

ATTACHMENT 1

**McCook CUP Reservoir  
Contract 73-161-EH: McCook Reservoir Excavation Agreement  
Mining Costs - January 2012**

**Summary of Hard Costs**

Agreement Reference	Description	Estimate Reported 6/1/11	Latest Estimate	Paid as of December 2011
8.3.A.	Incremental Electric Costs	\$2,500,000	\$2,500,000	\$524,175
8.3.B.	Crusher System Moves	\$3,485,123	\$3,485,123	\$0
8.3.C.1.	Incremental Conveyance System Maintenance & Repair	\$9,965,000	\$9,965,000	\$289,023
8.3.C.2.	Incremental Conveyance System Energy	\$4,500,000	\$4,500,000	\$222,429
8.3.D.	Start-Up Equipment Rentals (starter pit)	\$3,000,000	\$3,000,000	\$2,656,276
8.3.E.	Pre-Splitting	\$11,800,000	\$11,800,000	\$4,487,770
8.3.F.1.&2.	Short-Bench Mining - Non-Developmental	\$700,000	\$700,000	\$242,395
8.3.F.3.	Short-Bench Mining - Developmental	\$1,750,000	\$1,750,000	\$351,691
8.3.F.4.	Short Bench Mining Materials	\$800,000	\$800,000	\$0
<b>8.3.G.</b>	<b>Additional Administration</b>	<b>\$2,585,000</b>	<b>\$3,085,000</b>	<b>\$2,062,135</b>
8.3.H.	Removal of Deleterious Material	\$1,000,000	\$1,000,000	\$80,428
8.3.I.	Incremental Insurance	\$1,000,000	\$3,000,000	\$1,006,717
8.3.J.	Performance Bond	\$1,000,000	\$1,000,000	\$243,956
<b>8.3-1</b>	<b>Other - Conveyor Pad</b>	<b>\$700,000</b>	<b>\$671,380</b>	<b>\$671,380</b>
<b>8.3-2</b>	<b>Other - Rock Trench and Site Preparation</b>	<b>\$6,300,000</b>	<b>\$5,862,611</b>	<b>\$5,862,611</b>
8.3-3	Other - Road Base and Stemming Material	\$2,000,000	\$2,000,000	\$580,338
8.3-4	Other - Tires for Mining Trucks	\$700,000	\$700,000	\$578,112
8.3-5	Other - IDOT Certification	\$150,000	\$150,000	\$67,620
8.3-6	Other - Reimbursement for Crusher Liner Plates <sup>1</sup>	\$43,956	\$43,956	\$43,956
8.3-7	Other - Miscellaneous Start-Up Mining Work	\$3,464,877	\$3,464,877	\$3,193,482
<b>8.3-8</b>	<b>Other - Parking Lot Retaining Wall and Modification</b>	<b>\$900,000</b>	<b>\$388,447</b>	<b>\$270,721</b>
<b>8.3-9</b>	<b>Other - Groundwater Pumping System</b>	<b>\$0</b>	<b>\$379,000</b>	<b>\$0</b>
<b>Total</b>		<b>\$58,343,956</b>	<b>\$60,245,394</b>	<b>\$23,435,215</b>

<sup>1</sup> MWRD was reimbursed this amount from Metso, who supplied the original crusher liner plates.

**Summary of Capital Costs**

Agreement Reference	Description	Estimate Reported 6/1/11	Latest Estimate	Paid as of December 2011
9.3.A.	Electrical Supply Systems <sup>3</sup>	\$3,890,275	\$3,890,275	\$3,890,275
9.3.B.	Crushing Systems <sup>4</sup>	\$9,524,783	\$9,524,783	\$9,524,783
9.3.C.	Rock Conveyance System <sup>5</sup>	\$10,918,678	\$10,918,678	\$10,918,678
<b>9.3.D.</b>	<b>Groundwater Pumping System</b>	<b>\$379,000</b>	<b>\$0</b>	<b>\$0</b>
9.3.E.	Mobile Equipment Fleet Costs	\$16,094,827	\$16,094,827	\$16,094,827
9.3.F.	Office, Change and Maintenance Facilities <sup>6</sup>	\$6,230,370	\$6,230,370	\$6,230,370
<b>Total</b>		<b>\$47,037,933</b>	<b>\$46,658,933</b>	<b>\$46,658,933</b>

	Latest Estimate	Paid as of December 2011
<b>Total Mining Costs</b>	<b>\$106,904,327</b>	<b>\$70,094,148</b>