

EXHIBIT 4-A



May 28, 2009
Project No. 06-0014

Monterey Peninsula Water Management District
Post Office Box 85
Monterey, California 93942

Attention: Ms. Henrietta Stern

Subject: Proposal for Continuing Professional Hydrogeologic Services
Water Distribution System Permitting Assistance, Fiscal Year 2009-2010

Dear Henrietta:

Pursuant to your request, Pueblo Water Resources, Inc. (PWR) is pleased to present this proposal for continuing assistance with the processing of Water Distribution Systems (WDS) permit applications during Fiscal Year 2009-2010 (FY 09-10). It is our understanding that the District primarily desires ongoing professional hydrogeologic services for the review of Well Source and Pumping Impact Assessments (Assessments) submitted by applicants and their evaluation for compliance with District Procedures. The District also desires assistance in performing other hydrogeologic tasks related to the WDS permit program that may fall under its purview and in ongoing refinements to the District's technical procedures. PWR has provided similar assistance during the past three Fiscal Years, and this proposal is intended to provide for continuing our assistance with WDS permit program during FY 09-10.

Scope of Services

Based on our understanding of your needs, the following scope of services is proposed to be provided during FY 09-10. Consistent with past practice, our work will be performed with direct oversight of the General Manager or his/her designee (e.g., the District's Water Resources Manager) on an as-needed and directed basis.

Task 1 – Evaluate WDS Applicant Assessment Reports. This task includes the review and evaluation of hydrogeologic Assessments submitted by applicants for compliance with District Procedures, and providing written documentation summarizing our findings for each reviewed Assessment. It is understood that these evaluations will be coordinated with the District's Water Resources Manager.

Task 2 – Perform Other Evaluations. This task consists of providing assistance in the preparation of any hydrogeologic evaluations requested by the District related to the WDS program that are not reimbursable by an applicant.

Task 3 – Assist with Technical Procedures. This task includes assisting the District's Water Resources Manager in refining the technical procedures and data requirements for Assessments to be used by applicants and their consultants. This



task also includes responding to technical questions from applicants or their consultants regarding the District Procedures.

Project Personnel and Qualifications

PWR personnel assigned to this project will include Mr. Robert C. Marks, P.G., C.Hg. and Mr. Michael S. Burke, P.G., C.Hg. Mr. Marks will serve as project manager and provide primary hydrogeologic services for the subject work. Mr. Marks has provided similar services to the District during the previous three Fiscal Years. Mr. Marks is a California Professional Geologist and a Certified Hydrogeologist, and has approximately 17 years of hydrogeologic experience in the Monterey Peninsula area and working with the District.

Schedule and Fees

Based on an anticipated Notice to Proceed date of June 30, 2009, the work will occur during the FY 09-10 period (i.e., July 1, 2009 through June 30, 2010) on an as-requested basis and as Assessments are provided to us for review and evaluation. Our services will be billed on a time-plus expenses basis in accordance with our current Fee Schedule (attached) for a not-to-exceed amount of \$16,000, with \$12,000 allocated for WDS applications (Task 1, reimbursable by applicants) and \$4,000 allocated to Tasks 2 and 3 combined (non-reimbursable). We will track our costs associated with each task and applicant separately to facilitate reimbursement from the applicants to the District. In the event that the overall number or complexity of the Assessments to be evaluated requires effort beyond the established budget, we will notify you in writing as soon as possible.

We appreciate the opportunity to provide this on-going assistance to the District, and look forward to the timely and successful performance of this important work. As always, if you have any questions or would like to modify the scope of services, please call us.

Sincerely,
Pueblo Water Resources, Inc.

Robert C. Marks, P.G., C.Hg.
Principal Hydrogeologist

RCM
Attachments: 2009 Fee Schedule

2009 STANDARD FEE SCHEDULE

PROFESSIONAL SERVICES

Principal Professional	\$	160/hr
Senior Professional.....	\$	145/hr
Senior Field Professional.....	\$	135/hr
Project Professional.....	\$	130/hr
Staff Professional.....	\$	100/hr
Senior Technician	\$	90/hr
Technician.....	\$	80/hr
Drafting.....	\$	80/hr
Word Processing	\$	55/hr

OTHER DIRECT CHARGES

Subcontracted Services.....	Cost Plus 15%
Outside Reproduction.....	Cost Plus 15%
Travel, Subsistence, and Expenses.....	Cost Plus 15%
Vehicle	\$ 75/day