

# Exhibit C

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**Stephen L. Vagnini**  
MontereyCounty Clerk-Recorder  
Recorded at the request of:  
MONTEREY PENINSULA WATER MAN

**2021059087**

09/01/2021 02:23:06  
Titles: 1 Pages: 29

Fees: \$97.00  
Taxes: \$0.00  
AMT PAID: \$97.00

**Recording Requested by:**  
Monterey Peninsula Water Management District

**And When Recorded Mail To:**  
Monterey Peninsula Water Management District  
Post Office Box 85  
Monterey, California 93942-0085

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**NOTICE OF AGREEMENT  
REGARDING LIMITATION ON USE OF A WATER DISTRIBUTION SYSTEM**

**NOTICE IS GIVEN** that the Monterey Peninsula Water Management District (hereinafter referred to as the Water Management District or “MPWMD”), duly formed as a water district and public entity pursuant to the provisions of law found at Statutes of 1977, Chapter 527, as amended (found at West’s California Water Code Appendix, Chapters 118-1 to 118-901), has approved a Water Distribution System (WDS) Permit for the Water Distribution System referenced below as the “Subject System.”

**NOTICE IS FURTHER GIVEN** that the real property affected by this agreement is situated in the **County of Monterey:**

**CARMEL VALLEY ROAD AND VALLEY GREENS DRIVE, CARMEL, CA 93923**

**VOL 27 SUR MAPS PG 27; PAR 1; 3.74 AC  
ASSESSOR’S PARCEL NUMBER 169-431-001-000**

**VOL 27 SUR MAPS PG 27; PAR 2; 2.69 AC  
ASSESSOR’S PARCEL NUMBER 169-431-002-000**

**VOL 27 SUR MAPS PG 27; PAR 3; 3.15 AC  
ASSESSOR’S PARCEL NUMBER 169-431-003-000**

**VOL 27 SUR MAPS PG 104; PAR 1; 4.69 AC  
ASSESSOR’S PARCEL NUMBER 169-431-006-000**

**VOL 27 SUR MAPS PG 104 PAR 2; 10.19 AC  
ASSESSOR’S PARCEL NUMBER 169-431-007-000 (Well Site)**

**VOL 27 SUR MAPS PG 104 PAR 3; 12.13 AC  
ASSESSOR’S PARCEL NUMBER 169-431-008-000**

**This Document is signed in counterparts.**

**VOL 28 SUR MAPS PG. 42 PAR 1; 7.98 AC  
ASSESSOR'S PARCEL NUMBER 169-431-011-000**

**VOL 28 SUR MAPS PG. 42 PAR 2; 3.28 AC  
ASSESSOR'S PARCEL NUMBER 169-431-012-000**

**VOL 28 SUR MAPS PG. 42 PAR 3; 3.52 AC  
ASSESSOR'S PARCEL NUMBER 169-431-013-000**

The Subject System is located within the jurisdiction of the Water Management District and was previously approved as valid WDS by MPWMD; it is also certified by the State Division of Drinking Water. **Wolter Properties Limited Partnership, a California Limited Partnership**, hereinafter referred to as "Owner(s)," is the record Owner of the Subject System.

Owner(s) and the Water Management District each acknowledge and agree that the terms of MPWMD WDS Permit #M21-01-L3-A for amendment to the **Wolter Properties Water Distribution System (WDS)** including all Conditions of Approval associated with that Permit, which are attached hereto and made a part hereof, are requirements of the Subject System. **Owner and the Water Management District confirm that the Wolter Properties WDS, may serve nine (9) Recipient Parcels (APNs 169-431-001, 002, 003, 006, 007, 008, 011, 012, 013) with an Expansion Capacity Limit of nine (9) Connections and a Production Limit of 29.462 Acre-Feet Annually (AFA).**

Owner(s) acknowledge that the Conditions of Approval for MPWMD WDS Permit #M21-01-L3-A, including the limitation on water use referenced above have been voluntarily accepted and are permanent and irrevocable, unless amended by the filing of a subsequent Agreement associated with a new, amended Water Distribution System Permit.

**NOTICE IS FURTHER GIVEN** that this Agreement is binding and has been voluntarily entered into by Owner(s), and each of them, and constitutes a mandatory condition precedent to receipt of regulatory approval from the Water Management District relating to the Subject System. This Agreement attaches to the Subject System and shall bind any successor or assignee of Owner(s).

**NOTICE IS FURTHER GIVEN** that present and/or future use of water at the Subject System is restricted by Water Management District Rules and Regulations to the water use requirements referenced above. Any Intensification of Use on Parcels within the Subject System, as defined by Water Management District Rule 11, will require prior written authorization and Permit from the Water Management District. Approval may be withheld by the Water Management District, in accord with then applicable provisions of law. Present or future Allocations of water may not be available to grant any Permit to intensify water use at this Site. If any request to intensify water use within the Subject System is approved, Capacity Fees and other administrative fees may be required as a condition of approval.

This Document is signed in counterparts.

**NOTICE IS FURTHER GIVEN** that intensification of water use in the Subject System that occurs without the advance written approval of the Water Management District is a violation of Water Management District Rules and may result in a monetary penalty for each offense as allowed by Water Management District Rules. Each separate day, or portion thereof, during which any violation occurs or continues without a good faith effort by the Responsible Party to correct the violation shall be deemed to constitute a separate offense. All Water Users within the jurisdiction of the Water Management District are subject to the Water Management District Rules, including Rules 11, 20, 21, 23, 24, and 110.

The Owner(s) and Water Management District each intend that this Notice of Agreement acts as a limitation upon the Subject System, and that it shall be irrevocable under its terms. This document shall be enforceable by the Water Management District or any public entity that is a successor to the Water Management District.

The Owner(s) elect and irrevocably covenant with the Water Management District to abide by the conditions of this Notice of Agreement to enable issuance of MPWMD WDS Permit #M21-01-L3-A. But for the limitations and notices set forth herein, issuance of this Water Permit would otherwise be withheld and found to be inconsistent with the Water Management District Rules and Regulations.

This Notice of Agreement is placed upon the Subject System. Any transfer of ownership of the Subject System, or an interest therein, is subject to this Notice of Agreement. This Notice of Agreement shall have no termination date unless amended by the filing of a subsequent Agreement.

If any provision of this Notice of Agreement is held to be invalid, or for any reason becomes unenforceable, no other provision shall thereby be affected or impaired.

The undersigned Owner(s) agree with and accepts all terms of this document stated above, and requests and consents to recordation of this Notice of Agreement Regarding Limitation on Use of a Water Distribution System. The Owner(s) further agree to notify any present and future Owner(s) of the Subject System of the terms and conditions of this document.

OWNER(S) agree to recordation of this Notice of Agreement Regarding Limitation of Use of a Water Distribution System Permit in the Recorder’s Office for the County of Monterey. Owner(s) further unconditionally accept the terms and conditions stated above.

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**This Document is signed in counterparts.**

(Signatures must be notarized)

**Wolter Properties Limited Partnership, a California Limited Partnership**

**Its General Partner:**

**Wolter Properties, Inc., a California Corporation**

By: Karen T. Wolter Dated: July 21, 2021  
Karen T. Wolter, President

**Attest:**

By: Karie M. Sedano  
Karie M. Sedano, Secretary

By: David J. Stoldt Dated: 8-24-21  
David J. Stoldt, General Manager  
Monterey Peninsula Water Management District

**ATTACHMENTS:** Copies of signed WDS Permit, Final Conditions of Approval for Wolter Properties WDS, (with attachments), signed Indemnification Agreement, and signed Acceptance of Conditions form

- **Attachment 1** - Copies of signed WDS Permit, Permit to Amend a Multiple-Parcel Connection Water Distribution System
- **Attachment 2** - Final Conditions of Approval for Wolter Properties WDS (w/ exhibits)
- **Attachment 3** - Signed Indemnification Agreement
- **Attachment 4** - Signed Acceptance of Permit Conditions
- **Attachment 5** - Final Findings of Approval

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF MONTEREY )

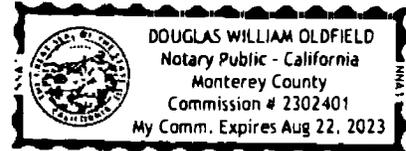
DOUGLAS WILLIAM OLDFIED

On July 21, 2021, before me, DOUGLAS W. OLDFIELD, notary public, personally appeared Karen T. Wolter, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *[Handwritten Signature]* Seal



# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Santa Clara }

On July 21, 2021 before me, Christina Membreere  
(Here insert name and title of the officer)

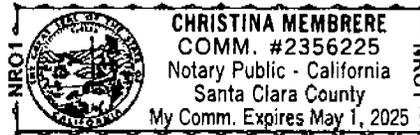
personally appeared Karie M Sedano,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Christina Membreere  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

#### DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

#### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

\_\_\_\_\_  
(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/~~she~~/they- is /~~are~~ ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

## Attachment 1



**PERMIT TO AMEND A MULTIPLE-PARCEL CONNECTION  
WATER DISTRIBUTION SYSTEM**

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**WDS Permit #:** M21-01-L3-A  
**Date Approved:** May 25, 2021  
**System Name:** Wolter Properties Water Distribution System  
**Permittee:** Wolter Properties Limited Partnership, a California Limited Partnership  
**Recipient Assessor Parcel Numbers:** 169-431-001, 002, 003, 006, 007 (Well Site), 008, 011, 012, 013

This Permit authorizes amendment of the **Wolter Properties Water Distribution System** in the Carmel Valley Alluvial Aquifer (CVAA) to serve nine Recipient Parcels (APNs 169-431-001, 002, 003, 006, 007, 008, 011, 012, 013) with Potable and irrigation water. Specifically, this Permit sets the Expansion Capacity Limit (number of Connections) at nine Connections and the Production Limit at 29.462 Acre-Feet Annually (AFA). The MPWMD recognizes historic agricultural pumping from Wells on APN 169-431-007 at an average of 42.52 AFA during the most recent eight years (2013-2020). Additional requirements are specified in the attached Conditions of Approval for the Wolter Properties WDS.

By: David J. Stoldt Dated: 8-24-21  
**David J. Stoldt, General Manager**  
**Monterey Peninsula Water Management District**

**Attachment:** Final Conditions of Approval for Wolter Properties WDS Amendment

U:\demand\Work\WDS\2021\169431007\_WolterProperties\Final\WDSPermit\_Final 20210525.docx

Attachment 2

**FINAL  
CONDITIONS OF APPROVAL  
AMEND WOLTER PROPERTIES WATER DISTRIBUTION SYSTEM  
TO SET SYSTEM LIMITS FOR POTABLE AND IRRIGATION USE  
MPWMD PERMIT#M21-1-L3-A**

**Permittee: Wolter Properties Limited Partnership, a California Limited Partnership**

**Permitted System: Wolter Properties Water Distribution System**

**Recipient Assessor Parcel Numbers: 169-431-001, 002, 003, 006, 007 (Well Site), 008, 011, 012, 013**

**Mandatory Conditions of Approval**

1. The Wolter Properties Water Distribution System (Permitted System) is authorized by the Monterey Peninsula Water Management District (MPWMD or District) by action on May 25, 2021, to set System Limits for Potable and Irrigation Use on nine Parcels totaling more than 51 acres in unincorporated Monterey County (Assessor Parcel Numbers: 169-431-001, 002, 003, 006, 007, 008, 011, 012, and 013). No construction activities are authorized by issuance of this Permit. The Permitted System boundaries map and a current list of Assessor Parcel Numbers is shown in **Exhibit 2**. This action is referred to herein as the "Wolter Properties WDS Amendment." [Rule 22-D-1-a]
2. This Permit recognizes historic agricultural pumping from Wells on APN 169-431-007 at an average of 42.52 Acre-Feet annually (AFA) during the most recent eight years (2013-2020). The System Limits for the Permitted System is to be set at 29.462 AFA, and the Expansion Capacity Limit set at nine (9) Connections, as approved by the MPWMD Hearing Officer on May 25, 2021. [Rule 22-D-1-b]
3. This Permit authorizes the Permitted System to provide domestic water supply for Residential use in addition to irrigation on the Parcels referenced in Condition #1 as permitted by the County of Monterey. [Rule 22-D-1]
4. The Source of Supply for the Permitted System is subterranean stream flowing through known and definite channels extracted by two Wells located within the Carmel Valley Alluvial Aquifer (CVAA), as follows: Well #1 (MCEHB Permit #W6689, DWR Well Completion Report #410963); and Well #2 (MCEHB Permit #00-428, DWR Well Completion Report #785368 signed 10/12/2001) both located on Assessor Parcel Number

## Attachment 2



169-431-007. [Rule 22-C-3]

5. Permittee shall execute an Indemnification Agreement, provided separately, which holds the District harmless and promises to defend the District from any claims, demands, or expenses of any nature or kind arising from or in any way related to the District approval of the Permitted System or the adequacy of the system water supply. This Permit is not valid until the Indemnification Agreement is signed by both the Permittee and MPWMD. [Rule 22-D-1-d]
6. Permittee shall comply with District rules relating to water Well registration, metering, and annual reporting of production (MPWMD Rules 52 and 54). [Rule 22-D-1-e; Rule 22-D-2]
7. Permittee shall report production by the Water Meter Method (MPWMD Rule 56) for the Wells designated in Condition #4. Refer to Special Condition #25 for additional Well reporting requirements. [Rule 22-D-1-e; Rule 22-D-2]
8. Permittee shall comply with all MPWMD water efficiency rules, as applicable (e.g., Regulations XIV and Regulation XV). [Rule 22-D-1-f]
9. No new Connections to the Permitted System may occur until a Water Permit has been secured from MPWMD for each Connection in accordance with MPWMD regulations governing issuance of Water Permits. All Connections shall require a Water Meter. [Regulation II, Permits]
10. Any Intensification of Use within the Permitted System shall require a Water Permit pursuant to MPWMD Regulation II.
11. Any new Water Gathering Facilities, Source of Supply, expansion of Service Area boundaries, changed conditions regarding water service by other entities, increase in the System Limits set in Condition #2, or other changes described in MPWMD Rule 22-E shall require a Permit to amend the Permitted System. [Rule 22-E]
12. Because the Permittee and Permitted System provides water to nine Parcels for domestic use, this Permit requires compliance with California Title 22 drinking water standards as administered by the Monterey County Environmental Health Bureau (MCEHB). MCEHB shall approve the Permitted System as a State Small Water System.
13. The District shall not approve any Water Permit for a Connection to the Main California

Attachment 2

American Water (CAW) Distribution System due to the inability of the Permitted System to deliver adequate water quality or quantity to the Parcels identified in Condition #1, unless there is: (a) full compliance by CAW with State Water Resources Control Board (SWRCB) Order 95-10 (as amended), (b) CAW compliance with the March 2006 Final Decision of the Seaside Groundwater Basin Adjudication (as amended), and (c) water is available in the respective Jurisdiction's Allocation for release to the subject Parcels. (See also Condition 11) [Rule 22-C-2]

14. Permittee is not required to carry out specific mitigation measures by MPWMD to offset adverse environmental impacts so long as water production does not exceed the established System Capacity in any year. The System Capacity is determined by historical use with a 25 percent environmental set-aside in pre-project Consumptive Use as directed in MPWMD Rule 40-A-4. [Rule 22-D-1-i]
15. Permittee shall provide a copy of a sample agreement to serve water to recipient Parcels as identified in Condition #1. [Rule 22-D-1-j]
16. Upon District approval of this Permit, Permittee shall pay to the District the invoiced cost for MPWMD staff, attorney, and consultant time spent to process the Permit. Actual costs will be compared to the initial Application Fee. The Permittee will be separately provided documentation to support any invoiced amount. This Permit is not valid until payment for the invoiced amount is received by MPWMD. [Rule 22-D-1-l]
17. Upon finalization of these conditions, the Permittee shall sign and notarize an Acceptance of Permit Conditions form associated with the approval of the Permitted System. By signing the form, Permittee acknowledges that Permittee understands and accepts these conditions as a binding part of the Permit approval and agrees to carry them out faithfully. [Rule 22-D-1-m]
18. Permittee shall disclose to any future owner, successors and assigns of the property described in Condition #1 the requirements for the Permitted System associated with this Permit. MPWMD shall be advised in a timely manner of any changes in system ownership, system name, or other substantive changes to the system to facilitate accurate record-keeping. [Rule 22-D-2]
19. Permittee shall execute a Notice of Agreement prepared by MPWMD regarding the limitation on water use as set forth in these conditions. Permittee shall pay all fees associated with preparation, review, and recording of the Notice of Agreement. The Notice of Agreement must be signed and notarized by the Permittee and accepted by the

Attachment 2

Monterey County Recorder. [Rule 22-D-1-n]

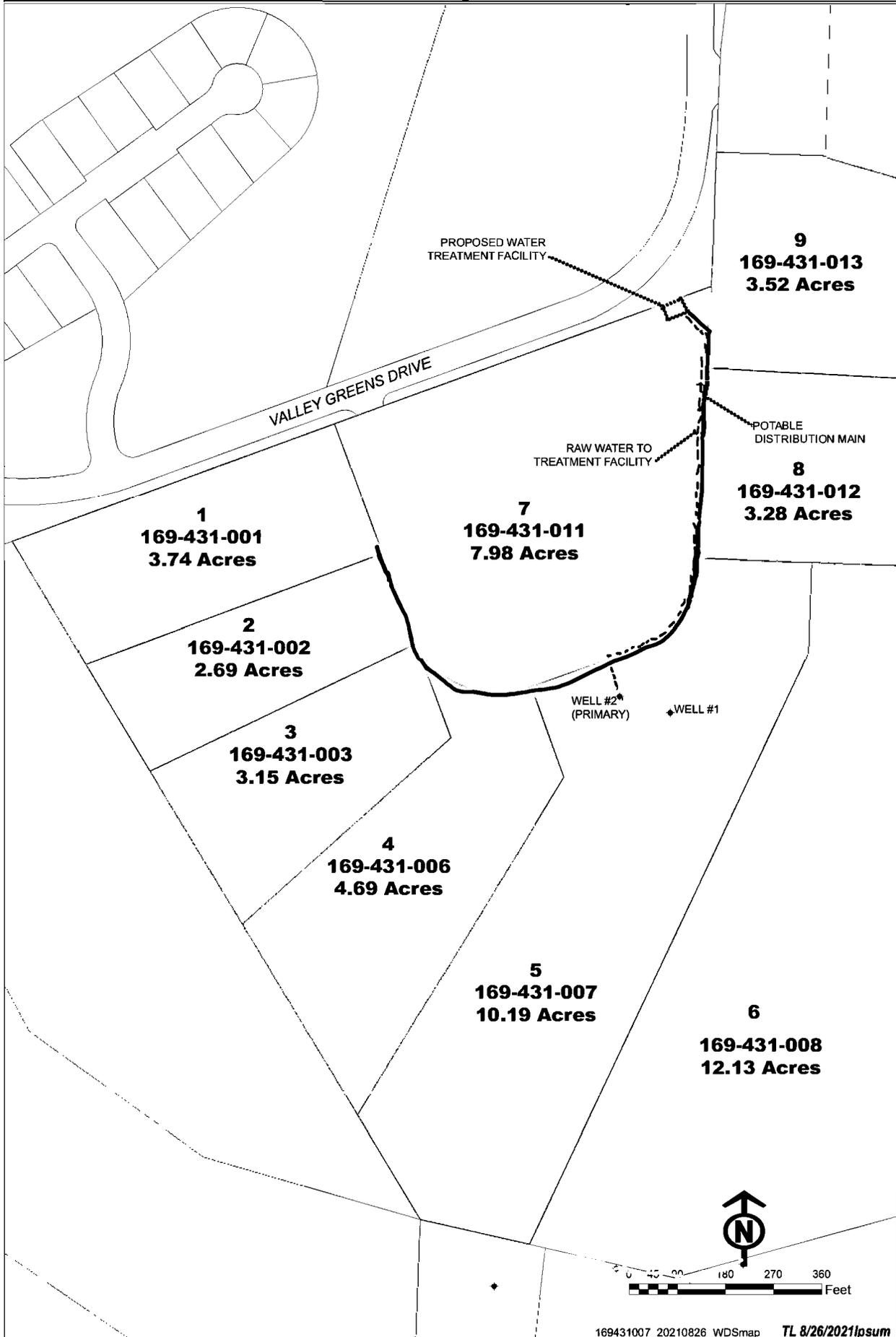
20. Upon notice to the Permittee in writing, e-mail or by telephone, reasonable access shall be given to MPWMD staff or its designated representative to inspect and document Water-Gathering Facilities and Water-Measuring Devices, obtain hydrogeologic data, and take readings from Water Measuring Devices within the Permitted System. [Rule 22-D-1-o]
21. The Permit granted herein is subject to revocation in the event the Permittee does not fully comply with each condition set forth in this Permit. [Rule 22-D-1-p]
22. Nothing in this Permit shall be construed to grant or confirm any water right.
23. This Permit does not authorize any act that results in the taking of a threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code Sections 2050 to 2097) or the federal Endangered Species Act (16 U.S.C.A. Sections 1531 to 1544). If a “take” will result from any act authorized under this Permit, the Permittee shall obtain authorization for an incidental take prior to construction or operation of the project. Permittee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this Permit.

**Special Conditions of Approval**

24. The Permittee is authorized by MPWMD under this Permit to provide Potable water for Residential use and associated landscaping to the Parcels referenced in Condition #1 upon submittal of applicable Water Permits.
25. For each Well specified in Condition #4, Permittee shall provide quarterly reports of water production.
26. The Permittee shall report annually at the conclusion of the Water Year (September 30) in the form and manner prescribed by the District (1) the quantity of water produced from each Source of Supply, (2) the amount of water delivered by month as recorded by the Water Meter for each User, (3) the total number of Connections in the system, (4) the number of new Connections and disconnections, and (5) list the identity and address of the Owner/Operator of the system as of the conclusion of the reported Water Year. This report shall be submitted to the District by November 30.

Exhibit 2 - Wolter properties WDS boundaries map and list of Parcels

**WOLTER PROPERTY**  
**WATER DISTRIBUTION SYSTEM EXHIBIT**  
Source: Whitson Engineers Project No.: 2800.00, Feb. 3, 2020



**Attachment 2: Exhibit 2B, List of Parcels**

**Wolter Properties WDS Permitted System Boundaries Map  
and  
Current List of Assessor Parcel Numbers**

169-431-001-000

169-431-002-000

169-431-003-000

169-431-006-000

169-431-007-000

169-431-008-000

169-431-011-000

169-431-012-000

169-431-013-000

Attachment 3



**FINAL  
 MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
 INDEMNIFICATION AGREEMENT**

**Amend Wolter Properties Water Distribution System  
 (Assessor Parcel Numbers: 169-431-001, 002, 003, 006, 007 (Well Site),  
 008, 011, 012, 013) to Set System Limits for Potable and Irrigation Use**

**MPWMD Permit #M21-01-L3-A**

**RECIPIENT ASSESSOR PARCEL NUMBERS:169-431-001, 002, 003, 006,  
 007 (Well Site), 008, 011, 012, 013**

**MPWMD Approval Date: May 25, 2021**

THIS AGREEMENT (“Agreement”) is made and entered into by and between the Monterey Peninsula Water Management District (“MPWMD”), and Wolter Properties Limited Partnership, a California Limited Partnership (“Wolter Properties”). Wolter Properties is referred to herein as “Indemnitor” upon the date set forth below.

1. This Agreement has been entered into in relation to the issuance of **Permit #M21-01-L3-A** authorized by MPWMD on May 25, 2021, as part of its approval of MPWMD Application #WDS-20210204WOL, known as the **“Wolter Properties WDS Amendment”** to Set System Limits for Potable and Irrigation Use. The Parcels are identified as Attachment A. This Agreement is a requirement of MPWMD Permit #M21-01-L3-A, Condition #5, and must be received by MPWMD for this Permit to remain valid.
2. Indemnitor expressly confirms and agrees that they have entered into this Agreement and assumed the obligations imposed in order to induce MPWMD to undertake the actions stated in Paragraph 1 and acknowledge that MPWMD is relying upon this Agreement.
3. Indemnitor agrees to indemnify MPWMD to the maximum extent authorized by the law as an inducement for MPWMD to undertake the actions referenced in Paragraph 1 without concern for any liability or expense which may result from the good faith performance of MPWMD’s duties. Creation of this Indemnification Agreement, and the assumption of the duties set forth herein, have induced MPWMD to undertake that action, and if this Agreement shall

**This Document is signed in counterparts.**

Attachment 3



lapse, the actions of MPWMD as referenced above shall then become null and void.

- 4. Indemnitor agrees, in consideration of MPWMD’s participation and approval in the activities referenced in Paragraph 1, to defend, indemnify, and hold harmless MPWMD and its elected and appointed officials, agents, officers, attorneys and employees from all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses (including interest, penalties, attorney fees, accounting fees, and expert witness fees) of any kind or nature incurred by MPWMD, known or unknown, contingent or otherwise, directly or indirectly, including but not limited to personal injury or property damage, arising from or related to the activities referenced in Paragraph 1. This Agreement shall include, but shall not be limited to any action, or proceeding brought against MPWMD or its agents, officers, attorneys or employees to attack, set aside, void, annul, limit, modify or inhibit the activities referenced in Paragraph 1, and shall expressly include any action undertaken that may include claims or causes of action under the California Environmental Quality Act (CEQA), or the National Environmental Policy Act (NEPA).
- 5. Indemnitor’s obligation to defend, indemnify, and hold harmless shall further include, but not be limited to, all costs relating to litigation, preparation of any administrative record, response to discovery, retention of experts, and other related costs. Indemnification shall further extend to any and all reasonable expenses, including, without limitation, attorney’s fees, expenses incurred in establishing a right to indemnification, costs of investigation and costs of appeal, judgments, fines, settlements and other obligations incurred in connection with any demand, claim or proceeding, or any appeal therefrom, to which MPWMD is a party or threatened to be made a party.
- 6. If required to accomplish the activities referenced in Paragraph 1, Indemnitor agrees to indemnify and hold harmless MPWMD for all costs incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending any document (including any CEQA or NEPA documents) that shall support, defend, or comply with any relevant order.
- 7. Indemnitor shall not be liable to indemnify MPWMD with respect to any expense, judgment, fine, settlement or other obligation incurred by MPWMD:
  - a. to the extent that such expense, judgment, fine, settlement or other obligation is actually paid or satisfied by an insurer on behalf of Indemnitor pursuant to an insurance policy;

This Document is signed in counterparts.

Attachment 3

- b. in connection with any remuneration paid to MPWMD, if it shall be finally adjudged that such remuneration was in violation of law;
  - c. on account of MPWMD's misconduct if such misconduct shall be finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful.
8. Indemnitor further agrees to make no claim, and hereby waives, to the fullest extent permitted by law, any claim or cause of action of any nature against MPWMD, its officials, officers, directors, employees, and agents which may arise out of or in connection with activities referenced in Paragraph 1.
9. In the event that Indemnitor is required to defend MPWMD in connection with the activities referenced in Paragraph 1, MPWMD shall retain the right to approve:
- a. The counsel to so defend MPWMD and its agents, which approval shall be in writing;
  - b. All significant decisions concerning the timely manner in which the defense is conducted; and
  - c. Any and all settlements, which approval shall not be unreasonably withheld.
10. MPWMD shall not be required to participate in the defense of any proceeding. If MPWMD chooses to have counsel of its own where the Indemnitor has already retained counsel, the fees and expenses of the counsel selected by MPWMD shall be paid by the Indemnitor. MPWMD agrees to cooperate with the Indemnitor in the defense of any proceeding.
11. If MPWMD so elects, expenses actually and reasonably incurred by MPWMD in defending any demand, claim or proceeding shall be paid by Indemnitor from time to time as requested by MPWMD notwithstanding there may not yet be a final disposition of such demand, claim or proceeding. Indemnitor agrees to advance any such expenses within ten (10) days after receipt from MPWMD of a written request for an advance payment. MPWMD shall not be obligated, however, to advance any such expenses if it is prohibited by applicable law from advancing such expenses. In the event that it is not ultimately determined that MPWMD is entitled to be indemnified, MPWMD shall repay the amount of any such expenses so advanced.

**This Document is signed in counterparts.**

Attachment 3



- 12. The defense and indemnification of MPWMD set forth herein shall remain in full force and effect throughout all stages of litigation including appeals of any lower court judgments.
- 13. MPWMD shall not settle any demand, claim or proceeding in any manner that would impose any obligation, penalty or limitation on, or that otherwise may adversely affect Indemnitor without Indemnitor’s prior written consent. Neither MPWMD nor Indemnitor shall unreasonably withhold its consent to any proposed settlement.
- 14. Any permit, appeal or other approval given by MPWMD to Indemnitor shall be valid only so long as this Indemnification Agreement is given full force and effect. If this Indemnification Agreement is revoked, the permit, appeal, or other approval of MPWMD shall then become null and void.
- 15. This Indemnification Agreement shall bind and benefit MPWMD, its successors and assigns, and Indemnitor and Indemnitor’s successors in interest.
- 16. It is agreed and understood by the parties hereto that this Agreement has been arrived at through negotiations and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654.
- 17. In the event either party brings an action to enforce rights or to collect moneys due under this Agreement or applies to a court for judgment that indemnification is proper under the circumstances and is successful in whole or in part in such action or application, the prevailing party in such action shall be entitled to all reasonable fees and expenses (including attorneys' fees) in pursuing or defending such action or application.
- 18. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue shall be in the County of Monterey.
- 19. If any provision of this Agreement or the application thereof to any person, place or circumstance, is held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the other provisions hereof, which provisions shall be deemed separate and distinct agreements.
- 20. No amendment or termination of this Agreement shall be effective unless in writing signed by the parties hereto.

This Document is signed in counterparts.



(Signatures must be notarized)

**Wolter Properties Limited Partnership, a California Limited Partnership**

**Its General Partner:  
Wolter Properties, Inc., a California Corporation**

By: Karen T. Wolter Dated: July 21, 2021  
Karen T. Wolter, President

Attest:  
By: Karie M. Sedano  
Karie M. Sedano, Secretary

By: David J. Stoldt Dated: 8-24-21  
David J. Stoldt, General Manager  
Monterey Peninsula Water Management District

**Attachment A**

**Attachment 1**

**Wolter Properties WDS Permitted System Boundaries Map**

**and**

**Current List of Assessor Parcel Numbers**

169-431-001-000

169-431-002-000

169-431-003-000

169-431-006-000

169-431-007-000

169-431-008-000

169-431-011-000

169-431-012-000

169-431-013-000

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF MONTEREY )

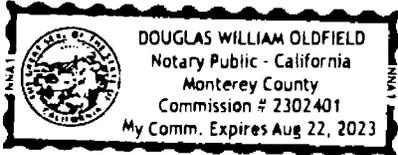
DOUGLAS WILLIAM OLDFIELD

On July 21, 2021, before me, DOUGLAS W. OLDFIELD, notary public, personally appeared Karen T. Walter, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Santa Clara }

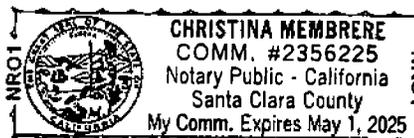
On July 21, 2021 before me, Christina Membere (Notary Public)  
(Here insert name and title of the officer)

personally appeared Karie M Sedano  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Christina Membere  
Notary Public Signature (Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
\_\_\_\_\_  
(Title or description of attached document)  
\_\_\_\_\_  
(Title or description of attached document continued)  
Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer  
\_\_\_\_\_  
(Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

Attachment 4



**ACCEPTANCE OF PERMIT CONDITIONS**

**Amend Wolter Properties Water Distribution System  
(Assessor Parcel Numbers: 169-431-001, 002, 003, 006, 007 (Well Site), 008, 011, 012, 013)  
to Set System Limits for Potable and Irrigation Use**

**MPWMD Hearing Officer Approval Date: May 25, 2021**

**MPWMD WDS Permit: #M21-01-L3-A**

The Permittee, defined as **Wolter Properties Limited Partnership, a California Limited Partnership**, hereby confirms that Permittee has read and understands the Final Conditions of Approval associated with **Permit #M21-01-L3-A** approved by the Monterey Peninsula Water Management District Hearing Officer on May 25, 2021 for the amendment of the Wolter Properties Water Distribution System (WDS) to set System Limits for Potable and Irrigation Use.

Permit #M21-01-L3-A sets the Expansion Capacity Limit (number of Connections) at nine (9) Connections, and the Production Limit at 29.462 Acre-Feet Annually. The Permittee accepts these conditions as a binding part of the WDS Permit approval and promises to abide by and carry out these conditions in good faith. The Permittee agrees to provide the WDS Permit referenced above and all related agreements and documents to any succeeding Owner or Operator of the Wolter Properties WDS.

**Wolter Properties Limited Partnership, a California Limited Partnership**

**Its General Partner:  
Wolter Properties, Inc., a California Corporation**

By: *Karen T. Wolter* Dated: *July 21, 2021*  
Karen T. Wolter, President

Attest:  
By: *Karie M. Sedano* *July 26, 2021*  
Karie M. Sedano, Secretary

By: *David J. Stoldt* Dated: *8-24-21*  
David J. Stoldt, General Manager  
Monterey Peninsula Water Management District

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## Attachment 5



**FINAL  
FINDINGS OF APPROVAL**

**AMEND WOLTER PROPERTIES WATER DISTRIBUTION SYSTEM  
TO SET SYSTEM LIMITS FOR POTABLE AND IRRIGATION USE**

**Permittee: Wolter Properties Limited Partnership, a California Limited Partnership**

**Permitted System: Wolter Properties Water Distribution System**

**Recipient Assessor Parcel Numbers: 169-431-001, 002, 003, 006, 007 (Well Site), 008, 011, 012, 013**

**Application #WDS-20210204WOL, Permit #M21-01-L3-A**

**Adopted by MPWMD Staff Hearing Officer on May 25, 2021**

*Unless noted otherwise, all cited documents and materials will be available for review on the MPWMD website at <https://www.mpwmd.net/regulations/public-notices/> prior to and for 30 days following the administrative hearing.*

It is hereby found and determined as follows:

1. **FINDING:** Wolter Properties Limited Partnership, a California Limited Partnership (Wolter Properties), is the current Owner of a pre-existing Water Distribution System (WDS) located in the Carmel Valley Alluvial Aquifer (CVAA) that has historically provided agricultural irrigation water from a single Connection. The Site comprises nine legal lots of record that are zoned for Residential Low-Density use (APNs: 169-431-001, 002, 003, 006, 007 (Well Site), 008, 011, 012, 013) and that have historically been used for agricultural production.

**EVIDENCE:** Application #20210204WOL submitted February 4, 2021, including Site maps, list of Parcels, Monterey County zoning map of the Carmel Valley Master Plan found at <https://www.co.monterey.ca.us/home/showpublisheddocument?id=45960>, Bierman Hydrogeologic Constant Rate Well Pumping/Aquifer Recovery Test Report dated December 30, 2020, revised January 30, 2021, MPWMD records of annual water production and hydrogeologic maps showing boundaries of the Carmel Valley Alluvial Aquifer (CVAA) that include the Wolter Properties and are within the

## Attachment 5



determination by the State Water Resources Control Board (SWRCB) in accordance with Order No. WR 95-10 dated July 6, 1995 to wit: "water flowing through the Carmel River alluvium constitutes a subterranean stream and not percolating ground water."

2. **FINDING:** The Site consists of nine legal lots of record which vary in size from 2.69 to 12.13 acres that are zoned for Residential use and that total more than 51 acres. The Site is in unincorporated Monterey County. There are two (2) existing Wells located on APN 169-431-007. The Parcels originated from two separate tracts: Parcels from Rancho Canada de la Segunda (a/k/a Hatton Partition, Lot 9) include APN 169-431-001, -002, -003, -006, -007, and -011. The remaining Parcels are part of the James Meadows Tract, Lot 6, and include APN 169-431-008, -012, and -013. Estimated consumption for nine Single-Family Dwellings is 4.815 Acre-Feet Annually (AFA) (0.535 AFA/Single-Family Dwelling).
- EVIDENCE:** Permit application materials specified in Finding #1.
3. **FINDING:** The Wolter Properties remain one contiguous and commonly owned estate which is riparian to and entirely overlies the CVAA. The existing Wells have always served the entire Wolter Properties.
- EVIDENCE:** Permit application materials specified in Finding #1.
4. **FINDING:** The Monterey County Environmental Health Bureau (MCEHB) approved Well #1 in 1992 and Well #2 in 2000. Both Well applications were for irrigation use.
- EVIDENCE:** Application #20210204WOL specified in Finding #1, including MCEHB Well #1 Construction Permit #W6689 issued March 30, 1992, and California Well Completion Report #410963; MCEHB Well #2 Construction Permit #00-428 issued December 19, 2000 and California Well Completion Report #785368 signed October 12, 2001.
5. **FINDING:** The Applicant has applied for an amendment to the WDS Permit to Set System Limits on the WDS for Potable and irrigation use to nine (9) Connections.

Attachment 5

- EVIDENCE: Permit application materials specified in Finding #1; CEQA Guideline Section 15308; MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4.
6. FINDING: The MPWMD recognizes historic agricultural pumping on the Site from Wells on APN 169-431-007 at an average of 42.52 AFA for the most recent eight years (2013-2020). The Production Limit shall be set at 29.462 AFA, and the Expansion Capacity Limit shall be set at nine (9) Connections.
- EVIDENCE: Permit application materials specified in Finding #1. MPWMD Permit #M21-01-L3-A, Condition of Approval #2.
7. FINDING: In compliance with Rule 40-A-4, Determination of System Capacity and Expansion Capacity Limits, the System Capacity (production limit) is determined by seventy-five percent (75%) of the existing Consumptive Use on the Site as adjusted for the new Project's Consumptive Use; the remaining 25% is for environmental benefits.
- EVIDENCE: Calculation of Consumptive Use and Environmental Set-Aside as calculated by David J. Stoldt, MPWMD General Manager, on April 7, 2021.
8. FINDING: Applicant submitted an application for a State Small Water System with nine Connections to the Monterey County Environmental Health Bureau on February 4, 2021.
- EVIDENCE: Application #20210204WOL specified in Finding #1.
9. FINDING: The application for Wolter Properties WDS amendment, along with supporting materials, is in accordance with District Rule 21 and Rule 22.
- EVIDENCE: Permit application materials specified in Finding #1; "Notice of Public Hearing" letter to Tony Lombardo & Associates from MPWMD dated May 11, 2021; MPWMD Rules and Regulations.

**Required Findings (MPWMD Rule 22-B)**

## Attachment 5



10. FINDING: The approval of the Permit would not cause unnecessary duplication of Potable water service within any existing system. [Rule 22-B-1]
- EVIDENCE: Permit application materials specified in Finding #1. MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4 and #13.
11. FINDING: The approval of the Permit would not result in water importation or exportation to or from the District, respectively. The referenced Parcels are located wholly within the MPWMD and are in the Carmel Valley Alluvial Aquifer (CVAA). [Rule 22-B-2]
- EVIDENCE: District boundary location maps and evidence of current riparian rights as reviewed and confirmed by District Counsel Frances M. Farina.
12. FINDING: Approval of the application would not result in significant adverse impacts to “Sensitive Environmental Receptors” (SER) as defined by MPWMD Rule 11, including the Carmel Valley Alluvial Aquifer (CVAA). [Rule 22-B-3]
- EVIDENCE: Permit application materials specified in Finding #1. MPWMD Permit #M21-01-L3-A, Condition of Approval #14.
13. FINDING: The Wolter Properties has adequately identified riparian water rights as defined by the SWRCB in Order 95-10. [Rule 22-B-4]
- EVIDENCE: Wolter Properties Grant Deed and Chain of Title Guarantee, 2013 Water Rights Analysis by Aengus Jeffers including 2020 Addendum confirmed by MPWMD Counsel.
14. FINDING: The application confirms a long-term reliable supply as required by standard methodology adopted by the Monterey County Environmental Health Bureau (MCEHB). [Rule 22-B-5]
- EVIDENCE: Permit application materials specified in Finding #1 including MCEHB Source Capacity Test Letters for Well #1 and Well #2 dated January 20, 2021.
15. FINDING: The Source of Supply for Wolter Properties Wells is the Carmel Valley

## Attachment 5



Alluvial Aquifer (CVAA). The cumulative effects of issuance of this WDS Permit Amendment do not result in significant adverse impacts to the Source of Supply or the species and habitats dependent on the Source of Supply due to the establishment of System Capacity (production limit) which reduces the annual allowed diversions. [Rule 22-B-6]

EVIDENCE: MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4, #13 and #14.

16. FINDING: The Source of Supply for the Wolter Properties is derived from the Carmel Valley Alluvial Aquifer, which is a component of the Monterey Peninsula Water Resource System. While the source is shared by many, no additional impacts are anticipated due to reduced production limits. [Rule 22-B-7]

EVIDENCE: MPWMD maps showing boundaries of project area and jurisdiction of the SWRCB; Permit application materials specified in Finding #1; MPWMD hydrogeologic maps on file; MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4, and #13.

17. FINDING: MPWMD Permit #M21-01-L3-A sets System Limits for the Wolter Properties WDS. The MPWMD recognizes historic agricultural pumping from Wells on APN 169-431-007 located in the CVAA at an average of 42.52 AFA. [Rule 22-B-8]

EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4 and #13.

**Minimum Standards for Granting a Permit (MPWMD Rule 22-C)**

18. FINDING: The application adequately identifies the Responsible Party as Wolter Properties Limited Partnership, a California Limited Partnership. [Rule 22-C-1]

EVIDENCE: Permit application materials specified in Finding #1.

19. FINDING: The application meets the definition of a "Multiple-Parcel Connection

Attachment 5

System,” as water will be provided by two existing Wells for use on nine Parcels. Compliance with California Title 22 water quality standards is the authority of the SWRCB Division of Drinking Water. [Rule 22-C-2]

- EVIDENCE: Permit application specified in Finding #1. MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4 and #12. California Administrative Code, Title 22.
20. FINDING: The application identifies the location of the Source of Supply for the Wolter Properties WDS as two existing Wells in the Carmel Valley Alluvial Aquifer (CVAA) capable of producing a long-term reliable supply for the intended purposes. [Rule 22-C-3]
- EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 and #4.
21. FINDING: Approval of the application would not create an Overdraft or increase an existing overdraft. The Carmel Valley Alluvial Aquifer has not been declared as in overdraft but the SWRCB has determined it is over-appropriated during certain seasons. [Rule 22-C-4]
- EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M21-01-L3-A, Conditions of Approval #13 and #14.
22. FINDING: The approval of the application would not adversely affect the ability of existing systems to provide water to Users due to conditions of approval by MPWMD and other entities that limit future water use to a reasonable and acceptable amount. [Rule 22-C-5]
- EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M21-01-L3-A, Conditions of Approval #1 through #4, #6 through #11 and #13.

**Compliance with California Environmental Quality Act (CEQA)**

Attachment 5

23. FINDING: In the review of this application, MPWMD has followed those guidelines adopted by the State of California and published in the California Administrative Code, Title 14, Section 15000, *et seq.* and finds that the setting of System Limits as determined by MPWMD Rule 40-A is exempt from CEQA under Section 15308, Actions by Regulatory Agencies for the Protection of the Environment.

EVIDENCE: Section 15308, Actions by Regulatory Agencies for Protection of the Environment, as published in the 2020 CEQA Guidelines. Class 8 consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.

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