

**EXHIBIT 13-A**

Form IG96-5, revised April 1, 2003

**APPLICATION FOR WATER DISTRIBUTION SYSTEM PERMIT**

Office Use: Date Application Accepted (*signature and payment required*) \_\_\_\_\_

Application ID Number: \_\_\_\_\_

Name and number on check /money order: \_\_\_\_\_

Date Application Deemed Complete: \_\_\_\_\_

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

**TYPE OF PERMIT APPLICATION:** (*check one*)

- G **Create** a water distribution system (non-mobile) -- please complete Sections 1, 2, and 5
- G **Amend** a water distribution system (non-mobile) -- please complete Sections 1, 3, and 5
- G Create or amend a **mobile** water distribution system -- complete Sections 1, 4, and 5

**APPLICATION FEES:** (*must be attached for permit to be accepted; see Ord. 106 fee information*)

- G Create water distribution system -- **\$2,450** for up to 35 hours staff time \*
- G Amend water distribution system/single-connection system -- **\$1,400** for up to 20 hours staff time
- G Amend water distribution system /multiple-connection system -- **\$2,450** for up to 35 hours
- G Create/amend mobile water distribution system -- **\$1,400** (20 hrs) if source outside District; **\$2,450** (35 hrs) if source inside District

\* **Important Note:** For unusually complex projects, a fee of \$70 per hour will be charged for more than the designated hours of staff time, once an application is accepted and issued ID number.

**HAND  
DELIVERED**

**RECEIVED**

SEP 30 2004

**MPWMD**

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**SECTION 1 -- APPLICANT INFORMATION**

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1. Name of System

**Canada Woods Water Company ("CWWC")**

2. Assessor's Parcel Number(s) in System

**See Exhibit "A."**

3. System Street Address/Area

**7145 Carmel Valley Road, Carmel, CA 93923**

4. Name of Applicant

**Canada Woods Water Company, LLC**

*(If the applicant is not the system owner or operator, the form must also be signed by the system owner or operator.)*

5. Mailing Address

**P. O. Box 450, Carmel, CA 93921**

6. Contact Numbers (ph/fax/e-mail)

**Ph: 625-1090 / Fax: 626-8069**

**E-mail: water@carmeldevelopment.com**

7. Agent (if any)

**Lombardo & Gilles, Attn: Derinda L. Messenger, Esq.**

8. Agent Mailing Address

**P. O. Box 2119, Salinas, CA 93901**

9. Agent Contact Numbers (ph/fax/e-mail)

**Ph: 754-2444 / Fax: 754-2011**

**E-mail: derinda@lomgil.com**

10. Source of Water (*groundwater, ocean, imported, etc.*)

**Groundwater (alluvial & non-alluvial)**

11. Water Production Facility (*well, desal, trucking, etc.*)

**Wells**

12. **Attach Map:** Include area with parcels to be served and location of water supply facilities

**See Exhibit "B" and Exhibit "W-1" (map)**

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**SECTION 2 -- APPLICATION TO CREATE WATER DISTRIBUTION SYSTEM**

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13. **Type of System** (*check one*):

G Single-connection system -- *see Form IG96-7 for information requirements*

G Multiple-connection system -- *see Form IG96-8 for information requirements*

14. **Proposed Uses** (*check all that apply*):

Residential (potable, drinking water) Single-family \_\_\_\_ Multi-family (apartment) \_\_\_\_

Commercial (potable, drinking water) Business \_\_\_\_\_ type(s)

Irrigation/live-stock (subpotable)

15. **Number /Type of Structures (Connections) Served:** \_\_\_\_\_

Number of acres to be irrigated: \_\_\_\_\_ (Describe crop) \_\_\_\_\_

Describe live-stock (number, type) \_\_\_\_\_

16. **Water Production Anticipated:** \_\_\_\_\_ acre-feet per year

(*Note: MPWMD staff will fill this in based on information from #13, 14 and 15*)

17. **Reliability of Supply (Wells Only).** Please describe and/or attach the following:
- G Location of well (include Assessor's Parcel Numbers of well site, easements)
  - G Pump horsepower, pump make, pump type
  - G Estimated well yield in gallons per minute (GPM)
  - G Well depth, well diameter, perforation depths
  - G Static water level (include date measured)
  - G Attach well logs and results of well capacity tests (*see Form IG96-7 or 8 for guidance*)
  - G Attach water quality test results (*see Form IG96-7 or 8 for guidance*)
  - G Attach copy of approved permit from Monterey County Health Department to construct well
18. **Reliability of Supply (Non-Well).** Describe water source and production facilities, including reliable yield and water quality testing performed.
19. **Interties and Emergency Supply.** Please describe the following:
- G Proposed interties to any other water distribution system
  - G Measures to prevent cross-contamination of and backflow to other systems
  - G Source of emergency water supplies in case of system failure
  - G Source of water to meet fire flow requirements
  - G Requirements of any other system to provide fire flow or emergency supplies
20. **Source of Water Supply.** (*Check all that apply*) (*See Form IG96-11 for guidance*)
- G Monterey Peninsula Water Resources System (CV alluvial aquifer and Seaside Coastal Subareas)
  - G Waters within jurisdiction of State Water Resources Control Board (CV alluvial aquifer)
  - G Subsurface source within Carmel River watershed
  - G Subsurface source within 1,000 feet from Tularcitos, Hitchcock Canyon, Garzas, Robinson Canyon or Potrero Creeks (*additional hydrologic information analysis is required—see worksheet*)
  - G Other sources (describe): \_\_\_\_\_
21. **Water Rights Information.** Describe and provide documentation regarding:
- G Type of water right claimed \_\_\_\_\_ (*see Form IG96-11 for guidance*)
  - G Basis of water right claim (*see Form IG96-7 or 8 for guidance*)
  - G If assisted by attorney, attach Form IG96-12, Declaration of Competency
22. **Land Use/CEQA Information.**
- G Zoning and land-use designations for affected parcels (available from Monterey County)

- G Status of permit process from jurisdiction planning department, including permits received
- G Environmental documents prepared by jurisdiction or other lead agency
- G Formal action taken by lead agency (e.g., Notice of Determination)
- G Permits required from other agencies (e.g., Coastal Commission, CPUC)

SINGLE-CONNECTION SYSTEMS (up to 3 homes on 1 parcel): PROCEED to SECTION 5  
(Ref: CEQA Guidelines 15301-15305)

23. MULTIPLE-CONNECTION SYSTEM APPLICANTS: COMPLETE the ATTACHED "SUPPLEMENTAL QUESTIONNAIRE", THEN PROCEED to SECTION 5

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**SECTION 3 -- APPLICATION TO AMEND A WATER DISTRIBUTION SYSTEM**

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*Please refer to Form IG96-10 for guidance.*

24. For an existing water distribution system, describe **previous MPWMD permits received**, if any, including permit number and date issued: MPWMD Permit #M03-01 (Canada Woods Water Company) MPWMD Permit Last Revised March 20, 2000 (Monterra Ranch Mutual Water Company)

25. **Existing System Type:** (*check one*)

- G Single-connection system
- G Multiple-connection system

26. **Existing Uses** (*check all that apply*):

Residential (potable, drinking water)  Single-family  Multi-family (apartment)   
Commercial (potable, drinking water)  ~~Business type(s) Service Center, Retail, Heavy~~  
~~Irrigation/live-stock (subpotable)~~ Commercial, Recreational

27. **Existing number/type of structures (connections):**

See Exhibit "C" attached hereto, and the Monterra Ranch Mutual Water Company Annual Report (on file with the MPWMD).

Number of acres now irrigated: \_\_\_\_\_ (Describe crop) \_\_\_\_\_  
Describe existing live-stock (number, type) \_\_\_\_\_

28. **Current Water Production Limit:**

203.1 + 150.0 = 353.1\* acre-feet per year

\*See Exhibit "D-1."

*(Note: MPWMD staff will fill this in based on information from #25, 26 and 27 as well as any previous MPWMD permits issued)*

29. **Assessor's Parcel Numbers** served by existing system.

See Exhibit "A."

30. Indicate the **number of new connections** requested, and list Assessor's Parcel Number for each new connection.

The number of connections authorized by the MPWMD permits referenced in Item 24, above, is sufficient to serve all uses within the Tehama and Monterra Subdivisions. See Exhibit "D-1" and Conditions 3 and 2 of Exhibits "D-2" and "D-3", respectively; ; and see Exhibit "A" for Assessor Parcel numbers within the Service Area.

31. Indicate the volume of **new production** requested.

See Exhibit "D-1" and Conditions 3 and 2 of Exhibits "D-2" and "D-3", respectively.

32. Provide an estimate of **total water production** needed to meet the demand of the proposed project. If more than one connection is requested, include calculations showing how increased demand was estimated.

353.1 Acre-feet total production with amended system. See Exhibits "D-1" and "E."

33. Describe **proposed changes** in service area, water source or water production/delivery facilities.

**Combine operation and management of the Monterra Ranch Water Company and Canada Woods Water Company. Resultant total Service Area boundary will be identical to combination of two existing approved Service Areas. See Exhibit "W-1."**

34. Describe **current status of land use approval** for proposed amendment from city or county, and attach that jurisdiction's approval of dedicated water allocation, if applicable.

**All subdivisions have been approved. See Improvement Plans attached as Exhibit "F."**

35. Describe project's compliance with requirements of the **California Environmental Quality Act (CEQA)**, and attach appropriate environmental documentation.

**See Exhibit "G."**

36. Describe all **water rights** or water rights claims associated with the project (attach documentation), and describe any proposed modifications to the water rights due to the proposed amendment.

**Overlying property owner, appropriative, and riparian water rights. See Exhibit "H."**

37. If a permit for the proposed amendment is required from **Monterey County Health Department**, attach a copy of the application submitted to MCHD.

**N/A**

38. List **unique issues or considerations**, if any, that may pertain to the proposed amendment.

**The requested amendment merely combines the Monterra Water Distribution System and Canada Woods Water Distribution System for operation and management purposes without increasing the approved (combined) production limit or number of connections.**

39. List special conditions, if any, that are proposed for this permit amendment.

**Carmel Valley alluvial source water to be used only within the Carmel Valley Watershed Boundary. See Exhibit "B" for further description (two way dual metering system, etc.)**

SYSTEMS with FEWER THAN FOUR HOMES ON ONE PARCEL: GO to SECTION 5  
(Ref: CEQA Guidelines 15301-15305)

40. SYSTEMS with FOUR OR MORE HOMES MUST COMPLETE the ATTACHED "SUPPLEMENTAL QUESTIONNAIRE", THEN GO to SECTION 5

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**SECTION 4 -- CREATE OR AMEND MOBILE WATER DISTRIBUTION SYSTEM**

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*See Form IG96-9 for guidance.*

*(Important Note: Health Department regulations prohibit water delivery for permanent potable supply; applications will be accepted by MPWMD only for subpotable irrigation/live-stock use)*

41. Address of property(ies) receiving water service \_\_\_\_\_  
(Please provide map)
42. Assessor's Parcel Number(s) of property(ies) receiving water \_\_\_\_\_
43. Name of water delivery company \_\_\_\_\_
44. Address of water delivery company \_\_\_\_\_
45. If property is within Cal-Am Water Company service area, describe arrangements made for backflow protection (*required*) \_\_\_\_\_
46. Delivery company phone/fax numbers \_\_\_\_\_
47. Method of delivery (assume truck unless otherwise specified) \_\_\_\_\_



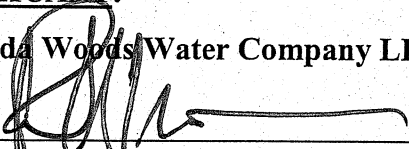
48. Location/Source of water that is delivered (describe nearest city, river, groundwater basin) \_\_\_\_\_
49. Is source within MPWMD boundary? \_\_\_\_\_  
Is source within Carmel Valley watershed? \_\_\_\_\_  
Is source within Seaside Basin coastal subareas \_\_\_\_\_
50. If any answer to #49 is "yes", please provide map showing of source water
51. Quantity of water to be delivered \_\_\_\_\_ acre-feet per year, or  
\_\_\_\_\_ gallons per year
52. **Reason for Delivery:** (*check all that apply*)  
G Emergency potable supply/system failure (provide date of emergency \_\_\_\_\_)  
G Drought  
G Supplemental irrigation water  
G Other
53. **Duration of Delivery:** (*Check all that apply*)  
G Short-term (describe beginning and ending dates) \_\_\_\_\_  
G Seasonal (describe season/months) \_\_\_\_\_  
G Permanent \_\_\_\_\_

**SECTION 5, SIGNATURE BLOCK**

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

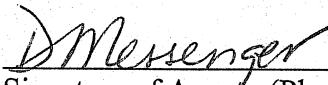
**APPLICANT:**

Canada Woods Water Company LLC, a Delaware limited liability company

  
\_\_\_\_\_  
Signature of Applicant (Please sign and print name)  
R.A. WILLIAMS, Manager


30 SEPT 2004  
\_\_\_\_\_  
Date

**AGENT:**

  
\_\_\_\_\_  
Signature of Agent (Please sign and print name)  
**Derinda L. Messenger, Esq., Lombardo & Gilles, PC**

9/30/04  
\_\_\_\_\_  
Date

**OPERATOR:**

  
\_\_\_\_\_  
Signature of System Owner/Operator (or Mobile Firm)  
**Pete Garneau, President, Carmel Lahaina Utility Services**

9-30-04  
\_\_\_\_\_  
Date

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

Responsible party(ies)

- Pete Garneau, President, Carmel Lahaina Utility Services, Inc.,  
24235 Via Malpaso, Monterey, CA 93940
  
- Alan Williams, Manager, Canada Woods Water Company, LLC  
7145 Carmel Valley Rd., Carmel, CA 93923

## Supplemental Questionnaire for Water Distribution System Application

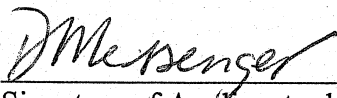
NOTE: Attach additional pages, if necessary, to complete each question.

- S1. Does this request rely upon an "Environmental Document", as per the California Environmental Quality Act (CEQA)? If so, please specify the type of Environmental Document that was prepared and provide details regarding its preparation (e.g. notice of preparation, notice of completion, and any public hearing dates).  
See Exhibit "G".
- S2. Has any new information regarding the proposed project, its environmental impacts, the severity of those impacts, mitigations for those impacts, or alternatives become available since the lead agency reviewed the project?  
See Attachment 1.
- S3. Will this request have any significant effects on the environment based upon the Environmental Document or other information? If so, describe the effects and the mitigations, if any, that are proposed to minimize those effects.  
None.
- S4. Is the source of supply shared by any other water distribution system? Would the addition of the proposed production result in an adverse cumulative impact on the environment?  
(1) The source for a portion of this supply is shared by Cal-Am and other private pumpers within the Carmel River Watershed.  
(2) There are no cumulative impacts that result from this application.
- S5. Does this request rely on any specific hydrologic, geologic, or other technical study? If so, state the name of the study, the date it was finalized, and the principal author or authors. Attach a copy of each study cited.  
See CEQA documents itemized in Exhibit "G".
- S6. Have there been any studies done to determine if an alternative water supply is economically feasible and physically available? If so, please describe the alternatives that were identified and the reasons why they were rejected.  
See CEQA documents itemized in Exhibit "G".
- S7. Will the request cause any possible duplication of service with an existing water distribution

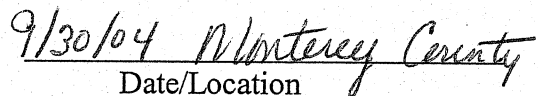
system? See Attachment 1.

- S8. Will the request result in either exportation of water outside of or importation of water into the Monterey Peninsula Water Management District? If so, please specify the quantities that would be either exported or imported. No.
- S9. Will the request create or increase an overdraft of ground water, or cause a degradation in water quality due to sea-water intrusion or some other type of contamination? No.
- S10. Will this request adversely affect the ability of existing water distribution systems and individual users to produce water? No.
- S11. If the request is for an annexation of new territory into an existing water distribution system service area, is the property to be annexed surrounded by, or adjacent to other properties in the service area? No.

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



Signature of Applicant; please print name below



Date/Location

Derinda L. Messenger, Esq., Lombardo & Gilles, PC

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

## Attachment 1

S-2 On April 4, 2002, the California Public Utilities Commission ("CPUC") adopted Decision 02-04-006 and issued Cañada Woods Water Company ("Company") a Certificate of Public Convenience and Necessity to operate a public utility water system to serve the Monterra and Tehàma Subdivisions. On May 13, 2002 the Commission accepted the Company's tariff schedules, rules and forms as submitted, thereby authorizing the rates the Company may charge its customers.

In establishing the rates for the utility, the Company's Certified Public Accountant ("CPA") assumed the maximum number of connections within the service area was 365. See Exhibit "I" for the summary page from CPA's rate case submitted to the CPUC as Exhibit "V" to Application No. 01-07-014.

In reviewing the Rules and Regulation of the Monterey Peninsula Management District ("District"), the Company learned that the District requires that a separate meter be set for each single-family dwelling, caretaker, or senior citizen unit (Rules 11 and 23(A)3). Under the Districts rules, there is a potential demand for 617 meters.

As a result of using a different definition of "connection" in the application to the CPUC than is set forth in the District Rules and Regulations, the Company requests that the District authorize each "connection" within the system to be comprised of "A", "B" and "C", components. These letters will represent the main dwelling ("A"), the caretaker ("B") and the senior citizen ("C") units that may be constructed upon each lot.

Notwithstanding that the Company did not classify each of these components as "connections" in the Application, the water demand of this potential was provided to the CPUC and assumed to be the maximum demand. (See Exhibit "J", buildout water demand prepared by Company's engineer and submitted to CPUC.) The CPUC approval confirmed that the Company has sufficient resources to provide water service to all anticipated uses within the Service Area.

Also, in late 2002, Cañada Woods Water Company ("Company") requested confirmation from the State Water Resources Control Board ("Board") that non-alluvial groundwater and Carmel River alluvial water may share a storage tank provided that it does not result in transfer of alluvial water outside of the Carmel River Watershed. On August 29, 2003, the Board approved the Company's proposed metering system that ensures proper water distribution between the Carmel River and Canyon Del Rey Watersheds. See Exhibit "K" for relevant correspondence.

## Attachment 1, continued

- S-3 The District permits for the Cañada Woods Water Company and Monterra Ranch Mutual Water Company were approved on July 21, 2003 and March 20, 2000, respectively. This proposal merely serves to combine the number of connections and production limits into one permit such that the two systems can be operated as two "divisions" of a single water company. See Exhibit "D" for a summary of the two existing, approved systems, as well as the resultant combination.

Prior to the District's issuance of the two permits, the U. S. Fish and Wildlife Service designated the Steelhead and Red Legged Frog in the Carmel River as Endangered on June 17, 1997 and Threatened on May 23, 1996 respectively.

Accordingly, the District considered environmental impacts to these two species before issuing its permits.

- S-7 Although Cal-Am's Service Area includes a small portion of the Tehàma subdivision, during the hearings before the CPUC on the Cañada Woods Water Company application, Cal-Am agreed to request that the CPUC "de-annex" that area from its Service Area. Cal-Am's rationale for making such a request was that Cal-Am is not able to provide the necessary water service to Tehàma or Monterra due to Board Order No. 95-10. Condition No. 1 of Order 95-10 requires Cal-Am to cease pumping additional water from the Carmel River alluvial aquifer until the overdraft is eliminated. Under the language of that Order, even if Cal-Am were assigned the Company's Appropriative Water Rights, Cal-Am would be required to use such rights to offset the overdraft and, therefore, there would be no water to serve the Monterra/Tehàma subdivisions.