Dear Ms. Paquet:

Thank you for your correspondence. You are correct that the original letter was mailed to everyone on the wait list a few days after July 29th. The District waited for responses and for the two (which included the Mouchawar Trust) that did not reply I sent the original letter out again as a certified return request to ensure it was received.

In addition, you are also correct that the wait list inadvertently posted 35 hotel rooms, whereas the waitlist should show 1 manager's apartment and 34 hotel rooms as requested in the January 21, 1994 letter from Mel McColloch, a Mouchawar Trust representative at the time. This has already been noted and returned to Akel Engineering, the company the District contracted with to assess water availability.

The District also contracted with Stillwater Engineering, they are verifying that if the District does move forward to lift the moratorium there will be no ecological impact to Pico Creek and the endangered species that reside in the creek. This was discussed at the November Board Meeting and the final result is expected in January. Any and all Intent to Serve letters will have a clause that clearly states "based on the Stillwater report".

I have also attached a Hardship Form for you to fill out and return. The Board repeatedly failed to pass a new Draft Ordinance 124 so the District is working with Ordinance 102 which provides the opportunity to complete a hardship request.

The Trust has not lost its place on the list. There have been 2 (two) intent to serves issued, one by a Contract to the position number one and one to position number eight to avoid extensive legal fees and a Federal and State law suit.

There is also an attachment that shows an emergency repair to prevent injuries, possible law suits and the possible collapse of the bluff and the stairs. A notification was sent to the Trust in 2017 in reference to the work and your property. No one replied to the information.

The repair was to prevent more erosion of the bluff and any further undermining of the viewing platform. Discussion with long term residents and the contractor that built the concreate stairs, indicate that the original wood stair installation was through a handshake, prior to the property being split, with Dr. Dalton and Lonnie Price. Lonnie Price was on the District Board at that time. The cement stairs replaced the wood stairs using the same footprint—so there is no encroachment.

The District did not refuse to do a survey, in fact a survey was performed that clearly shows boundary lines. The SSCSD has been maintaining and repairing the stairs for 42 years, these repairs and the current repair effort is taken seriously as they are important to prevent a possible injury.

The District's General Manager, Charles Grace, is available to discuss the repair effort, and is available to address any concerns you may have.

Respectfully,

Gwen Kellas Charles Grace

Chairperson General Manager

San Simeon CSD San Simeon CSD