



Monterey County

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Board Order

Upon motion of Supervisor Potter, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

Public hearing held adopted Resolution No. 14-115:

- a. Adopted a Negative Declaration;
- b. Approved a Memorandum of Understanding between the County of Monterey and California-American Water Company to formalize and implement Cal Am's agreement to offset Cal Am's water service to the approved nine-lot Oaks subdivision with an equal amount of water from the Oaks' subdivision well, so as to result in no net transfer of water;
- c. Authorized the Chair of the Board of Supervisors to execute the Memorandum of Understanding. (REF130072/Oaks MOU, San Benancio Road, Toro Area Plan)

PASSED AND ADOPTED on this 6th day of May 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on May 6, 2014.

Dated: May 6, 2014
File Number: RES 14-047

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No. 14-115

Adopting a Negative Declaration,)
 Approving a Memorandum of)
 Understanding with Cal Am, and)
 Authorizing the Chair of the Board)
 to Execute the MOU)
 (REF130072/Oaks MOU))

This resolution is made with reference to the following facts:

1. On May 6, 2014, the Board of Supervisors conducted a duly noticed public hearing to consider adoption of a Negative Declaration and approval of a Memorandum of Understanding (“MOU”) between the County of Monterey and California-American Water Company (“Cal Am”) to formalize and implement Cal Am’s agreement to offset Cal Am’s water service to the approved nine-lot Oaks subdivision with an equal amount of water from the Oaks’ subdivision well, so as to result in no net transfer of water. The MOU is attached to the May 6, 2014 staff report as Attachment C and incorporated herein by reference.
2. This MOU serves the public health, safety and welfare by ensuring that an already approved residential subdivision, known as the Oaks subdivision, has a potable water supply that meets federal and state drinking water standards while being consistent with the Oaks’ subdivision approval requiring that the water source not intensify water use in the County’s B-8 zoning district.
3. The Board finds that the MOU is necessitated by the unique circumstances of this case and protection of public health, that the MOU is limited to its facts, and that the MOU is not intended to establish policy or serve as precedent for any other project.
4. The Oaks subdivision divided a 325.7- acre parcel into nine residential lots ranging in size from 1.7 to 13.6 acres and a remainder parcel of 285.7 acres (hereafter the “Oaks Subdivision”), located on the east side of San Benancio Road in the Toro Area Plan area of the County. The Board of Supervisors approved the vesting tentative map for the subdivision on May 8, 2001 and accepted the final map on June 20, 2006. The final map was recorded on June 30, 2006 at Volume 23, Cities and Towns, page 32, in the Office of the Recorder of the County of Monterey.
5. Condition 34 of the Oaks’ vesting tentative map required the subdivider; “to provide a signed written agreement between the subdivider and Ambler Park Water Utility (APWU) requiring: a) the subdivider to convey a newly constructed well complete with water distribution infrastructure and fire flow water supply; and b) APWU to operate the system as a satellite or stand alone system providing domestic and fire flow water supply to the subdivision in accordance with title 22 and the California Public Utility Commission standards. The total costs for item “a” is to be born [sic] by the developer and not APWU or its customers. If at any point in the future, the Toro B-8 zoning overlay is removed, and this stand alone system is to be consolidated with any other system, pumping of water (produced by this well) outside of Monterey County Water Resources Agency zones 2 & 2A is prohibited except in the case of emergency.”
6. Condition 35 of the Oaks’ vesting tentative map required the “Design the water system improvements to meet the standards as found in Title 22 of the California Code of Regulations and as found in the Residential Subdivision Water Supply Standards. Submit engineered plans for the water system

improvements and any associated fees to APWU for review and approval prior to installing (or bonding) the improvements. Provide evidence that APWU has reviewed and approved the plans. Applicant shall pay all Land Use review fees prior to filing the final map.”

7. Prior to the Board accepting the final map, staff advised the Board of Supervisors that the applicant had met all conditions of approval. Staff found that the subdivider had complied with condition 34 because the subdivider provided a copy to staff of the signed written agreement between the subdivider and Cal Am, as required by the condition. (Cal Am has purchased Ambler Park; therefore, the agreement is between the subdivider and Cal Am.) Staff found that subdivider had complied with Condition 35 based on the subdivider provided a letter from Cal Am stating that it had reviewed and approved the plans for the Oaks subdivision water system. Staff “cleared” the conditions after receiving copies of the documentation required by the conditions. The Board’s final map acceptance presumes that the conditions of compliance were met. (See Government Code section 66473.)
8. A change in the federal arsenic water standard requires treatment of the Oaks’ well water. The Oaks’ well tested at 35 parts per billion (ppb) when the tentative map was approved. Between the tentative and final map approvals, the federal drinking water standard for arsenic was reduced from 50 ppb to 10 ppb, and the state was required to adopt a revised standard no less stringent than the federal standard. The new federal standard for arsenic of 10 ppb was adopted on February 22, 2002 and became enforceable on January 23, 2006. Although the Oaks’ well was compliant with the earlier standard when the tentative map was approved, the well water exceeds the federal standard that went into effect in 2006.
9. Due to the need to treat the water to meet drinking water standards, staff previously arranged for Cal Am through its Monterey District Ambler Park system to serve the Oaks lots on the basis that Cal Am would draw water from the Oaks’ well, treat the water for high arsenic at the Ambler Park water treatment plant, and then supply the treated water to the Oaks’ lot. Consistent with the intent for water supply to be based on the Oaks well, not Ambler Park’s water supply, the understanding was that the Cal Am would pump from the Oaks well into the Ambler system the same amount of treated water that the Ambler system would provide to the nine Oaks lots, resulting in no net transfer of water. In 2006, Cal Am committed to the Monterey County Water Resources Agency to monitor the Oaks’ well production and the Oaks lots’ consumption for this purpose. This MOU formalizes that commitment and fleshes out the details of implementation, monitoring, reporting, and enforcement.
10. The final Oaks’ map was recorded in 2006, and since then, at least some lots have been sold into individual ownership. Homes have been built on three lots in the Oaks subdivision. Following recordation of the final map, the County may modify the final map only if the County finds that “there are changes in circumstances that make any or all of the conditions of the map no longer appropriate or necessary and that the modifications do not impose any additional burden on the fee owners of the real property, and if the modifications do not alter any right, title, or interest in real property reflected on the recorded map.” (Gov’t Code sec. 66472.1.) The MOU does not does not impose any additional burden on the current owners of the nine lots nor alter any of their rights, title, or interest in their property.
11. The Board finds that, under the unique circumstances of this case, the MOU carries out the intent of the Oaks subdivision’s conditions of approval, is necessitated by the new federal standard for arsenic, and is consistent with the 2010 General Plan and County’s B-8 zoning.
12. The Board finds that the 2010 General Plan Policies PS-3.1, PS 3.2 and PS-1.3 do not apply to the MOU because it does not authorize any new development and does not require a discretionary permit.

The MOU does not reopen the approval of the Oaks subdivision for which the tentative map was approved and final map was accepted years ago, before the adoption of the 2010 General Plan. The MOU does not result in intensification of water use. The MOU formalizes the mechanisms by which an equal exchange of water between the Ambler system and the Oaks' well will be implemented, monitored, reported, and enforced.

13. The MOU is consistent with County zoning. The Ambler Park system's wells are within County's B-8 zoning overlay district, while the Oaks' well is not. The purpose of the B-8 zone is to "restrict development and/or intensification of land use in areas where, due to water supply ... or similar measurable public-facility type constraints, additional development and/or intensification of land use if [sic] found to be detrimental to the health, safety, and welfare of the residents of the area, or the County as a whole." Under the MOU, Cal Am must offset the water it supplies to the Oaks subdivision by an equal transfer of water from the Oaks' well into the Ambler system, resulting in no intensification of water use in the B-8 zone. The MOU is consistent with County's B-8 zoning because Ambler's service to the Oaks subdivision under the terms set forth in the MOU will not result in an intensification of water use in the B-8 zone and is not detrimental to the public health, safety, and welfare.
14. The Oaks' well lies within Monterey County Water Resources Agency's benefit assessment "Zone 2C," while the Ambler treatment plant lies outside Zone 2C. Zone 2C is a benefit assessment zone adopted by MCWRA pursuant to the Monterey County Water Resources Agency Act. The Act prohibits the exportation of water from the Salinas River groundwater basin. (California Water Code Appendix, Chapter 52 ("Agency Act"). Under the MOU, Cal Am would ensure that the volume of water it pumps from the Oaks' well into the Ambler Park water system does not exceed the amount of water supplied from Ambler to the Oaks. Therefore, pumping water from the Oaks well into the Ambler system would not result in export of water out of Monterey County Water Resources Agency's benefit assessment Zone 2C. This manner of implementation protects the public health while meeting the intent of condition 34 not to intensify water use in the County's B-8 zone and not to export water out of MCWRA's benefit assessment Zone 2c. The General Manager of the Monterey County Water Resources Agency has acknowledged this Memorandum of Understanding.
15. In 2010, County staff learned that Cal Am had begun to serve the Oaks' homes without yet bringing the Oaks' well on line. Staff notified Cal Am of its obligations, and staff also notified the subdivider that it would not issue additional building permits until the issue of water service without intensification of water use in the B-8 zone was resolved. This MOU resolves the issue by formalizing the mechanisms by which an equal exchange of water between the Ambler system and the Oaks' well will be implemented, monitored, reported, and enforced. Cal Am has applied to the California Department of Health to operate the Oaks well, and Cal Am agrees in the MOU to diligently pursue the necessary permits to bring the Oaks well into its state-permitted water system.
16. On December 4, 2012, the Board of Supervisors conducted a duly noticed public hearing to consider alternatives for the provision of safe, potable water to the "Oaks subdivision" and directed staff to negotiate an MOU with Cal Am, conduct environmental review, and return to the Board. The public hearing was noticed for October 9, 2012 and continued to December 4, 2012 at the request of Save Our Peninsula Committee with concurrence of staff.
17. At the public hearing on December 4, 2012, the Board had the opportunity review the circumstances and history that lead to the current status of the water supply to the Oaks subdivision, hear public testimony, and provide direction to staff as to which mechanism to pursue to ensure a safe, potable water supply to the Oaks that is consistent with County zoning and respects the right, title and interest

of the existing lot owners. Save Our Peninsula Committee has since stipulated that the County has satisfactorily completed review of the Oaks subdivision condition compliance. (Stipulation for Modification of Judgment and Disposition of Pending Motion, executed in July 2013, in *Save Our Peninsula Committee v. County of Monterey*, (Monterey Superior Court case no. M110694).) The Board of Supervisors conducted a duly noticed public hearing on this MOU on May 6, 2014.

18. The Board finds that the proposed MOU is the method of providing safe, potable drinking water to the Oaks subdivision that is the most feasible, most capable of success, and therefore most protective of public health under the unique circumstances of this case. Cal Am through its Ambler Park water treatment plant has the technical, managerial and financial capability to treat water. Cal Am also has the ability to serve the Oaks subdivision because Cal Am already owns the Oaks' well and its infrastructure and has extended its Monterey District Ambler Park service area to include the Oaks subdivision. Because the MOU enforces no net transfer of water from Ambler to the Oaks and vice versa, it would not intensify water use in the County's B-8 zone. It is also the option that may be least costly to ratepayers because it relies on a well and water infrastructure whose cost was already borne by the Oaks' subdivider and would require no new construction. It is also the least disruptive to the existing owners of the nine lots because the obligations to balance the water supply would fall entirely on Cal Am and would cause no disruption of service to the homeowners. The MOU creates a binding contractual obligation on the part of Cal Am to offset Cal Am Monterey District Ambler Park's water service to the Oaks subdivision with an equal amount of water to be pumped from the Oaks well into the Ambler Park water system, so as to result in no net transfer of water. The MOU includes a provision whereby the Oaks well would replenish all water already provided by Ambler to the Oaks lots to ensure that the Oaks subdivision does not result in loss of water to the B-8 zone. The MOU includes strict monitoring and reporting requirements and creates an enforceable legal obligation.
19. The Board finds, on the basis of the whole record before it, that there is no substantial evidence that the MOU will have a significant effect on the environment and finds that the Negative Declaration reflects the lead agency's independent judgment and analysis. Monterey County RMA-Planning prepared an Initial Study pursuant to CEQA. The Initial Study is on file in the offices of RMA-Planning and is hereby incorporated by reference (REF130072). The Initial Study/draft Negative Declaration was prepared in accordance with CEQA and circulated for public review from August 19, 2013 through October 10, 2013 (SCH#: 2013081054). Issues that were analyzed in the Negative Declaration include: hydrology/water quality and land use/planning. Hydrology/Water Quality addressed potential impacts to the depletion of groundwater supplies and/or interference with groundwater replenishment; the project will not have a substantial adverse impact on hydrology since the MOU requires the equal exchange of water from one area to another and does not intensify water use or authorize any additional pumping or water service than already exists. Land Use/Planning addressed potential conflicts with the applicable land use plan, policy, or regulation of an agency with jurisdiction over the project. Due to the requirement of an equal exchange of water, the project will not conflict with the B-8 zoning. The MOU does not authorize any new development and does not require a discretionary permit. The MOU does not reopen the approval of the Oaks subdivision for which the tentative map was approved and final map already accepted. The MOU merely formalizes the mechanisms by which an equal exchange of water between the Ambler system and the Oaks' well will be implemented, monitored, reported, and enforced. The MOU is not growth-inducing because it applies only to the Oaks subdivision due to the unique and particular facts and circumstances and public health considerations requiring treatment of water for an already approved subdivision. By its terms, the MOU is not to be used to serve any other property. The Clerk of the Board of Supervisors and the Monterey County Planning-RMA, located at 168 West Alisal Street, Salinas, California are the custodians respectively of the documents and other materials that constitute the record of proceedings upon which the decision to adopt the negative declaration is based.

20. The County has considered the comments received on the Initial Study/Negative Declaration, and the comments do not present evidence altering the conclusion that the MOU will not have a significant effect on the environment. In response to the comments, staff has made a few clarifications to the Initial Study, but these clarifications do not alter the significance conclusions of the Initial Study and do not require recirculation of the initial study. Responses to specific comment letters were provided in the staff report to the Board of Supervisors for the May 6, 2014 hearing and are incorporated herein by reference.

NOW, THEREFORE, the Board of Supervisors does hereby:

- a. Found that the above recitals and findings are true and correct;
- b. Adopted the Negative Declaration;
- c. Approved the Memorandum of Understanding between the California American Water Company and the County of Monterey; and
- d. Authorized the Chair of the Board of Supervisors to execute the Memorandum of Understanding.

PASSED AND ADOPTED upon motion of Supervisor Potter seconded by Supervisor Armenta and carried this 6th day of May 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on May 6, 2014.

Dated: May 7, 2014
File Number: RES 14-047

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**MEMORANDUM OF UNDERSTANDING
BETWEEN
CALIFORNIA-AMERICAN WATER COMPANY AND COUNTY OF MONTEREY**

This Memorandum of Understanding (MOU) is entered into this 6th day of May, 2014, by and between California-American Water Company ("Cal Am") and the County of Monterey ("County"), with reference to the following facts:

RECITALS

- A. The parties desire to enter into this MOU to memorialize the parties' agreement to certain terms and conditions governing Cal Am's provision of water to the Oaks subdivision for the purpose of ensuring that Cal Am's water service to the Oaks subdivision will be offset by an equal amount of water drawn from the Oaks well.
- B. On May 8, 2001, the County of Monterey approved a tentative map to subdivide a 325.7-acre parcel into 9 residential lots ranging in size from 1.7 to 13.6 acres and a remainder parcel of 285.7 acres (hereafter the "Oaks Subdivision"). On June 20, 2006, the County accepted the final map for the Oaks Subdivision, which map was recorded on June 30, 2006, at Volume 23, Cities and Towns, page 32, in the Office of the Recorder of the County of Monterey. A copy of the final recorded map is attached hereto as Attachment 1 and incorporated herein by reference.
- C. Pursuant to conditions of approval of the tentative map, the subdivider entered into an agreement with Cal-Am in 2004 whereby the subdivider agreed to construct a well ("Oaks' well) and water distribution system for domestic and fire flow water supply ("water system") for the Oaks subdivision and to transfer the water system to Cal Am in exchange for Cal Am's agreement to operate and maintain the water system either as a stand-alone or satellite system providing domestic and fire flow water supply to the Oaks Subdivision. The agreement by its terms was to take effect upon the recordation of the final map for the Oaks subdivision. The Oaks' well and water infrastructure has since been conveyed to Cal Am.
- D. As a water utility regulated by the California Public Utilities Commission and other federal and state agencies, Cal Am must provide finished water that meets all applicable federal and state water quality standards when it provides water service.
- E. The raw water from the Oaks' well does not meet federal and state water quality standards, specifically the Maximum Contaminant Level (MCL) for arsenic. A sample taken in August 2000 from the Oaks' well indicated the presence of arsenic at 35 parts per billion (ppb). At the time of the sample, the federal arsenic standard was 50 ppb, so the Oaks' well complied with drinking water standards at that time. A new federal standard for arsenic, reducing the MCL for arsenic to 10 ppb, was adopted on February 22, 2002 and became enforceable on January 23, 2006. Therefore, the Oaks well no longer meets drinking water standards, and it is necessary to treat the water or find an

alternate water supply for the Oaks' subdivision in order for the nine approved lots to have a potable water supply that meets drinking water standards.

- F. The County has determined that the solution to providing potable water to the Oaks subdivision that is the most feasible, most capable of success, and therefore most protective of public health while not intensifying water use in Cal Am's Monterey District Ambler Park service area is for Cal Am to serve the Oaks subdivision with water that has been treated by Cal Am to meet drinking water standards, provided that Cal Am augment the Ambler water supply by transferring raw water from the Oaks' well to the Ambler Park water system in an amount equal to the amount Cal Am is supplying to the Oaks' subdivision. This solution is the most feasible because Cal Am through its Ambler Park water treatment plant has the technical, managerial and financial capability to treat water, and as of the execution of this MOU, no other treatment facility with the technical, managerial, and financial capability to treat the Oaks' well water exists. Cal Am also has the ability to serve the Oaks subdivision because Cal Am already owns the Oaks' well and its infrastructure, and via Advice Letter 617 filed with the California Public Utilities Commission (PUC), has extended its Monterey District Ambler Park service area to include the Oaks subdivision.

- G. The Ambler water treatment plant is within the County's B-8 zoning district. The purpose of the B-8 zoning district is to "restrict development and/or intensification of land use in areas where, due to water supply ... or similar measurable public-facility type constraints, additional development and/or intensification of land use if [sic] found to be detrimental to the health, safety, and welfare of the residents of the area, or the County as a whole." When the Oaks' tentative map was approved, water was to be supplied directly by the Oaks' well which is not within the County's B-8 zone. Ambler's water supply is located in the County's B-8 zone. The well water did not exceed the federal drinking water standards in effect at the time of the tentative map approval, and therefore, treatment of the water was not an issue at that time. To enable treatment of the water while ensuring that water treatment and service by Ambler to the Oaks do not result in intensification of water use in the B-8 zone, it is necessary for Cal Am to offset the water it supplies to the Oaks subdivision by an equal transfer of water from the Oaks' well into the Ambler system.

- H. Conversely, the Oaks' well lies within Monterey County Water Resources Agency (MCWRA)'s benefit assessment "Zone 2C," while the Ambler Treatment Plant is not within Zone 2C. Zone 2C is a benefit assessment zone adopted by MCWRA pursuant to the Monterey County Water Resources Agency Act, and the Act prohibits the exportation of water from the Salinas River groundwater basin. (California Water Code Appendix, Chapter 52 ("Agency Act").) This MOU will not result in exportation of water from the Salinas River groundwater basin, as the purpose of the MOU is ensure treatment of water to drinking water standards, not to permit net transfer of water, and the MOU requires an equal amount of water be returned to the Oaks' subdivision as is pumped from the Oaks' well into the Ambler Park water system for treatment.

- I. In 2006, Cal Am committed to quarterly monitoring of both the production records from the Oaks' well and the water consumption of the nine lots in the Oaks' subdivision. The understanding by staff was that water from the Oaks' well would be piped to the Ambler Water treatment plant to be treated and returned to the Oaks subdivision, with no net transfer of water. More recent discussions have clarified that it is not physically feasible to ensure that the exact same molecules of water sent for treatment are the same as those returned to the Oaks, but it is feasible to ensure that the exact same volume of water be sent for treatment as is returned to the Oaks' subdivision.
- J. Homes have been built on three of the nine lots in the Oaks subdivision. The County has not issued building permits on any of the remaining lots, pending Board of Supervisors' approval of a mechanism ensuring service of water to the Oaks subdivision that meets drinking water standards while not intensifying water use in the B-8 zone.
- K. The parties now desire to enter into this MOU to memorialize Cal Am's prior commitment to monitor the Oaks' well production and the Oaks' lots' consumption and to prescribe the terms and conditions under which Cal Am will balance the volume of treated water provided to the Oaks subdivision with the volume of water pumped from the Oaks well into the Ambler Park water system, so as to result in no net transfer of water.
- L. The County finds that this MOU is consistent with County's B-8 zoning because Ambler's service to the Oaks subdivision under the terms set forth in this MOU will not result in an intensification of water use in the B-8 zone and is not detrimental to the public health, safety, and welfare.
- M. An initial study/proposed Negative Declaration was prepared for this MOU and was circulated for public review from August 19, 2013 to October 4, 2013. On the same date as the Board held a public hearing on this MOU and prior to approving this MOU, the Board of Supervisors adopted the Negative Declaration, finding on the basis of the whole record, including the initial study, comments received on the initial study, and the analysis contained in staff reports presented to the Board of Supervisors on this matter, that there is no substantial evidence that the MOU will have a significant effect on the environment and further finding that the negative declaration reflects the lead agency's independent judgment and analysis.
- N. This MOU serves to protect the public health, safety and welfare by ensuring a water supply to the Oaks' subdivision that meets federal and state drinking water standards without intensifying water use in the County's B-8 zone or resulting in net export of water out of the Salinas River groundwater basin.
- O. This MOU is intended to be binding on Cal Am, its agents, successors and assigns.
- P. Cal Am has voluntarily entered into this agreement with the County due to the unique and particular facts and circumstances related to the Oaks subdivision and the conditions of approval by County of the Oaks' subdivision.

NOW, THEREFORE, in view of the foregoing recitals, the parties agree as follows:

1. Cal Am will diligently pursue any permits and permit amendments necessary to incorporate the Oaks' well into its water system and, upon obtaining such permits, will incorporate the Oaks' well into the Cal Am Monterey District Ambler Park system ("Ambler Park Water System").
2. Cal Am shall on a quarterly basis balance the volume of treated water sent from the Ambler Park Water System to the Oaks subdivision and the water sent from the Oaks well to the Ambler Park Water System so as to result in no net transfer of water. Cal Am shall accomplish said balance by transferring a volume of raw water from the Oaks well to the Ambler Park Water System equal to the volume of water served by Ambler to the Oaks' lots. Equal volume shall include the calculated transportation water loss incurred in connection with Ambler's supply to the Oaks subdivision. The quantity of water pumped from the Oaks subdivision well to the Ambler Park Water System shall match the quarterly total plus the calculated transportation water loss.
3. Cal Am shall maintain water meters in good working order for its service to the Oaks lots, including residences and irrigation, so as to determine the amount of water served to the Oaks lots by the Ambler Park Water System. Cal Am shall also maintain a water meter(s) in good working order at the Oaks well, which shall be used to determine the volume of water pumped from the well. Within the first sixty days of each calendar year, Cal Am shall test all meters described in this Paragraph in accordance with corresponding manufacturer(s) specifications, and using competent personnel who are qualified to perform such testing. Cal Am shall submit a report including the results of this testing to the Monterey County Health Department Environmental Health Bureau (EHB) with a copy to the MCWRA no later than thirty days following the completion of the first quarter of each calendar year. The report described in this Paragraph may be combined and submitted with a quarterly report as described in Paragraph 6.
4. Cal Am shall on a quarterly basis total the monthly meter readings of the nine lots in the Oaks subdivision and the meter for irrigation of the common entrance. The water system's calculated transportation water loss for the quarter shall be added to the quarterly total meter readings. The quantity of water resulting from the addition of the quarterly total of the monthly meter readings and the calculated transportation water loss shall be pumped from the Oaks' well into the Ambler Park Water System on a quarterly basis during the calendar year (the four quarters being January through March, April through June, July through September, and October through December). Quarterly pumping of the Oaks' well based on the quarterly calculation within the month following the end of the quarter shall be considered to satisfy the no net transfer requirement.
5. Cal Am shall on a quarterly basis submit to EHB with a copy to the MCWRA a quarterly water audit report for review by EHB. Cal Am shall submit the water audit report no later than thirty days following each quarter. The water audit report shall be prepared by a qualified engineer experienced in water system operations. The water audit report shall

indicate the quantity of water that was delivered to the Oaks subdivision (determined by the quarterly total of monthly meter readings of the nine Oaks subdivision lots and irrigation system plus the calculated transportation water loss) from the Ambler Park Water System and the quantity of water that was pumped from the Oaks' well to the Ambler Park Water System during the quarter. The report shall confirm that the quantity of water pumped from the Oaks' well to the Ambler Park Water System equals the quarterly total plus the calculated transportation water loss. The report shall demonstrate how the calculated transportation water loss was determined. If the report or other information indicates that the volume of water pumped from the Oaks' well into the Ambler Park Water System does not equal the volume calculated from the quarterly meter reading and the calculated transportation water system loss of the Oaks subdivision, then Cal Am shall explain the reasons for the discrepancy and the corrective action Cal Am proposes to take to achieve no net transfer. Cal Am shall take such steps as EHB may require to bring the transfer back into balance.


6. Cal Am shall begin quarterly pumping of the Oaks' well into the Ambler system in the first quarter after Cal Am obtains all necessary permits to include the Oaks' well within its system. Additionally, to account for the water service provided by Ambler to the Oaks lots predating this quarterly pumping, Cal Am shall as part of its first draw from the Oaks' well transfer into the Ambler system an amount of water equivalent to the total amount of water previously served by Ambler to the Oaks lots.
7. This agreement pertains only to the nine lots of the Oaks subdivision due to the unique and particular facts and circumstances and public health considerations requiring treatment of water to an already approved subdivision. This agreement shall not be used to serve any other property.
8. This MOU is binding on the parties and their agents, successors and assigns. Cal Am accepts these obligations for itself, its agents, and its successors and assigns and shall inform its agents, successors and assigns of these obligations. This MOU shall not be terminated unless an alternative mechanism is put in place to provide water that meets drinking water standards to the Oaks subdivision's nine lots and that does not intensify use of water from the County's B-8 zoning district in effect at that time. Any such termination would require approval of Cal Am and the Board of Supervisors of the County of Monterey upon findings that these conditions precedent to termination have been met.
9. This MOU may not be amended except by a written instrument approved and signed by Cal Am and the Board of Supervisors of the County of Monterey.
10. Any individual executing this MOU or any amendment thereto on behalf of the County or Cal Am warrants that he or she has the requisite authority to enter into this MOU on behalf of such party and bind the party to the terms and conditions of this MOU.
11. This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

12. This MOU shall take effect immediately when signed by both the County and Cal Am.

IN WITNESS WHEREOF, the County of Monterey and California-American Water Company through their duly authorized agents have executed this agreement as of the date and year written below.

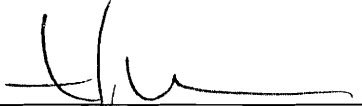
COUNTY OF MONTEREY

Dated: 5/7/14

By: 
Chair,
Monterey County Board of Supervisors

CALIFORNIA-AMERICAN WATER COMPANY

Dated: 5/5/14

By: 
Eric J. Sabolsice
Title: Director Operations
Coastal Division

APPROVED AS TO FORM:

COUNTY OF MONTEREY

By: 
Wendy Strimling
Sr. Deputy County Counsel

CALIFORNIA-AMERICAN WATER COMPANY

By: _____
Attorney for Cal-Am

12. This MOU shall take effect immediately when signed by both the County and Cal Am.

IN WITNESS WHEREOF, the County of Monterey and California-American Water Company through their duly authorized agents have executed this agreement as of the date and year written below.

COUNTY OF MONTEREY

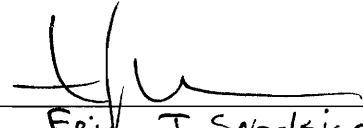
Dated: _____

By: _____

Chair,
Monterey County Board of Supervisors

CALIFORNIA-AMERICAN WATER COMPANY

Dated: 5/5/14

By:  _____
Eric J. Sabolsick

Title: Director Operations
Coastal Division

APPROVED AS TO FORM:

COUNTY OF MONTEREY

By:  _____
Wendy Strimling
Sr. Deputy County Counsel

CALIFORNIA-AMERICAN WATER COMPANY

By: _____
Attorney for Cal-Am

12. This MOU shall take effect immediately when signed by both the County and Cal Am.

IN WITNESS WHEREOF, the County of Monterey and California-American Water Company through their duly authorized agents have executed this agreement as of the date and year written below.

COUNTY OF MONTEREY

Dated: _____

By: _____
Chair,
Monterey County Board of Supervisors

CALIFORNIA-AMERICAN WATER COMPANY

Dated: 4/29/14

By: [Signature]
Title: Director Operations

APPROVED AS TO FORM:

COUNTY OF MONTEREY

By: _____
Wendy Strimling
Sr. Deputy County Counsel

CALIFORNIA-AMERICAN WATER COMPANY

By: [Signature]
Attorney for Cal-Am

ACKNOWLEDGEMENT
BY MONTEREY COUNTY WATER RESOURCES AGENCY

The Monterey County Water Resources Agency hereby acknowledges this Memorandum of Understanding (MOU) between California-American Water Company ("Cal Am") and the County of Monterey ("County").

MONTEREY COUNTY WATER RESOURCES AGENCY

By: David E. Chardavoyne
General Manager

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF, OR HAVE SOME RIGHT, TITLE OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN UPON THIS MAP, AND THAT WE ARE THE ONLY PERSONS OR CORPORATION WHOSE CONSENT IS NECESSARY TO PASS A CLERK TITLE TO SAID PROPERTY, AND WE CONSENT TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE BOUNDARIES SHOWN THERE.

WE HEREBY DEDICATE FOR PUBLIC USE THOSE CERTAIN EASEMENTS FOR PUBLIC UTILITIES (INCLUDING, BUT NOT LIMITED TO GAS, ELECTRIC, WATER, TELEPHONE, COMMUNICATION, TELEVISION CABLE AND SANITARY SEWER), AND FOR CLUSTER POSTAL BOXES AND THEIR NECESSARY APPURTENANCES ON, OVER, OR UNDER THOSE CERTAIN STRIPS OF LAND DESIGNATED AS RUBIC LANE AND DEED LOT LANE, SHOWN UPON SAID MAP WITHIN SAID SUBDIVISION, SAID STRIPS OF LAND ARE TO BE LEFT OPEN AND FREE FROM BUILDINGS AND STRUCTURES OF ANY KIND EXCEPT ROADWAYS, DRIVEWAYS, UTILITY COMPANY STRUCTURES, IRRIGATION SYSTEMS, LAWN FENCES, DRIVEWAYS, SIDEWALKS AND APPURTENANCES THEREOF.

WE ALSO HEREBY DEDICATE FOR PUBLIC USE THOSE CERTAIN EASEMENT, FOR STORM WATER DETENTION POND AND STORM DRAINAGE LINES AS SHOWN WITHIN LOT 1 AND DESIGNATED "PARCEL F UPON SAID MAP."

WE ALSO HEREBY DEDICATE FOR PUBLIC USE THOSE CERTAIN EASEMENTS, FOR SANITARY SEWERS, FOR WATER PIPELINES AND THAT EASEMENT FOR DOMESTIC WATER WELL, PUMPING PLANT, STORAGE TANKS, FITTINGS AND APPURTENANCES DESIGNATED "PARCEL E", TOGETHER WITH THAT CERTAIN EASEMENT FOR INGRESS AND EGRESS APPURTENANCE THEREOF, ALL AS SHOWN UPON SAID MAP.

WE FURTHER HEREBY DEDICATE TO THE COUNTY OF MONTEREY ANY AND ALL RIGHTS OF ACCESS TO ALL TRAFFIC TO AND FROM SAN BENITO ROAD ACROSS PORTIONS OF LOTS 1, 2, 4, AND 8, ALL AS SHOWN ON THE HEREIN MAP AND DESIGNATE A "NON-ACCESS STRIP"

SUBJECT TO THE FOLLOWING INTERESTS WHICH CANNOT RIPEN INTO FEES, THE SIGNATURES OF WHICH ARE NOT REQUIRED PURSUANT TO SECTION 66436 (C) (1) OF THE GOVERNMENT CODE.

FIG AB, CD, A CALIFORNIA CORPORATION, AS EASEMENT HOLDER BY INSTRUMENT RECORDED IN VOLUME 205 OF OFFICIAL RECORDS OF MONTEREY COUNTY, CALIFORNIA, AT PAGE 21.

WASHINGTON UNION SCHOOL DISTRICT AS EASEMENT HOLDER BY INSTRUMENT RECORDED IN REEL 205 OF O.R., PAGE 222.

OWNERS:
 FERRINI OAKS LLC,
 A CALIFORNIA LIMITED LIABILITY COMPANY
 BY Raymond J. Ferrini

STATEMENT OF APPROVAL BY SECRETARY OF MONTEREY COUNTY PLANNING COMMISSION

I, Alice S. Kuntz, SECRETARY OF THE MONTEREY COUNTY PLANNING COMMISSION HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT THE SUBDIVISION AS SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS HERETO AS APPROVED BY THE MONTEREY COUNTY BOARD OF SUPERVISORS, SEM. MAY 5, 2006, THAT ALL THE PROVISIONS OF THE CALIFORNIA "SUBDIVISION MAP ACT" AS AMENDED, AND THE MONTEREY COUNTY CODE, TITLE 18 HAVE BEEN COMPLIED WITH.

Alice S. Kuntz 6-19-06
 SECRETARY, MONTEREY COUNTY PLANNING COMMISSION, COUNTY OF MONTEREY, STATE OF CALIFORNIA

STATEMENT OF APPROVAL OF THE CLERK OF BOARD OF SUPERVISORS

I, John J. Egan, CLERK OF THE BOARD OF SUPERVISORS OF MONTEREY COUNTY, HEREBY STATE THAT SAID BOARD APPROVED THE TENTATIVE MAP ON 6/19/06, AND ACCEPTED ON BEHALF OF THE PUBLIC ALL OFFERS OF DEDICATION FOR PUBLIC USE IN CONFORMITY WITH A RESOLUTION OF THE OFFICE OF DEDICATION.

John J. Egan 6/19/06
 CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA

NOTARY STATEMENT

STATE OF CALIFORNIA)
 COUNTY OF MONTEREY) s.s.
 ON 6-19-06, BEFORE ME, Robbie Johnson, (A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE), PERSONALLY APPEARED Raymond J. Ferrini AND Alice S. Kuntz, PERSONALLY KNOWN TO ME (OR PROVIDED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THIS SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

Robbie Johnson
 NOTARY PUBLIC IN AND FOR THE COUNTY OF MONTEREY

COUNTY SURVEYOR'S STATEMENT

I, Stephen L. Vagnini, COUNTY SURVEYOR OF MONTEREY COUNTY, HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT THE SUBDIVISION AS SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS HERETO, AS APPROVED BY THE MONTEREY COUNTY BOARD OF SUPERVISORS, SEM. MAY 5, 2006, THAT ALL THE PROVISIONS OF THE CALIFORNIA "SUBDIVISION MAP ACT" AS AMENDED, AND THE MONTEREY COUNTY CODE, TITLE 18 HAVE BEEN COMPLIED WITH AND THAT THIS MAP IS TECHNICALLY CORRECT.



Stephen L. Vagnini
 COUNTY SURVEYOR, MONTEREY COUNTY, CALIFORNIA

SURVEYOR'S STATEMENT

I, Virgil L. Williams, LICENSED LAND SURVEYOR, DO HEREBY STATE THAT THIS MAP CORRECTLY REPRESENTS A SURVEY MADE UNDER MY DIRECTION DURING JANUARY 2006, THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN, THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED ON THE MAP AND THAT SUCH POSITIONS ON OR BEFORE ONE YEAR AFTER THE RECORDING OF THIS MAP BY THE MONTEREY COUNTY RECORDER, THE MONUMENTS ARE OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE REPRODUCED.

DATED: 1-18-2006
Virgil L. Williams
 LICENSED LAND SURVEYOR, STATE OF CALIFORNIA, LICENSE NO. 6-30-2005



RECORDER'S STATEMENT

FILED FOR RECORD AT THE REQUEST OF M.D. VENTURE CO., INC. THIS 20th DAY OF JUNE, 2006, AT 11:05 AM, PAY \$ 15.00 AND BY VOLUME 23 OF "CITIES & TOWNS" AT PAGE 32 RECORDS OF MONTEREY COUNTY, CALIFORNIA.

Stephen L. Vagnini
 COUNTY RECORDER
 COUNTY OF MONTEREY
 FEE \$ 15.00 G-NO 1006-059257

TRACT 1418
THE OAKS
SUBDIVISION
 (A PRIVATE ROAD SUBDIVISION)
 SITUATE IN
 RANCHO EL TORO
 MONTEREY COUNTY, CALIFORNIA
 A.P.M. 18-04-078
 PREPARED FOR
 FERRINI OAKS LLC
 BY
Stephen L. Vagnini
 LICENSED LAND SURVEYOR - 6-30-2005
 18239 PALM AVE., BELLEVUE, CA.
 SHEET 1 OF 5

ATTACHMENT
 PAGE 1 OF 5 PAGES

TRACT 1140 THE OAKS SUBDIVISION

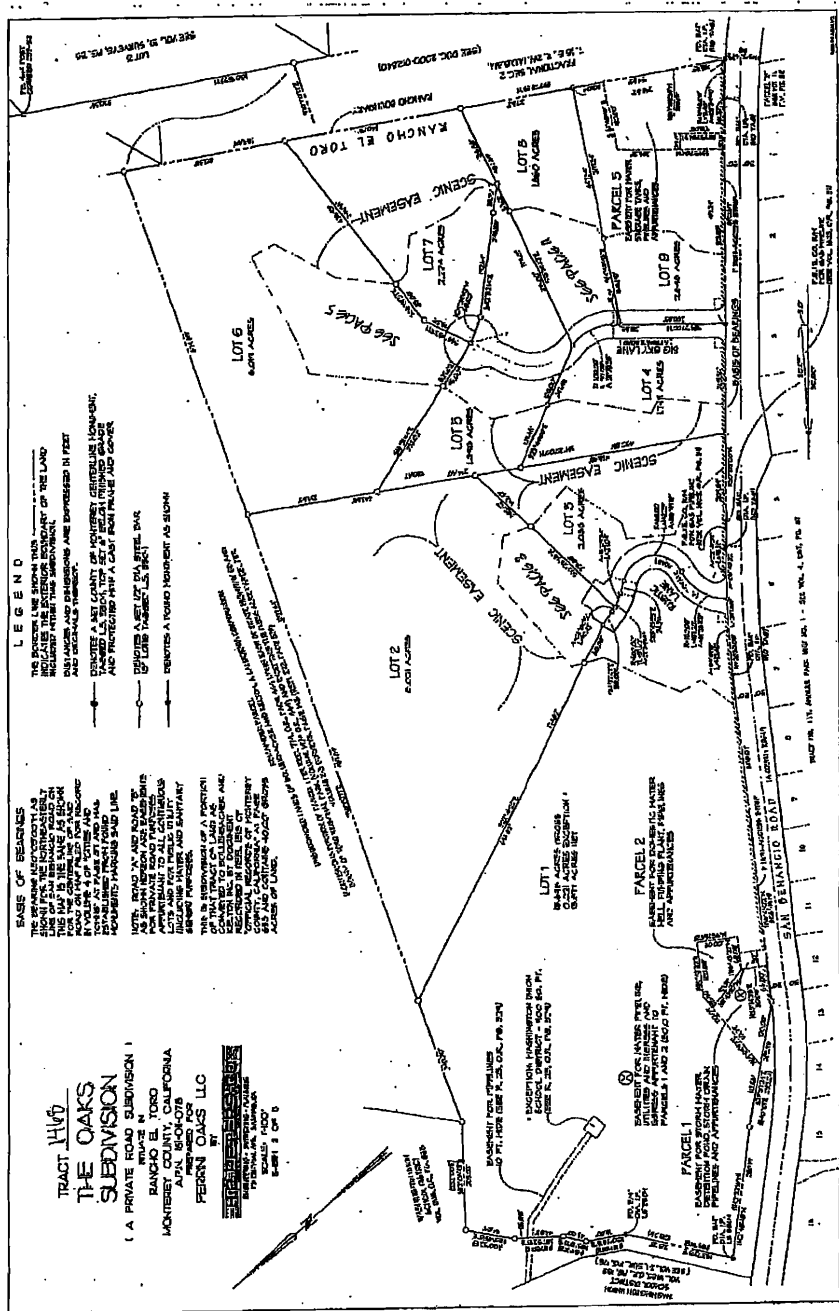
(A PRIVATE ROAD SUBDIVISION)
BLANKET EASEMENT
MONTREY COUNTY, CALIFORNIA
APN 15-01-078
PREPARED FOR
FERRIS OAKS LLC

PREPARED BY
FERRIS OAKS LLC
1140 THE OAKS
MONTREY, CALIFORNIA
94037
DATE: 08/11/10

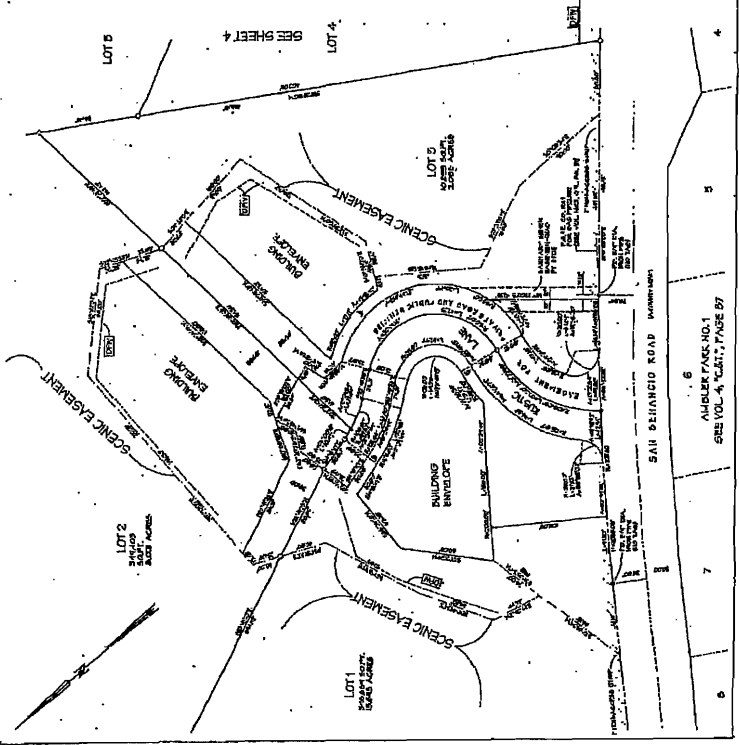
LEGEND
THE BOUNDARY LINE SHOWN THEREON IS THE BOUNDARY LINE OF THE LAND INDICATED THEREON. DIMENSIONS AND DIMENSIONS ARE EXPRESSED IN FEET AND DECIMALS THEREOF.
DIMENSIONS ARE EXPRESSED IN FEET AND DECIMALS THEREOF.
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BASIS OF BEHAVIOR
THE BEHAVIOR OF THE BOUNDARY LINE OF THE LAND IS BASED UPON THE RECORDS OF THE COUNTY OF MONTREY, CALIFORNIA, AND THE RECORDS OF THE COUNTY OF SAN BENITO, CALIFORNIA.
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SN00028240 N 2106781 E 8768082 VOL 23 CAT PG 32



THE OAKS SUBDIVISION IS THE SUBJECT OF THE RECORDS IN THE PUBLIC RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

ALL RIGHTS RESERVED BY THE DEVELOPER.

CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 1: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 2: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 3: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 4: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 5: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

CONDITION 6: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

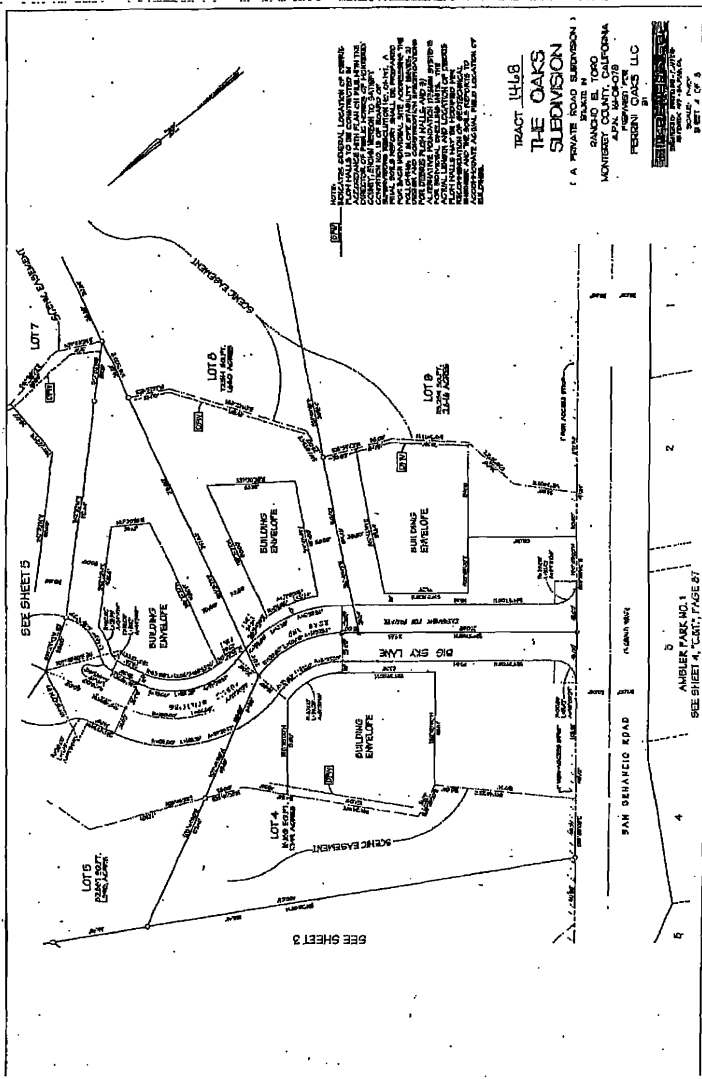
CONDITION 7: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

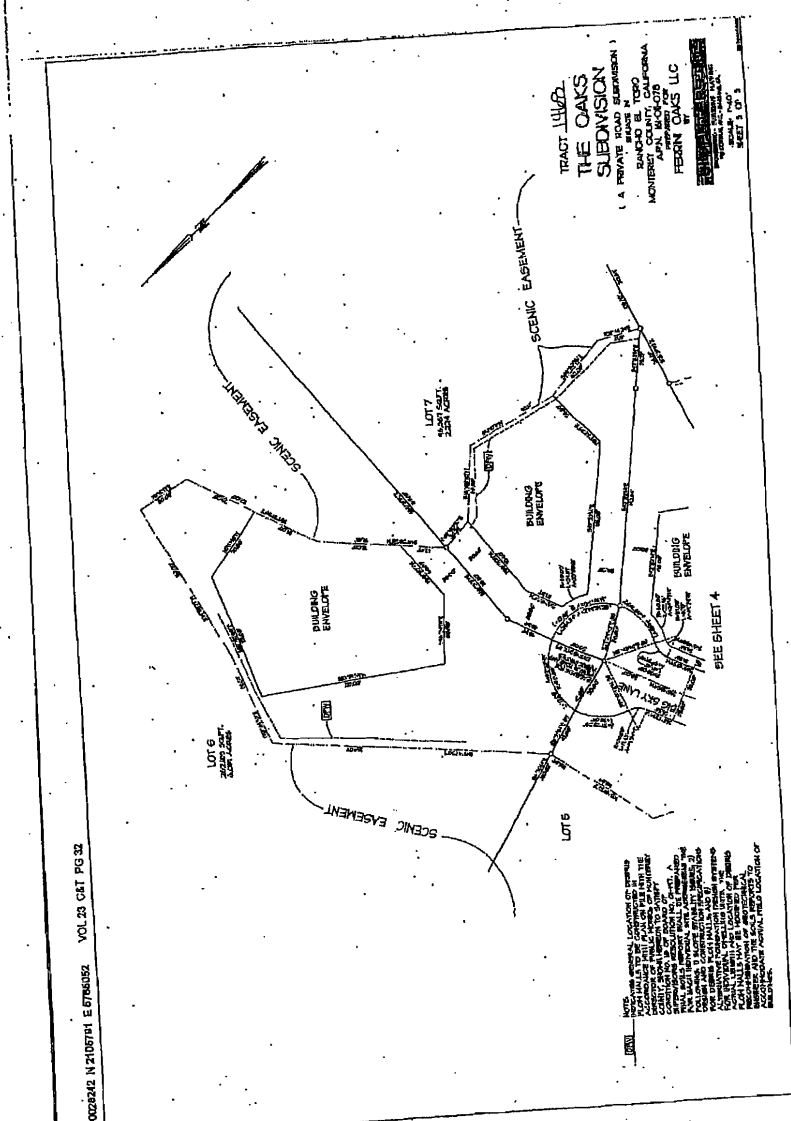
CONDITION 8: THE OAKS SUBDIVISION SHALL BE CONSIDERED A RESIDENTIAL SUBDIVISION FOR THE PURPOSES OF THE SUBDIVISION ACT, CALIFORNIA, UNLESS OTHERWISE SPECIFIED IN THE RECORDS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, UNDER THE FOLLOWING RECORDS: VOL. 23, CAT. PG. 32, AND VOL. 23, CAT. PG. 33.

TRACT NAME: THE OAKS SUBDIVISION
OWNER: PEGSON OAKS LLC
ADDRESS: 10000 SAN ESTANCIADO ROAD, MONTEBELLO, CALIFORNIA 92054

SCALE: AS SHOWN
DATE: 10/15/2024
SHEET 3 OF 6

N00028241 N 2106791 E 07659002 VOL.23 CAT. PG.32





TRACT 111402,
THE OAKS
SUBDIVISION
(A PRIVATE ROAD SUBDIVISION)
SANDHILL ROAD
MONTEREY COUNTY, CALIFORNIA
PREPARED BY
PERON OAKS LLC

NOTE: THE GENERAL LOCATION OF THE SKY LAKE IS SHOWN BY THE DOTTED LINE AND IS NOT TO BE CONSIDERED AS A DEFINITIVE LOCATION. THE LOCATION OF THE SKY LAKE IS SUBJECT TO THE APPROVAL OF THE LOCAL AGENCIES AND THE DEVELOPER. THE SKY LAKE IS NOT TO BE CONSIDERED AS A DEFINITIVE LOCATION. THE LOCATION OF THE SKY LAKE IS SUBJECT TO THE APPROVAL OF THE LOCAL AGENCIES AND THE DEVELOPER.