

Dear Resident:

Poseidon Resources has worked in partnership with the City of Carlsbad and eight other public water agencies (including Vallecitos Water District and Vista Irrigation Districts) since 1998 to build the Carlsbad Desalination Project, which will have the capacity to produce 50-million-gallons-per-day of high quality drinking water that meets or exceeds all state and federal drinking water standards.

This new locally-controlled, drought-proof supply will serve up to 300,000 residents annually, meeting 10% of our County's water needs during this time of environmental and legislative restrictions on our imported water supply. It will supply up to 40% of the future water needs in the City of San Marcos.

Along with the Carlsbad Desalination Project, Poseidon is constructing a pipeline that will connect the facility to the San Diego County Water Authority Aqueduct in San Marcos where the water can be distributed to the residents of San Marcos and throughout the County. Poseidon will also be constructing several street improvements along the pipeline construction zone, including new curbs and sidewalks, asphalt pavement, landscape and other related improvements.

Poseidon has worked closely with the City of San Marcos to determine a pipeline route that minimizes impacts to the community.

Because you are located along or near this route, we would like to invite you to attend an upcoming Community Open House so that you can learn more about this project and how it will benefit your neighborhood. At the Open House, Poseidon resources staff and consultants will provide information to you about the pipeline and the street improvements and will address your specific concerns or questions. Staff from the Vallecitos Water District and the City of San Marcos will also be present. This meeting will be held:

Monday, August 10, 2009  
6:00 – 8:00 p.m.  
Vallecitos Water District  
201 Vallecitos de Oro  
San Marcos, CA

You can also visit our website, [www.carlsbad-desal.com](http://www.carlsbad-desal.com), to learn more about Poseidon Resources and the Carlsbad Desalination Project.

We look forward to meeting you at our Open House.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter MacLaggan". The signature is fluid and cursive, with the first name "Peter" and last name "MacLaggan" clearly distinguishable.

Peter MacLaggan  
Vice President  
Poseidon Resources

Attachment: Proposed Pipeline route in San Marcos