

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Nacimiento Water Project Update
DATE: August 21, 2007

NEEDS:

For the City Council to receive an update to both the Nacimiento Water Project costs and Opt-Out period.

FACTS:

1. On July 20, 2004, the City executed the Nacimiento Project Water Delivery Entitlement Contract with the County of San Luis Obispo Flood Control & Water Conservation District (District), securing 4,000 acre-feet per year of entitlement. This makes the City of el Paso de Robles the largest participant in the Nacimiento Water Project (Project).
2. Supplies from Lake Nacimiento play a key role in the City's Integrated Water Resources Plan, securing reliable water supplies for City residents, improving water quality, reducing salt loading, and lessening groundwater dependence.
3. With the City's sustained leadership both on the Project technical committee and on the Nacimiento Project Commission, the design of the Project is complete and all bids will be in hand by the time of the August 21, 2007, Council meeting.
4. The Delivery Entitlement Contracts authorized up to \$150 million total Nacimiento Project Construction Costs (with Paso Robles' share estimated at \$51.3 million in 2004) and require the District to report in the event that projected costs may exceed this amount. The District provided regular updated cost estimates to Paso Robles and other Participants at the 30%, 60%, 90%, and final design progress points. Each estimate was accompanied by Paso Robles' estimated share of costs. At the completion of design in May of this year, the engineer's estimate placed total Nacimiento Project Construction Costs at \$190 million. The finance team made preparations to finance a project in this cost range while engineers awaited bid results to see if this estimate held true.
5. Beginning in 2004, Paso Robles and other Participants considered various delivery strategies, aimed at one primary objective – to “position the Project to receive the most favorable construction bids”. The focus was on construction costs because they represent three-fourths of the overall Project costs and therefore the highest potential for cost-savings. A key component of the delivery strategy was to bid the Project in five parts. The reason for this is to attract a variety of contractors, to promote increasingly competitive pricing by staggering bid dates, and to allow successful bidders on prior bids to aggressively bid subsequent contracts.
6. The Participant's delivery strategy is a good one to receive favorable bids and translates into receiving bids over a five week period. Holding earlier bids for this length of time would require contractors to “pad” their bids to cover likely material

cost increases, a counter-productive side effect. To avoid this, Participants agreed to take action within a defined “Opt-Out” period.

7. Paso Robles and other Participants are either to continue participation in the Nacimiento Water Project or opt-out of project implementation within 30 days of receipt of the District’s Cost Opinion. Paso Robles received the initial Cost Opinion as called for in Article 2.B of the Delivery Entitlement Contracts on July 25, 2007, setting the “Opt-Out Date” at August 24, 2007.
8. The District issued a revision to the Cost Opinion dated August 6, 2007 (attached), reflecting bid results for 4 of the 5 parts of the project. Favorable bids as of that date were tracking \$11.8 million below the engineer’s estimate.
9. At the time this staff report was prepared on August 10, 2007, the District had received bids for 4 of the 5 parts of the project, including the intake facilities and northern pipeline section. Combined, these parts represent 76% of the projected Project construction cost and point to a total Nacimiento Project Construction Cost of \$178 million. The final part of the Project will have bids opened subsequent to this report’s preparation date, but prior to the August 21, 2007 Council meeting.
10. One final contract is yet to bid. The engineer’s estimate for that contract (pump station, tanks, and controls) is \$30.8 million and the District expects bids from as many as six contractors. Depending on the outcome of that bid, the total Nacimiento Project Construction Cost may hold at the \$178 million estimate but in any case is expected to remain well within the \$190 million estimate. In other words, favorable bids suggest that total project costs may run \$10 to \$12 million lower than expected as compared to the May 2007 estimates.

**ANALYSIS &
CONCLUSIONS:**

The Nacimiento Water Project will be an important asset to the City. The continued growth and economic vitality of the City and its inhabitants is predicated upon there being adequate water resources. To ensure deliverability of the resource at the lowest cost construction, timely award of construction contracts and the associated confirmation of Project participation are necessary.

While the total Nacimiento Project Construction Costs have increased from the 2004 estimate, much emphasis has been placed on cost control. While fuel and material cost escalation have driven other public works project costs up significantly, the Nacimiento Water Project cost estimates reflect more modest increases. This is attributable to value engineering review of the design approach (particularly at the lake intake), contractor outreach and savvy risk management approaches, staggered bid dates, and smaller contract packaging. Furthermore, Participants sustain active roles in design decisions and Project oversight and benefited from regular updates to cost estimates as the Project evolved.

Therefore, it appears to be in the best interest of the City of Paso Robles and its water users to continue participation in the Nacimiento Water Project and to plan on its share of the Project costs as discussed below.

**FISCAL
IMPACT:**

Paso Robles’ estimated annual costs to secure delivery of the 4,000 acre-feet annual entitlement is \$5.4 million including both debt service on the revenue bonds and projections of operations and maintenance costs. A rate increase was approved in

anticipation of these upcoming costs to secure this much-needed supplemental water supply. The first phases of the water rate increase went into effect in July of 2005 and 2006.

At the conclusion of design, Paso Robles and other Participants prepared for bids totaling as high as \$190 million for construction of the project. As of this date, actual bids in hand for 4 of the 5 contracts point to a cost more on the order of \$178 million with Paso Robles' share estimated at \$62 million. The majority of these costs are to be financed with Revenue Bonds which are on schedule to be sold in mid-September 2007, provided that Participants remain in the Project.

OPTIONS:

- a) Receive this update to both the Nacimiento Water Project costs and Opt-Out period;
- b) Opt-out of the Project and direct staff to so alert the District; Note that failure to take action under this option by the Opt-Out date (i.e. by August 24, 2007) may be interpreted by terms of the Delivery Entitlement Contracts to imply the City's consent for the District to proceed into the Construction Phase and to issue bonds for Project financing.
- c) Amend or modify these options.

Prepared by: Christine Halley, Water & Utility Consultant, TJ Cross Engineers, Inc. with contributions by Doug Monn, Director of Public Works, Katie DiSimone, Utilities Manager, and Mike Compton, Director of Administrative Services

Attachments

- 1) Designer's Report of Project Costs for the Opt-Out Summary Report dated August 6, 2007, by Black & Veatch



**Nacimiento Project Construction Costs
 Bid Opening of Spec. 1, 3, 4 and 5**

Costs In Millions

Participant	Delivery Entitlement AFY	Pre Design Estimate per EIR	Post Design, Pre-Bid Estimate *	Revised Estimate with Bids 1, 3, 4 & 5**	Variance ***
City of Paso Robles	4,000	\$51.3	\$65.0	\$62.0	(\$3.0)
Templeton CSD	250	\$3.7	\$5.4	\$6.4	\$1.0
Atascadero MWC	2,000	\$29.5	\$37.3	\$34.1	(\$3.2)
City of San Luis Obispo	3,380	\$64.5	\$81.6	\$75.0	(\$6.6)
CSA 10A	25	N/A	\$0.6	\$0.6	(\$0.0)
Total	9,655	\$149.0	\$189.9	\$178.1	(\$11.8)

- Note: 1) All figures are rounded to the nearest \$100,000.
 2) Participant costs will include a credit of the \$1,026,127 District ad valorem property tax allocation.
 3) Variance includes credits as described above, including the construction bid variance shown below and reimbursements from Monterey County and SLO County ITD.

*Figures based on the 100% Designer's Opinion of Probable Cost Estimate.
 **Participant costs will includes the \$1,026,127 Districts ad valorem property tax allocation as a credit.
 ***Revised estimate with bids 1,3,4 & 5 - Post Design, pre-bid estimates = Variance.

Variance Detail - Construction Bids

Costs In Millions

Construction Contract	Pre Bid Estimates	Construction Bids After 1, 3, 4 and 5 Opening	Variance
#1 - Intake	\$13.1	\$20.8	\$7.7
#2 - Facilities	\$30.8	\$30.8	\$0.0
# 3 - Pipeline North	\$49.8	\$38.4	(\$11.4)
# 4 - Pipeline Central	\$27.1	\$22.0	(\$5.1)
# 5 - Pipeline South	\$18.2	\$16.3	(\$1.9)
Total	\$139.0	\$128.3	(\$10.7)

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT



NWP NACIMIENTO WATER PROJECT
San Luis Obispo County Flood Control & Water Conservation District

COST SUMMARY REPORT

BASED ON SPEC 01, 03, 04& 05 BID OPENINGS
AUGUST 6, 2007

NACIMIENTO PROJECT CONSTRUCTION COSTS
\$178,100,000

Prepared By:



08/06/07

Purpose

The Nacimiento Water Project (NWP or Project) will deliver water from Lake Nacimiento to Project Participants in San Luis Obispo County. San Luis Obispo County Flood Control and Water Conservation District (District) is the Project Owner. The purpose of this document is to provide the NWP Participants with an estimate of the expected Nacimiento Project Construction Cost (NPCC), based on the actual bid results for portions of the Project that are valued in excess 30% of the total cost, in accordance with the Opt-Out terms of the Water Delivery Entitlement Contract (Contract).

Scope

The estimated NPCC presented herein is based on the actual bid values for Spec 01 Intake, Spec 03 Pipeline North, Spec 04 Pipeline Central, and Spec 05 Pipeline South, and an evaluation of the Designer's Estimate of Probable Construction Cost for the Project relative to the actual bid results.

Evaluation of the Project construction cost involved consideration of the following factors:

- Number of bidders for Specs 01, 03, 04 and 05.
- Trending of actual bid costs relative to the Designer's opinion of probable construction costs.
- In the case of Spec 02 Facilities, the bid results received to-date do not lend themselves to extrapolation to the pump station and tank construction, so that no revisions to the \$30.8 million estimate have been made.

Bid package definitions, construction cost estimates, and the July 2007 actual bid amounts for Specs 01, 03, 04 and 05 are based on the NWP bid documents prepared by Black & Veatch Corporation, approved by the District, and advertised for bidding in May and June 2007.

Project Overview

The Project is a regional raw water transmission system that will deliver 15,750 acre-feet per year (AFY) of water from Lake Nacimiento to communities in San Luis Obispo County.

The raw water conveyance system consists of an intake and pump station at Lake Nacimiento, approximately 45 miles of transmission pipeline ranging in size from 36 to 12-inches in diameter, three storage tanks, two intermediate pump stations, turnouts, control center, Supervisory Control and Data Acquisition (SCADA) and project control system, and associated appurtenant facilities. To facilitate project coordination with multiple Participants, all shared project facilities (excludes turnouts) have been divided into 15 Units as described in Exhibit A of the Contract. These Units are further identified in the five Bid Packages of the NWP.

In collaboration with the District, five agencies have confirmed participation in the Project (Initial Participants): the City of El Paso de Robles (Paso), Atascadero Mutual Water Company (AMWC), Templeton Community Services District (TCSD), the City of San Luis Obispo (SLO), and County Service Area 10 Zone A (CSA-10A).

All five Participants have executed a Water Delivery Entitlement Contract (Contract) with the District to receive a portion of the NWP water supply. This document summarizes the information required such that each Participant may consider its continued participation in the Project in accordance with the Contract.

Delivery Entitlement Contract - Selected Terms and Conditions

The Nacimiento Water Project Delivery Entitlement Contract is a complex and detailed document that defines the basis under which the District will execute the Project and deliver water from Lake Nacimiento to the Participants. The Contract also defines the expected cost of the Project and provides for a means under which a Participant may withdraw from the Project, or Opt-out, if actual total project costs are estimated to exceed the planned budget. Key paragraphs from the Contract that define Opt-out terms and conditions are found in Articles 1 and 2 of the Contract as follows:

Article 1, Definitions. The definition of the Opt-out Date is provided in Article 1 as follows:

“Opt-out Date shall mean the date following the Effective Date upon which the Participant may elect to opt out of the Construction Phase of the Nacimiento Project and cease to accrue obligations under this Contract, as further described in Article 2(B).”

Article 2 (B), Implementation of Design Phase and Construction Bidding. Article 2 provides further guidance regarding the manner in which the District may proceed with the construction of the Project as follows:

“The parties hereto acknowledge that the total Nacimiento Project Construction Costs are estimated to be \$150,000,000 as of the Effective Date; the parties hereto further acknowledge that the actual total costs of construction of the Nacimiento Project will be determined through a competitive bid process applicable to the District at the conclusion of the Design Phase (collectively, the “Construction Bids”). The District covenants and agrees to provide All Participants with a summary report of the Construction Bids, not less than two (2) Business Days following the date upon which the last of such bids is received. In the event that the District finds it necessary or advisable to divide the Construction Phase into two or more subphases, it shall provide a summary report to All Participants of those Construction Bids it deems sufficient to begin the Nacimiento Project (which shall include Construction Bids on no less than thirty percent (30%) of the total estimated Nacimiento Project Construction Costs) and a sound estimate (which shall then be current and shall be based, as appropriate, on construction bids received) of total Nacimiento Project Costs, and shall so state and so estimate in its report to All Participants. The thirtieth (30th) calendar day following the date upon which such report is received by the Participant is referred to as the “Opt-out Date.” ”

Article 2(C), Termination of Participation in Nacimiento Facilities by Participant after Effective Date. Article 2 (C) provides guidance on the manner in which a Participant may Opt-out from the project as follows:

“Subject to the provisions of subparagraph (A) above, the Participant may withdraw from this Contract (and any Other Participant may withdraw from any Like-Contract) following the Effective Date and on or prior to the Opt-out Date, but only if the total Nacimiento Project Construction Costs shall exceed the figure given in paragraph (B) above. In order to withdraw from participation hereunder, the Participant shall provide written notice to the District and to each Other Participant that it elects to opt out of the Construction Phase.”

Summary of Opt-Out Considerations. The Contract language provides a concise basis for the District to proceed with the design and construction of the project, but also provides each Participant with a means to opt-out if the estimated Project costs become too large. Key findings from the Contract are summarized as follows; the terms of these provisions are presented in Article 2 of the Contract:

1. The estimated total Project Cost was estimated to be \$150,000,000 as of the date that all initial Participant Contracts were signed.
2. The estimated total Project Cost includes all costs of constructing the Project including design, engineering, planning, environmental mitigation, equipping new facilities and/or construction efforts, accounting services, project administration and management, installation, grading, and razing and building the Project.
3. The Contract recognizes that the actual total costs of construction for the Project will be determined through a competitive bid process.
4. If the total Project costs, as determined by the competitive bid process, exceed \$150,000,000, each Participant has the opportunity to withdraw, or opt-out, from the Project.
5. The District is required to provide the Participants with a summary report based on the actual construction bid results. The summary report must have as a basis actual bids for not less than thirty percent (30%) of the total Project construction cost.
6. The District is to provide the Participants with a summary report not less than two (2) business days following the date upon which the last bid is received.
7. A revised Project cost estimate will be prepared based on the actual bids received. This revised estimate shall be included in the summary report and will state the District’s best estimate of the total Project cost.
8. The thirtieth (30th) calendar day following the date upon the summary report is received by the Participant is referred to as the Opt-out Date.
9. To withdraw, the Participant shall provide written notice to the District and to each other Participant that it elects to opt out of the construction phase of the Project.

10. The District shall not award any construction contracts for the Project until the District has consulted with All Participants as to whether to proceed with the Project.

11. The District is not allowed to award construction contracts nor assume long-term Project debt prior to the Opt-Out date.

Bid Package Summary

The facilities for the Project have been divided into the five (bid) specification packages as follows:

- Spec 1 - Intake
- Spec 2 – Facilities (Pump Stations, Tanks, and Appurtenant Works)
- Spec 3 - Pipeline North
- Spec 4 - Pipeline Central
- Spec 5 - Pipeline South

Table 1 summarizes the construction requirements and Bid Open dates for each specification package. The bid open date is the date upon which all proposals for the particular specification package shall have been received.

Table 1
Bid Package Descriptions

Spec No.	Contract Name	Summary of Work	Advertise Date	Bid Open Date
1	Intake	Intake shaft (approx. 20 ft dia.), microtunneled intake tunnel (approx. 48 in dia.), and underwater multi-port sloping intake with screens.	May 22, 2007	July 16, 2007
2	Facilities	Intake pump station (IPS) with five 700 horsepower (hp) vertical pumps, building and all appurtenances; 2 intermediate pump stations, project SCADA system, three welded steel storage tanks; Camp Roberts Tank and Rocky Canyon Tank, each 850,000 gals, and Cuesta Tunnel Tank, 300,000 gals.	June 12, 2007	August 16, 2007
3	Pipeline North	23 miles of 36- and 30-in. diameter pipe from Lake Nacimiento to the Paso Robles Turnout.	May 22, 2007	July 19, 2007
4	Pipeline Central	10 miles of 24- and 18-in. diameter pipe from the Paso Robles Turnout to the Rocky Canyon Site.	May 22, 2007	July 26, 2007
5	Pipeline South	12 miles of 18- and 12-in. diameter pipe from the Rocky Canyon Site to the San Luis Obispo Turnout.	May 22, 2007	August 2, 2007



Project Cost Estimate

The original estimated total project costs are identified in the Contract as \$150,000,000. During design, the NPCC was evaluated periodically and updates of the NPCC were provided to the District and to the Participants. These updates have documented the opinion that the NPCC has increased above the amount in the Contract. Table 2 summarizes the initial and post-design cost estimates for the Project.

Table 2
NPCC Estimate Summary

	Description	Initial Cost Estimate August 2006	Final Cost Estimate May 2007
Design	Project Management	\$1,875,000	\$2,033,000
	Environmental	\$899,667	\$1,310,000
	PG&E Service Extension	\$1,100,000	\$300,000
	Right of Way	\$635,000	\$665,000
	Property Acquisition	\$2,500,000	\$2,500,000
	Constructability Review	\$2,000,000	\$735,000
	Engineering Design	\$9,088,800	\$8,988,800
	Finance	\$115,000	\$85,000
	Design Phase Budget Reserve	\$686,533	\$2,333,200
	New Participant Contribution	\$0	(\$50,000)
	SUBTOTAL	\$18,900,000	\$18,900,000
Environ-mental	Environmental Mitigation	\$3,720,000	\$4,500,000
	Environmental Monitoring	\$1,800,000	\$1,800,000
	SUBTOTAL	\$5,520,000	\$6,300,000
Project Management	Project Management	\$2,712,500	\$3,950,000
	Materials Testing	\$300,000	\$300,000
	Construction Management	\$4,185,000	\$5,750,000
	Post-Designer Services	\$0	\$3,200,000
	SUBTOTAL	\$7,197,500	\$13,200,000
Construction	Construction Contracts	\$93,000,000	\$139,300,000
	District Controlled Contingency	\$23,838,500	\$10,700,000
	Cuesta Tunnel	\$1,031,000	\$1,031,000
	SUBTOTAL	\$117,869,500	\$151,031,000
Other Costs	Advance Expenditures	\$513,000	\$513,000
	SUBTOTAL	\$513,000	\$513,000
TOTAL		\$150,000,000	\$189,944,000

Construction Bids for Specs 01, 03, 04 and 05

Bids have been received to-date for the specification packages, with the apparent low bidder amounts as summarized below:

▪ Spec 01:	\$20,813,600
▪ Spec 03:	\$38,355,000
▪ Spec 04	\$21,983,000
▪ Spec 05	\$16,332,594
Subtotal	\$97,484,594

The bids received to-date result in known total construction costs of \$97.5 million which represents about 76 percent of the estimated total construction cost for the Project. This amount exceeds the minimum requirements of the Contract and therefore provides a valid basis upon which to prepare this Cost Summary Report. In accordance with Article 2 (B) of the Contract, the received bid amounts were used to produce the updated NPCC. Other Project costs not included in the five specifications packages have also been reviewed and updated, as appropriate.

Table 3 attached provides the Project Cost Summary by Unit designation.

**San Luis Obispo County Flood Control and Water Conservation District
Nacimiento Water Project**

Project Cost Summary

DATE: 26-Jul-07

\$18,900,000 \$6,300,000 \$23,118,541 \$128,588,769 \$1,144,000 \$0 **\$178,051,309** check

Unit	Description	Design Phase Costs	Construction Phase - Environmental Costs	Construction Phase - Project Management & Services	Construction Costs	Other Costs	Change Orders	Nacimiento Project Construction Cost	Reserve Capacity Construction Cost
All	All Units - Costs for Calculating Delivery Entitlement Share	\$1,310,000	\$6,300,000	\$0	\$0	\$513,000	\$0	\$8,123,000	
All	All Units - Costs for Calculating Unit Percentage Share	\$17,590,000	\$0	\$23,118,541	\$128,588,769	\$631,000	\$0	\$169,928,309	
SEE BELOW FOR FURTHER BREAKDOWN OF CERTAIN COST ELEMENTS FOR CALCULATION OF UNIT PERCENTAGE SHARE									
A	Lake Nacimiento Intake to Camp Roberts West Property Line	\$2,755,306	\$0	\$5,664,958	\$34,147,525	-\$305,565	\$0	\$42,262,223	\$2,919,272
A1	Camp Roberts West Property Line to Camp Roberts Tank	\$2,631,305	\$0	\$2,476,292	\$16,752,331	-\$17,567	\$0	\$21,842,360	\$3,101,694
B	Santa Ysabel Pump Station	\$867,606	\$0	\$1,049,854	\$6,498,406	\$44,618	\$0	\$8,460,484	\$711,056
C	Camp Roberts Tank Discharge to Monterey Rd / Wellsona	\$1,022,241	\$0	\$1,165,752	\$7,073,778	-\$20,568	\$0	\$9,241,203	\$647,534
C1	Monterey Rd / Wellsona to Paso Robles Turnout + 13th Street Bridge	\$1,518,021	\$0	\$2,275,474	\$15,544,825	-\$33,355	\$0	\$19,304,965	\$2,750,968
D	Paso Robles Turnout to Templeton CSD Turnout	\$719,040	\$0	\$45,394	\$9,005,158	-\$1,056	\$0	\$9,768,536	\$1,183,818
E	Templeton CSD Turnout to Atascadero MWC Turnout	\$382,288	\$0	\$1,418,829	\$2,422,709	-\$12,183	\$0	\$4,211,643	\$233,913
F	Atascadero MWC Turnout to Rocky Canyon Tank Inlet	\$688,759	\$0	\$397,058	\$6,204,978	-\$36,234	\$0	\$7,254,561	\$770,162
F1	Rocky Canyon Tank	\$471,185	\$0	\$985,902	\$2,401,739	\$15,128	\$0	\$3,873,955	\$674,168
F2	Rocky Canyon Pump Station	\$706,234	\$0	\$313,390	\$4,575,237	\$32,507	\$0	\$5,627,367	\$637,056
G	Rocky Canyon Pump Station Discharge to Route 58/Maria Avenue	\$1,102,830	\$0	\$714,405	\$9,538,679	-\$37,831	\$0	\$11,318,083	\$1,366,988
G1	Route 58/Maria Avenue to Cuesta Tunnel Tank Inlet	\$759,991	\$0	\$1,482,385	\$4,055,756	-\$11,104	\$0	\$6,287,028	\$521,327
G2	Cuesta Tunnel North Portal and Tank	\$415,126	\$0	\$641,163	\$2,694,044	\$9,640	\$0	\$3,759,972	\$351,842
H	Existing Pipeline	\$53,703	\$0	\$424,887	\$0	\$1,031,000	\$0	\$1,509,590	\$0
H1	Cuesta Tunnel South Portal to San Luis Obispo Turnout	\$587,666	\$0	\$381,546	\$2,333,325	-\$13,705	\$0	\$3,288,832	\$230,043
T2	City of Paso Robles Turnout	\$766,648	\$0	\$1,232,587	\$3,056,488	-\$4,815	\$0	\$5,050,908	\$0
T4	Templeton Community Services District Turnout	\$747,216	\$0	\$927,770	\$1,376,176	-\$3,439	\$0	\$3,047,723	\$0
T6	Atascadero Mutual Water Company Turnout	\$717,220	\$0	\$742,121	\$352,781	-\$3,439	\$0	\$1,808,683	\$0
T11	City of San Luis Obispo Turnout	\$677,616	\$0	\$778,775	\$554,834	-\$1,032	\$0	\$2,010,193	\$0
TOTALS		\$17,590,000	\$0	\$23,118,541	\$128,588,769	\$631,000	\$0	\$169,928,309	\$16,099,839

Participant Project Cost Obligations

A Cost Allocation Model (Model) was developed for the Project. Periodically, the Model has been utilized to evaluate and present to each Participant the cost impact of alternative pipeline and facility designs, and also the addition of potential new Project Participants. The model uses the definitions of flow and cost shares in accordance with the Participants' Contract, to evaluate both the total project cost and the annual cost share for each Participant.

The actual construction bids were input into the Model and UBS provided financing estimates, Appendix B, to assess the actual financial implications for each Participant. Table 4 attached presents these results.

Further details regarding the allocation of project costs and construction of the Cost Allocation Model are included in the Preliminary Design Report (PDR).

Alternative Pipeline Bids

Pipeline Upsizing Considerations

Black & Veatch prepared the bidding documents to obtain alternative bids for the next six-inch larger pipe diameter. The base pipeline diameter that forms the base-bid for each pipeline bid package is based on a theoretical computation performed by Black & Veatch during the preliminary design to balance the pumping requirements and pipeline diameter, known as the pipe size optimization analysis. A larger pipe diameter results in less pumping power to move the water, and the larger pipe is also more expensive to buy and install. The balance is selecting a pipe diameter so that the pipeline cost and the energy cost to pump the water is a minimum over a period of time known as the evaluation period. The evaluation period used by Black & Veatch is 30 years, coinciding with the long-term debt financing.

The Nacimiento Water Project requires three pumping plants to move the water from Lake Nacimiento to the City of San Luis Obispo. The pipeline reaches were divided into three main groups. Each group, if upsized, would have certain costs for revising the design documents, and certain benefits from the reduced pumping requirements. Another benefit is monies paid by PG&E for their "Savings by Design" program. The difference in these costs and benefits indicate the potential investment to upsize the pipeline, or said another way, if the cost to upsize the pipe as presented by the alternative bids is less than the savings, then the investment is judged to be beneficial; otherwise, the investment is judged to be unbeneficial.

Some of these costs are one-time costs in the first year, and some are realized annually. To normalize these costs, a time-value analysis was performed using the following parameters.

- Short-term evaluation period = 5 years simplified
- Long-term evaluation period = 30 years compounded
- Net present value discount rate = 3.5-percent
- Escalation rate for energy cost = 3.0-percent

Table 5 presents the net savings associated with the pipeline upsizing, and the additional costs identified in the construction bid for the apparent low bidder. The results are summarized below:

- Group 1 (Units A, A1): The added cost for installing 6-inch larger pipe is still to be determined; the final cost for pipeline upsizing was not submitted by Teichert Construction in time for the publication of this cost summary report. Expectations are that the pipeline upsizing cost for Units A & A1, not including the Nacimiento River Crossing, will be in the range of \$2.0 to \$2.5 million. Upsizing could be considered “Beneficial” if Teichert Construction’s alternative pipe bid is less than the estimated benefit of \$3.3 million (30-Year NPV); otherwise, the upsizing would be considered “Unbeneficial”.
- Group 1 (Units C, C1): Assuming that the North Salinas River Crossing would be left at 30-inch diameter, the added cost for installing 6-inch larger pipe is \$1.3 million, which exceeds the estimated benefit of \$1.1 million (30-Year NPV).
- Group 2 (Units D, E, F): Assuming that the Middle Salinas River Crossing would be left at 24-inch diameter, the added cost for installing 6-inch larger pipe is \$3.7 million, which exceeds the estimated benefit of \$1.8 million (30-Year NPV).
- Group 3 (Units G, G1): The added cost for installing 6-inch larger pipe is \$2.1 million, which exceeds the estimated benefit of \$1.1 million (30-Year NPV).

The TSG established a policy that unanimous support for upsizing the pipeline must be received from all of the Participant’s TSG members before moving forward to recommend the upsizing to each Participant’s governing authorities. The TSG met on August 3, 2007, to discuss the results of the pipeline upsizing analysis. Units C and C1 of Group 1, and Groups 2 and 3 are considered unbeneficial and are not considered further. Units A and A1 of Group 1 are potentially beneficial, and this will be verified by Black & Veatch when the Unit A and A1 pipe upsizing costs are submitted by Teichert Construction. Nonetheless, the TSG vote at the August 3, 2007, meeting for pipeline upsizing was not unanimous; therefore, no upsizing of the pipeline diameter will be implemented for the Project.

Designer's Recommendations

The design of the Project was completed and the Project was advertised for competitive bids in accordance with District requirements. Bids have now been opened and construction costs are known for Specs 1, 3, 4 and 5. Based on the bids received, the updated NPCC is estimated to be \$178.1 million.

Although the NPCC has increased above the \$150 million amount identified in the Contract, the bids that have been received are competitive and reflective of the increased cost for major project construction in the current market place. Black & Veatch believes the bids received are reasonable for the work to be performed and recommends that the Nacimiento Water Project proceed into construction.

**Table 4
Cost Summary Report
Nacimiento Water Project Construction Costs**

Participant	Article 2 (B) Summary	0% CAPI Analysis							
	Nacimiento Project Construction Costs	Less Prior District Costs *	Total Capital Costs to be Financed	Net Annual Base Debt Costs, 100% CAPI **	Annual O&M Costs	Ad Valorem Property Tax Allocation Credit	Total Annual Nacimiento Project Costs	Net Interest Payable During Construction Period, no CAPI	Net Annual Base Debt Costs After Construction, no CAPI **
City of Paso Robles	\$61,979,261	\$426,100	\$61,553,162	\$4,512,000	\$1,341,731	(\$425,117)	\$5,428,614	\$2,989,000	\$3,840,000
Templeton CSD	\$6,436,101	\$26,629	\$6,409,472	\$467,000	\$186,344	(\$26,570)	\$626,774	\$310,000	\$398,000
Atascadero MWC	\$34,093,626	\$213,052	\$33,880,574	\$2,875,000	\$772,922	(\$212,559)	\$3,435,363	\$2,008,500	\$2,384,000
City of San Luis Obispo	\$74,987,679	\$871,771	\$74,115,908	\$5,333,000	\$1,327,737	(\$359,224)	\$6,301,513	\$3,587,218	\$4,603,000
CSA 10A	\$554,643	\$6,448	\$548,195	\$0	\$9,821	(\$2,657)	\$7,164	\$0	\$0
Total	\$178,051,310	\$1,544,000	\$176,507,310	\$13,187,000	\$3,638,555	(\$1,026,127)	\$15,799,428	\$8,894,718	\$11,225,000

Note: All values presented in this table are estimated as of 8/2/2007.

* \$1,031,000 Cuesta Tunnel and \$513,000 prior district costs, not to be financed. Repayment by participants is not included in the total annual Nacimiento Project Costs.

** Net Funded - CSA 10A will be cash funding their capital costs - City of SLO will also pay an annual payment of \$322,880 for the BAN.

Nacimiento Water Project						DISCOUNT RATE = 3.5%										
Alternative Pipeline Bid Summary						TABLE 5										
Alternatives for Increasing Pipeline Diameter to Reduce Energy Costs																
Note: Cost Savings are treated as "benefits" and are expressed as +\$\$\$																
Unit	Spec	Bid Alt.	Notes	Baseline Diameter (inches)	Alternative Diameter (inches)	Energy Savings			Other Savings or Cost Factors			Total Value of Benefits From Increasing Pipeline Diameters		Bid Results	Remarks	
						Year 1 Annual	5-Year Payback Basis	30-Year NPV Basis (Note 5)	Reduction in Facility Construction Costs	Credit Earned from PG&E Savings by Design	Facility Re-Design (Added) Costs	5-Year Payback Basis	30-Year NPV Basis (Note 5)			
							a	b	c	d	e	a+c+d+e	b+c+d+e			
GROUP 1 - IPS	A	3	A		30	36	\$ 8,799	\$ 41,854	\$ 424,692	\$ 100,087	\$ 24,986	\$ (8,007)	\$ 158,919	\$ 541,758	\$ 570,000	08/06/07: Further review shows this may still be beneficial; Teichert will supply revised cost data; these values are expected to go up.
	A1	3	B		30	36	\$ 44,773	\$ 212,963	\$ 2,160,955	\$ 481,492	\$ 120,200	\$ (38,519)	\$ 776,136	\$ 2,724,128	\$ 347,000	
	A1	3	C	1	30	36	\$ 483	\$ 2,296	\$ 23,295	\$ 19,282	\$ 4,814	\$ (1,543)	\$ 24,849	\$ 45,848	\$ 590,000	
Group 1 - Subtotals							\$ 54,055	\$ 257,112	\$ 2,608,942	\$ 600,861	\$ 150,000	\$ (48,069)	\$ 959,904	\$ 3,311,734	\$ 1,507,000	Potentially Beneficial
GROUP 2 - SYPS	C	3	D		36	36	\$ -	\$ -	\$ -	\$ 82,729	\$ 57,329	\$ (8,273)	\$ 131,785	\$ 131,785	\$ 260,000	08/06/07: Teichert will supply revised cost data; these values are expected to go up.
	C1	3	E		36	36	\$ -	\$ -	\$ -	\$ 11,728	\$ 8,127	\$ (1,173)	\$ 18,682	\$ 18,682	\$ -	
	C1	3	F		30	36	\$ 17,009	\$ 89,892	\$ 739,430	\$ 118,740	\$ 82,283	\$ (11,874)	\$ 279,040	\$ 928,579	\$ 990,000	
	C1	3	G	2	30	36	\$ 1,022	\$ 3,925	\$ 32,331	\$ 3,264	\$ 2,262	\$ (326)	\$ 9,124	\$ 37,529	\$ 480,000	
	D	4	A		24	30	\$ 14,870	\$ 62,081	\$ 665,999	\$ 69,846	\$ 84,239	\$ (6,985)	\$ 209,181	\$ 813,099	\$ 1,883,268	
	D	4	B	3	24	30	\$ 1,552	\$ 5,063	\$ 52,786	\$ 9,717	\$ 11,719	\$ (972)	\$ 25,528	\$ 73,251	\$ 1,000,000	
	E	4	C		24	30	\$ 8,302	\$ 24,372	\$ 108,268	\$ 31,195	\$ 77,069	\$ (3,120)	\$ 129,517	\$ 213,413	\$ 447,864	
F	4	D		18	24	\$ 32,527	\$ 162,719	\$ 668,627	\$ 92,782	\$ 51,802	\$ (9,278)	\$ 298,024	\$ 803,933	\$ 1,344,936		
Group 2 - Subtotals							\$ 75,283	\$ 348,052	\$ 2,267,441	\$ 420,000	\$ 374,829	\$ (42,000)	\$ 1,100,881	\$ 3,020,270	\$ 6,406,068	Un-Beneficial
GROUP 3 - RCPS	G	5	A		18	24	\$ 20,099	\$ 100,497	\$ 618,486	\$ 62,815	\$ 68,536	\$ (9,422)	\$ 222,426	\$ 740,415	\$ 1,456,000.0	
	G	5	B	4	18	24	\$ 646	\$ 3,229	\$ 19,872	\$ 729	\$ 795	\$ (109)	\$ 4,643	\$ 21,286	\$ 10,800.0	
	G1	5	C		18	24	\$ 8,235	\$ 41,176	\$ 253,405	\$ 26,456	\$ 28,866	\$ (3,968)	\$ 92,530	\$ 304,759	\$ 631,400.0	
Group 3 - Subtotals							\$ 28,980	\$ 144,902	\$ 891,763	\$ 90,000	\$ 98,198	\$ (13,500)	\$ 319,599	\$ 1,066,461	\$ 2,098,200	Un-Beneficial
NOTES:							\$ 158,319	\$ 750,066	\$ 5,768,145	\$ 1,110,861	\$ 623,027	\$ (103,569)	\$ 2,380,385	\$ 7,398,464	\$ 10,011,268	
1. Nacimiento River Crossing																
2. Salinas River (North) Crossing						Year 1 - Energy Consumption (kWh)										
3. Salinas River (Middle) Crossing						Base Bid Pipe Diameters						9,318,150				
4. Salinas River (South) Crossing						Alternative Pipe Diameters						7,711,338				
5. Discount Rate = 3.5%; 3% Escalation						Difference						1,606,812				

Appendix A – Bid Tabulation Summary Reports

- County Record of Bid Openings - Spec 01, 03, 04 and 05
- Bid Tab for Spec 01 - Intake
- Bid Tab for Spec 03 - Pipeline North
- Bid Tab for Spec 04 – Pipeline Central
- Bid Tab for Spec 05 – Pipeline South

Appendix B – UBS Memo - Estimated Financing Results

Appendix C – Cost Allocation Model Results

- C-1 Summary Report (later)**
- C-2 B&V Cost Report (later)**
- C-3 Reserve Capacity Calculation (later)**
- C-4 Distribution of Design Phase Costs by Unit (JRH Memo) (later)**
- C-5 Memo to File – Model Assumptions (later)**

Appendix A – Bid Tabulation Summary Reports

County Record of Bid Openings - Spec 01, 03, 04 and 05

Bid Tab for Spec 1 - Intake

Bid Tab for Spec 3 - Pipeline North

Bid Tab for Spec 04 – Pipeline Central

Bid Tab for Spec 05 – Pipeline South

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON MONDAY, JULY 16, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Intake Unit A for the Nacimiento Water Project.

PART 1

Contract Number: 300187.08.01

County Estimate: \$13.1M

Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
			Bond	Check	Cash
1. BARNARD CONSTRUCTION CO. INC. PO BOX 99 BOZEMAN, MT 59771-099	\$21,209,500 ⁰⁰	4	X		
2. JAMES W. FOWLER CO. 12775 WESTVIEW DRIVE DALLAS, OR 97338	\$20,813,600 ⁰⁰	4	X		
3. KIEWIT PACIFIC CO. 5000 MARSH DRIVE CONCORD, CA 94520	\$29,400,000 ⁰⁰	4	X		
4.					
5.					
6.					
7.					
8.					

ALTERNATES

Bidder	1.	2.	3.	4.	5.	6.
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Bids opened by Annette Ramirez Clerk of the Board, in the presence of [Signature] Public Works; [Signature] Deputy County Counsel; and [Signature] Witness. Referred to Public Works for checking and to report to the Board of Supervisors on August 28, 2007.

Original bids attached to Public Works copy of Summary and delivered this date of July 16, 2007.

[Signature]
Deputy Clerk-Recorder

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON THURSDAY, JULY 19, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Nacimiento Water Project Pipeline North Units A, A1, C, and C1

Contract Number: 300187.08.03

County Estimate: #49,8

Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
			Bond	Check	Cash
1. Diablo Contractors, Inc. 7 Crow Canyon Court, Ste 100 San Ramon, CA 94583	# 51,331,610 ⁰⁰	3	X		
2. ARB, Inc. 26000 Connercentre Drive Lake Forest, CA 92630	# 47,516,648 ⁰⁰	3	X		
3. Mountain Cascade Inc. Po Box 5050 Livermore, CA 94551	# 40,712,260 ⁰⁰	3	X		
4. S.J. Louis Construction, Inc. 3032 County Road 138 Waite Park, MN 56387	# 40,300,000 ⁰⁰	3	X		
5. Ranger Pipelines, Inc. Po Box 24109 San Francisco, CA 94124	# 42,911,704 ⁰⁰	3	X		
6. Papich Construction, Inc. Po Box 2210 Pismo Beach, 93448	# 44,723,521 ⁰⁰	3	X		
7. Don Kelly Construction 6861 N. Oracle Road Tucson, AZ 85704	# 43,671,152 ⁰⁰	3	X		
8. ERS Constructors 15427 E. Fremont Drive Centennial, CO 80112	# 48,039,290 ⁰⁰	3	X		

ALTERNATES

Bidder	1.	2.	3.	4.	5.	6.
1.						
2.						
3.						
4.						
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Bids opened by Annette Ramirez Clerk of the Board, in the presence of

[Signature] Public Works; [Signature] Deputy

County Counsel; and [Signature] Witness. Referred to Public

Works for checking and to report to the Board of Supervisors on August 28, 2007.

Original bids attached to Public Works copy of Summary and delivered this date of July 19, 2007.

[Signature]
Deputy Clerk-Recorder

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON THURSDAY, JULY 19, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Nacimiento Water Project Pipeline North Units A, A1, C, and C1

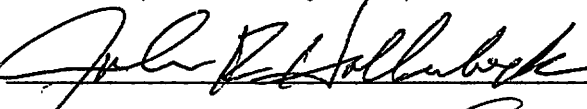
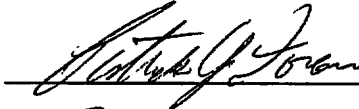
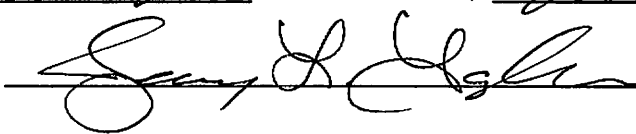
Contract Number: 300187.08.03

County Estimate: _____

Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
			Bond	Check	Cash
9. Teichert Construction 8589 Thys Court Sacramento, CA 95828	\$ 38,355,245 ^{net}	3	X		

ALTERNATES

Bidder	7.	8.	9.	10.	11.	12.
9						

Bids opened by Annette Ramirez Clerk of the Board, in the presence of  Public Works;  Deputy County Counsel; and  Witness. Referred to Public Works for checking and to report to the Board of Supervisors on August 28, 2007. Original bids attached to Public Works copy of Summary and delivered this date of July 19, 2007.


Deputy Clerk Recorder

Page 2 of 2

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON THURSDAY, JULY 26, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Nacimiento Water Project Pipeline Central. Units D, E, F, T2, T4, & T6

Contract Number: 300187.08.04

County Estimate: \$28.6M

	Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
				Bond	Check	Cash
1	S.J. LOUIS CONSTRUCTIONS, INC. 3032 COUNTY ROAD 138 / PO BOX 399 WAITE PARK, MN 56387-0399	\$28,850,000 ⁰⁰	3	X		
2	SOUTHERN CALIFORNIA PIPELINE 15991 REDHILL AVENUE, SUITE #200 TUSTIN, CA 92780	\$23,965,736 ⁰⁰	3	X		
3	PAPICH CONSTRUCTION, INC. PO BOX 2210 PISMO BEACH, CA 93448	\$23,415,260 ⁰⁰	3	X		
4	VIDO ARTUKOVICH & SON, INC/VIDMAR, INC. 11155 RUSH STREET SO. EL MONTE, CA 91733	\$29,282,267 ⁰⁰	3	X		
5	WHITAKER CONTRACTORS 2752 CONCRETE COURT PASO ROBLES, CA 93446	\$22,697,100 ⁰⁰	3	X		
6	DIABLO CONTRACTORS, INC. 7 CROW CANYON COURT, STE 100 SAN RAMON, CA 94583	\$26,847,800 ⁰⁰	3	X		
7	TEICHERT CONSTRUCTION 8589 THYS COURT SACRAMENTO, CA 95828	\$25,493,652 ⁰⁰	3	X		
8	MOUNTAIN CASCADE INC. PO BOX 5050 LIVERMORE, CA 94551-5050	\$22,749,610 ⁰⁰	3	X		

ALTERNATES

Bidder	1.	2.	3.	4.	5.	6.
1						
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5						
6						
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8						

Bids opened by Annette Ramirez Clerk of the Board, in the presence of John R. Hoffmann Public Works; Patricia J. ... Deputy County Counsel; and Carolyn ... Witness. Referred to Public Works for checking and to report to the Board of Supervisors on **August 28, 2007**. Original bids attached to Public Works copy of Summary and delivered this date of July 26, 2007.

Annette Ramirez
Deputy Clerk-Recorder

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON THURSDAY, JULY 26, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Nacimiento Water Project Pipeline Central. Units D, E, F, T2, T4, & T6

Contract Number: 300187.08.04

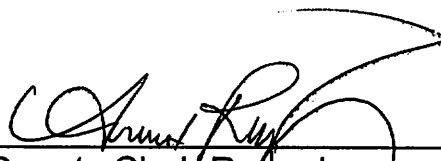
County Estimate: #28.6

	Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
				Bond	Check	Cash
9.	SPECIALTY CONSTRUCTION, INC. 645 CLARION COURT SAN LUIS OBISPO, CA 93401	<u>#23,496,894⁰⁰</u>	3	X		
10						
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12						
13						
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16						

ALTERNATES

Name of Bidder	1.	2.	3.	4.	5.	6.
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16						

Bids opened by Annette Ramirez Clerk of the Board, in the presence of John R. Hill Public Works; Richard G. Moran Deputy County Counsel; and Carolyn S. [Signature] Witness. Referred to Public Works for checking and to report to the Board of Supervisors on August 28, 2007. Original bids attached to Public Works copy of Summary and delivered this date of July 26, 2007.


 Deputy Clerk-Recorder

SUMMARY OF BIDS OPENED IN PUBLIC MEETING ON THURSDAY, AUGUST 02, 2007, AT 3:15 P.M.

Location: 1055 Monterey Street. Suite D120 San Luis Obispo, CA 93408

Title: Construction of the Nacimiento Water Project Pipeline South Units G, G1, H1 and T11

Contract Number: 300187.08.05

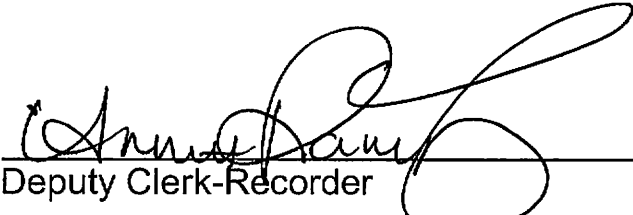
County Estimate: \$ 18,200,000

Name & Address of Bidder	Amount of Bid	Addendum List # Acknowledged	Bid Guarantee		
			Bond	Check	Cash
1 SOUTHERN CALIFORNIA PIPELINE 15991 RED HILL AVENUE SUITE #200 TUSTIN, CA 92780	# 16,332,594 ⁰⁰	4	X		
2 TEICHERT CONSTRUCTION 8589 THYS COURT SACRAMENTO, CA 95828	# 23,981,270 ⁰⁰	4	X		
3 ARB, INC. 26000 COMMERCENTRE DRIVE LAKE FOREST, CA 92630	# 21,908,397 ⁰⁰	4	X		
4 SPECIALTY CONSTRUCTION, INC. 645 CLARION COURT SAN LUIS OBISPO, CA 93401	# 20,748,338 ⁰⁰	4	X		
5 PAPICH CONSTRUCTION, INC. PO BOX 2210 PISMO BEACH, CA 93448	# 20,935,430 ⁰⁰	4	X		
6 JOHN MADONNA CONSTRUCTION, INC. PO BOX 5310 SAN LUIS OBISPO, CA 93405	# 22,259,545 ⁰⁰	4	X		
7 MOUNTAIN CASCADE INC. PO BOX 5050 LIVERMORE, CA 94551	# 19,169,350 ⁰⁰	4	X		
8					

ALTERNATES

Bidder	1.	2.	3.	4.	5.	6.
1						
2						
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8						

Bids opened by Annette Ramirez Clerk of the Board, in the presence of [Signature] Public Works; [Signature] Deputy County Counsel; and Rhonda McDonald Witness. Referred to Public Works for checking and to report to the Board of Supervisors on August 28, 2007. Original bids attached to Public Works copy of Summary and delivered this date of August 2, 2007.


 Deputy Clerk-Recorder

**Nacimiento Water Project
Contract 300187.08.01 - Intake
Tabulation of Bid Results**

Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				James W. Fowler Co.		Barnard Construction Co		Kiewit Pacific Co.	
			Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount
1	A	Mobilization (Stipulated Amount)	LS	1	\$ -	\$ 600,000.00	\$ -	\$ 600,000.00	\$ -	\$ 600,000.00	\$ -	\$ 600,000.00
2	A	Sheeting, Shoring and Bracing	LS	1	\$ -	\$ 150,000.00	\$ -	\$ 6,000.00	\$ -	\$ 50,000.00	\$ -	\$ 25,000.00
3	A	Log Boom Construction	LS	1	\$ -	\$ 240,000.00	\$ -	\$ 900,000.00	\$ -	\$ 865,000.00	\$ -	\$ 500,000.00
4	A	Shaft Excavation & Initial Support -- Elev 790 and Above	LF	38	\$ 10,000	\$ 380,000.00	\$ 15,000	\$ 570,000.00	\$ 24,500	\$ 931,000.00	\$ 12,000	\$ 456,000.00
5	A	Shaft Excavation & Initial Support -- Below Elev 790	LF	141	\$ 13,000	\$ 1,833,000.00	\$ 20,000	\$ 2,820,000.00	\$ 30,500	\$ 4,300,500.00	\$ 15,000	\$ 2,115,000.00
6	A	Probe Holes Within Shaft	VF	1,000	\$ 40.00	\$ 40,000.00	\$ 50.00	\$ 50,000.00	\$ 140.00	\$ 140,000.00	\$ 40.00	\$ 40,000.00
7	A	Pre-Excavation Grout Holes Within Shaft	VF	6,000	\$ 40.00	\$ 240,000.00	\$ 35.00	\$ 210,000.00	\$ 25.00	\$ 150,000.00	\$ 30.00	\$ 180,000.00
8	A	Pre-Excavation Grout Hole Connections Within Shaft	EA	250	\$ 25.00	\$ 6,250.00	\$ 600.00	\$ 150,000.00	\$ 710.00	\$ 177,500.00	\$ 400.00	\$ 100,000.00
9	A	Pre-Excavation Grout Materials and Placement Within Shaft	94 lb sack	1,500	\$ 30.00	\$ 45,000.00	\$ 50.00	\$ 75,000.00	\$ 81.00	\$ 121,500.00	\$ 60.00	\$ 90,000.00
10	A	Concrete Protection (Panning) System	SF	2,000	\$ 50.00	\$ 100,000.00	\$ 20.00	\$ 40,000.00	\$ 13.00	\$ 26,000.00	\$ 22.00	\$ 44,000.00
11	A	Construction of Permanent Shaft Lining	LS	1	\$ -	\$ 1,568,000.00	\$ -	\$ 5,000,000.00	\$ -	\$ 1,935,000.00	\$ -	\$ 3,000,000.00
12	A	Intake Tunnel Construction	LF	530	\$ 4,800	\$ 2,544,000.00	\$ 3,500.00	\$ 1,855,000.00	\$ 8,100.00	\$ 4,293,000.00	\$ 7,500.00	\$ 3,975,000.00
13	A	Environmental Mitigation Costs	LS	1	\$ -	\$ 50,000.00	\$ -	\$ 320,000.00	\$ -	\$ 130,000.00	\$ -	\$ 225,000.00
14	A	All other Work required by the Contract Documents	LS	1	\$ -	\$ 5,231,750.00	\$ -	\$ 6,000,000.00	\$ -	\$ 7,074,000.00	\$ -	\$ 15,410,000.00
15	A	Cased Excavation for Intake Pipe Supports (Piles) in Overburden or Loose Rock	LF	80	\$ 150.00	\$ 12,000.00	\$ 6,000.00	\$ 480,000.00	\$ 1,150.00	\$ 92,000.00	\$ 15,000.00	\$ 1,200,000.00
16	A	Drilling for Intake Pipe Supports (Piles) in Rock	LF	240	\$ 250.00	\$ 60,000.00	\$ 7,240.00	\$ 1,737,600.00	\$ 1,350.00	\$ 324,000.00	\$ 6,000.00	\$ 1,440,000.00
					TOTAL	\$ 13,100,000.0	TOTAL	\$ 20,813,600	TOTAL	\$ 21,209,500.00	TOTAL	\$ 29,400,000.00

Nacimiento Water Project
Contract 300187.08.03 - Pipeline North
Tabulation of Bid Results

Legend ***	Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				Teichert		SJ Louis		Mountain Cascade		Ranger		Kelly		Papich	
				Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount
	1	All	Mobilization	LS	1		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000
	2	--	Shoring, Sheeting and Bracing for the following Units:																
	2a	A	Pipeline (30-Inch)	LS	1		\$ 56,500.00		\$ 25,000.00		\$ 10,000.00		\$ 1,000.00		\$ 100,000.00		\$ 50,000.00		\$ 1,700.00
	2b	A1	Pipeline (30-Inch)	LS	1		\$ 306,000.00		\$ 125,000.00		\$ 40,000.00		\$ 15,000.00		\$ 500,000.00		\$ 250,000.00		\$ 362,000.00
	2c	C	Pipeline (36-Inch)	LS	1		180,000.00		\$ 100,000.00		\$ 25,000.00		\$ 35,000.00		\$ 250,000.00		\$ 125,000.00		\$ 3,800.00
	2d	C1	Pipeline (36-Inch and 30-inch)	LS	1		\$ 270,000.00		\$ 160,000.00		\$ 39,000.00		\$ 50,000.00		\$ 400,000.00		\$ 200,000.00		\$ 2,800.00
	3	All	Environmental Mitigation Costs	LS	1		\$ 340,000.00		\$ 1,000,000.00		\$ 350,000.00		\$ 700,000.00		\$ 200,000.00		\$ 500,000.00		\$ 1,000,000.00
	4a	All	Installation of Fiber Optic Conduit & Cable System	LS	1		\$ 1,250,000.00		\$ 775,000.00		\$ 500,000.00		\$ 850,000.00		\$ 800,000.00		\$ 1,400,000.00		\$ 2,162,000.00
	4b	C1	Optic Conduit & Cable System at 13th Street Bridge in Paso Robles	LS	1		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00
	5a	A	Pipeline (30-Inch), Welded Steel, Sta. 4+00 to 13+00	LF	900	\$ 350.00	\$ 315,000.00	\$ 430.00	\$ 387,000.00	\$ 500.00	\$ 450,000.00	\$ 445.00	\$ 400,500.00	\$ 400.00	\$ 360,000.00	\$ 380.00	\$ 342,000.00	\$ 750.00	\$ 675,000.00
	5b	A	Pipeline (30-Inch) Remainder	LF	7,524	\$ 312.00	\$ 2,347,488.00	\$ 219.00	\$ 1,647,756.00	\$ 240.00	\$ 1,805,760.00	\$ 210.00	\$ 1,580,040.00	\$ 320.00	\$ 2,407,680.00	\$ 269.00	\$ 2,023,956.00	\$ 233.00	\$ 1,753,092.00
	6	A1	Pipeline (30-Inch)	LF	42,450	\$ 325.00	\$ 13,796,250.00	\$ 198.00	\$ 8,405,100.00	\$ 240.00	\$ 10,188,000.00	\$ 245.00	\$ 10,400,250.00	\$ 312.00	\$ 13,244,400.00	\$ 304.00	\$ 12,904,800.00	\$ 208.00	\$ 8,829,600.00
	7	A1	Nacimiento River Crossing (30-Inch)	LS	1		\$ 3,030,000.00		\$ 2,150,000.00		\$ 1,750,000.00		\$ 2,000,000.00		\$ 1,800,000.00		\$ 2,300,000.00		\$ 1,805,590.00
	8	A1	UXO Clearance on Camp Roberts	LS	1		\$ 150,000.00		\$ 1,050,000.00		\$ 750,000.00		\$ 450,000.00		\$ 600,000.00		\$ 100,000.00		\$ 827,600.00
	9	C	Pipeline (36-Inch)	LF	24,690	\$ 380.00	\$ 9,382,200.00	\$ 240.00	\$ 5,925,600.00	\$ 300.00	\$ 7,407,000.00	\$ 250.00	\$ 6,172,500.00	\$ 312.00	\$ 7,703,280.00	\$ 339.00	\$ 8,369,910.00	\$ 223.00	\$ 5,505,870.00
	10	C1	Pipeline (36-Inch)	LF	3,500	\$ 355.00	\$ 1,242,500.00	\$ 300.00	\$ 1,050,000.00	\$ 300.00	\$ 1,050,000.00	\$ 275.00	\$ 962,500.00	\$ 350.00	\$ 1,225,000.00	\$ 324.00	\$ 1,134,000.00	\$ 323.00	\$ 1,130,500.00
	11	C1	Pipeline (30-Inch)	LF	35,437	\$ 335.00	\$ 11,871,395.00	\$ 297.00	\$ 10,524,789.00	\$ 300.00	\$ 10,631,100.00	\$ 310.00	\$ 10,985,470.00	\$ 312.00	\$ 11,056,344.00	\$ 278.00	\$ 9,851,486.00	\$ 287.00	\$ 10,170,419.00
	12	C1	Salinas River Crossing - North (30-Inch)	LS	1		\$ 2,200,000.00		\$ 1,600,000.00		\$ 1,200,000.00		\$ 1,000,000.00		\$ 1,300,000.00		\$ 1,850,000.00		\$ 1,302,800.00
	13	--	Allowance - Contaminated Soils	LS	1		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00
	14	--	Allowance - Contaminated Groundwater	LS	1		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00
	15	--	Allowance - Change in Pipe Alignment or Profile Due to Utility Conflict	LS	1		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00
	16	--	Subgrade Stabilization in Soft, Unstable Soils	LF	10,000	\$ 35.00	\$ 350,000.00	\$ 22.00	\$ 220,000.00	\$ 30.00	\$ 300,000.00	\$ 32.00	\$ 320,000.00	\$ 3.00	\$ 30,000.00	\$ 1.00	\$ 10,000.00	\$ 21.00	\$ 210,000.00
	17	--	All Other Work	LS	1		\$ 602,667.00		\$ 1,100,000.00		\$ 1,694,140.00		\$ 2,750,000.00		\$ 50,000.00		\$ 150,000.00		\$ 6,870,750.00
	18	--	Repair/Restoration on Camp Roberts - West Perimeter Road	LS	1		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00
						TOTAL	\$ 49,800,000.00	TOTAL	\$ 38,355,245.00	TOTAL	\$ 40,300,000.00	TOTAL	\$ 40,782,260.00	TOTAL	\$ 44,136,704.00	TOTAL	\$ 43,671,152.00	TOTAL	\$ 44,723,521.00

**Nacimiento Water Project
Contract 300187.08.03 - Pipeline North
Tabulation of Bid Results**

Legend ***	Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				ARB		ERS		Diablo		
				Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	
	1	All	Mobilization	LS	1		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000		\$ 1,000,000	
	2	--	Shoring, Sheeting and Bracing for the following Units:											
	2a	A	Pipeline (30-Inch)	LS	1		\$ 56,500.00		\$ 38,000.00		\$ 400,000.00		\$ 100,000.00	
	2b	A1	Pipeline (30-Inch)	LS	1		\$ 306,000.00		\$ 182,000.00		\$ 400,000.00		\$ 100,000.00	
	2c	C	Pipeline (36-Inch)	LS	1		180,000.00		\$ 115,000.00		\$ 400,000.00		\$ 100,000.00	
	2d	C1	Pipeline (36-Inch and 30-inch)	LS	1		\$ 270,000.00		\$ 385,000.00		\$ 400,000.00		\$ 100,000.00	
	3	All	Environmental Mitigation Costs	LS	1		\$ 340,000.00		\$ 640,000.00		\$ 600,000.00		\$ 1,000,000.00	
	4a	All	Installation of Fiber Optic Conduit & Cable System	LS	1		\$ 1,250,000.00		\$ 1,581,211.00		\$ 4,000,000.00		\$ 500,000.00	
	4b	C1	Optic Conduit & Cable System at 13th Street Bridge in Paso Robles	LS	1		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00		\$ 35,000.00	
	5a	A	Pipeline (30-Inch), Welded Steel, Sta. 4+00 to 13+00	LF	900	\$ 350.00	\$ 315,000.00	\$ 810.00	\$ 729,000.00	\$ 500.00	\$ 450,000.00	\$ 500.00	\$ 450,000.00	
	5b	A	Pipeline (30-Inch) Remainder	LF	7,524	\$ 312.00	\$ 2,347,488.00	\$ 350.00	\$ 2,633,400.00	\$ 300.00	\$ 2,257,200.00	\$ 350.00	\$ 2,633,400.00	
	6	A1	Pipeline (30-Inch)	LF	42,450	\$ 325.00	\$ 13,796,250.00	\$ 290.00	\$ 12,310,500.00	\$ 245.00	\$ 10,400,250.00	\$ 330.00	\$ 14,008,500.00	
	7	A1	Nacimiento River Crossing (30-Inch)	LS	1		\$ 3,030,000.00		\$ 2,136,651.00		\$ 2,600,000.00		\$ 1,500,000.00	
	8	A1	UXO Clearance on Camp Roberts	LS	1		\$ 150,000.00		\$ 690,871.00		\$ 1,000,000.00		\$ 50,000.00	
	9	C	Pipeline (36-Inch)	LF	24,690	\$ 380.00	\$ 9,382,200.00	\$ 355.00	\$ 8,764,950.00	\$ 300.00	\$ 7,407,000.00	\$ 450.00	\$ 11,110,500.00	
	10	C1	Pipeline (36-Inch)	LF	3,500	\$ 355.00	\$ 1,242,500.00	\$ 650.00	\$ 2,275,000.00	\$ 250.00	\$ 875,000.00	\$ 450.00	\$ 1,575,000.00	
	11	C1	Pipeline (30-Inch)	LF	35,437	\$ 335.00	\$ 11,871,395.00	\$ 295.00	\$ 10,453,915.00	\$ 320.00	\$ 11,339,840.00	\$ 330.00	\$ 11,694,210.00	
	12	C1	Salinas River Crossing - North (30-Inch)	LS	1		\$ 2,200,000.00		\$ 2,121,050.00		\$ 1,900,000.00		\$ 2,000,000.00	
	13	--	Allowance - Contaminated Soils	LS	1		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00	
	14	--	Allowance - Contaminated Groundwater	LS	1		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00	
	15	--	Allowance - Change in Pipe Alignment or Profile Due to Utility Conflict	LS	1		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00		\$ 500,000.00	
	16	--	Subgrade Stabilization in Soft, Unstable Soils	LF	10,000	\$ 35.00	\$ 350,000.00	\$ 35.00	\$ 350,000.00	\$ 30.00	\$ 300,000.00	\$ 10.00	\$ 100,000.00	
	17	--	All Other Work	LS	1		\$ 602,667.00		\$ 100.00		\$ 1,200,000.00		\$ 2,200,000.00	
	18	--	Repair/Restoration on Camp Roberts - West Perimeter Road	LS	1		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00		\$ 375,000.00	
						TOTAL	\$ 49,800,000.00	TOTAL	\$ 47,516,648.00	TOTAL	\$ 48,039,290.00	TOTAL	\$ 51,331,610.00	

Nacimiento Water Project
Contract 300187.08.04 - Pipeline Central
Tabulation of Bid Results

Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				Whitaker Construction		Mountain Cascade		Papich Construction		Specialty Construction		Southern California PL		Teichert Construction		Diablo Construction	
			Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount
1	All	Mobilization	LS	1		\$ 540,000		\$ 540,000		\$ 540,000		\$ 540,000		\$ 540,000		\$ 540,000		\$ 540,000		\$ 540,000
2	--	Shoring, Sheeting and Bracing for the following Units:																		
2a	D	Pipeline (24-Inch) & Salinas River Crossing	LS	1		\$ 116,000.00		\$ 10,000.00		\$ 5,000.00		\$ 16,800.00		\$ 25,000.00		\$ 28,000.00		\$ 70,000.00		\$ 100,000.00
2b	E	Pipeline (24-Inch)	LS	1		\$ 56,000.00		\$ 15,000.00		\$ 5,000.00		\$ 14,000.00		\$ 10,000.00		\$ 9,000.00		\$ 30,000.00		\$ 100,000.00
2c	F	Pipeline (18-Inch)	LS	1		\$ 135,000.00		\$ 12,000.00		\$ 5,000.00		\$ 14,000.00		\$ 65,000.00		\$ 29,000.00		\$ 120,000.00		\$ 100,000.00
2d	T2	Paso Robles Turnout	LS	1		\$ 55,000.00		\$ 2,400.00		\$ 5,000.00		\$ 6,700.00		\$ 20,000.00		\$ 15,000.00		\$ 10,000.00		\$ 100,000.00
2e	T4	TCSD Turnout	LS	1		\$ 25,000.00		\$ 2,400.00		\$ 5,000.00		\$ 1,700.00		\$ 20,000.00		\$ 15,000.00		\$ 13,000.00		\$ 100,000.00
2f	T6	AMWC Turnout	LS	1		\$ 24,000.00		\$ 2,400.00		\$ 5,000.00		\$ 3,300.00		\$ 20,000.00		\$ 15,000.00		\$ 7,500.00		\$ 100,000.00
3	All	Environmental Mitigation Costs	LS	1		\$ 150,000.00		\$ 142,100.00		\$ 300,000.00		\$ 830,600.00		\$ 260,000.00		\$ 250,000.00		\$ 550,000.00		\$ 300,000.00
4	--	Installation of Fiber Optic Conduit & Cable System for the following Units:																		
4a	D,E,F	Units D,E, F	LS	1		\$ 545,000.00		\$ 1,416,750.00		\$ 425,000.00		\$ 770,000.00		\$ 1,350,000.00		\$ 366,150.00		\$ 490,000.00		\$ 700,000.00
4b	T2	Unit T2	LS	1		\$ 30,000.00		\$ 175,500.00		\$ 20,000.00		\$ 330,000.00		\$ 58,000.00		\$ 19,398.00		\$ 32,000.00		\$ 20,000.00
4c	T4	Unit T4	LS	1		\$ 37,000.00		\$ 85,500.00		\$ 40,000.00		\$ 224,000.00		\$ 58,000.00		\$ 23,802.00		\$ 34,000.00		\$ 20,000.00
4d	T6	Unit T6	LS	1		\$ 19,000.00		\$ 80,500.00		\$ 35,000.00		\$ 230,000.00		\$ 58,000.00		\$ 13,770.00		\$ 22,000.00		\$ 20,000.00
5	D	Pipeline (24-Inch)	LF	20,845	\$ 255.00	\$ 5,315,475.00	\$ 237.00	\$ 4,940,265.00	\$ 238.00	\$ 4,961,110.00	\$ 156.00	\$ 3,251,820.00	\$ 200.00	\$ 4,169,000.00	\$ 275.00	\$ 5,732,375.00	\$ 250.00	\$ 5,211,250.00	\$ 300.00	\$ 6,253,500.00
6	D	Salinas River Crossing - Middle (24-Inch)	LS	1		\$ 4,445,000.00		\$ 3,130,000.00		\$ 3,000,000.00		\$ 2,947,000.00		\$ 3,478,000.00		\$ 2,383,425.00		\$ 3,400,000.00		\$ 3,000,000.00
7	E	Pipeline (24-Inch)	LF	9,310	\$ 280.00	\$ 2,606,800.00	\$ 219.00	\$ 2,038,890.00	\$ 234.00	\$ 2,178,540.00	\$ 131.00	\$ 1,219,610.00	\$ 182.00	\$ 1,694,420.00	\$ 275.00	\$ 2,560,250.00	\$ 240.00	\$ 2,234,400.00	\$ 300.00	\$ 2,793,000.00
8	F	Pipeline (18-Inch)	LF	27,690	\$ 231.00	\$ 6,396,390.00	\$ 185.00	\$ 5,122,650.00	\$ 184.00	\$ 5,094,960.00	\$ 117.00	\$ 3,239,730.00	\$ 185.00	\$ 5,122,650.00	\$ 235.00	\$ 6,507,150.00	\$ 220.00	\$ 6,091,800.00	\$ 270.00	\$ 7,476,300.00
9	T2	Paso Robles Turnout	LS	1		\$ 2,900,000.00		\$ 2,649,400.00		\$ 2,300,000.00		\$ 2,372,000.00		\$ 2,860,000.00		\$ 1,681,000.00		\$ 2,300,000.00		\$ 1,500,000.00
10	T4	TCSD Turnout	LS	1		\$ 1,230,000.00		\$ 1,101,530.00		\$ 1,000,000.00		\$ 854,000.00		\$ 1,050,000.00		\$ 1,174,541.00		\$ 1,040,000.00		\$ 400,000.00
11	T6	AMWC Turnout	LS	1		\$ 1,200,000.00		\$ 115,005.00		\$ 1,250,000.00		\$ 1,155,000.00		\$ 1,300,000.00		\$ 1,151,000.00		\$ 1,250,000.00		\$ 900,000.00
12	--	Allowance - Contaminated Soils	LS	1		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00
13	--	Allowance - Contaminated Groundwater	LS	1		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00
14	--	Allowance - Change in Pipe Alignment or Profile Due to Utility Conflict	LS	1		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00
15	--	Subgrade Stabilization in Soft, Unstable Soils	LF	5,000	\$ 25.00	\$ 125,000.00	\$ 25.00	\$ 125,000.00	\$ 20.00	\$ 100,000.00	\$ 26.00	\$ 130,000.00	\$ 36.00	\$ 180,000.00	\$ 12.00	\$ 60,000.00	\$ 18.00	\$ 90,000.00	\$ 10.00	\$ 50,000.00
16	--	All Other Work	LS	1		\$ 874,335.00		\$ 1,000.00		\$ 500,000.00		\$ 4,200,000.00		\$ 90,000.00		\$ 25,000.00		\$ 1,000,000.00		\$ 1,000,000.00
17	--	Templeton Road Re-Alignment	LS	1		\$ 1,450,000.00		\$ 713,810.00		\$ 700,000.00		\$ 790,000.00		\$ 793,824.00		\$ 1,091,875.00		\$ 682,702.00		\$ 1,000,000.00
					TOTAL	\$ 28,550,000.00	TOTAL	\$ 22,697,100.00	TOTAL	\$ 22,749,610.00	TOTAL	\$ 23,415,260.00	TOTAL	\$ 23,496,894.00	TOTAL	\$ 23,965,736.00	TOTAL	\$ 25,493,652.00	TOTAL	\$ 26,847,800.00

Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				SJ Louis		Artukovich	
			Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount
1	All	Mobilization	LS	1		\$ 540,000		\$ 540,000		\$ 540,000
2	--	Shoring, Sheeting and Bracing for the following Units:								
2a	D	Pipeline (24-Inch) & Salinas River Crossing	LS	1		\$ 116,000.00		\$ 25,000.00		\$ 10,000.00
2b	E	Pipeline (24-Inch)	LS	1		\$ 56,000.00		\$ 9,305.00		\$ 60,000.00
2c	F	Pipeline (18-Inch)	LS	1		\$ 135,000.00		\$ 27,665.00		\$ 50,000.00
2d	T2	Paso Robles Turnout	LS	1		\$ 55,000.00		\$ 2,500.00		\$ 10,000.00
2e	T4	TCSD Turnout	LS	1		\$ 25,000.00		\$ 2,500.00		\$ 10,000.00
2f	T6	AMWC Turnout	LS	1		\$ 24,000.00		\$ 2,500.00		\$ 10,000.00
3	All	Environmental Mitigation Costs	LS	1		\$ 150,000.00		\$ 450,000.00		\$ 500,000.00
4	--	Installation of Fiber Optic Conduit & Cable System for the following Units:								
4a	D,E,F	Units D,E, F	LS	1		\$ 545,000.00		\$ 791,000.00		\$ 900,000.00
4b	T2	Unit T2	LS	1		\$ 30,000.00		\$ 328,000.00		\$ 45,000.00
4c	T4	Unit T4	LS	1		\$ 37,000.00		\$ 225,000.00		\$ 45,000.00
4d	T6	Unit T6	LS	1		\$ 19,000.00		\$ 231,000.00		\$ 45,000.00
5	D	Pipeline (24-Inch)	LF	20,845	\$ 255.00	\$ 5,315,475.00	\$ 260.00	\$ 5,419,700.00	\$ 325.00	\$ 6,774,625.00
6	D	Salinas River Crossing - Middle (24-Inch)	LS	1		\$ 4,445,000.00		\$ 2,700,000.00		\$ 2,900,060.00
7	E	Pipeline (24-Inch)	LF	9,310	\$ 280.00	\$ 2,606,800.00	\$ 260.00	\$ 2,420,600.00	\$ 310.00	\$ 2,886,100.00
8	F	Pipeline (18-Inch)	LF	27,690	\$ 231.00	\$ 6,396,390.00	\$ 205.00	\$ 5,676,450.00	\$ 294.00	\$ 8,140,860.00
9	T2	Paso Robles Turnout	LS	1		\$ 2,900,000.00		\$ 2,100,000.00		\$ 2,300,000.00
10	T4	TCSD Turnout	LS	1		\$ 1,230,000.00		\$ 750,000.00		\$ 810,000.00
11	T6	AMWC Turnout	LS	1		\$ 1,200,000.00		\$ 1,000,000.00		\$ 1,300,000.00
12	--	Allowance - Contaminated Soils	LS	1		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00
13	--	Allowance - Contaminated Groundwater	LS	1		\$ 25,000.00		\$ 25,000.00		\$ 25,000.00
14	--	Allowance - Change in Pipe Alignment or Profile Due to Utility Conflict	LS	1		\$ 200,000.00		\$ 200,000.00		\$ 200,000.00
15	--	Subgrade Stabilization in Soft, Unstable Soils	LF	5,000	\$ 25.00	\$ 125,000.00	\$ 25.00	\$ 125,000.00	\$ 15.00	\$ 75,000.00
16	--	All Other Work	LS	1		\$ 874,335.00		\$ 4,448,780.00		\$ 750,000.00
17	--	Templeton Road Re-Alignment	LS	1		\$ 1,450,000.00		\$ 1,300,000.00		\$ 842,682.00
					TOTAL	\$ 28,550,000.00	TOTAL	\$ 28,850,000.00	TOTAL	\$ 29,279,327.00

\$ 29,282,267.00

**Nacimiento Water Project
Contract 300187.08.05 - Pipeline South
Tabulation of Bid Results**

Bid Item	Unit ID	Description	Designer's Opinion of Construction Cost				Southern Cal Pipeline		Mountain Cascade		Specialty Construction		Papich		ARB		John Madonna		Teichert		
			Unit	Estimated Quantity	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	Unit Price	Bid Amount	
1	All	Mobilization	LS	1		\$ 360,000		\$ 360,000		\$ 360,000		\$ 360,000		\$ 360,000		\$ 360,000		\$ 360,000		\$ 360,000	
2	--	Shoring, Sheeting and Bracing for the following Units:																			
2a	G	Pipeline (18-Inch)	LS	1		\$ 165,000.00		\$ 36,236.00		\$ 15,000.00		\$ 60,162.00		\$ 8,300.00		\$ 168,000.00		\$ 220,000.00		\$ 640,000.00	
2b	G1	Pipeline (18-Inch)	LS	1		\$ 84,000.00		\$ 34,036.00		\$ 10,000.00		\$ 86,000.00		\$ 11,000.00		\$ 43,000.00		\$ 110,000.00		\$ 590,000.00	
2c	H1	Pipeline (12-Inch)	LS	1		\$ 52,000.00		\$ 27,636.00		\$ 5,000.00		\$ 180,000.00		\$ 16,600.00		\$ 39,000.00		\$ 100,000.00		\$ 350,000.00	
2d	T11	SLO Turnout	LS	1		\$ 9,000.00		\$ 16,236.00		\$ 2,500.00		\$ 48,000.00		\$ 11,000.00		\$ 2,000.00		\$ 70,000.00		\$ 2,000.00	
3	All	Environmental Mitigation Costs	LS	1		\$ 153,000.00		\$ 150,000.00		\$ 150,000.00		\$ 450,000.00		\$ 255,300.00		\$ 79,700.00		\$ 1,150,000.00		\$ 438,000.00	
4	--	Installation of Fiber Optic Conduit & Cable System for the following Units:																			
4a	G, G1, H1	Units G, G1, H1	LS	1		\$ 745,000.00		\$ 1,000,000.00		\$ 650,000.00		\$ 1,500,000.00		\$ 722,000.00		\$ 1,415,000.00		\$ 700,000.00		\$ 530,000.00	
4b	T11	SLO Turnout	LS	1		\$ 6,700.00		\$ 10,000.00		\$ 2,500.00		\$ 34,500.00		\$ 28,000.00		\$ 60,897.00		\$ 40,000.00		\$ 4,000.00	
5	G	Pipeline (18-Inch)	LF	36,400	\$ 215.00	\$ 7,826,000.00	\$ 210.00	\$ 7,644,000.00	\$ 199.00	\$ 7,243,600.00	\$ 184.00	\$ 6,697,600.00	\$ 145.00	\$ 5,278,000.00	\$ 230.00	\$ 8,372,000.00	\$ 192.00	\$ 6,988,800.00	\$ 225.00	\$ 8,190,000.00	
6	G	Salinas River Crossing - South (18-Inch)	LS	1		\$ 410,000.00		\$ 400,000.00		\$ 1,400,000.00		\$ 1,630,000.00		\$ 2,053,000.00		\$ 1,060,000.00		\$ 2,400,000.00		\$ 1,130,000.00	
7	G1	Pipeline (18-Inch)	LF	15,785	\$ 250.00	\$ 3,946,250.00	\$ 210.00	\$ 3,314,850.00	\$ 310.00	\$ 4,893,350.00	\$ 285.00	\$ 4,498,725.00	\$ 214.00	\$ 3,377,990.00	\$ 352.00	\$ 5,556,320.00	\$ 225.00	\$ 3,551,625.00	\$ 342.00	\$ 5,398,470.00	
8	H1	Pipeline (12-Inch)	LF	14,040	\$ 170.00	\$ 2,386,800.00	\$ 140.00	\$ 1,965,600.00	\$ 210.00	\$ 2,948,400.00	\$ 265.00	\$ 3,720,600.00	\$ 206.00	\$ 2,892,240.00	\$ 237.00	\$ 3,327,480.00	\$ 128.00	\$ 1,797,120.00	\$ 270.00	\$ 3,790,800.00	
9	T11	SLO Turnout	LS	1		\$ 450,000.00		\$ 365,000.00		\$ 350,000.00		\$ 460,751.00		\$ 380,000.00		\$ 625,000.00		\$ 460,000.00		\$ 320,000.00	
10	--	Allowance - Contaminated Soils	LS	1		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00		\$ 150,000.00	
11	--	Allowance - Contaminated Groundwater	LS	1		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00	
12	--	Allowance - Change in Pipe Alignment or Profile Due to Utility Conflict	LS	1		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00		\$ 300,000.00	
13	--	Subgrade Stabilization in Soft, Unstable Soils	LF	13,000	\$ 17.50	\$ 227,500.00	\$ 25.00	\$ 325,000.00	\$ 10.00	\$ 130,000.00	\$ 38.00	\$ 494,000.00	\$ 7.00	\$ 91,000.00	\$ 23.00	\$ 299,000.00	\$ 24.00	\$ 312,000.00	\$ 26.00	\$ 338,000.00	
14	--	All Other Work	LS	1		\$ 878,750.00		\$ 184,000.00		\$ 500,000.00		\$ 28,000.00		\$ 4,951,000.00		\$ 1,000.00		\$ 3,500,000.00		\$ 1,400,000.00	
						TOTAL	\$ 18,200,000.00	TOTAL	\$ 16,332,594	TOTAL	\$ 19,160,350.00	TOTAL	\$ 20,748,338.00	TOTAL	\$ 20,935,430.00	TOTAL	\$ 21,908,397.00	TOTAL	\$ 22,259,545.00	TOTAL	\$ 23,981,270.00

**Appendix B – UBS Memo –
Estimated Financing Results**

August 3, 2007

To: Will Clemens, SLO County Flood Control District
 Wendy Hall, SLO County Flood Control District
 John Hollenbeck, SLO County Flood Control District

cc: John Bonow, Public Financial Management
 Roan Blacker, Public Financial Management
 Brad Jacobsmeyer, Public Financial Management

From: Jeff Bower
 Frank Lauterbur
 Bruce Huang

Pages: 3

Subject: Updated Estimated Financing Results for
 Nacimiento 2007 Bonds

As requested by the County and the financing Participants in the Nacimiento Water Project, UBS has updated its sizing estimates on the following total capital costs to be financed (based on costs estimates as of August 3rd). The construction costs estimates are results as of bid spec package #5.

Participant	Reimbursement of Design Costs	Construction to Be Financed*	Total Amount of Bond Financing*
City of Paso Robles	\$7,846,339	\$53,706,823	\$61,553,162
Templeton Community Services District	490,385	5,919,087	6,409,472
Atascadero Mutual Water Company	3,923,075	29,957,499	33,880,574
City of San Luis Obispo	6,630,201	67,485,707	74,115,908
County Service Area - 10A	-	-	-
Total	\$ 18,890,000	\$157,069,115	\$175,959,115

* Amount to be financed excludes costs related to Cuesta Tunnel. Results as of after bid spec package 5. Only includes amounts for bond financing

For purposes of the numerical analyses described here, we have again followed the same assumption parameters but have updated the total amount to be financed (based on the table above). As further clarification on Key Assumptions memo that was previously provided, we have used the following parameters in our sizing analyses:

1. The portion of the 2007A bonds which pertains to the refinancing of the SLO Bond Anticipation Notes ("BANs") cannot have capitalized interest – unlike the new money money proceeds; and
2. The reserve requirement for the tax-exempt bonds are cash funded with bond proceeds; the taxable bonds (i.e. portion related to Atascadero Mutual Water Company) will utilize a surety to satisfy its reserve requirement.

For our "Base Case" scenario, we again have made a conservative assumption of current market rates increased by 30 bps in both coupon and yield. The Base Case scenario also makes the assumption that all participants utilize 100% Capitalized Interest ("CAPI") to provide additional time for each participants' rate increases to ramp up before paying debt service. As a starting point, the CAPI is assumed to be funded through December 1, 2010. A summary of the results are provided on the next page:



Base Case Scenario – Current Market + 30 bps; W/CAPI

Participant	Total Proceeds ¹	Net FY Interest Payable During Construction ²	Net FY Debt Service After Constr. Period	All-in-True Interest Cost
City of Paso Robles	\$74,058,960	\$ -	\$4,512,000	5.148%
Templeton Comm. Services Dist.	7,685,738	-	467,000	5.148%
Atascadero Mutual Water Comp.	38,960,000	-	2,875,000	6.437%
City of San Luis Obispo	87,167,256	341,750	5,333,000	5.148%
County Service Area - 10A	-	-	-	5.148%
Total	\$207,871,953			

(1) Assumes reimbursement costs are paid at time of Closing. For the capitalized interest and project funds, the proceeds are net funded. Gross proceeds of the project fund will be equal to amounts as provided in the prior table based on an assumed construction fund draw schedule (i.e. 38 level payments). Also includes debt service reserve requirement and costs of issuance.

(2) All other participants are assumed to utilize 100% CAPI during construction.

As a variation to the Base Case, Scenario 2 also assumes current market interest rates plus 30 bps but assumes each participant does not use any CAPI. A summary of the results are provided below:

Scenario 2 – Current Market + 30 bps; No CAPI

Participant	Total Proceeds ¹	Net FY Interest Payable During Construction ²	Net FY Debt Service After Constr. Period	All-in-True Interest Cost
City of Paso Robles	\$63,015,713	\$2,989,000	\$3,840,000	5.148%
Templeton Comm. Services Dist.	6,533,488	310,000	398,000	5.148%
Atascadero Mutual Water Comp.	32,315,000	2,008,500	2,384,000	6.437%
City of San Luis Obispo	75,174,484	3,587,218	4,603,000	5.148%
County Service Area - 10A	-	-	-	5.147%
Total	\$177,038,684			

(1) Assumes reimbursement costs are paid at time of Closing. For the capitalized interest and project funds, the proceeds are net funded. Gross proceeds of the project fund will be equal to amounts as provided in the prior table based on an assumed construction fund draw schedule (i.e. 38 level payments). Also includes debt service reserve requirement and costs of issuance.

(2) Assumes no capitalized interest for all participants.

To quantify the “cushion” of adding 30 bps to current market levels, we also have performed a Scenario 3 which essentially is identical to the Base Case Scenario, but excluding the 30 bps cushion. The assumptions otherwise are the same as the Base Case Scenario in that all participants, with the exception of CSA-10A, utilize CAPI during the construction period.

Scenario 3 – Current Market; W/CAPI

Participant	Total Proceeds ¹	Net FY Interest Payable During Construction ²	Net FY Debt Service After Constr. Period	All-in-True Interest Cost
City of Paso Robles	\$73,429,380	\$ -	\$4,337,000	4.843%
Templeton Comm. Services Dist.	7,617,676	0	450,000	4.843%
Atascadero Mutual Water Comp.	38,745,000	0	2,768,000	6.128%
City of San Luis Obispo	86,546,392	322,880	5,130,000	4.843%
County Service Area - 10A	-	-	-	4.843%
Total	\$206,338,448			

(1) Assumes reimbursement costs are paid at time of Closing. For the capitalized interest and project funds, the proceeds are net funded. Gross proceeds of the project fund will be equal to amounts as provided in the prior table based on an assumed construction fund draw schedule (i.e. 38 level payments). Also includes debt service reserve requirement and costs of issuance.

(2) All other participants are assumed to utilize 100% CAPI during construction.



In comparison to the Base Case Scenario, we compare Scenario 3's average net debt service after the construction period below to provide an indication of 30 bps in dollar figures.

Participant	<u>Base Case Scenario:</u> <u>Current Market + 30 bps</u> Net FY Debt Service After Constr. Period	<u>Scenario 3:</u> <u>Current Market</u> Net FY Debt Service After Constr. Period	Difference
City of Paso Robles	\$4,512,000	\$4,337,000	\$175,000
Templeton Comm. Services Dist.	467,000	450,000	\$17,000
Atascadero Mutual Water Comp.	2,875,000	2,768,000	\$107,000
City of San Luis Obispo	5,333,000	5,130,000	\$203,000
County Service Area - 10A	-	-	\$0