

ATTACHMENT 1



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Tuesday, May 18, 2010

Juan Mancha
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Prescott Valley, AZ 86314
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Reference: 1700 Gallon Magnesium Hydroxide Storage and Delivery System
Quotation # AMS236Q1

Dear Juan:

I recently met with Mark Kieren to review the lift station where you are considering adding a Magnesium Hydroxide Chemical Storage and Delivery System. Our proposal will be a turnkey proposal including equipment supply, installation, start-up services and operator training. The basic equipment items and installation services are supplied below. The specific details of the equipment items will be supplied at the engineering submittal stage should a purchase order be placed with us. The engineering submittal will include cut sheets on all major components and CAD Drawings for the control panel including wiring diagrams, Bill of Materials and control panel layout. Current lead times are 2 – 3 weeks for engineering submittal drawings and 8 – 10 weeks for delivery after release to production. The installation will take a minimum of two days on site with unrestricted access between 7 AM and 7 PM

To assist you in locating the information you require, here is a listing of the quotation sections:

- 1.0 1700 Gallon Magnesium Hydroxide Delivery and Storage System
- 2.0 Installation Task
- 3.0 Operator Training
- 4.0 Terms & Conditions
- 5.0 Ordering Instructions

Please note that our proposal includes the accessories and features that we discussed for your project. In an effort to help you "Complete Your Tank Project", we have attached two sheets of recommended options for your consideration. *Please note that flexible connections are necessary to maintain the factory warranty on your tank.*

We appreciate this opportunity to quote to your magnesium hydroxide storage and delivery requirements and look forward to working with you on this project. Please call when I can provide you with any additional or more detailed information.

Sincerely,

Dan Adner

Dan Adner
Core-Rosion Products
dan@core-rosion.com

Enc: "Complete Your Tank Project" Recommended Options

1.0 1700 Gallon Magnesium Hydroxide Delivery and Storage System (all items delivered and installed as described below). . . \$33,900

1.1 Tank Specifications

<ul style="list-style-type: none"> • 1700 gallon crosslinked polyethylene storage tank with a 1.9 specific gravity design, 304 SS cabling restraint system for anchoring to eyelets (by Prescott Valley).
<ul style="list-style-type: none"> • Thermostatically controlled 60 degree heat trace and insulation package designed to keep the tank contents at 50 degrees F at negative 10 degrees ambient temperatures. The package is factory installed and includes 2" of insulation with a white mastic coating.
<ul style="list-style-type: none"> • Mixer Bridge – carbon steel powder coated blue.
<ul style="list-style-type: none"> • Mixer - 2 HP – 3 phase , Vertical Design configured for Magnesium Hydroxide, All wetted parts are 316 SS.
<ul style="list-style-type: none"> • Peristaltic Hose Pump – Supplied with a Variable Speed Drive and capable of pumping from 0 – 70 gallons/day of Magnesium Hydroxide at 70 psi.
<ul style="list-style-type: none"> • Spare Hose – 50 ft (enough for two years operation).
<ul style="list-style-type: none"> • Pump Stand/shelter – pump to be elevated 3" off the cement foundation with a stainless steel shelter.
<ul style="list-style-type: none"> • Pump Shelter to be heat traced.
<ul style="list-style-type: none"> • Control Panel – stainless steel NEMA 4X Cabinet with the following features: two – H-O-A switches, run lights, timers for both the pump and mixer, External Outlets for heat tracing plug in systems, 2 Hp motor starter, fuse and breaker protection for all components, lockable cabinet door.
<ul style="list-style-type: none"> • Stainless Steel Control Cabinet Pedestal
<ul style="list-style-type: none"> • Interconnecting piping, fill line assembly including ball valve, quick disconnect and cap installed over the fence and down the fence exterior for delivery truck access, flushing loops for tank and pump discharge, hose bib connection including valves.
<ul style="list-style-type: none"> • Piping from the tank to the pump to the wet well will be heat traced with strips designed to switch on at 38 degrees F and off at 45 degrees F.
<ul style="list-style-type: none"> • Wiring, conduit, anchor bolts, Unistrut and miscellaneous fittings to complete the installation.

2.1 Installation Tasks

<ul style="list-style-type: none">• Delivery of all equipment items
<ul style="list-style-type: none">• Crane rental for unloading the tank, mixer and locating on the customer supplied tank pad.
<ul style="list-style-type: none">• Install mixer gear drive, shaft and impeller.
<ul style="list-style-type: none">• Anchor and install control panel pedestal.
<ul style="list-style-type: none">• Run both single and three phase power from customer control panel to Magnesium Hydroxide Control Panel.
<ul style="list-style-type: none">• Run and install conduit along curb to tank cabling unistrut support.
<ul style="list-style-type: none">• Wire the tank, mixer, pump and heat tracing.
<ul style="list-style-type: none">• Install pump, interconnecting piping, heat tracing and enclosure.
<ul style="list-style-type: none">• Set up flushing loops to flush from the pump back into the tank and from the pump into the wet well.
<ul style="list-style-type: none">• Set up the fill line assembly that will be outside the fence and convey Magnesium Hydroxide into the tank dome.
<ul style="list-style-type: none">• Anchor the tank using cables and customer supplied anchors.

3.1 Operating Training

<ul style="list-style-type: none">• Work with operators to both move hose inside pump head and to completely replace hose.
<ul style="list-style-type: none">• Review operation of all control panel features.
<ul style="list-style-type: none">• Review operation of heat tracing and maintenance items.
<ul style="list-style-type: none">• Review operation of flushing loops
<ul style="list-style-type: none">• Transfer of all Operation and Maintenance Manuals and Drawings to operator.

2.0 Terms & Conditions – General

Drawings	2-3 weeks ARO (if required)
Shipment	8-10 weeks ARAD (standard)
Manufacturer's Warranty	1 year
FOB Point	Jobsite
Prices Effective	30 days
Freight	Not included unless otherwise indicated
Sales Tax	Not included unless otherwise indicated
Sales Tax	Will be charged unless a resale card is on file (CA & AZ)
Terms	25% with order, balance net 20 days after shipment - OAC
Cancellation Charges	10% after order placement 25% after submittal of drawings 50% after receipt of approved drawings 75% after fabrication commences 100% after fabrication is 50% complete
Credit Card Payment	Visa / MC / Amex accepted (4% fee will be added to cost)
Preliminary Lien	Standard procedure when equipment is purchased for resale

3.0 Ordering Instructions

Core-Rosion Products 3395 E. 19th Street Signal Hill, CA 90755 (562) 986-5238 FAX 986-5246 Attention: Dan Adner
