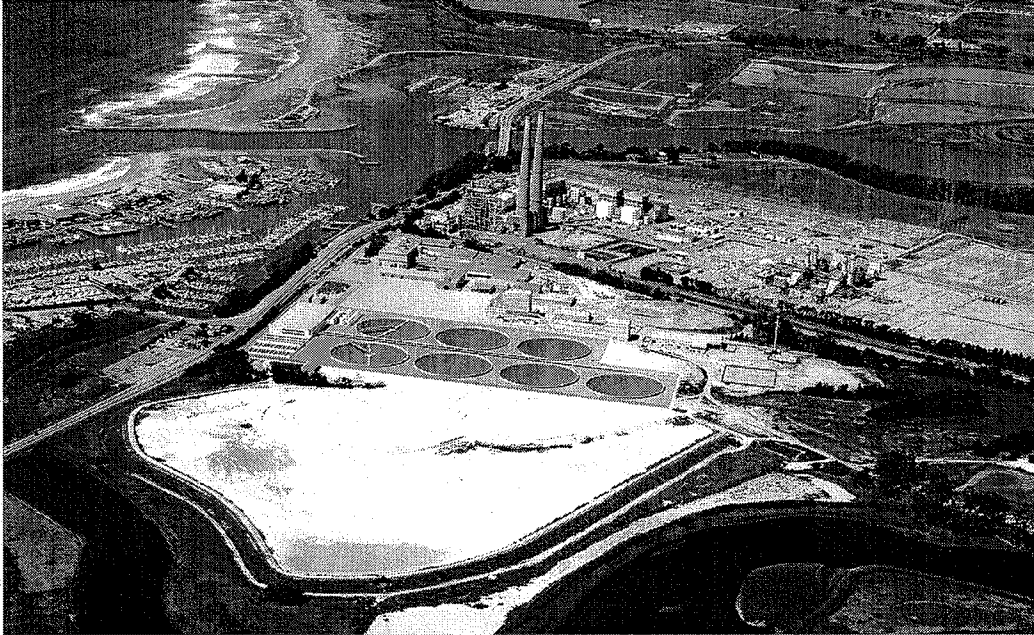


**EXHIBIT 12-E**

# **MONTEREY BAY REGIONAL DESALINATION PROJECT**



## **CONCEPTUAL DESIGN REPORT**

**Pajaro/Sunny Mesa Community Services District  
In Cooperation with  
Poseidon Resources Corporation**

**April, 2006**

## CHAPTER 4

### PROJECT COSTS

#### CAPITAL COSTS

The project capital costs are all inclusive costs for project development, permitting, design, construction, start up and commissioning. All costs are in 2006 dollars. A breakdown of these costs is presented in Table 7.

**TABLE 7 – PROJECT CAPITAL COSTS INITIAL ESTIMATE**

| <b>Construction Costs – Desalination Plant</b>            |                      |
|---|----------------------|
| <b>Site Improvements</b>                                  |                      |
| <b>Seawater Intake Facilities</b>                         |                      |
| <b>Pretreatment System</b>                                |                      |
| <b>SWRO System</b>  |                      |
| <b>Permeate Conditioning and Disinfection Facilities</b>  |                      |
| <b>Waste Stream Management Facilities</b>                 |                      |
| <b>Instrumentation, Monitoring and Control System</b>     |                      |
| <b>Electrical Supply System</b>                           |                      |
| <b>Service and Support Facilities</b>                     |                      |
| <b>Yard Piping</b>  |                      |
| <b>Other Construction Costs</b>                           |                      |
| <b>Engineering, Construction Management and Oversight</b> |                      |
| <b>Permitting</b>   |                      |
| <b>Financing</b>  |                      |
| <b>Startup and Commissioning</b>                          |                      |
| <b>Contractor Fees, Insurance and Bonding</b>             |                      |
| <b>Other Indirect Costs</b>                               |                      |
| <b>Contingencies</b>                                      |                      |
| <b>Total Capital Costs</b>                                | <b>\$130,000,000</b> |