

EXHIBIT 8-A

RENEWAL

License Agreement - Sleepy Hollow Steelhead Rearing Facility

This document references the original License Agreement, dated May 5, 1994, between the Monterey Peninsula Water Management District (District) and California American Water (Company) for construction, operation and maintenance of the Sleepy Hollow Steelhead Rearing Facility (Facility).

Pursuant to Item Number 2 on page 3 of the original License Agreement, the District wishes to exercise its option for renewing the term of the Agreement, beginning on Tuesday, December 5, 2010 and extending through December 5, 2015. Enclosed is a check for \$5.00 to cover the license renewal fee for this period.

In witness whereof, the District has executed an option by signature of its General Manager, and the Company has agreed to the renewal of the License Agreement for the period from December 5, 2010 through December 5, 2015:

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: *Barby Junot* Date: *6/24/10*
Title: General Manager

CALIFORNIA AMERICAN WATER

By: *Paul A. Smith* Date: *11/23/10*
Title: ~~General Manager - Central Division~~
VP OPERATIONS



CALIFORNIA
AMERICAN WATER

RECEIVED

DEC 1 2010

MPWMD

CENTRAL DIVISION
511 Forest Lodge Road
Suite 100
Pacific Grove, CA 93950
Tel: (831) 646-3201
Fax: (831) 375-4367

LETTER OF TRANSMITTAL

To: Monterey Peninsula Water Management
District
5 Harris Court
Monterey, CA 93940

Date: 12/3/2010
Subject: Sleepy Hollow Steelhead Rearing Facility
Renewal Agreement

We are transmitting the following:

Item	Date	Description of Item(s) Transmitted:
1	11-23-2010	Signed Original Agreement

TRANSMITTED VIA:

U.S. Mail Overnight Mail Courier Fax Other _____

THESE ITEMS ARE BEING TRANSMITTED:

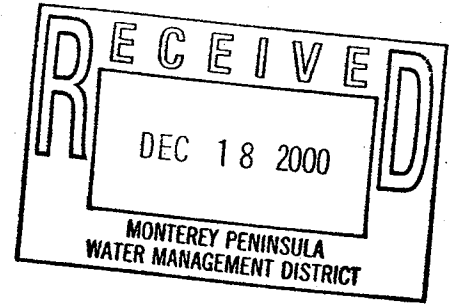
For your use For Review and Comment For Approval/Signature As Requested

REMARKS:

If you have any questions, I can be reached at 831-646-3216.

cc: _____

From: Rose Little
831-646-3216



RENEWAL

License Agreement – Sleepy Hollow Steelhead Rearing Facility

This document references the License Agreement, dated May 5, 1994, between the Monterey Peninsula Water Management's District (District) and California American Water Company (Company) for construction, operation and maintenance of the Sleepy Hollow Steelhead Rearing Facility (Facility). Pursuant to Item Number 2 on page 3 of the License Agreement, the District wishes to exercise its option for renewing the term of the Agreement, beginning on Tuesday, December 5, 2000 and extending through December 5, 2005. Enclosed is a check for \$5.00 to cover the license fee for this period.

In witness whereof, the District has executed an option by signature of its General Manager, and the Company has agreed to the renewal of the License Agreement for the period from December 5, 2000 through December 5, 2005:

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: *Barby Trust* Date: 12/5/2000
Title: General Manager

CALIFORNIA AMERICAN WATER COMPANY

By: *Samuel Lynn* Date: 12/17/2000
Title: Division Manager



California-American Water Company

Lawrence D. Foy
Vice President & Manager

Monterey Division
50 Ragsdale Dr, Suite 100, P.O. Box 951 • Monterey, CA 93942-0951
(408) 373-3051 FAX (408) 375-4367

RECEIVED
MAY 9 1994
M.P.W.M.D.

443-769

May 6, 1994

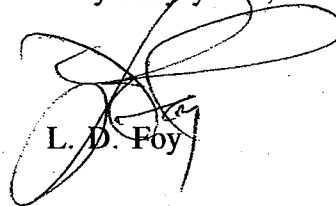
Mr. Jim Cofer, General Manager
Monterey Peninsula Water Management District
P. O. Box 85
Monterey, CA 93942

RE: License Agreement - Sleepy Hollow Project

Dear Jim:

Enclosed is one fully executed copy of the agreement for the Sleepy Hollow Fish Rearing Facility, which authorizes you to proceed with the installation and construction of the facility on Cal-Am's lands per the agreement dated May 5, 1994.

Very truly yours,



L. D. Foy

LDF/mh
Enclosure

cc: L. Weiss, Esq.
G. Haas
N. Eldridge

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (This "Agreement"), is made and entered into as of May 5, 1994, by and between CALIFORNIA-AMERICAN WATER COMPANY, a California corporation, hereinafter called "Company", as licensor, and the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT, a governmental entity, hereinafter called "District", as licensee.

RECITALS

A. District is a public agency created by the California Legislature with responsibility, inter alia, to manage and augment water supplies and prevent degradation of environmental resources relating to those water supplies in the area generally referred to as the Monterey Peninsula.

B. Company is an investor-owned public utility regulated by various public agencies including District and the California Public Utilities Commission. Company produces and distributes potable water to a certificated area wholly contained within District's jurisdiction and serves approximately 95% of the population of the Monterey Peninsula.

C. District's goals are to (1) augment water supply; (2) prevent degradation of resources; (3) optimize the production capacity of existing water resources; (4) manage water demands; (5) promote water reclamation; and (6) promote conservation and education regarding water issues.

D. Pursuant to a memorandum of understanding among Company, District and the California Department of Fish and Game, releases from Company's small dams on the Carmel River are regulated to maximize streamflow to protect and enhance the riparian and aquatic

habitat of the Carmel River. Further, as part of District's Irrigation Program implemented in 1985, preservation of riparian vegetation around Company's major production wells in the Lower Carmel Valley has been undertaken with financial support from Company, together with free water supplied by Company.

E. Under District's Five-Year Mitigation Program, additional mitigation measures are being implemented.

F. In cooperation with the Company and other interested parties, District has implemented, or is in the process of implementing, a Five-Year Allocation Mitigation Program. Pursuant to the goals of this program, District has requested that Company make available to District a portion of its land on the Carmel River downstream from the Company's San Clemente Dam for a fish rearing facility (the "Sleepy Hollow Rearing Facility"), which land is depicted on Exhibits 1, 2 and 3 attached hereto and made a part hereof (the "Licensed Property").

G. District and Company have agreed to initiate construction and operation of the proposed Fish Rearing Facility, hereinafter called "Facility" by Company granting a License (as hereinafter defined) to District to use the Licensed Property. In constructing the Facility, District will erect three holding tanks, storage and feeding facilities, office facilities, and a rearing channel, all of which will be located on a 6.9 acre portion of the Licensed Property, which portion is cross-hatched on Exhibits 1, 2, and 3 attached hereto. Water for the facility is to be pumped from the Carmel River or supplied via a back-up four inch water supply line connected to Company's transmission pipeline between San Clemente Dam and its Carmel Valley Filter Plant.

H. Based on the matters referenced in these Recitals, District and Company desire to enter into this Agreement on the terms set forth below.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, the parties hereto agree as follows:

AGREEMENT

1. Grant of License: Reservation of Rights. Subject to the retention by Company of possession and use of the Licensed Property as hereinafter described, Company grants to District a revocable, personal, and non-assignable license (the "License") to use on the terms and conditions set forth in this Agreement.

2. Initial Term of License: Renewal Term of License. Subject to the termination and renewal provisions of this Agreement, the License shall terminate on the date five (5) years after the date of this Agreement (the "Initial Term"). District shall have an option (the "Option") to renew the term of the License for five (5) additional five (5) year periods on the same terms and conditions set forth in this Agreement. Written notice of exercise of the Option shall be given to Company no more than one hundred eighty (180) days and no less than (90) days prior to the expiration of the Initial Term.

3. License Fee. District shall pay to Company during the term of the License and any renewal thereof an annual fee in respect of the License in the amount of one dollar (\$1.00), payable in advance.

4. Early Termination of License. District may terminate the License at any time during the Initial Term or any Renewal Term as to all of the Licensed Property upon ninety (90) days written notice to Company. Company may terminate the License at any time during the

Initial Term or the Renewal Term as to all or a part of the Licensed Property upon ninety (90) days written notice to District.

5. Restrictions on Use of Licensed Property.

(a) District shall not, without the prior written consent of Company, use the Licensed Property, or any part thereof, for any purpose other than as a fish rearing and holding facility. Upon termination of the License as herein provided, Company may require District to remove any facilities or other improvements built on the Licensed Property at the sole expense of District.

(b) District expressly agrees and understands that (i) Company has retained use and possession of the Licensed Property as it requires for its corporate purposes and that (ii) the License is granted subject to such use and possession by Company and subject to all easements, rights-of-way and other encumbrances on the Licensed Property conveyed to or reserved by Company or its predecessors prior to the date of this Agreement, including water rights and other rights pertaining thereto.

(c) District further agrees that this License Agreement shall not create, limit or modify, in any manner whatsoever, any right which may otherwise be held by Company, its successors and assigns to the use or storage of water from any source or sources. Company further agrees that this License Agreement shall not create, limit or modify, in any manner whatsoever, any right which may otherwise be held by District, its successors and assigns to the use or storage of water from any source or sources.

(d) The foregoing reservations and other reservations contained in this Agreement, shall not prevent District from extracting water from the Carmel River, provided,

however, that District shall not divert water and shall not drill wells for water on any portion of the Licensed Property without the prior written consent of Company, which consent may be withheld or granted in Company's sole and absolute discretion.

(e) District agrees that its diversion, taking and/or use of water from or on the Licensed Property shall never be deemed hostile or adverse to Company, its successors or assigns, and shall be conducted in a manner that minimizes interference with the rights of Company reserved in this Agreement.

(f) District agrees not to commit or permit any third party to commit any waste or injury to the Licensed Property or any pollution or contamination of the Licensed Property and/or the Company's right to use or store water, and not to erect or construct any improvements or structures on the Licensed Property without the prior written consent of Company, which consent may be withheld or granted in Company's sole and absolute discretion, and all improvements hereafter erected or constructed on the Licensed Property shall be done at the sole cost and expense of the District and shall, upon termination of the License as provided in Paragraph 2 of this Agreement, unless otherwise provided by written agreement, remain upon and be surrendered with the Licensed Property, or removed as identified in Paragraph 5(a). It is expressly understood that pumping equipment shall remain the property of District and may be removed upon termination of the License.

(g) Company reserves for itself, its grantees, successors and assigns the right to go upon the Licensed Property at any time for the purpose of inspecting, installing, using, maintaining, repairing, renewing, enlarging or relocating any lines of pipes or other water production or transmission or other facilities now or hereafter owned by Company and used in

connect with the water system of Company, with the right of ingress to and egress from said pipeline or pipelines or other facilities, or any addition or additions thereto, by the servants, agents or employees of Company with any tools, machinery or equipment useful or necessary for any of the purposes above stated. District agrees that it will not make, nor permit to be made, any use of the Licensed Property which will in any way interfere with the said pipeline or pipelines or other water production or transmission or other facilities of Company. District further agrees that if and to the extent that any of its improvements on the Licensed Property is required to be relocated in order to permit Company to carry out its business, and further provided that no alternate configuration is feasible, that such relocation will be done at District's sole expense.

(h) Company hereby expressly reserves unto itself, its successors and assigns, grantees and/or licensees, the right to use any and all portions of the roads, bridges, fords or rights of way on the Licensed Property. District currently has use of a ford over the Carmel River at the point where the Carmel River crosses said road, and District agrees that Company, its officers, employees, licensees and agents shall have the right to cross that ford or any replacement thereof as may be reasonably necessary, as determined by Company, for the normal and customary operation of Company's business. District and Company each agree not to operate trucks or other vehicles over said roads or ford if the overall weight of any such vehicle would cause damage to the roads or ford.

The use by District of any right of way, roads or ford located on the Licensed Property, shall be at the risk of District. The use by Company of any right of way, roads or ford located on the Licensed Property, shall be at the risk of Company. District shall repair and

maintain each such right of way, roads or ford in its existing condition if required by Company. The Company shall contribute, pro rata, for any damage caused by its use. District shall not build a new right of way, road or ford on any portion of the Licensed Property without the prior written approval of Company, which approval shall not be unreasonably withheld, provided, however, that such consent shall not be deemed unreasonably withheld if Company has not been furnished with the plans and specifications for such right of way, road or ford, and has had a reasonable period to review the same.

(i) District shall confine the use and storage of equipment and materials and its operations relating to the Facility to the Licensed Property and shall not unreasonably encumber the Licensed Property with equipment or materials.

(j) District shall keep the Licensed Property free from accumulations of waste materials, rubbish and other debris resulting from its operations. Upon termination of the License, District shall remove all waste materials, rubbish and debris from and about the Licensed Property as well as tools, appliances, equipment, machinery, materials, and shall return the Licensed Property to its pre-existing state, clean and ready for occupancy by Company.

6. Payment of Taxes, Assessments, Fees, etc. District shall pay, before delinquency, any and all taxes and assessments, license fees and public charges levied, assessed or imposed during the term of the License upon District's fixtures, furniture, equipment, appliances or other personal property installed or located in, upon or about the Licensed Property, or any part thereof. District shall pay to Company, in each year throughout the term of the License, any and all increases in real property taxes and assessments levied upon the Licensed Property, and any buildings or other improvements constructed upon the Licensed Property in excess of the

taxes and assessments levied against the Licensed Property for the fiscal year 1993-94, provided however, that this obligation shall extend only to increases which have been caused by the existence of this License Agreement, and further provided that this obligation shall terminate at the same time that this License Agreement or any extension terminates.

7. Default: Opportunity to Cure; Remedies. If District shall default in the payment of any of the fees reserved hereunder, or in the performance of any covenant to be performed by District hereunder, Company shall notify District in writing of such default, whereupon the District shall be allowed thirty (30) days from and after the date of mailing such notice in which to cure such default. If District fails to cure such default on or prior to the expiration of such cure period, Company may immediately, or at any time thereafter, reenter the Licensed Property, and without additional notice, may forthwith terminate the License.

Each and all of the covenants, conditions, agreements and provisions of this Agreement shall be enforceable by suit for specific performance and/or by injunction and/or for damages and/or by any other form of action available to Company at law or in equity. If any action is brought for the enforcement of any of the provisions herein contained, the prevailing party shall be entitled to a reasonable attorney's fee in such action, and any action brought or judgment rendered shall not be construed as a bar to any action for succeeding breaches.

Nothing in this Paragraph 7 is intended to limit or condition, in any manner whatsoever, the right of Company to terminate the License as provided in Paragraph 4 hereof.

8. Notices.

(a) Any notice or demand required or permitted to be given by Company to District shall be sent to the District at its address: P. O. Box 85, Monterey, CA 93942,

Attention: General Manager. District may change said address at any time upon written notice to Company.

(b) Any notice or demand required or permitted to be given by District to Company shall be addressed to Company, at P. O. Box 951, Monterey, California 92942, Attention: District Manager. Company may change said address at any time upon written notice to the District.

(c) Each notice required or permitted hereunder shall be effective when deposited in the United States Post Office, postage prepaid and addressed as aforesaid.

9. No Waiver. The failure of either party to insist in any instance upon strict performance of any of the covenants, conditions, agreements and provisions set forth in this Agreement shall not be construed as a waiver thereof, and/or any other covenant, condition, agreement or provision set forth herein, and the receipt of any fee required hereunder with knowledge of the breach of any such covenant, condition, agreement or provision shall not be deemed a waiver of such breach.

10. Indemnification:

(a) District shall assume full responsibility for any damage to the Licensed Property or to any land or area adjoining the Licensed Property, or to the owner, or occupant thereof or to any other person or property thereon, arising out of, resulting from, or related in any way to the performance of any act or omission performed or failed to be performed by District, its officers, employees, agents or independent contractors on the Licensed Property. Should any claim be made against Company by any such owner, occupant or other person because of such performance or failure by District, District shall promptly attempt to settle with

such other party by agreement or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.

To the fullest extent permitted under applicable laws, District shall indemnify and hold harmless Company and its affiliated companies, consultants, agents, officers, directors and employees of each and any of them (collectively, the "Indemnified Parties"), from and against all claims, damages, losses and expenses, direct, indirect or consequential (including, but not limited to, fees and charges of engineers, architects, attorneys and other professionals and court and arbitration or other dispute resolution costs) arising out of, resulting from, or related in any way to District's use of the Licensed Property, excepting therefrom any such claim, damage, loss or expense that is caused in whole or in part by any negligent act or willful omission of Company or its officers, directors or employees.

(b) In any and all claims against Company, its affiliated companies, consultants, agents, officers, directors or employees of each or any of them by any employee (or the survivor or personal representative of such employee) of District, or any contractor, subcontractor, or supplier, or any person or organization directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under the prior paragraph shall not be limited in any way by any limitation of the amount or type of damages, compensation or benefits payable by or for the District or any such contractor, subcontractor, supplier or other person or organization under worker's compensation acts, disability benefit acts or other employee benefit acts.

(c) Company shall assume full responsibility for any damage to the Licensed Property or to any land or area adjoining the Licensed Property, or to the owner, or occupant

thereof or to any other person or property thereon, arising out of, resulting from, or related in any way to the performance of any act or omission performed or failed to be performed by Company, its officers, employees, agents or independent contractors on the Licensed Property. Should any claim be made against District by any such owner, occupant or other person because of such performance or failure by Company, Company shall promptly attempt to settle with such other party by agreement or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.

To the fullest extent permitted under applicable laws, Company shall indemnify and hold harmless District and its consultants, agents, officers, directors and employees of each and any of them (collectively, the "Indemnified Parties"), from and against all claims, damages, losses and expenses, direct, indirect or consequential (including, but not limited to, fees and charges of engineers, architects, attorneys and other professionals and court and arbitration or other dispute resolution costs) arising out of, resulting from, or related in any way to Company's use of the Licensed Property, excepting therefrom any such claim, damage, loss or expense that is caused in whole or in part by any negligent act or willful omission of District or its officers, directors or employees.

(d) In any and all claims against District, its consultants, agents, officers, directors or employees of each or any of them by any employee (or the survivor or personal representative of such employee) of Company, or any contractor, subcontractor, or supplier, or any person or organization directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under the prior paragraph shall not be limited in any way by any limitation of the amount or type of damages, compensation or

benefits payable by or for the Company or any such contractor, subcontractor, supplier or other person or organization under worker's compensation acts, disability benefit acts or other employee benefit acts.

(e) It is acknowledged by both parties that this License Agreement does not change, alter or modify the obligations of either party to maintain or restore the site with respect to hazardous or toxic materials. In the event either party encounters hazardous or toxic materials at the site, or should it become known in any way that such materials may be present at the site or any adjacent areas, the other party shall be given written notice. The Company agrees, notwithstanding any other provision of this Agreement, to the fullest extent permitted by law, to indemnify and hold harmless District, its officers, employees, agents and consultants from and against any and all claims, suits, demands, liabilities, losses, or costs, including reasonable attorneys' fees and defense costs, resulting or accruing to any and all persons, firms, and any other legal entity, caused by, arising out of or in any way connected with the detection, presence, handling, removal, abatement, or disposal of any hazardous or toxic substances, products or materials that exist on, about or adjacent to the site as of the date that this License Agreement shall first commence.

(f) If any provision of this Paragraph 10, in respect of indemnification, is prohibited or unenforceable by applicable law, then this Paragraph, as applicable, shall be reformed and amended so that the parties indemnified hereunder are provided with the fullest extent of indemnification as is permitted under applicable law and the remainder of the Agreement shall remain in full force and effect and not be invalidated.

11. Survival of Obligations. All representations and indemnifications made in,

required by, or given in accordance with this Agreement will survive termination of this Agreement.

12. Company as Additional Insured. Company and District shall name each other as an additional insured under each of its policies with limits of two million dollars (\$2,000,000).

13. Binding Effect. Each and all of the covenants of this Agreement shall apply to and bind and benefit the heirs, executors, administrators, successors and assigns of Company and District except as herein specifically provided, and shall apply to, bind and benefit the successors and assigns of District and Company, respectively.

14. Assignment. The License granted herein is revocable, personal and non-assignable. Therefore, District may not assign this Agreement, the License, or any interest therein, or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents and servants of District excepted) to occupy or use the Licensed Property or any portion thereof without the prior written consent of Company.

15. Contests. The prevailing party shall be entitled to reasonable attorneys fees and costs, in addition to any other recovery, in the event litigation is commenced in a court of competent jurisdiction to enforce any provision of this License Agreement. The right to attorneys fees and costs pursuant to this paragraph shall extend to fees and costs incurred for the post judgment collection of any sums due and to fees and costs incurred on appeal of any judgment made by a court of competent jurisdiction. The parties agree this Agreement shall be governed by and construed in accordance with the laws of the State of California, and that Monterey County, California, shall be the proper venue for any action brought to enforce its terms. In the event that any provision of this License Agreement is found to be invalid or

unenforceable in a court of competent jurisdiction, the remaining portions shall continue in full force.

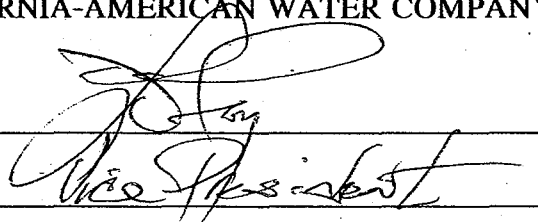
16. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same Agreement.

IN WITNESS WHEREOF, Company has executed these presents by its officers thereunto duly authorized, and the District has hereunto set its hand this 5th day of July, 1994.

CALIFORNIA-AMERICAN WATER COMPANY

By: _____

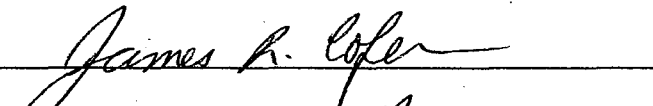
Its: _____


Vice President

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: _____

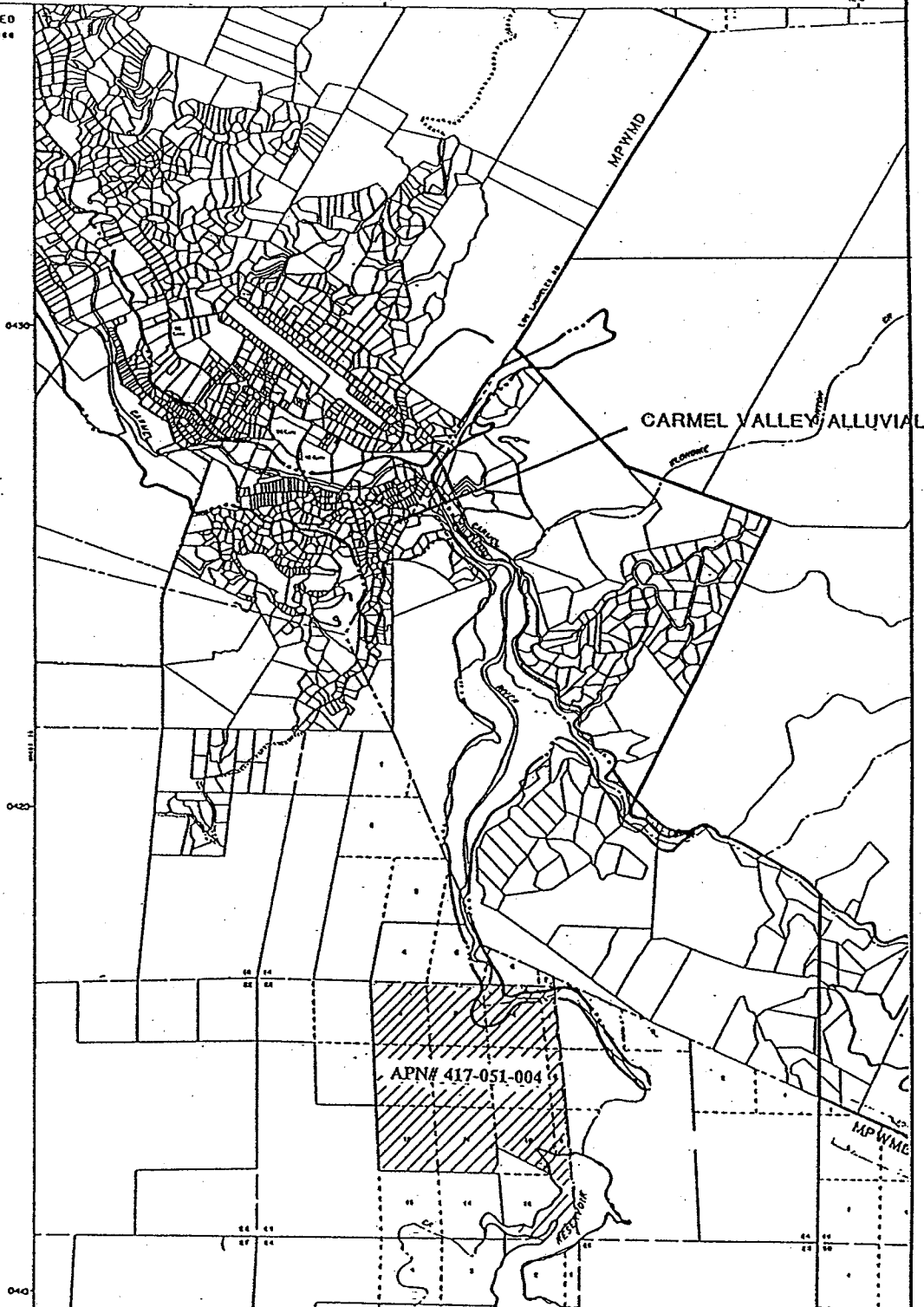
Its: _____


GENERAL MANAGER

AMENDED SECTION 24 OF THE ZONING

EXHIBIT 1

AMENDED
7-7-1988



**PROPERTY BOUNDARY MAP
SLEEPY HOLLOW STEELHEAD REARING FACILITY**

SCALE: 1" = 2,000 ft APPROVED BY: DRAWN BY: *Shelton*

DATE: Jan 25 1993 REVISOR: REVISION:

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

DRAWING NUMBER
1



