

EXHIBIT 3-B  
JONATHAN D. RYAN  
1050 MARCHETA LANE  
PEBBLE BEACH CA 93953

RECEIVED

JAN 20 2004

MPWMD

007-342-008

January 15, 2004

Ms. Stephanie Pintar  
Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93940

Re: Water Credits for 1050 Marcheta Lane, Pebble Beach

Dear Ms. Pintar,

I am the owner of the property at 1050 Marcheta Lane in Pebble Beach. When I bought the property in September 1998, there was an outdoor fountain that your department looked at and gave us water credits for. We received a letter from Monterey Peninsula Water Management District dated February 8, 1999 indicating that we had this credit as well as credit for installing an ultra-low-flow dishwasher. According to the letter, these credits would expire on February 8, 2004 unless we asked for a 60 month extension.

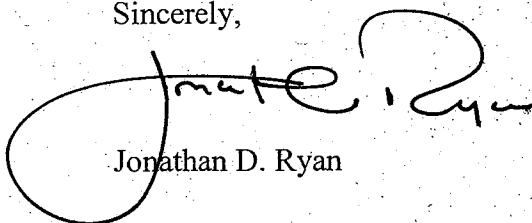
I recently inquired with your department to find out what I needed to do to request the extension and, much to my surprise, was informed that I no longer may use the credit for the exterior fountain. The reason, I was told, is that the District has subsequently changed its policy and no longer counts outdoor fountains for fixture credit even though I have a letter stating that I am allowed this credit. I don't understand how I can be denied this credit when you have it on record that I have this credit prior to the District's action which doesn't allow the credits.

I am currently working with a local Architect on an addition to my house in which I will need this credit. I am asking that you consider my request to allow me to use the credit for the exterior fountain that I thought I had for the last 5 years. I am attaching the letter for your records.

Please call me at (831) 784-6100 (work) and (831) 373-4004 (home) if you have any questions or need to discuss this matter further.

Thank you for your time and understanding.

Sincerely,



Jonathan D. Ryan



**MONTEREY PENINSULA  
WATER MANAGEMENT DISTRICT**

187 ELDORADO STREET • POST OFFICE BOX 85  
MONTEREY, CA 93942-0085 • (831) 649-2500  
FAX (831) 649-4870 • <http://www.mpwmd.dst.ca.us>

February 8, 1999

Jonathan & Leanne Ryan  
1050 Marcheta Lane  
Pebble Beach, CA 93953

**RE: Documentation of Credit for 1050 Marcheta Lane, Pebble Beach**

Dear Jonathan & Leanne Ryan:

In accordance with MPWMD Rule 25.5, the following credit has been verified to be current at the site referenced above:

**Fixture Unit Credit of .5 fixture units will result from the installation of an Ultra Low Flow Dishwasher.**

**Fixture Unit Credit of 2.0 fixture units will result from the removal of the decorative fountain.**

These Water Use Credit may be applied to future water use on the site referenced above at any time within a period of 60 months from the date(s) of installation/removal.

After 60 months, renewal of the Water Use Credit will be allowed only upon proof that some or all water savings represented by the credit are current. If savings are not current, a pro-rated reduction will occur. A single renewal period of 60 months is allowed; thereafter, any unused Water Use Credit will expire.

This letter should be presented to the Water Management District to utilize the credit. If you have any further questions, please call me at (831)649-2500

Sincerely,

Arba L. Goode  
Conservation Representative