

April 29, 2004

President and Board Members
Saddle Creek Community Services District

Re: Water Meter Update

The District has received the Water Meter Agreement being proposed by Castle & Cooke.

Staff has reviewed the proposal and believes that some modifications to the agreement would be appropriate. At this time, we are in the process of preparing a response to the Castle & Cooke's attorney.

Given my past experience with the time requirements involved in legal reviews of such matters, I believe it unlikely that we will be prepared to recommend Board Action at the May 9th Meeting.

Charles J. Martin, GM
Saddle Creek C.S.D.