

EXHIBIT "B"

CSA 16 (Shandon) - State Water Turnout Project

Project Budget Comparison - Original vs. Current

| Project Item | Original Budget Estimate - Jan 2011 | Current Budget Estimate - Aug 2012 | Difference | Reason for Difference |
|--|-------------------------------------|------------------------------------|--------------------|--|
| Project Development | | | | |
| Preliminary Engineering | \$5,000 | \$5,000 | \$0 | N/A |
| Design ¹ | \$57,000 | \$60,000 | (\$3,000) | Current cost reflects actual design proposals from CCWA and AECOM (CCWA's design consultant) |
| Environmental | \$5,000 | \$5,000 | \$0 | N/A |
| Project Management | \$16,000 | \$18,000 | (\$2,000) | Extra staff time to coordinate and process CCWA Utility Reimbursement Agreements |
| DWR Review/Inspection Fees ² | \$0 | \$45,000 | (\$45,000) | Costs unknown at time of original estimate. Current costs based on conversations with DWR and CCWA |
| Construction | | | | |
| Construction | \$227,000 | \$262,000 | (\$35,000) | Original estimate reused existing equipment from 1995 construction. Equipment is now obsolete. |
| Chloramine Treatment Upgrades ³ | \$10,000 | \$32,000 | (\$22,000) | Preliminary engineering shows additional equipment will be needed to upgrade treatment to chloramine |
| Construction Management | \$59,078 | \$70,000 | (\$10,922) | Extra staff time needed to provide for some County inspection in addition to CCWA management |
| Total Estimate | \$379,078 | \$497,000 | (\$117,922) | |

1 of 1

¹ Current design cost includes CCWA design management and coordination with DWR

² Fees required by DWR to initiate a turnout and to review design and inspect construction

³ Free chlorine treatment systems at existing wells need to be upgraded to match DWR chloramine treatment for health and safety of community