

EXHIBIT 5-A

Table 1. Mid-Year New Work

The major increases in funding relate to: Criteria (established after budget estimating)	Additional FY14	Note
0 Legal support for bifurcation and criteria Jim Mc Tarnaghan--Perkins-Cole	75,000	1
Coordination with CPUC Past meetings & extra modeling--Todd	2,213	2
Future meetings--Todd, E2, Cole, Trussell	25,000	3
Externality Evaluation--MPWMD	0	
Internal Labor for all criteria (above budgeted)	175,000	4
1 Completion of CEQA (added 30-day statute of limitations)		5
2 Permit Permit Coordinator Margie Nellor, DDA	15,000	6
3 Source Water CEQA review of RUWAP pipeline as part of negotiations	40,000	7
Bypass/Pumping/Treatment of Other waters--Kimley-Horn	89,145	8
Prelim design for pumping water from Salinas Ponds--K-H	62,063	9
4 CDPH-IAP		
Permit Coordinator (see item 2 above)		
Source Water Additional sampling (Eurofins)	48,000	10
2-month bypass--1/2 incremental cost of treatment (Salinas pays remainder, assume 2.0 and 3.0 mgd for Mar and Apr and \$370/mg)	30,000	11
Missing data--Brezack	14,770	12
CEC Source Control Program--Margie Nellor, DDA	18,000	13
Additional Alternatives since no secure water source Blanco Drain & Pipeline Conceptual Design--E2	68,588	14
Reclamation Ditch Conceptual Designs--E2	68,588	15
Treatment		
Pilot-additional sampling Eurofins	23,000	16
TOC Analyzer	32,000	17
Injection		
Monitoring Well Additional monitoring within drill hole	6,246	18
Additional testing of water and soil extractions	101,178	19
Permanent Easements and PG&E New alignments--Cole	35,000	20
Pipeline/perc pond--E2	54,852	21
Alternative well sites--Todd	39,843	22
Additional Modeling--HydroMetrics	29,740	23
Engineer's Report--Brezack, Sheikh, SPI, Trussell	0	24

The major increases in funding relate to: Criteria (established after budget estimating)	Additional FY14	Note
5 Schedule PE review--include FY15		
6 10% Design E2-Move AWT & In-Plant piping, Blanco Drain	49,488	25
7 Funding Plan--MPWMD SRF General Application	10,000	26
Grant Applications	30,000	27
8 WPA--mostly MPWMD	10,000	28
9 Revenue Requirement--mostly MPWMD		
CPUC Change Decision Date from December 2014 to July 2015		
Legal opinion for Design Build or Public/Private Partnership	40,000	29
Technical Consultant to map Design Build process or Public/Private	50,000	30
Need for Design Prior to SRF Loan--additional costs 14/15		
Public Outreach	145,000	31
Totals IIR 502 & IIR 506	1,387,714	

Comments regarding Table 1:

1. The CPUC Settlement process resulted in the need for CPUC legal counsel. We chose Perkins Coie who provided and provides the needed expertise.
2. Also, there is the need to coordinate the CPUC CEQA and GWR CEQA processes that continue to utilize resources. We met with Todd Engineers and HydroMetrics to coordinating our groundwater modeling.
3. We are about to coordinate diffuser modeling, pipeline alignments, and other areas and anticipate additional consultant time.
4. We did not anticipate how much coordination would be needed, especially if the budget is adjusted. This number reflects the current rate of work.
5. Changes in the Criterion #1 to include the statute time lime may not be possible through budget.
6. A permits coordinator (Margie Nellor, DDA) will help the project. Ms. Nellor has gone through this process before.
7. In the original budget we did not expect to perform additional CEQA work related to utilization of the RUWAP pipeline for product water transport. MCWD recommended extra CEQA review.
8. Kimley-Horn's original scope of work did not include a new bypass system for storm water and Ag wash water. Utilizing the Salinas Pump Station eliminates the need for a new pump station and pipeline.
9. Kimley-Horn's original scope of work took water from the ponds only to the RTP. This work is for the preliminary design to pump water from the ponds to the Salinas PS (important piece of returning Ag wash water, storm water, and/or sewage to the Salinas PS.

10. The IAP requested additional water sampling for chemicals of emerging concern and others.
11. The IAP wishes for the pilot test to be performed with as close to the water quality as possible. They believe a two-month bypass of Ag wash water into the Salinas PS and RTP plus addition of Lake El Estero water and possible Salinas storm water will make for a better pilot study. We assume that an incremental transport and treatment rate (power and chemicals) will be used for this water and that no connection fee should be charged. The City of Salinas has agreed to pay one-half the incremental cost for this test (tentatively March and April 2014) if these costs are accurate.
12. The IAP requested more information about the source waters which coincided with work needed for the Feasibility Study/Facilities Planning Study. Brezack & Associates Planning was given this work as they were thought to be the quickest and least expensive.
13. The IAP stressed the importance of the enhanced source control program needed for CDPH project approval. They recommended starting to develop the new program. We wish to use Ms. Nellor who has prepared these programs in the past.
14. The IAP is concerned that MRWPCA has not secured source waters yet. They recommended pursuing alternate water sources. A preliminary design of Blanco Drain is needed to take it to the same level as for Ag wash water.
15. A preliminary design of the Reclamation Ditch connection(s) will do the same for that water source.
16. The IAP reviewed the consultant's pilot sampling scheme. They recommended adding additional testing.
17. The IAP also thought that MRWPCA should purchase a Total Organic Carbon (TOC) Analyzer. They gave two reasons. First, they wanted more TOC measurements. Two, they wanted MRWPCA to get familiar with TOC analyzers as they are a mainstay of ongoing reverse osmosis work.
18. The IAP requested "cased hole induction logging" which was not anticipated.
19. The IAP requested more extensive analysis of six groundwater samples (\$29,665 more), six more extensive mineralogy analyses (\$8,287 more), eight more extensive core leaching analyses (\$25,202 more), and additional groundwater quality and geochemical modeling (\$38,025)
20. The IAP identified that project delay often results in obtaining commercial power. They also recommended starting the permanent right-of-way process with the City of Seaside. After viewing the site, it was determined that alternate piping, well placement, and percolation ponds locations should be considered to reduce or eliminate that risk. This is for the product water pipeline realignment portion and hydraulic review.
21. This is the inter-well product water, backwash piping, power conduit, and backwash pit alternatives review.
22. This is the alternate well locations and providing documents for City review.
23. All the alternate well locations require hydrogeological modeling of each location.

24. CDPH, attending the IAP, requested that we begin developing a draft Engineer's Report as the most important step towards getting the CDPH fully on board with GWR. The IAP later indicated that a concept report could get much of the same result which was discussed with CDPH. Though CDPH accepts the idea of a concept report they wish to see a draft Engineer's Report as soon as possible. This work is scheduled to begin in July 2014, so costs are not included here.
25. In presenting the detailed layout to the IAP it became apparent that a larger footprint was desirable (moved from south of the flag pole to west of the storm pond at RTP). The cost to modify the various drawings and avoid conflicts is included here. Also, the cost for preliminary design of the in-plant piping is included.
26. The SRF personnel in Sacramento believe we should qualify for a 30-year loan. They requested that we submit the general application for SRF funding.
27. There are several new opportunities for grant applications to try to reduce project costs.
28. MPWMD is developing a draft Water Purchase Agreement for the three parties. If that draft is worked on in FY14 then some funding is needed.
29. The CPUC decision date was moved from December 2104 to July 2015. The only way to complete GWR by the end of 2016 is by using design build or public/private partnership. We need a legal review of how MRWPCA can enter into a design build or private/public contract.
30. We need to hire a firm to help us to map out the design built and/or public/private partnership process so that we will be ready by July 2015.
31. Public Outreach Committee has developed a set of new exciting ideas for implementation. This includes a water purification demonstration tour, local speakers bureau outreach and an additional tour of the Orange County GWR Facility.