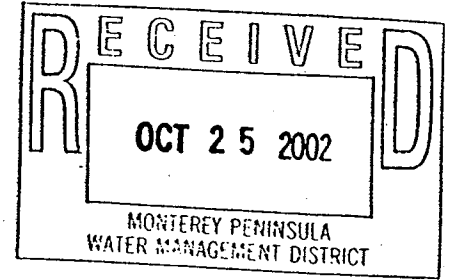


69 Via Cimarron
Monterey, Ca.
93940

EXHIBIT 13-G



**HAND
DELIVERED**

Monterey Peninsula Water Management District Board of Directors
Specifically Monterey Representative Molly Erickson
PO Box 85
Monterey, Ca 93942-0085
Monterey Peninsula Water Management District Board of Directors

Dear Director Molly Erickson, Chairperson Chris Lundstrom and fellow directors,

This letter is sent to you at the suggestion of Mr. Avila. This is a water issue that has been escalated to the Board level for resolution. The issue relates to the recent Monterey Peninsula Water Management District Board of Director's decision to retroactively apply new restrictions on residential water units in the City of Monterey.

In the late 1990's, the City of Monterey made a limited number of water credits available to purchase for residential remodels. In the spring of 1999, my wife and I purchased 12 fixture water units for use in remodeling our 1949, 924 square foot home. Our actual remodel was a couple years away (time needed to accumulate financing). So in order to take advantage of the water units available from the City, we chose an inexpensive way to secure the 12 water units into our property - we remodeled our only bath and installed 6 shower heads at 2 units per shower head.

At the time, our multi head shower unit "bank" was completely legal and done in good faith. Our intentions to later transfer these units to other fixtures were fully communicated to the City.

During this entire process, we complied with all water conservation standards, all ordinances and conditions of the Monterey Peninsula Water Management District and the City of Monterey. Our City remodel permit was B99-0292. Our water district permit was 17595. We completed the process with final inspection in March of 2000. Fee costs totaled close to \$4000.00.

Our actual remodel is now planned to start in March 2003. Imagine our surprise when we discovered that the Water Board's recently adapted resolution 2001-09 effects us and that we are now prevented from using our "bank" of purchased water units for our remodel. What makes it so surprising, is not the resolution itself, but the retroactive application of that resolution. It is the retroactive application of the resolution that has, not only, created our current problem but has done so in such an unfair manner to our particular case.

We feel our particular case warrants an exemption to this resolution.

Our plan in 1999 to acquire necessary assets for our future residential remodel was in accordance to procedure, parameters and definitions set forth by the City of Monterey and the Monterey Peninsula Water Management District at that time. We then purchased those units appropriately and accordingly. In essence, we entered a contractual agreement with the above public agencies. And now, the MPWMD is altering our agreement by retroactively applying this new resolution. And that which was altered, took away all that was of value to us in that agreement. The product that we purchased at the time was fixture units, not a collection of shower heads.

We are requesting that our 12 water units be restored and made available to us as agreed upon in 1999 - that is, our "bank" of units be transferred to other fixtures as planned in our remodel.

We appreciate your prompt attention and positive solution to this matter. I will be glad to provide any further information necessary to resolve this issue. Feel free to contact me at 647-1997.

Sincerely,

A handwritten signature in black ink that reads "Bruce Zanetta".

Bruce Zanetta