



March 13, 2009

Mr. Dave Winslow
Wastewater Treatment Superintendent
City of Salisbury
Salisbury, Maryland

RE: Proposal for Process Engineering and Operations Assistance

Dear Mr. Winslow:

Thank you and everyone for your time yesterday to discuss your wastewater treatment plant situation. It is a very interesting, but obviously very disappointing position to be in at this time.

It sounds like your treatment plant has been plagued with both process and physical/mechanical problems since start-up. I would be pleased to assist you with a problem definition and resolution project to define and resolve your treatment plant problems. As we discussed, I have extensive experience providing these types of services for wastewater treatment plants, including fixed film biological treatment projects. You can find more information on THE STOVER GROUP, including my resume, on our website at www.stovergroup.com. My cell phone number is (405) 880-0658. I specialize in performing the types of process engineering and functional operational projects needed to resolve your treatment plant problems. I can provide references if you would like to discuss my experience and performance in more detail with my clients. I am proposing a three-phased approach based on your specific needs, as discussed in more detail in this proposal.

I propose the following Phase I Process Engineering and Functional Operational scope of services for defining your treatment plant problems and developing a solution to resolve these problems:

- Information and data collection and review
- Site visit
- Operator interviews
- Detailed data analysis
- Process engineering evaluation
- Functional operational evaluation
- Problem definition

- Specific recommendations
- Report with results, conclusions, and recommendations

I propose the following Phase II Start-Up, Operator Training, and Operations Assistance scope of services for getting your treatment plant in compliance:

- Troubleshooting
- Provide operations advice and assistance
- Operator training (including a site visit(s))
- Routine data analysis, monitoring, and evaluations

I propose the following Phase III Expert Witness and Litigation scope of services, as may be needed:

- Assistance with discovery, etc.
- Depositions, as may be needed
- Testimony, as may be needed

My process engineering and operational consulting rate is U.S. \$250.00 per hour. My expert witness and litigation services rate is U.S. \$400.00 per hour. It is difficult to estimate total project costs for a situation like you have in Salisbury. I propose that you consider a starting budget of around U.S. \$20,000.00 to complete the Phase I scope. I believe that this budget would also include some preliminary services to get the Phase II scope started as well (excluding the site visit(s) and operator training). I propose that we work together to coordinate and manage the scope and costs on a time and materials basis. THE STOVER GROUP invoices on a monthly basis. Payment for goods and services incurred are due upon receipt of invoice. All remuneration must be remitted in U.S. Dollars. Past due accounts are subject to a finance charge of 1 and 1/2 % per month (equivalent annual rate of 18 %). Finance charge applies on all unpaid accounts over 30 days.

Thank you for your time and the opportunity to present this proposal. I look forward to the possible opportunity to help you resolve your treatment plant problems. If you have any questions, please contact me.

Sincerely,

Enos L. Stover, Ph.D., P.E., BCEE
President