	x 2 =	2
Kitchen sink with ultra-low consumption dishwasher*		x 1.5 =	
Dishwasher, each additional (with optional sink)		x 2 =	
Dishwasher, ultra-low consumption (with opt. sink)*		x 1.5 =	
Laundry sink/utility sink (one per residential site)		x 2 =	
Washing machine	1	x 2 =	2
Washing machine, ultra-low (18 gals. max. per cycle)*		x 1 =	
Washing machine, ultra-low (28 gals. max. per cycle)*		x 1.5 =	
Bidet		x 2 =	
Bar sink		x 1 =	
Entertainment sink		x 1 =	
Vegetable sink	1	x 1 =	1
Swimming pool (each 100 sq-ft of pool surface)		x 1 =	
Outdoor water uses 50% total interior fixture units (new connection only - Lot = 10,000 sq-ft or less)		x =	
Outdoor water uses 50% total interior fixture units, (new connection only - Lot exceeding 10,000 sq-ft must include water budget)		x =	15
TOTAL FIXTURE UNIT COUNT		=	44

*Requires Deed Restriction

Multiply the total number of new (added) fixture units in the project by the cost-per-fixture unit of \$209.48 (as of July 1, 2005) for each fixture unit. Credit is available for installing District-approved water saving devices. Please ask for a copy of the current credit list. Installing items listed on the credit sheet will reduce the cost of the permit. Inform staff of any credits before the permit is issued.

In addition to the connection charge, each permit applicant must pay an administrative processing fee as follows: single family \$210 per dwelling; duplex - \$210 per dwelling unit; multi-family \$210 per application. Amendments to existing water permits are processed for \$105. (Amended pursuant to Ordinance No. 120.)

Connection Charge 9,217.12 Total Fixture Count _____ x 0.01= _____ Acre Feet of water needed
 Processing Fee 210.00
 Total Fees 9,427.12

NOTE: All residential permits which add a bathroom or increase the building's square footage by 25% of the existing floor area must meet the following requirements:

- Toilets must be designed to use not more than 1.6 gallons-per-flush
- Showerheads must flow at no more than 2.5 gallons-per-minute
- Faucets must flow at no more than 2.2 gallons-per-minute