

EXHIBIT 18-H

CONDITIONS OF APPROVAL IN SUPPORT OF THE CAL-AM REQUEST TO ANNEX THE RYAN RANCH MUTUAL WATER COMPANY AS A SUBUNIT OF THE CAL-AM SYSTEM

NOVEMBER 13, 1989

1. The Ryan Ranch Water System (Monterey Research Park) will be operated as a subunit of the Cal-Am Water Company system. Consumption requirements of the users within the research park parcel shall be met by production from subunit facilities.
2. The system capacity limit for the Ryan Ranch subunit will remain at 175 acre-feet per year.
3. The expansion capacity limit for the Ryan Ranch subunit will be 190 meters.
4. Cal-Am shall provide production and metered sales data for the Ryan Ranch subunit separate from reporting for the existing Cal-Am service area.
5. An interconnection between the existing Cal-Am service area and the proposed Ryan Ranch subunit shall only be allowed during emergency events. Transfers of water between the existing Cal-Am service area and the Ryan Ranch area must be metered and reported to the District within one week of occurrence.
6. No modification to the Cal-Am water allocation shall occur.
7. Cal-Am shall secure permits from the MPWMD prior to setting meters within the Ryan Ranch subunit.
8. Applicant shall bi-monthly record metered sales for each meter/connection and report this information within their annual report.
9. The following previous permit conditions upon the Ryan Ranch system (see Exhibit E) must be met within 30 days of annexation:
 - a. Water level information must be updated on MPWMD forms and submitted to District staff.
 - b. Production information for 1988-1989 fiscal year must be reported to District staff in accordance with Rule 22B. Production information for 1988-1989 fiscal year must be reported by August 1, 1990, to District staff.

EXHIBIT 18-H

- c. Applicant shall monthly measure water levels in each of its five production wells and its other on-site monitoring wells, and transmit this data annually to the District along with the system's annual report. The production wells shall not be pumped for twenty-four (24) hours prior to the twenty-four hour shutdown, the maximum actual pumping rate shall be measured and recorded for transmission with other data. The General Manager may authorize minor changes to these schedules.
 - d. Applicant shall install a water meter at each of its five production wells and keep monthly pumping records for each well.
 - e. Registration of each Research Park well must be updated in accordance with MPWMD Rules and Regulations within 30 days of annexation.
 - f. The applicant shall conduct a water quality sampling program every three (3) months and transmit the results for review by District staff on a quarterly basis. Each active production well should be sampled and analyzed by a state certified water quality lab for California Administration Code Title 22 standards. After twelve (12) months, this sampling program may be modified to an annual sampling period at the discretion of the General Manager.
10. The permit granted herein is subject to revocation in the event applicant does not comply with the provisions set forth in each condition above.

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