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Request for Proposal for

Menasha Utilities

Menasha, WI

for

Option 1: Resume Operation of River Street Power Plant
Option 2: Purchase Equipment / Building / Land from River Street Power Plant

August 26, 2013

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Menasha Utilities
Menasha, Wisconsin

Request for Proposals
Option 1: Resume Operation of River Street Power Plant
Option 2: Purchase Equipment/Building/Land from River Street Power Plant

Notice of Intent to Bid Due: September 20, 2013
Proposals Due: November 8, 2013

Introduction

Menasha Utilities (MU or Utility) is seeking a party to purchase its River Street Power Plant which has electric generation and steam production capabilities. The transaction can either be structured as a purchase of the facilities with the intent of continued operation, or as a transaction with the intent to purchase the facilities including the equipment, building, and land. The equipment purchase option could either be for the purpose of being used in another application, or for salvage value. This Request for Proposal (RFP) is seeking to identify parties interested in either option. The timeline and process is structured to allow parties to indicate interest in the project and also include adequate time for parties to perform necessary due diligence before proposing on the transaction.

Background Information

In 1912, the City installed a 225 hp. diesel-generating unit and began furnishing electric light and power for domestic and commercial purposes. In 1913, another 225 hp. diesel unit was added to meet increasing demands. The continuing demand for electricity resulted in the installation of a 600 kW generator in 1930. The total capacity of the plant at that time was 3.6 MW.

The first two River Street steam turbines went on line in 1949 and were rated at 4 MW each. This provided the Utility with additional capacity for maintenance outages and emergencies. A third unit, with a rated capacity of 7.5 MW, was built in 1956; and another unit with a capacity of 13.68 MW was installed in 1963. The total present day capacity of the River Street Power Plant is at 24.3 MW.

The major industry in Menasha is the pulp and paper industry which uses significant amounts of both electric power and industrial steam. This pulp and paper production in Menasha is an important part of the economy and culture.

Starting in 2004, the Utility invested over $40 million in rebuilding boilers, upgrading controls, refurbishing turbines and equipment, installing a new turbine, installing a steam/condensate system, as well as the environmental upgrades listed below. The reason for the upgrade to the system was to create a co-generation facility and provide steam to industrial customers in Menasha who were using natural gas-fired boilers to generate steam for production.

With the significant increases in natural gas prices during that period, there became greater interest in evaluating alternatives for supplying steam for the mills. To reduce steam production costs, MU proposed to supply steam to the paper mills from the Menasha Power Plant. In order to facilitate the transaction, MU constructed new steam and condensate pipelines to three mills. To make the steam supply system as efficient as possible, MU also installed a new back pressure steam turbine to reduce the high pressure steam from the existing boilers to a pressure suitable for the mills. With these changes, the River Street Plant became a high efficiency combined heat and power (CHP) plant with the thermal efficiency increasing from approximately 25 to more than 70 percent. Power sales to Midcontinent Independent System Operator (MISO) began in April 2006, and CHP plant operations provided both industrial steam and electric generation output for the period from June 2006 through October 2009. The economics of providing steam to the plants from the CHP facilities became more challenging with the decrease of natural gas prices, and the plant was no longer economic to continue.

Future Operational Considerations

The electric output from the Menasha facility can be sold in the MISO market, and the Utility is willing to assign the interconnection agreement to allow the transaction to occur. The electric output cannot be sold to Menasha directly. In addition, the steam distribution facilities are still intact, and currently only two of the three customers expressed interest in steam for their production. The 5 to 35 kV switchgear will remain at the facility for continued operations; however, it would be removed if the intent is purchasing the plant for scrap or resale.

Plant Environmental Improvements

In an effort to reduce air emissions, MU made several improvements to the facility. First, MU began using a very low sulfur Powder River Basin (PRB) coal. To better accommodate this coal, MU also improved the existing coal handling system. These improvements reduced coal handling fugitive dust emissions by eliminating outdoor coal unloading, storage, and handling. Next, MU replaced the existing electrostatic precipitators on Boilers 3 and 4 with high efficiency fabric filter baghouses. MU also made upgrades to the ash handling systems to reduce fugitive emissions.

Environmental Compliance Issues

In June 2009, the United States Environmental Protection Agency served Menasha Utilities with a Notice of Violation and Finding of Violation alleging that certain activities performed at the steam utility were undertaken without proper authorizations under the Clean Air Act. The City of Menasha and Menasha Utilities have contested the alleged violations and are communicating with the EPA in an attempt to work out a resolution to these environmental issues in a cooperative fashion.

Boilers

The Menasha Utilities River Street Plant Boilers 3 and 4 are of similar design. The general design specifications for these boilers are summarized in the following Table l.

Both Boilers 3 and 4 are industrial type steam generators housed inside a masonry tile block and brick building. The boilers are field erected, two drum, bent tube, natural circulation, water tube Stirling power boilers with water-walled furnaces and superheaters. The boilers can be further classified as overfeed, spreader stoker-fired boilers with traveling grate ash removal. The draft system of the boilers is a balanced draft system operating at a slightly negative pressure of approximately 0.15 inches of water column. The boilers also utilize fly ash re-injection as well as internal mechanical dust separators, tubular air heaters, and economizers. The ID fans are located on the hot side of the flue gas stream between the boiler and the current fabric filter baghouse which was upgraded from an electrostatic precipitator. The baghouse is designed with a separate chamber for each boiler and crossover capabilities to facilitate on line maintenance. The outlet of each chamber discharges to a common stack. Menasha Utilities River Street Plant Boilers 3 and 4 are industrial stoker-fired boilers. These boilers were originally designed to fire high sulfur, high Btu Illinois Basin coals. These boilers have a

combined total heat input capacity of 316 mmBtu per hour.

Table 1		
Boiler Units		
	Boiler #3	**Boiler #4**
Service Date	1956	1964
Manufacturer	Springfiled Boiler Company	Rile Stoker Corporation
Boiler Type	Stirling Power Boiler Water Tube	Stirling Power Boiler Water Tube
Firing Type	Overfeed - Spreader Stoker Traveling Grate	Overfeed - Spreader Stoker Traveling Grate
Heat Input Capacity, mmBtu/hr	131	202
Steam Capacity (lbs/hr)	90,000	130,000
Steam Pressure	725	875
Furnace Volume (Cn Feet)		6150
Air Heater Type	Tubular	Tubular
Overfire Air	Front Upper-Rear Upper & Lower	Front Upper-Rear Lower

Boilers 1 and 2 are still located in the facility; however, they were decommissioned and have not operated since the early 1980s.

Boiler Units		
	Boiler #1	**Boiler #2**
Service Date	1946	1949
Manufacture	Wickes	Wickes
Firing Type	Stoker	Stoker
Steam Capacity (lbs/hr)	75,000	75,000
Steam Pressure	625	625

Turbine/Generating Units

The Menasha Utilities River Street Turbines 3 and 4 are condensing turbines with multi-staged extractions available. The general design specifications for these boilers are summarized in Table 2 below.

Turbine 5 is a backpressure unit with a pressure of 250 psig, an inlet pressure of 850 psig, and induction pressure of 650 psig. The general design specifications for these boilers are also summarized in Table 2.

Table 2			
Turbine / Generating Units			
	Unit #3	**Unit #4**	**Unit #5**
Turbine			
Manufacturer	Worthington	Worthington	Dresser Rand
Service Date	1956	1964	2006
Pressure (psig)	600	850	850/600
Temperature (°F)	620	902	902/620
Flow (lbs/hr)	90,000	130,000	130,000/90,000
Speed (rpm)	3600	3600	6000
Type	Condenser	Condenser	Back Pressure
Generator			
Manufacturer	Electric Machinery	Electric Machinery	GEVISA
KVA	9375	16094	8235
Voltage	4160	13800	13800
Ampere	1300	673	345
Power Factor	0.8	0.85	0.85
KW	7500	13680	6999
Speed	3600	3600	1800

Current Plant Environmental Permits

The River Street Plant has the following permits in place, including a description of the expiration date of the permits:

1. Wisconsin State Department of Natural Resources - Air Pollution operational control permit - Expires December 27, 2017
    a. Permit tied into Consent Decree and Judgment Case No 09-C-122
    b. Emission Limits:
        i. 0.30 lb/mmBtu of particulate emissions.
        ii. Coal or those fuel sources provided for in the permit are the only fuel that can be used at the facility
        iii. Opacity - 20% or number 1 on the Ringlemann Chart except during startup and shutdown.
        iv. If coal usage if greater than 25,000 tons/year - continuous opacity monitoring is required.
        v. Maximum of 2.35 lb/mmBtu of SO2.
        vi. Fugitive dust emissions - not allowing any dust to become airborne.
        vii. 20% opacity limit.

viii. No emissions of contaminates including the Wisconsin Administrative Code 445.07 Table A: http://docs.legis.wisconsin.gov/code/admin_code/nr/400/445.pdf

c. The copy of the permit is attached to the RFP.

2. Wisconsin Department of Natural Resources - Industrial Storm Water Discharge Permit Coverage dated August 15, 2011.
3. Wisconsin Department of Natural Resources - Interim for Water Withdrawal from the Great Lakes Basin – dated July 30, 2010.
4. Wisconsin Department of Natural Resources - Permit to Discharge – Expiration September 30, 2014.
5. City of Menasha - Significant Sewer Discharge Permit,

Copies of the permits (2-5) are available upon request.

Boiler Water Pretreatment System

With the conversion from a total condensing generation facility to a CHP plant, there was a need to supply the make-up water to the condensate system from a normal operation of 20-30 percent and up to 100 percent for abnormal operations. A General Electric Water & Process Technologies (GE) water pretreatment system was installed, to supply up to 100 percent of water requirements for Boilers 3 and 4. **The water treatment equipment was leased from GE, and the lease was terminated in 2009. The equipment is still in place; however, it is not the property of the City of Menasha.** Discussions with GE have indicated that any future owner of the plant could work with GE to determine a lease or ownership arrangement.

The system main pieces of equipment are: three parallel Multi Media Filters, two parallel Reverse Osmosis Machines, three Mixed Bed Deionizer, two finished water storage tanks, and an Allen-Bradley SLC505 control system. The individual major pieces of equipment of the system are shown in Appendix 1.

Transaction Approach

Notice of Intent to Bid

The Request for Proposal (RFP) process is designed to first determine if there is interest in continuing operation of the facilities, or if there is only interest in purchasing plant for salvage or resale of components. There will be a period of due diligence and information gathering for all parties expressing interest, and then a period when Menasha will determine the preferred party to move ahead with in contract negotiations.

Options of Providing Notice of Intent to Bid

Parties must indicate interest in either one or both of the following options:

1. Intent to continue plant operations - Include discussion of what is envisioned of desiring to provide electric generation only, or as a unit in providing steam to the industrial customers. Also provide indication if there is interest in converting the plant to another fuel including biomass.
2. Intent to purchase plant equipment building / land - Equipment will either be purchased for reuse or for salvage value. Interest and capabilities of being able to provide environmental cleanup for known issues should also be stated if this is likely to be included in the proposal.

The Notice of Intent to Bid is not binding and is intended to provide an indication of the type of interest in the facility and also to describe the plan on how the transaction can be pursued.

See attached Response Package in order to fill out Sections I-III for the Notice of Intent to Bid and the remaining sections for the full Proposal.

Schedule

Activity	Date
Issue RFP	August 26, 2013
Data Gathering / Initial Due Diligence	August 26- September 20, 2013
Tours of Plant Scheduled	September 9-20, 2013
Parties Provide Written Questions	September 9, 2013
Menasha to Publish Response to Written Questions	September 13, 2013
Notice of Intent to Bid	**September 20, 2013**
RFP Response Package Due (5 PM Central Time)	**November 8, 2013**
Short-list Proposals	December 31, 2013

Criteria for Reviewing Proposals

1. Clarity of the proposed plan to either operate or purchase plant equipment.
2. Experience of the firm in completing the type of plan that is being proposed.
3. Pricing and pricing approach.

Proposal Responses and Inquiries

Please direct any questions and send proposals to the Menasha Official Contact below.

Official Contact:

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Power System Engineering, Inc.
10710 Town Square Drive NE, Suite 201
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Appendix 1

- One (1) – Multi Media Filter System
  - Three (3) – Multi Media Filters
  - Each 72" dia x 60" SSH, 100 psig ASME Code Stamped
  - Each 42 FT^3 Anthracite, 14 FT^3 Gamet, 28 FT^3 Sand, 28 FT^3, Sand Subfill
  - Each Normal Service Flow Rate 111 GPM and 220 GPM Peak
  - Each Normal Flux Rate 7.8 GPM/FT^3, and 3.9 GPM/FT^1 Peak

- One (1) – Coagulant Feeder System
  - Two (2) – Pumps (2 x 100%)
  - Each 4 GPD at 100 psig

- One (1) – Acid Feeder System
  - Two (2) – Pumps (2 x 100%)
  - Each 6 GPD at 100 psig

- One (1) – Antiscalant Feeder System
  - Two (2) – Pumps (2 x 100%)
  - Each 5 GPD at 100 psig

- One (1) - Sodium Bisulfite Feeder System
  - Two (2) – Pumps (2 x 100%)
  - Each 10 GPD at 100 psig

- One (1) – Reverse Osmosis System
  - Two (2) – GE OSMO Pro-300 Reverse Osmosis Machines
  - Each 6-4-2 Array, 304L SS Housings, 72 Membranes
  - Each 75 HP, 3600 RPM, 460/3/60 TEFC Feed Pump Motor
  - Each 333 GPM at 693 FT TDH Feed Pump
  - Each 300 GPM Pennate Flow & 100 GPM Concentrate Flow, at 70-80% Recovery.

- One (1) – Mixed Bed Deionizer System
  - Three (3) - Mixed Beds
  - Each 48" dia x 90" SSH, !50 psig ASME Code Stamp
  - Each 20 FT3 Cation Resign, 30 FT^3 Anion Resign
  - Each Service Flow Rate 250 GPM
  - Each Flux Rate 20.7 GPM/FT^2
  - Each Flow Rate/Resign Rate of 4.9 GPM/FT^3

- One (1) – Treated Water Storage
  - Two (2) – Storage Tanks
  - Each 144" dia x 424" SSH
  - Each 30,000 Gallon Capacity
  - Each FRP Construction, I" Fiberglass Insulation, Aluminum Cladding
  - Each Tank Heater

- One (1) – Treated Water Forwarding System
  - Two (2) – Forwarding Pumps
  - Each 300 GPM at 200FT TDH
  - Each 30 HP, 3600 GPM, 460/3/60 TEFC Motor

- One (1) - Amine Cycle Condensate Polisher System
  - Two (2) - Amine Polishers
  - Each 42" dia x 72" SSH, 100 psig ASME Code Stamped
  - Each 28 FT^3 Resin
  - Each Service Flow Rate xx GPM
  - Each Flux Rate xx GPM/FT^2
  - Each Flow Rate/Resign Rate of xx GPM/FT^3

- One (1) - Sulfuric Acid Storage System
  - 66" dia x 132" Height
  - 2,000 gallon capacity
  - Carbon Steel Construction

- One (1) - Sulfuric Acid Metering System
  - Two (2) – Metering Pumps
  - Each 24 GPH at 100 psig
  - Each 0.5 HP, 1750 RPM, 460/3/60 TEFC Motor

City of Menasha, Wisconsin

Summary of Proposals

Option 1: Resume Operation of River Street Power Plant
Option 2: Purchase Equipment / Building / Land from River Street Power Plant

February 25, 2014

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Web Site: www.powersystem.org

Power System Engineering has been retained by the City of Menasha Wisconsin to write an Request for Proposal seeking a party to either resume operation of the Combined Heat and Power facility, or to purchase the facility for the purpose of selling the equipment for reuse or salvage. The City has stated that their first choice is to get the facility back in operation, rather than sell the plant for reuse or salvage.

PSE drafted the RFP based on the information provided by the City and sent out the RFP to two main areas of contacts 1) power marketing contacts that are in the primary business of buying and selling energy, and making purchases of assets. 2) a number of parties in the arena of salvage.

There were a total of five proposals received within the timeframe of November 2013, and one proposal received later. There was a follow-up questionnaire designed to provide clarity on what is included in the proposals, and is useful to help provide some clarity.

Proposals received are the following and include a brief description to distinguish

1) Stuart Millner and Associates – Salvage/sale only
2) Surplus Investment Group – Salvage/Sale
3) Interstate Construction Services – Salvage/Sale
4) AIM Development USA - Salvage/Sale
5) Environmental Plant Services – Asbestos removal only
6) American Energy Holdings – Most recent Proposal - Purchase Entire Facility

There some entities who provided a notice of intent to bid, and showed interest in the project, and there may be a chance where these contacts are useful in the future:

1) Phoenix Equipment – They provided a response when asked if they were going to provide a proposal by saying that they were not going to provide a proposal because an asbestos survey has not been performed.
2) MRD Group – Conversations with MRD indicate they have an interest in putting in a bid of showing the costs of performing the asbestos survey, and salvaging the plant equipment. The bid would include a range of a net dollar positions that they will commit to showing a high and low extreme.
3) Rainbow Energy – showed some interest in developing the plant into a biomass facility and they haven't communicated with us for over six weeks
4) Alan Kern – SPC Global - We have received a number of phone calls but never a proposal, and Mr. Kern has expressed an interest in buying equipment, but is looking for the City to state a price for the equipment. It might be worth passing this contact along to anyone buying the plant to see if it would help to find another buyer for the equipment.
5) The city also received an indication of interest from Northstar Export about possibly putting in a proposal.

Initial comments

1) The parties that have provided proposals are ready to start finding buyers for the equipment as soon as possible.
2) Phase I and Phase II environmental assessments will need to be completed before doing any demolition of the plant – otherwise there is no baseline or ability to identify the environmental liabilities before changing ownership of the property.
3) If the assessments are performed by the buyer, it could result in a situation that is not advantageous to the City. The exception to this would be if a buyer is willing to take on all environmental risks when purchasing the facilities.
4) An asbestos survey must be completed before any removal of equipment in proximity to asbestos. The City will be in a better position if they are in control directing the survey. The exception to this point is if the buyer is willing to take on all environmental risks when purchasing the facilities.
5) A purchase contract will require a clear delineation of environmental responsibilities and risks with the information that is known at the time of drawing up the agreement.

Overall comments on proposals received:

1) There are no proposals to continue operation of the plant
2) There are five proposals that can be considered "turn-key" of being a one stop shop but there are some issues that I think need to be addressed before moving ahead with any of the proposals
3) The Environmental Plant Services proposal is the only one that deals with asbestos abatement, and I think it has the highest value in laying out this individual piece in defining a step forward.
4) The proposal from American Energy Holdings is attractive in that it provides a cost certain agreement to turn over the plant to a party that is willing to take on all environmental risks, and end up with a plan to re-use the facility and have a net positive economic impact. The huge concern that I have about this proposal is not being confident that they have the financial means to take on the risks associated with this type of project. I would not sign a deal with this party unless they had the necessary credit or insurance from an entity like AON to provide the necessary backing to be able to pull off this type of project. From discussions thus far, it appears that they are working with AON to provide the necessary credit and insurance.
5) There is only one turn-key full-service proposal that includes a description of the total costs. The other "turn-key" proposals are basically setting up a description of how the process will occur to seek to get enough revenue from the sale and savage of the plant to pay for the environmental remediation.
6) This comment applies to all proposals, except American Energy Holdings: The amount of costs for the asbestos cleanup, or any other environmental remediation is not known at this time, and the best indicators of the asbestos cleanup costs are from the Stuart Millner proposal, and the Environmental Plant Services proposal. Without an asbestos survey, there is a limited understanding on what this will cost. There is also a limited amount of information on how much revenue the sale and salvage of the equipment will bring. It is also unclear if the equipment has resale value, or is only of value for salvage. In summary, there is limited information available on whether the net costs will be greater than the revenues, and if the city contracts with an entity to take on the project, there must be assurance that the entity has the financial means and experience to complete the project.

Specific Comments on proposals

1. Stuart Millner – full offering, lots of experience, glitz etc, they seem to be very aggressive in wanting to do the work, but there are a number of examples when seeking clarification that there wasn't a response. They have a very strong desire to speak directly to the decision makers and they have mentioned that they are wanting an opportunity to make a presentation to the city. They appear to be subbing out the work, and one item is the asbestos removal, and this piece is $1 million higher than Environmental Plant Services.

2. Surplus investment group – one stop shop, seems like they have the capabilities, more references needed to know if they can do the work.

3. ICS – most specific in costs and revenue sharing and they appear to be a viable candidate for the work

4. Environmental Plant services – this is a very valuable quote on the asbestos removal and should prove useful when getting the survey completed.

5. AIM Development USA– pretty light on details, but I am confident that they have the capabilities to do the work – one of their main people working on it is from Appleton, so it is the most local resource being considered.

6. American Energy Holdings - This is an attractive proposal in seeing a desired outcome of basically selling the plant for a dollar and having them take on all environmental risks. The main concern on this proposal is their depth of financial means and experience to be able to pull off the deal. There would need to be a number of follow-up questions to them finding out their capabilities and financial backing before it would be prudent to move ahead with signing a deal with them.

Follow-up items on the survey

1) Stuart Millner (items that were not answered are not assumed to be a “yes” or “no” and in seeking more information on the questions, PSE was not able to get a clear description if the item is included in the proposal)

Yes	No	INCLUDED?
		Purchase the land
		Purchase the building
		Purchase the equipment/other assets
Yes		Sell large equipment
Yes		Scrap materials/small equipment
Yes		Conduct or outsource Phase 1 ESA[1]
Yes		Fund/pay for the Phase 1 ESA
		Conduct or outsource Phase 2 ESA
		Fund/pay for the Phase 2 ESA
Yes		Conduct or outsource asbestos survey
		Fund/pay for the asbestos survey
Yes		Conduct or outsource asbestos removal
		Fund/pay for asbestos removal
Yes		Conduct or outsource demo of facility
Yes		Fund/pay for demolition
		Redevelopment of land post demolition

[1] – Environmental Site Assessment

Provide a detailed explanation of the proceeds and the cost to the City including the business plan.

What is SBMA Prepared To Do?

- Be a true partner to MU and provide any related and appropriate assistance the company will ask for over the course of the contract. Development/Management of all aspects of the project from RFP to Completion, a Turn-Key Solution!
- Implement our exclusive Power Plant Decommissioning Process (PPD) for managing the Decommissioning program at the MU Power plant.

SBMA's PPD program was created many years ago and has been implemented in one form or another in plants worldwide.

- PPD addresses every requirement for the MU Plant decommissioning.
- SBMA does not have to start from scratch to meet MU requirements…like a hand in glove....the fit is already there.

SBMA is qualified to:

- Inventory the assets which are available.
- Appraise those assets.
- Complete an Environmental assessment
- Market the assets on a LOCAL, REGIONAL, NATIONAL & INTERNATIONAL basis.
- Manage the safe removal of all assets.
- Provide a complete game plan – from beginning to end of the contract – and ensure the plant is delivered back to MU as promised.
- Create cash flow from the beginning to the end of the contract.
- Perfect a plan ensuring the best marketing strategy is implemented to create the greatest return, i.e.:
    - Private negotiated sales
    - Auctions of every type and variety
    - Recover the hidden value of assets in the plant like copper wire, motor control centers, transformers, ferrous and nonferrous metals.

2) Surplus Investment group
    a. Nothing received
3) ICS
    a. Nothing received
4) Environmental Plant Services
    a. all questions on survey were answered “no” and it is clear they are only offering asbestos abatement with the stated assumptions of what needs to be removed per their proposal.
5) AIM Development USA

Yes	No	INCLUDED?
	no	Purchase the land
Yes		Purchase the building
Yes		Purchase the equipment/other assets
	Try / no	Sell large equipment
Yes		Scrap materials/small equipment
Yes		Conduct or outsource Phase 1 ESA[1]
Yes		Fund/pay for the Phase 1 ESA
	no	Conduct or outsource Phase 2 ESA
	no	Fund/pay for the Phase 2 ESA
Yes		Conduct or outsource asbestos survey
Yes		Fund/pay for the asbestos survey
Yes		Conduct or outsource asbestos removal
	no	Fund/pay for asbestos removal
Yes		Conduct or outsource demo of facility
Yes		Fund/pay for demolition
Depend on phase 2		Redevelopment of land post demolition

[1] – Environmental Site Assessment

The simple business plan of this structure would be to market the saleable equipment for a short period of time (most likely the window of time of the Phase 1, asbestos survey and demolition planning). AIM Development USA then would self-perform the demolition after the site is asbestos free. The demolition would be to take all of the equipment out and the structures down to the lowest slab elevation. The lowest slabs and footings would remain in place.

In the above described scenario AIM Development USA would pay $50K to owners. If this structure is agreed to, we can move to finalize a binding bid.

6) American Energy Holdings
    a. No response needed because their proposal was clear on all issues in the survey.

Summary and recommendations

This type of RFP process is difficult because of the range of uncertainties of costs and liabilities. At the onset, the preference has been clearly stated to seek continued operation of the plant, either as a coal plant, or by repowering to a renewable fuel. Based on all the proposals and discussions with potential parties, it doesn't appear that there are any parties willing to pursue the option of continuing plant operations. With the option of either resale or salvage, the remaining proposals provide a description on how to end up with the best outcome for the City. The clear desire is to end up with a net positive cash position of balancing the costs of environmental remediation and the revenue from resale or salvage of plant equipment.

At first glance, the proposal that provides the most clarity on costs and environmental liability would clearly be American Energy Holdings, and it would appear that this would be the first choice. They are providing a valuable attribute of cost certainty among all other proposals not being specific on the cash position of the transaction. The initial concern on this proposal is to determine if the proposed approach of selling the plant for one dollar, and being released of all environmental costs and liabilities is something that American Energy Holdings can deliver. It is crucial to have measures in place to know that an entity can deliver on the agreement, to make sure the City is not left to finish up on a partial fulfillment of the contract. There are a number of crucial elements to evaluate to determine if American Energy Holdings can fulfill the agreement:

1) Is there sufficient financial backing to make sure the contract can be fulfilled? This uncertainty relates to the following areas:

a. How much will it cost for environmental assessments including the asbestos survey?
    i. Comment - This is not a wide range of cost uncertainty
b. How much will it cost for environmental remediation?
    i. Comment – This provides a wide range of uncertainty, and the ranges considered should be something provided by American Energy Holdings to provide more certainty that the expected costs can be covered. This involves more than only the costs for asbestos removal, but would also include all environmental costs expected. The range of environmental cleanup costs will be significant due to the fact that the environmental assessments have not been performed. If there is a performance bond provided that defines the outcome of the site being cleaned up, and not a specific dollar amount, this would provide the adequate hedge to deal with this concern. If an insurance policy cannot be obtained to lock in the financial exposure to this element of cost, this could be considered a fatal flaw in the proposal, as there would be no way to arrive at a dollar amount for a performance guarantee that could provide assurance that American Energy Holdings can deliver on the agreement.
c. How much will it cost for performing the removal of equipment for salvage or resale?
    i. Comment – This should be a fairly reasonable range of costs to come up with, and the costs provided in the proposal appear to be a good point for discussion. The important element in the evaluation of this information is to know who is doing the work, and to get a more detailed understanding on the assumptions made in the projected costs.

2) How much revenue is expected from the sale of equipment and salvage?
    a. Comment – This is the revenue side of the transaction and the reasonableness of the assumptions needs to be evaluated. The assumption of salvage vs. resale should be used to provide a range of revenues that could be expected.
3) What is the net position of the transaction from their perspective?
    a. Comment – Netting all costs and revenues for the ranges provided, the net position will be shown. Again, they have provided one estimate, but the issue to further understand is the range of costs and revenues, and to be able to lock into the costs of the environmental remediation through some type of insurance policy. This range can be used to determine a range of the net positions that can be used to arrive at the dollar amount of the performance guarantee. The City needs to clearly understand how much can be a net loss for American Energy Holdings in the form of a financial guarantee that covers the transaction.

If the decision is to consider a party other than American Energy Holdings, it would appear that a follow-up proposal be provided by all parties and ask for the following:

- *What is a range of dollar positions (loss or gain) for the entity to perform the asbestos survey, perform the asbestos remediation, and the sale of all plant equipment for salvage.*

This baseline assumption will provide a "worse case" revenue scenario that doesn't get into the more difficult speculation of the market value of seeking to sell the equipment for re-use. Discussions with parties who have proposed indicate that the viability of selling equipment for re-use is not a likely outcome.

If the proposals are to be evaluated at face value, and there is a decision to choose the most qualified party for doing the work, it appears that all parties have similar qualifications in terms of being able to perform the work. From the discussions with all parties who have provided proposals, it appears that AIM Development USA would be a strong contender for performing the work of cleaning up the asbestos and removing the equipment.

MENASHA UTILITIES

SUMMARY OF REQUEST FOR PROPOSALS – 2013 RIVER STREET POWER PLANT

Aeris Energy/American Energy Holdings – Purchase the property and repurpose the facility for light manufacturing. Removal of added exterior structures and restore to original block structure and remove all internal contents. The purchase includes the transfer of environmental responsibility of the building including the asbestos abatement.

Cost: Split 50/50 the cost to stop water from the canal thru the facility estimated at $29,100 in total

Profit: $1.00

AIM Development USA LLC (AIM) – Total land, building and asset purchase for selling of equipment or demolition of all equipment and buildings.

Profit: $50,000 to purchase site complete. AIM will perform and pay for asbestos survey, % of asset sales could be allocated back to Menasha but not set amount, management and supervision and costs for demolition paid by AIM, perform an updated Phase I of the land area, and lead process for potential redevelopment of land.

Costs: Asbestos removal to be paid by Menasha, cost share ongoing environmental costs after demolition

Environmental Plant Services (EPS) – Scope of project is a lump sum pricing to remove asbestos from the 4 boilers, all associated piping and equipment within the power plant

Cost: $1,416,000

Interstate Construction Services (ICS) – Demolish and abate structures and infrastructure

Proposal A: Identify scope of removal and contents or select removal of specific elements under a management contract, Menasha retains real estate

Cost: Minimum monthly consulting fee $15,000 to be deducted from asset sale proceeds plus a net bonus of 35% of sales.

Profit: Menasha retains 65% of net recovery after paying performance of project scope

Proposal B: ISC purchases the property and all associated assets for 80% of net proceeds.

Profit or Cost: Unknown since did not provide detail of business plan

Stuart B Millner & Associates (SBMA)- Investigate, inventory and identify the possibility of selected assets for reuse or salvage value. Engage their partners to analyze the engineering scope, environmental cleanup and remediation necessary. Hold auction for all saleable assets with the plant and try to sell the building and land to a prospect. If no interest in purchase of building will engage a demolition partner to raze the building.

Proposal A: Broker to sell all assets available and SBMA compensation is 10% commission

Cost: Demolition and Environmental

Profit: Menasha receives 90% from the sale of assets

Proposal B: SBMA manage the entire process from beginning to end including hiring and overseeing the suitable remediation and demolition Company.

Cost: $25,000 per month management fee

Profit or Cost: Unknown since did not provide detail of business plan

Surplus Investment Group – Marketing of non-performing usable assets/surplus, collaborative safety and environmental plan, complete and select demolition. 50/50 Partnership based on net profits of this project.

Profit or Cost: Unknown since did not provide detail of business plan

Other interested party – Email received from Northstar Export Co. on 2/20 but have not received a RFP Response

As we discussed, my partners and I are setting up site visits to commence early to mid-March. We have been qualifying several prospective organizations who are interested in operating the facility as a utility, purchasing the equipment and prepping for re-use, or modifying for manufacturing. We are confident that we will be able to present at least one option that will address the city's long term goals for the property.

General Information

What have other vacant industrial properties sold for?

The Glatfelter Paper site was sold to the City of Neenah for $1
The Formost Dairy site was acquired by the City of Appleton with the company placing $500,000 in escrow for environmental remediation. The escrow amount was returned to Formost upon the sale of the property. The net cost to the City was $0.

What are similar sized properties valued?

Another 30,000sq ft industrial building in the City has a value of approximately $500,000

What offers has the city received?

The City has no current proposals for continued operation of the facility as an electric generation facility.

The City did receive a letter of intent from Greenwood Energy in 2011 for continued operation; an offer to purchase was never submitted. Interest from other parties to operate as an electric generation facility never reached the letter of intent stage.

There is one current proposal to reuse the facility for another manufacturing purpose, as well as several to partner with the city to clear the site.

What equipment will be retained by the city/utility?

The city plans to retain the switchgear for future reuse in substations.
The radio system used by the utility will have to be transitioned following the sale as the transmitter is located on the River Street Power Plant building.

What is the status of the GE equipment?

The equipment has been sold by GE, some of the equipment has already been removed from the facility.

What will the effect be on our utilities (sewer, water, electric)?

Utility systems have capacity for industrial loads from a new user in the facility. Specific loadings would need to be verified; however none of the proposals appear to have overly heavy loading for any of the utilities.

What is the cost for the city to maintain the facility?

Expenditures were $69,594 in 2013 and $75,278 in 2012 to heat and maintain the facility.

What is the potential cost of asbestos abatement?

Estimates range from $500,000 - $2,586,790

What are the projected costs for demolition?

Estimates range from $448,000 - $1,500,000

Completed February 17, 2014

Menasha Utilities
Menasha, Wisconsin

Request For Proposal

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name: Aeris Energy, LLC

Corporate Address: 417 Avenue A,
Gwinn, MI 49841-3002

Parent's Corporate Name: American Energy Holdings, LLC

Parent's Corporate Address: Same as above

Authorized Representative:
Name: Mark Carlson
Title: COO
Phone: 920-915-9992
Fax: N/A
E-mail: mcarlson49@hotmail.com
Signature: Mark Carlson

Primary Contact:
Name: Mark Carlson
Title: COO
Phone: 920-915-9992
Fax: N/A
E-mail: mcarlson49@hotmail.com
Signature: Mark Carlson

Please check one of the following:

_____ Electric Utility
_____ Power Marketer or Broker
_____ IPP/EWG/QF
_XX_ Other (please specify below):

Skip to Proposed Plan

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. __ Provide Continued Operations - Purchase Power Plant
2. X_ No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

Skip to Proposed Plan

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. __ Provide Continued Operations - Purchase Power Plant
2. _X No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

See Proposed Plan attached

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:
_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
_N/A_ Other (please specify below):

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers:
_N/A_ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

1. Plant Purchase Approach:
_____ Fixed Purchase Price
Price:_____
__X__ Other Approach (please specify below):

See Proposed Plan

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

__X__ Fixed Price for All Equipment/Land/Building
Price:___$ 1.00_____

_____ Other Approach - Please describe below

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch

_____ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
_____ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

Privately Held Company

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
_____ Yes __X__ No

If yes, have financing arrangements been made prior to submitting this proposal?
_____ Yes _____ No

Please briefly describe proposed financing arrangements.

N/A

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

DNR, Local Canal/River Authority

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

AON Insurance – Jeff Uelmen

Office: 952-807-0706
Mobile – 612-819-2299

jeff.uelmen@aon.com

Attachments:

Proposal Plan
Purchase Agreement
Aerial of Property

AMERICAN
ENERGY HOLDINGS LLC

February 17, 2014

Ms. Melanie Krause – General Manager
Menasha Utilities
Menasha, WI

Dear Melanie,

What follows is our written proposal for the former Menasha Utilities Steam and Power Generating Plant property located at 198 River Street, Menasha, WI.

The intent is to re-purpose the facility and make it available for light manufacturing, metal fabrication, or similar use – turning it into a business that would create jobs and a tax base for the City of Menasha.

To accomplish this: our intent is the remove all of the added exterior structures, tanks, silo's, conveyors, stacks, stairs, platforms, and handrail, etc. - and anything that surrounds the original block structure and to restore the building to its beginnings. This would include the removal of the bag house, coal conveyors and possibly the small southern garage/addition that had housed the RO system and current building boiler. Furthermore, our intent is to remove all internal structures, turbines, boilers, coal shoots, hoppers, basically removing the entire contents from all levels and modifying the floor to withstand heavy loads. The area will be cleaned up, landscaped, and debris removed along with all exterior non-essential projections removed.

We are willing to purchase the property, and assume the transfer of the environmental responsibility of the building for $1.00 (one) Dollar. The proposed purchase price was derived at after assembling the complete demolition costs below. Considering the extensive loss that would be incurred if the facility was completely torn down, repurposing the facility seems like the only feasible solution. The asbestos abatement from the boilers, and piping within the building would be the responsibility of Aeris Energy. We would require the City of Menasha or Menasha Utilities to split the cost, (50/50), for stopping the water flowing from the Canal thru the facility and also the discharge of this water into the river.

It is our intent to restore the facility to its original foot print or Historic Grandeur. A client of Aeris Energy will be touring the facility Monday Feb 17th. This client has a need to be up and running within 4-6 months, with jobs ramping up to 75 -100 in 2 years or less. A decision or indication of interest from the City would be need to be conveyed in the shortest time possible, preferably by Monday Feb 24th – as other locations are being considered.

ACCEPTED BY:

Name: _____
Title: _____
Date: _____

COMPLETE DECONSTRUCTION / DEMOLITION COST DETAIL:

REVENUE:			
SCRAP VALUE: (Alter Metal Resources)			$ 989,600
EXPENSE:			
PHASE 1 for Asbestos determination (Veolia)		$ 14,550	
ASBESTOS REMOVAL:			
(TMC Improvements)	*(using this number)*	$ 500,000	
(Veolia)		$ 800,000+	
DECONSTRUCTION (Fagen)		$ 1,500,000	
CAUFER DAM (Lunda)		$ 29,100	
TOTAL COST:			$ 2,043,650
NET PROFIT / (LOSS)			**$ 1,054,050** ***(LOSS)***

PURCHASE AGREEMENT

This purchase agreement (the Agreement) is entered into as of __**February 17__, 2014**, between _____, of _____ (Seller), and __**Aeris_ Energy**_____, an LLC, of ___**Gwinn, MI**_____ (Buyer), for the transfer of the real estate and personal property located in **the City of __Menasha_____**, **County of _Winnebago__**, State of __Wisconsin___, described in exhibit A (the Premises). The parties enter into this Agreement subject to the terms and conditions set forth below.

SALE OF THE PREMISES

Seller agrees to sell all fixtures, improvements, appurtenances, tenements, and hereditaments located on the real estate described in Exhibit A (the Premises) subject to the terms of the lease of the premises; easements and restrictions of record and to zoning laws and ordinances affecting the Premises. Seller also agrees to sell to Buyer the personal property and equipment located at and associated on the Premises in accordance with the terms of this Agreement. The property sold shall be identified by an inventory which shall be attached hereto as Exhibit B.

SALE OF THE PERSONAL PROPERTY

Seller and Buyer shall jointly inventory the property which is the subject of this agreement within 30 days of the execution hereof.

POSSESSION

Buyer shall receive possession of the Premises at the closing on this Agreement.

CONDITION OF THE PROPERTIES

The Buyer represents and warrants to Seller that it has inspected the Properties and agrees to accept the Properties in their present "AS IS" condition, with no warranties concerning its condition or permitted use.

The Buyer acknowledges that it has had the opportunity to investigate the environmental condition and history of the Properties and that it has had the opportunity to conduct its own investigation, and that Seller has furnished to the Buyer reports concerning the Properties. These reports are referred to as the "Seller's Disclosure." The documents that comprise the Seller's Disclosure are listed in Exhibit __, attached to this Agreement and made a part of it. The Buyer further acknowledges that: (I) the Seller has made no representation or warranty, express or implied, about the accuracy or completeness of the Seller's Disclosure; (ii) the Buyer is not relying on the accuracy or completeness of the Seller's Disclosure; and (iii) the Buyer is relying entirely on its own investigations and professional advice with respect to the Properties and entering into this Agreement. The Buyer acknowledges that environmental contamination has been identified at various parcels of the Properties and that it has agreed to take the Properties subject to any and all environmental contamination, whether known or unknown.

From and after closing: (I) the Buyer shall bear all responsibility and liability arising in respect of the Properties from any cause, whether or not such cause arose out of, or in connection with, acts or omissions prior to closing; (ii)the Buyer shall bear full responsibility for compliance with all environmental and all other requirements of federal, state, and local laws and regulations pertaining to the Properties, including, but not limited to, the requirements of the federal Comprehensive Environmental Response Compensation and Liability Act ("CERCLA") and the State of Wisconsin Environmental Protection Statute, each as amended, regardless of whether the requirement for such compliance arose, or was caused by acts or omissions, prior to closing; (iii) the Buyer shall defend, indemnify, and hold harmless the Seller, whether in Seller's capacity as owner, operator, generator, or any other capacity, from any and all responsibility and liability, including reasonable attorney and other professional fees and expenses, arising out of, or in connection with, (a) Seller's purchase, ownership, use, possession, or sale of the Properties, or (b) any activities on the Properties by Seller or any of its predecessors in title and their respective officers, directors, employees, agents, members or shareholders; and (iv) the Buyer shall indemnify, and hold harmless the Seller from any and all damages, costs, charges, fees, assessments, remediation costs, legal fees or expenses or any kind of nature that may arise out of any environmental contamination or subsidence now or hereafter existing on the Properties, whether known or unknown, including any claims by persons who are not a part to this contract, and shall undertake any additional remediation.

Buyer has independently determined that it will not utilize the Baseline Environmental Assessment provisions, and that it will not claim in any action or demand made by Seller or any third party any defense or exemption from liability under either State law or CERCLA, each as amended, to the extent any such claim or defense, if successful, would result in a claim being made against Seller. Buyer further agrees that it will not assert in any action brought against it by Seller or any third party, the defense of Baseline Environmental Assessment or any other defense available to it under Part 201 or CERCLA.

If Seller should receive notification from any third party, including local, state or federal environmental or mine safety agencies, regarding the environmental or safety status of the Properties, it will promptly provide Buyer with a copy of the notice or a written report summarizing any oral notification. Buyer shall promptly and affirmatively respond to the notice and undertake any remediation required by law. Seller agrees to cooperate with Buyer by providing non-privileged information it has in its possession relevant in responding to any such notice, but the duty of response rests with the Buyer. If Buyer receives notice from any third party, including local, state or federal environmental or safety agencies, relating to the environmental or mine safety status of the Properties, it will promptly notify Seller and provide Seller assurance that Buyer will promptly and affirmatively address the identified matters.

CASH SALE

Delivery of the usual Bill of Sale conveying marketable title on tender of the Purchase Price. Payment of the Purchase Price is to be paid by wire transfer or certified bank check (immediate available funds).

EARNEST MONEY DEPOSIT

On the Effective Date (as defined below) of this Agreement, Buyer shall make an earnest money deposit of $___**1.00**_____ which shall be held by the Seller, in trust, and which shall be applied toward the Purchase Price at closing if the sale is consummated. If this agreement does not result in the ownership of property by the Buyer, Seller agrees to refund the earnest money deposit.

TAXES AND PRORATED ITEMS

All personal property taxes shall be prorated with the Seller paying from the first of the year to the date of closing and the Purchaser paying thereafter. All tax pro-rations shall be done on the basis of a calendar year retrospectively in accordance with local custom.

CLOSING

Closing shall take place at __City of Menasha Building____. If the closing takes place anywhere other than at _City of Menasha Building__, Buyer shall arrange for a representative with authority to update and mark up the commitment for title insurance as required under this Agreement to be present at the closing. If title can be conveyed in the condition required under this Agreement and all contingencies have been satisfied or waived, closing shall take place on a date and time as is mutually agreeable to the parties and as dictated by the ability and availability of Buyer's lender, if any, to close, provided, however, that closing shall occur not later than _ March 3___, 2014 – or - To be determined

PAYMENT OF FEES, CLOSING COSTS, ETC.

Buyer shall pay all closing fees and all costs associated with filing of the Bill of Sale, if any. The parties agree that _____ shall prepare the required Bill of Sale and closing documents necessary to complete this transaction, that _____ shall conduct the closing, and that the cost of same, together with any settlement, document preparation, or disbursement fee, shall be borne by Buyer. Buyer shall pay the required transfer tax, the cost of an owner's commitment and policy of title insurance. Seller shall be responsible for recording fees relative to the discharge of Seller's chattel mortgage, if any. At closing, the parties shall execute closing statements prepared by _____ and all income or other tax reporting documents as required by the _____.

POSSESSION

Seller shall deliver possession of the Property at the time of the closing.

RISK OF LOSS

Seller and Buyer agree that the Risk of Loss shall follow the delivery of title.

BUYER'S DEFAULT

In the event of material default by Buyer under this Agreement, Seller may, as Seller's sole option, declare a forfeiture of this Agreement and retain the deposit as liquidated damages.

SELLER'S DEFAULT

In the event of material default by Seller under this Agreement, Buyer may, at Buyer's option, elect to enforce the terms of this Agreement, demand and be entitled to an immediate refund of Buyer's entire deposit in full termination of this Agreement, or pursue any other legal or equitable remedy available to Buyer.

BINDING AGREEMENT

This Agreement shall bind and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties.

BROKERS

Seller and Buyer represent and warrant to each other that they have not used or employed the services of any real estate brokers, sales agents, or finders in connection with the purchase and sale of the Property.

TIME OF THE ESSENCE

Time is of the essence of this Agreement, except that Buyer may waive this provision for the purpose of curing title defects.

EFFECTIVE DATE

The effective date of this Agreement, i.e., the date on which the timing provisions and contingencies of this Agreement begin (the Effective Date), shall be the date on which the last person to sign this document shall have signed the document. If the parties fail to insert the date they signed this Agreement beneath their signatures below, the Effective Date shall be the date on which Buyer received a fully executed copy of this document. **IT IS THEREFORE VERY IMPORTANT FOR EACH PERSON SIGNING THIS DOCUMENT TO PLACE THE DATE OF SIGNING IN THE SPACE PROVIDED BELOW *[HIS / HER]* SIGNATURE.**

ENTIRE AGREEMENT/WRITTEN AGREEMENTS ONLY

This Agreement contains the entire agreement between Seller and Buyer. There are no

agreements, representations, statements, or understandings which have been relied on by Seller or Buyer which are not stated in this Agreement. IT IS THE PARTIES' INTENT IN THEIR DEALINGS THAT IF IT IS NOT IN WRITING, IT IS NOT ENFORCEABLE. This Agreement (and written and signed addenda, if any) cannot be modified, altered, or otherwise amended without a writing being duly signed or initialed, as the case may be, by both Seller and Buyer. The parties agree that facsimile signatures and duly initialed changes are legally enforceable provided the applicable writing contains such signature or initials of all parties to this Agreement.

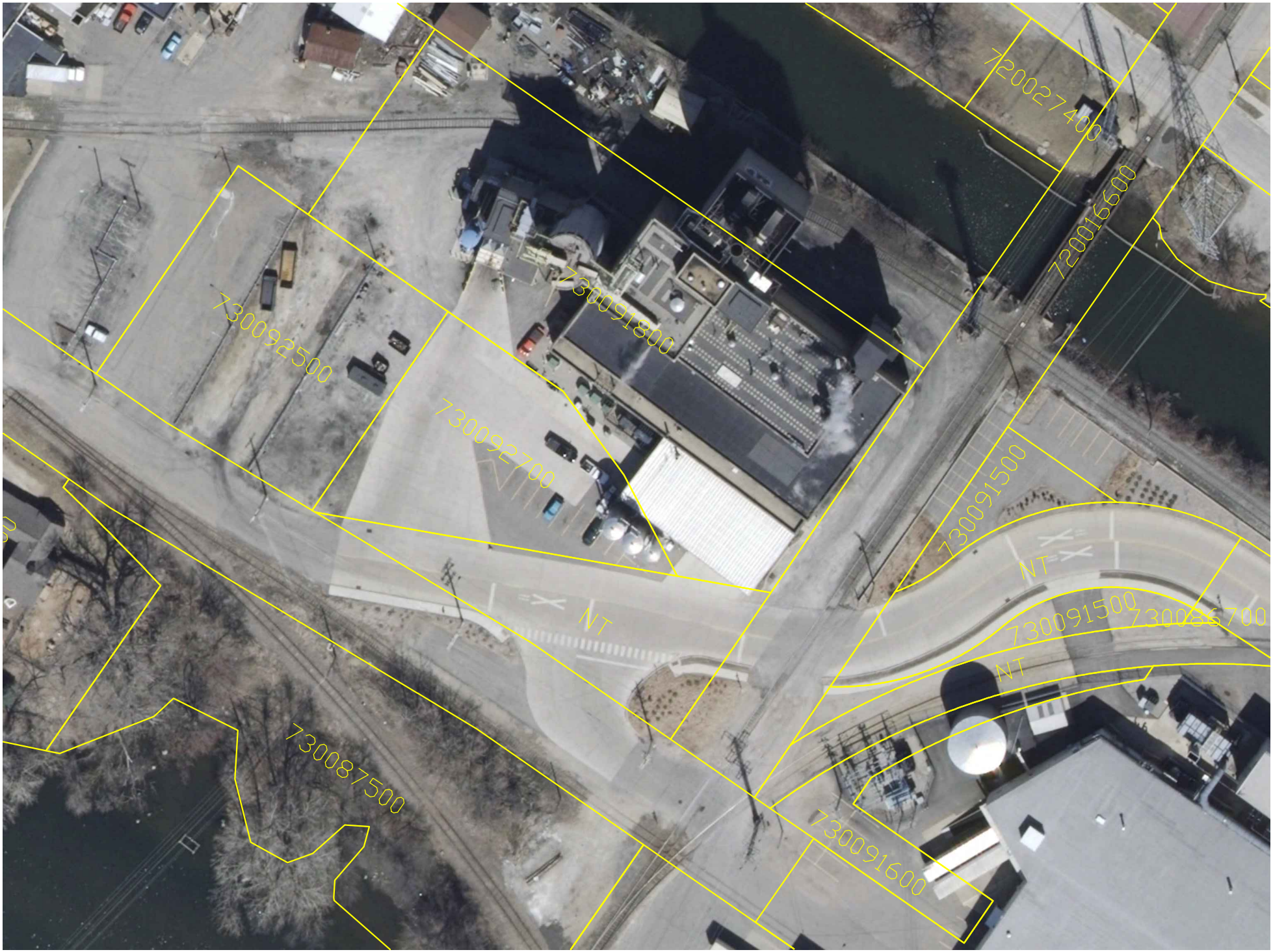
ACCORDINGLY, Seller and Buyer have executed this Purchase Agreement as of the date written below.

Seller

_____
_____
Dated: _____

Buyer

_____
__Aeris Energy, LLC_____
Dated: _____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FOX CITIES REGIONAL PARTNERSHIP
A Wisconsin Business Powerhouse

Estimated Economic Impacts of a 100-employee Specialty Food Manufacturing Enterprise When Located in the Fox Cities

Prepared by Fox Cities Regional Partnership for use by the City of Menasha

		Direct	Indirect	Induced	Total
Fruit and Vegetable Preserving and Specialty Food Manufacturing	Employment	100	46	43	189
	Sales/Output	$36,746,537	$10,099,706	$4,548,792	$51,395,034

	Employment			Sales/Output		
Industry	**Indirect**	**Induced**	**Total Ripple Effects**	**Indirect**	**Induced**	**Total Ripple Effects**
Restaurants and Other Eating Places	0	5	5	$16,330	$155,854	$172,184
Fruit and Vegetable Preserving and Specialty Food Manufacturing	4	0	4	$1,385,466	$23,814	$1,409,280
Management of Companies and Enterprises	3	0	4	$523,747	$29,089	$552,837
Vegetable and Melon Farming	3	0	3	$549,636	$8,755	$558,392
Oilseed and Grain Farming	3	0	3	$420,308	$3,397	$423,704
General Medical and Surgical Hospitals	0	3	3	$2	$266,352	$266,353
Boiler, Tank, and Shipping Container Manufacturing	2	0	2	$519,447	$1,790	$521,237

Converted Paper Product Manufacturing	2	0	2	$608,868	$11,975	$620,843
General Freight Trucking	2	0	2	$348,772	$27,250	$376,021
Fruit and Tree Nut Farming	2	0	2	$368,152	$6,905	$375,057
Animal Slaughtering and Processing	2	0	2	$640,724	$44,599	$685,323
Professional and Commercial Equipment and Supplies Merchant Wholesalers	1	0	1	$149,192	$22,840	$172,031
Grocery Stores	0	1	1	$1,301	$84,146	$85,447
Other Food Manufacturing	1	0	1	$496,858	$22,675	$519,533
Colleges, Universities, and Professional Schools	0	1	1	$227	$76,979	$77,206
Machinery, Equipment, and Supplies Merchant Wholesalers	1	0	1	$181,757	$23,897	$205,654
Fishing	1	0	1	$45,882	$2,052	$47,934
Cattle Ranching and Farming	1	0	1	$133,348	$10,905	$144,252
Nursing Care Facilities (Skilled Nursing Facilities)	0	1	1	$1	$42,698	$42,699
Wholesale Electronic Markets and Agents and Brokers	1	0	1	$130,794	$26,406	$157,200
Department Stores	0	1	1	$951	$54,963	$55,914
Services to Buildings and Dwellings	1	0	1	$37,074	$11,511	$48,585
Insurance Carriers	0	1	1	$15,553	$188,181	$203,734
Offices of Physicians	0	1	1	$2	$138,425	$138,428
Grocery and Related Product Merchant Wholesalers	1	0	1	$119,181	$23,759	$142,939
Elementary and Secondary Schools	0	1	1	$0	$28,568	$28,568
Traveler Accommodation	0	1	1	$5,896	$43,001	$48,897

Individual and Family Services	0	1	1	$2	$26,620	$26,621
Automobile Dealers	0	1	1	$786	$41,867	$42,653
Clothing Stores	0	1	1	$603	$38,658	$39,261
Automotive Repair and Maintenance	0	1	1	$17,415	$63,773	$81,188
Building Material and Supplies Dealers	0	1	1	$720	$39,245	$39,965
Employment Services	0	0	1	$14,038	$14,862	$28,900
Cut and Sew Apparel Manufacturing	0	1	1	$111	$46,851	$46,962
Other General Merchandise Stores	0	1	1	$848	$48,530	$49,378
Religious Organizations	0	1	1	$0	$28,655	$28,655
Depository Credit Intermediation	0	0	1	$76,167	$83,508	$159,674
Home Health Care Services	0	1	1	$0	$28,124	$28,124
Dairy Product Manufacturing	1	0	1	$299,926	$23,649	$323,575
Specialized Freight Trucking	1	0	1	$93,202	$10,901	$104,103
Plastics Product Manufacturing	1	0	1	$159,384	$20,259	$179,642
Advertising, Public Relations, and Related Services	0	0	1	$108,084	$25,310	$133,394
Hardware, and Plumbing and Heating Equipment and Supplies Merchant Wholesalers	0	0	1	$75,816	$8,930	$84,747
Other Ambulatory Health Care Services	0	1	1	$43	$65,081	$65,124
Child Day Care Services	0	1	1	$2	$21,081	$21,083
Household Appliances and Electrical and Electronic Goods Merchant Wholesalers	0	0	1	$68,116	$12,164	$80,280
Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	0	0	1	$85,625	$11,841	$97,466

	Employment			Sales/Output		
Industry	**Indirect**	**Induced**	**Total Ripple Effects**	**Indirect**	**Induced**	**Total Ripple Effects**
Restaurants and Other Eating Places	0.0049	0.0467	0.0516	0.0004	0.0042	0.0047
Fruit and Vegetable Preserving and Specialty Food Manufacturing	0.0377	0.0006	0.0384	0.0377	0.0006	0.0384
Management of Companies and Enterprises	0.0342	0.002	0.0362	0.0143	0.0008	0.015
Vegetable and Melon Farming	0.0337	0.0006	0.0343	0.015	0.0002	0.0152
Oilseed and Grain Farming	0.0324	0.0003	0.0326	0.0114	0.0001	0.0115
General Medical and Surgical Hospitals	0	0.031	0.031	0	0.0072	0.0072
Boiler, Tank, and Shipping Container Manufacturing	0.0225	0.0001	0.0226	0.0141	0	0.0142
Converted Paper Product Manufacturing	0.021	0.0004	0.0214	0.0166	0.0003	0.0169
General Freight Trucking	0.0185	0.0014	0.0199	0.0095	0.0007	0.0102
Fruit and Tree Nut Farming	0.0193	0.0004	0.0197	0.01	0.0002	0.0102
Animal Slaughtering and Processing	0.0165	0.0012	0.0177	0.0174	0.0012	0.0187
Professional and Commercial Equipment and Supplies Merchant Wholesalers	0.0126	0.002	0.0146	0.0041	0.0006	0.0047
Grocery Stores	0.0002	0.0128	0.013	0	0.0023	0.0023
Other Food Manufacturing	0.0122	0.0006	0.0128	0.0135	0.0006	0.0141
Colleges, Universities, and Professional Schools	0	0.0119	0.0119	0	0.0021	0.0021
Machinery, Equipment, and Supplies Merchant Wholesalers	0.0096	0.0013	0.0109	0.0049	0.0007	0.0056
Fishing	0.0099	0.0004	0.0104	0.0012	0.0001	0.0013
Cattle Ranching and Farming	0.0083	0.0007	0.009	0.0036	0.0003	0.0039

Nursing Care Facilities (Skilled Nursing Facilities)	0	0.009	0.009	0	0.0012	0.0012
Wholesale Electronic Markets and Agents and Brokers	0.0072	0.0015	0.0087	0.0036	0.0007	0.0043
Department Stores	0.0001	0.0084	0.0086	0	0.0015	0.0015
Services to Buildings and Dwellings	0.0065	0.002	0.0086	0.001	0.0003	0.0013
Insurance Carriers	0.0006	0.0078	0.0085	0.0004	0.0051	0.0055
Offices of Physicians	0	0.0084	0.0084	0	0.0038	0.0038
Grocery and Related Product Merchant Wholesalers	0.0069	0.0013	0.0083	0.0032	0.0006	0.0039
Elementary and Secondary Schools	0	0.008	0.008	0	0.0008	0.0008
Traveler Accommodation	0.0009	0.0067	0.0076	0.0002	0.0012	0.0013
Individual and Family Services	0	0.0073	0.0073	0	0.0007	0.0007
Automobile Dealers	0.0001	0.007	0.0072	0	0.0011	0.0012
Clothing Stores	0.0001	0.007	0.0071	0	0.0011	0.0011
Automotive Repair and Maintenance	0.0015	0.0056	0.0071	0.0005	0.0017	0.0022
Building Material and Supplies Dealers	0.0001	0.0068	0.0069	0	0.0011	0.0011
Employment Services	0.0034	0.0034	0.0068	0.0004	0.0004	0.0008
Cut and Sew Apparel Manufacturing	0	0.0067	0.0067	0	0.0013	0.0013
Other General Merchandise Stores	0.0001	0.0066	0.0067	0	0.0013	0.0013
Religious Organizations	0	0.0067	0.0067	0	0.0008	0.0008
Depository Credit Intermediation	0.0032	0.0034	0.0066	0.0021	0.0023	0.0043
Home Health Care Services	0	0.0065	0.0065	0	0.0008	0.0008
Dairy Product Manufacturing	0.0058	0.0004	0.0063	0.0082	0.0006	0.0088
Specialized Freight Trucking	0.0055	0.0007	0.0062	0.0025	0.0003	0.0028
Plastics Product Manufacturing	0.0052	0.0007	0.0059	0.0043	0.0006	0.0049
Advertising, Public Relations, and Related Services	0.0048	0.001	0.0058	0.0029	0.0007	0.0036

Hardware, and Plumbing and Heating Equipment and Supplies Merchant Wholesalers	0.005	0.0006	0.0056	0.0021	0.0002	0.0023
Other Ambulatory Health Care Services	0	0.0055	0.0055	0	0.0018	0.0018
Child Day Care Services	0	0.0054	0.0054	0	0.0006	0.0006
Household Appliances and Electrical and Electronic Goods Merchant Wholesalers	0.0045	0.0008	0.0052	0.0019	0.0003	0.0022
Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	0.0045	0.0006	0.0052	0.0023	0.0003	0.0027

Industry		Direct	Indirect	Induced	Total
Fruit and Vegetable Preserving and Specialty Food Manufacturing	Employment	1	0.46	0.43	1.89
	Sales/Output	1	0.27	0.12	1.4

Source: JobsEQ(R).

Accessed 2/21/2014 10:46 AM

FOX CITIES REGIONAL PARTNERSHIP
A Wisconsin Business Powerhouse

ESTIMATED ECONOMIC IMPACTS OF A 100-EMPLOYEE SPECIALTY FOOD MANUFACTURING ENTERPRISE WHEN LOCATED IN THE FOX CITIES

PREPARED BY FOX CITIES REGIONAL PARTNERSHIP FOR USE BY THE CITY OF MENASHA

INDUSTRY		DIRECT	INDIRECT	INDUCED	TOTAL
FRUIT AND VEGETABLE PRESERVING AND SPECIALTY FOOD MANUFACTURING	EMPLOYMENT	50	23	21	94
	SALES/OUTPUT	$18,373,269	$5,049,853	$2,274,396	$25,697,517

	EMPLOYMENT			SALES/OUTPUT		
INDUSTRY	INDIRECT	INDUCED	TOTAL RIPPLE EFFECTS	INDIRECT	INDUCED	TOTAL RIPPLE EFFECTS
RESTAURANTS AND OTHER EATING PLACES	0	2	3	$8,165	$77,927	$86,092
FRUIT AND VEGETABLE PRESERVING AND SPECIALTY FOOD MANUFACTURING	2	0	2	$692,733	$11,907	$704,640
MANAGEMENT OF COMPANIES AND ENTERPRISES	2	0	2	$261,874	$14,545	$276,418
VEGETABLE AND MELON FARMING	2	0	2	$274,818	$4,378	$279,196
OILSEED AND GRAIN FARMING	2	0	2	$210,154	$1,698	$211,852
GENERAL MEDICAL AND SURGICAL HOSPITALS	0	2	2	$1	$133,176	$133,177
BOILER, TANK, AND SHIPPING CONTAINER MANUFACTURING	1	0	1	$259,724	$895	$260,618
CONVERTED PAPER PRODUCT MANUFACTURING	1	0	1	$304,434	$5,988	$310,422
GENERAL FREIGHT TRUCKING	1	0	1	$174,386	$13,625	$188,011

FRUIT AND TREE NUT FARMING	1	0	1	$184,076	$3,453	$187,529
ANIMAL SLAUGHTERING AND PROCESSING	1	0	1	$320,362	$22,299	$342,662
PROFESSIONAL AND COMMERCIAL EQUIPMENT AND SUPPLIES MERCHANT WHOLESALERS	1	0	1	$74,596	$11,420	$86,016
GROCERY STORES	0	1	1	$651	$42,073	$42,724
OTHER FOOD MANUFACTURING	1	0	1	$248,429	$11,338	$259,767
COLLEGES, UNIVERSITIES, AND PROFESSIONAL SCHOOLS	0	1	1	$114	$38,489	$38,603
MACHINERY, EQUIPMENT, AND SUPPLIES MERCHANT WHOLESALERS	0	0	1	$90,878	$11,948	$102,827
FISHING	0	0	1	$22,941	$1,026	$23,967

	EMPLOYMENT			SALES/OUTPUT		
INDUSTRY	INDIRECT	INDUCED	TOTAL RIPPLE EFFECTS	INDIRECT	INDUCED	TOTAL RIPPLE EFFECTS
RESTAURANTS AND OTHER EATING PLACES	0.0049	0.0467	0.0516	0.0004	0.0042	0.0047
FRUIT AND VEGETABLE PRESERVING AND SPECIALTY FOOD MANUFACTURING	0.0377	0.0006	0.0384	0.0377	0.0006	0.0384
MANAGEMENT OF COMPANIES AND ENTERPRISES	0.0342	0.002	0.0362	0.0143	0.0008	0.015
VEGETABLE AND MELON FARMING	0.0337	0.0006	0.0343	0.015	0.0002	0.0152
OILSEED AND GRAIN FARMING	0.0324	0.0003	0.0326	0.0114	0.0001	0.0115
GENERAL MEDICAL AND SURGICAL HOSPITALS	0	0.031	0.031	0	0.0072	0.0072
BOILER, TANK, AND SHIPPING CONTAINER MANUFACTURING	0.0225	0.0001	0.0226	0.0141	0	0.0142
CONVERTED PAPER PRODUCT MANUFACTURING	0.021	0.0004	0.0214	0.0166	0.0003	0.0169
GENERAL FREIGHT TRUCKING	0.0185	0.0014	0.0199	0.0095	0.0007	0.0102
FRUIT AND TREE NUT FARMING	0.0193	0.0004	0.0197	0.01	0.0002	0.0102
ANIMAL SLAUGHTERING AND PROCESSING	0.0165	0.0012	0.0177	0.0174	0.0012	0.0187

PROFESSIONAL AND COMMERCIAL EQUIPMENT AND SUPPLIES MERCHANT WHOLESALERS	0.0126	0.002	0.0146	0.0041	0.0006	0.0047
GROCERY STORES	0.0002	0.0128	0.013	0	0.0023	0.0023
OTHER FOOD MANUFACTURING	0.0122	0.0006	0.0128	0.0135	0.0006	0.0141
COLLEGES, UNIVERSITIES, AND PROFESSIONAL SCHOOLS	0	0.0119	0.0119	0	0.0021	0.0021
MACHINERY, EQUIPMENT, AND SUPPLIES MERCHANT WHOLESALERS	0.0096	0.0013	0.0109	0.0049	0.0007	0.0056
FISHING	0.0099	0.0004	0.0104	0.0012	0.0001	0.0013

INDUSTRY		DIRECT	INDIRECT	INDUCED	TOTAL
FRUIT AND VEGETABLE PRESERVING AND SPECIALTY FOOD MANUFACTURING	EMPLOYMENT	1	0.46	0.43	1.89
	SALES/OUTPUT	1	0.27	0.12	1.4

SOURCE: JOBSEQ(R).

ACCESSED 2/25/2014 12:48 PM

4M

Menasha Utilities
Menasha, Wisconsin

Request For Proposal

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name: __AIM Development USA LLC_____

Corporate Address: __433 North Main Street _____
__Kimberly WI 54136_____

Parent's Corporate Name: ____American Iron and Metal_____

Parent's Corporate Address: _____9100 Blvd Henri-Bourassa East _____
_____Montreal H1E2S4_____

Authorized Representative:
Name: ____Jeff McGlin_____
Title: ____Vice President_____
Phone: _____(920) 470-1061_____
Fax: _____
E-mail: _____jmcglin@scrapmetal.net_____
Signature: Jeff McGlin 10-3-2013

Primary Contact:
Name: _____Same as above_____
Title: _____
Phone: _____
Fax: _____
E-mail: _____
Signature: _____

Please check one of the following:

_____ Electric Utility
_____ Power Marketer or Broker
_____ IPP/EWG/QF
__X_ Other (please specify below):

AIM Development is 100% owned by American Iron and Metal. AIM Development's focus area is the United States. The strategy for us on this project would be to target reuse markets for some of the equipment, recycle the metal available, and redevelop the site.

Menasha Utilities 2013 River Street Power Plant Response Package

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. __ Provide Continued Operations - Purchase Power Plant
2. _X_ No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

AIM Development's proposal will be an as is where is total land, buildings, and all asset purchase. Our purchase price will not require any financing contingencies. Given inspection opportunity and environmental understanding, we would target a 30 day or less closing period. Our proposal will not be based on future findings or asset sales as contingencies.

Menasha Utilities 2013 River Street Power Plant Response Package

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. __ Provide Continued Operations - Purchase Power Plant
2. __ No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:
_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
_____ Other (please specify below):

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers:
_____ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

1. Plant Purchase Approach:
_____ Fixed Purchase Price
Price:_____
_____ Other Approach (please specify below):

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

_____ Fixed Price for All Equipment/Land/Building
Price:_____

_____ Other Approach - Please describe below

AIM Development proposal

This proposal by AIM Development is arranged to provide flexibility for the owner and it non binding at this stage. This proposal scope is to not run the plant and sell and or demolish all of the equipment and buildings

Details:

AIM Development to pay $ 50K to purchase site complete

AIM Development to perform and pay for a complete asbestos survey Menasha to provide funding for asbestos removal. AIM Development can quantify value of this at time of survey.

AIM Development will market some of the equipment for sale ahead of demolition. A percentage of asset sales dollars could be allocated back to Menasha (example - % 10 percent of sale of equipment for reuse)

AIM Development will then manage, supervise, and pay for all demolition activities

AIM Development will perform and updated Phase I of the land area.

AIM Development will cost share the on going environmental costs with Menasha after demolition is complete (ie. monitoring well and soil test costs on going as they are today).

AIM Development will lead a process for potential redevelopment of the land area post demolition.

Let me know if you have any questions.

Jeff McGlin
AIM Development
Vice President

Telephone (920) 470-1061
Email jmcglin@scrapmetal.net

Contact information on previous supplied Intent to bid summary

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch

_____ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
_____ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
_____ Yes _____ No

If yes, have financing arrangements been made prior to submitting this proposal?
_____ Yes _____ No

Please briefly describe proposed financing arrangements.

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

Menasha Utilities
Menasha, Wisconsin

Request For Proposal

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name: Environmental Plant Services Inc.

Corporate Address: 4111 Schofield Avenue, Suite #8
Schofield, WI 54476

Parent's Corporate Name: Environmental Plant Services Inc.

Parent's Corporate Address: 2315 Hampden Avenue
St. Paul, MN 55114

Authorized Representative:
Name: Gary Jaje
Title: Vice President / Division Manager
Phone: (715) 241-9344
Fax: (715) 241-9345
E-mail: gjaje@eps.vg
Signature:

Primary Contact:
Name: Same as above
Title:
Phone:
Fax:
E-mail:
Signature:

Please check one of the following:

_____ Electric Utility
_____ Power Marketer or Broker
_____ IPP/EWG/QF
_x_ Other (please specify below):

Asbestos Abatement Contractor

Menasha Utilities 2013 River Street Power Plant Response Package

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. __ Provide Continued Operations - Purchase Power Plant
2. X No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

Our intent is to bid the asbestos abatement of the 4 boilers, associated piping and equipment, and any asbestos within the Power House Building proper.

Menasha Utilities 2013 River Street Power Plant Response Package

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. __ Provide Continued Operations - Purchase Power Plant
2. X No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

See attached proposal/bid.

Environmental Plant Services, Inc.

PROPOSAL AND AGREEMENT

PROPOSAL SUBMITTED TO: Asset Management Solutions Group Inc. (AMS)
Attn: David Hess
2337 Naomi Street
Houston, TX 77054
david@amsgroupinc.com

RE: Proposal # EPS-GJ-13-2011 **25 October 2013**

We hereby submit this proposal for the work described as:

A. Environmental Plant Services would like to thank you for the opportunity to work with your company on the demolition of the boiler house at the Menasha Utilities Facility in Menasha, WI.

B. Our lump sum pricing is the asbestos removal from the 4 boilers, and all associated piping and equipment within the power plant. $1,416,000.00.

C. We have included the removal of:
   i. Boiler insulation and refractory
   ii. Boiler skin
   iii. Pipe insulation
   iv. Ductwork insulation
   v. Tank and equipment insulation
   vi. Floor tile & mastic
   vii. Windows and glazing
   viii. Fire doors
   ix. Asbestos gaskets
   x. Electrical wiring with cloth (asbestos) coating
   xi. Electrical arc chutes which are proven to be asbestos containing
   xii. Asbestos containing caulks
   xiii. Asbestos containing adhesives

D. EPS is excluding the following items from the bid due to the information I received from my first walk through of the plant with the former plant manager I was with, but do not recall his name.
   i. Precipitator building, as I was told it was built in the later 1970's and should not contain asbestos
   ii. The addition for the water treatment equipment and the 3 tall tanks outside. This equipment is not owned by the utility and apparently is not their responsibility
   iii. Stack coating or lining
   iv. Roofing materials

v. Hazardous material removal i.e. oil, ballasts, switches etc. There is no way for me to know what has been drained from equipment, or has been updated on lights and switches

E. I would strongly recommend that prior to the demolition, as state law requires on the demolition permit, that a complete asbestos and hazardous waste inventory be conducted, prior to the start of the project.

F. All salvageable materials generated by our work will become the property of demo contractor. We would require that appropriate dumpsters, or other containers, would be furnished by demo contractor to prevent any extra handling on part.

G. I you have any questions, please contact me at the Schofield office, we are willing to look over any aspect of this job with you and share any information you would like on quantities and schedules.

H. As per our conversation with CW Purpero we are bidding this directly to AMS to help keep costs down by not adding handling charges etc.

I. I have not included any taxes to these prices. If you are a tax exempt organization please provide a copy of your tax exempt certification upon award of the projects.

All work to be done in compliance with all Local, State and Federal rules and regulations

Work To Include:

(a) All Labor, Materials, Equipment, Insurance, and Disposal.

PROPOSAL ..... Refer to the above listed prices/options.

Submitted by: Gary Jaje Date: 25 October 2013
Vice President/General Manager

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:
_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
_____ Other (please specify below):

N/A

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers: N/A
_____ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

1. Plant Purchase Approach:
_____ Fixed Purchase Price
Price:_____
_____ Other Approach (please specify below):

N/A

Menasha Utilities 2013 River Street Power Plant Response Package

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

_____ Fixed Price for All Equipment/Land/Building
Price:_____

__x__ Other Approach - Please describe below

Asbestos Abatement

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch

_____ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
_____ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

N/A

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
_____ Yes __x__ No

If yes, have financing arrangements been made prior to submitting this proposal?
_____ Yes _____ No

Please briefly describe proposed financing arrangements.

N/A

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

DNR Demolition Permit is all we would need.

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

* Boilers that have been done in similar fashion were at Alliant, 6th Street Station, and they were demolished.
* Xcel did at least 3 boilers completely, but they were put back into service after stripping them down to the tubes.

* I am not aware of who to contact on these sites any longer. Xcel was at least 10 years ago, and 6th Street was right after the 500 year flood in Iowa.

JCS

Menasha Utilities
Menasha, Wisconsin

Request For Proposal

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Included

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name: Interstate Construction Services, LLC

Corporate Address: 600 W. Grant St. Phoenix , AZ. 85003

Parent's Corporate Name: same as above

Parent's Corporate Address: same as above

Authorized Representative:
Name: Scott Patterson
Title: VP
Phone: (480) 766-6439
Fax: (602) 257-9100
E-mail: otiss32@aol.com
Signature:

Primary Contact:
Name: Same as above
Title:
Phone:
Fax:
E-mail:
Signature:

Please check one of the following:

____ Electric Utility
____ Power Marketer or Broker
____ IPP/EWG/QF
X Other (please specify below):

Demolition / decommissioning firm or JV Partners with power provider.

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. X Provide Continued Operations - Purchase Power Plant
2. X No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

Our interest is to continue operations if financially feasible. Demolition if not upon careful due diligence site visit ect. we intend to make a competitive offer. Our main interest is to continue operations.

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. ___ Provide Continued Operations - Purchase Power Plant
2. X No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

* See attached

Menasha Utilities 2013 River Street Power Plant Response Package

V. Proposal Phase Executive Summary

The proposal being submitted is to maximize the asset recovery from the closure of the plant in the event no other purchaser can be identified.

> The following are factored into this consideration as would be typical of plants of this age and use: Removal of universal and hazardous waste, removal of nuclear devices, lab packing and proper disposal of chemicals, remediation and permanent closure settlement basins, remediation and permanent closure of coal piles and ash stored on site, and asbestos and lead abatement as required by EPA regulations prior to demolition of the facilities. In addition other removal requirements for permitted processes and regulated closure liabilities, eg. stack demolition, discharge elimination and closure of other permit related issues are assumed. *Seller would be required to pursue applications with regulatory entities for permanent retirement as well as all employee related liabilities from the permanent closure of the facilities.

ICS has buyers for power and process equipment like that within the River Street Power Plant as well numerous auction resources for equipment disposition. In addition we have a national account with Sims Metal Management that affords ICS preferred pricing because of our annual volume which maximizes the returns to recovery partners.

History on ICS:

Interstate Construction Services, LLC (ICS) is a full service specialty contractor that maintains a fleet of equipment to demolish and abate structures and infrastructure. We are a large project specialist handling projects up to $50MM. ICS prides itself on its quality staff that has the experience in the demolition of over 2 Billion square feet of structures ranging from single-family structures to implosions of structures exceeding 15 stories.

In the past 2 years ICS has added asset acquisitions to their business model and has positioned ICS to handle a significant amount of closures in the Paper and Power industries due to regulatory and other economics giving the businesses no other choice but to shut down. Given the environmental experience and economic development experience of ICS's leadership the company has established a unique position to be a buyer of last resort for retiring assets when there is a need for assumption of environmental liabilities. Through the company's efforts ICS has established relationships with multiple private equity firms with experience in maintaining these plants, when economically viable, to the end of their usable life. When plants are economically unviable, ICS has experience in repositioning the property for new economic use.

ICS has the ability to mobilize quickly for decommissioning assets with qualifying parties in over 10 states and the licensing and insurance capabilities of achieving licensing when needed throughout the continental United States.

Its abatement crews maintain the necessary EPA required certifications for toxic substance removal and are well versed in both federal and local regulation of asbestos abatement and toxic substance removal throughout the US.

River Street Power Plant Proposal:

ICS would like to propose two viable approaches for the disposition of the Menasha River Street as detailed below:

Proposal A: Seller identifies the scope of removal, eg. entire facility and contents or select removal of specific elements. Under this approach the following would apply:

- **ICS is retained by owner for a management fee to be recovered from the sale of facility assets.**
- **Owner retains underlying real estate.**
- **ICS management will work with the owner to reposition the property for prescribed future use (agri-business, residential development, datacenter development or other identified purpose that fits within the local economic structure of the community).**
- **ICS is paid a minimum monthly consulting fee of $15,000 to be deducted from asset sale proceeds plus a net bonus of 35% of sales.**
- **Owner retains 65% of net recovery after paying for performance of project scope.**
- **ICS will ensure that capital outlay on behalf of the owner to facilitate the project is covered from proceeds from asset recovery and will not require additional capital from the owner.**

Proposal B: ICS purchases the property and all associated assets for 80% of net proceeds. In the event that the Seller needs to sever environmental concerns of the property. ICS will agree to purchase the property for 80% of the net proceeds from the asset recovery.

Under both proposals the Seller is retaining a competent firm to recover partially the overall investment made in the property. From the owner carrying the costs the net return will likely be 40-80% greater than to sell the property to a developer that has to perform the project to redevelop the property. To be clear it is our mission as a company to see these properties come full circle into providing new economic benefits to the community that has suffered from the loss of the facility. We have found that is best accomplished by either performing projects such as these directly for the owner or by working with a local economic development authority and repositioning the property so they can sell it to an interested party in the community.

Sincerely,

Steve Durkee, MBA
President
Interstate Construction Services, LLC

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:

N/A

_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
_____ Other (please specify below):

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers:

N/A

_____ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

N/A

1. Plant Purchase Approach:
   _____ Fixed Purchase Price
   Price:_____
   _____ Other Approach (please specify below):

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

_____ Fixed Price for All Equipment/Land/Building
Price:_____

X Other Approach - Please describe below

Asset recovery split - *see exec summary attached.

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch N/A

_____ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
_____ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

Insurance - Comm GL of combined $12 mm
- Pollution Liability combined $11mm

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
_____ Yes X No

If yes, have financing arrangements been made prior to submitting this proposal?
_____ Yes _____ No N/A

Please briefly describe proposed financing arrangements.

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

Seller will be responsible for regulatory approvals depending on assets to be retired.

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

Adair properties Inc. Utah based investor that has worked on several projects with ICS under similar terms.

- Jared Adair 801-815-0232.

Complete project history available on request.

START

Menasha Utilities
Menasha, Wisconsin

INTENT TO BID

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name:	Watson Road Holding Corporation
Corporate Address:	102 E. Springfield Ave Union, MO 63084
DBA	**Stuart B. Millner & Associates (SBMA)**
Parent's Corporate Address:	See Above

Authorized Representative:

Name:	David Golde
Title:	Senior Vice president
Phone:	636-744-1400
Fax:	636-7440-1403
E-mail:	Dgolde@sbmac.com

Primary Contact:

Name:	Bob Findeiss
Title:	Executive Vice president
Office Phone:	636-744-1400
Cell:	636-390-3372
Fax:	636-744-1403
E-mail:	BFindeiss@sbmac.com

Please check one of the following:

Electric Utility
X **Power Marketer or Broker**
IPP/EWG/QF
X Other (please specify below):

SBMA is an asset management company and has been in business since 1981. We have already completed over 21 Power Plant Decommissioning projects in North America.

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. Provide Continued Operations - Purchase Power Plant
2. **X Conduct an Asset Management program as outlined.**

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

Thank you for inviting Stuart B. Millner & Associates to participate in this very important Power Plant Decommissioning & Asset Investment Recovery Project. Since its inception in 1981, Stuart B. Millner & Associates (SBMA) has been responsible for over *1,500 Power Plant Decommissioning/Industrial Plant Deactivation* projects in the United States, Canada, Mexico and many European countries ranging in value from $30,000 to $17,000,000.

Over 213 coal and other fossil power plants are expected to be decommissioned in the near future. Project managers are confronted with the need to determine their most economically beneficial course of action for their decommissioning. Some time ago, I was asked how and why our company is different from its competitors. *The Simple Answer*: SBMA produces more value from a decommissioned power plant than any other asset management company because of a uniquely engineered **TURN-KEY** product that we have developed called,

PPD *(Power Plant Decommissioning)*

TODAY, POWER PLANT DECOMMISSIONING (PPD) STILL STANDS AS THE ONLY PLAN LIKE IT ON THE MARKET!

What does this mean to Menasha Utilities? By utilizing concepts unique to PPD, SBMA will:

- Produce the maximum return of the assets to be sold
- Produce the maximum value at the least amount of cost
- Provide a complete "turnkey" approach to the Decommissioning of the Power Plant.

Our carefully orchestrated liquidation program is designed to create a sense of urgency to buyers, thereby generating the maximum financial return for our clients.

Our objective for this proposal is to prove to Menasha Utilities ***that*** SBMA's expertise as ***the*** PPD specialist best qualifies our company for this important project from both a **technical** and a **cost** perspective.

SBMA is certain to achieve the maximum possible return.

SBMA'S recommended OPTION would be to offer an asset management "Turn Key" program to include all phases of PROJECT MANAGEMENT from beginning to end of this contract. SBMA will control and manage all sub-contractors for remediation and demolition (to brownfield) as well as for the sale of the real estate

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. Provide Continued Operations - Purchase Power Plant
2. **X ASSET MANAGEMENT PROGRAM AS OUTLINED**

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

Our company will investigate, inventory and identify the possibility of selected assets for reuse, or for salvage value.

We will engage our teaming partner to analyze the engineering scope, the environmental cleanup, any remediation necessary, and asbestos abatement.

Upon completion of the aforementioned, SBMA plans on holding both a LIQUIDATION and AUCTION (Live and On-line) for all of the saleable assets within the plant.

Our next plan will try to sell the Building and land to a prospect, intact. If this plan does not come to fruition, then we will engage our Demolition partner to raze the building and foundation and establish a "brown field" at the site. This will make it more desirable to sell to a prospect for further development.

THE SBMA "POWER PLANT DECOMMISSIONING" PROGRAM

This proposal presents an overview of Stuart B. Millner & Associates' work products and how they apply to the decommissioning of any Menasha Plant.

Of course, we at SBMA recognize that the premise presented may be changed to create the final contract. SBMA's PPD program will ultimately comprise the Decommissioning Tasks and Scope of Work (SOW), as follows:

1. Inventory and Asset Identification
2. Environmental Assessment/Remediation
3. Plant Preparation
4. Selling Assets via Negotiated Sales or Auction Sales
5. Recovery of Electrical Components
6. Sale of ALL Recoverable Metals
7. Managing the Real Estate/Demolition and Rededication use
8. Risk Management Program
9. Safety and Health regulations

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:
_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
_____ Other (please specify below):

N/A

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers:
_____ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

1. Plant Purchase Approach:
_____ Fixed Purchase Price
Price:_____
_____ Other Approach (please specify below):

N/A

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

__X___ **Other Approach - Please describe below**

The pricing option is subject to negotiation between Menasha and SBMA.

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch **61-298-7990 D & B**

_____ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
_____ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

N/A

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
___X__ No

If yes, have financing arrangements been made prior to submitting this proposal?

_____

Please briefly describe proposed financing arrangements.

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

N/A

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

Client Name	Client Name	Phone
Alliant Energy	Bob Huschak	319-758-5301
Austin Utilities	Alex Baumgardner	507-434-4453
Geneva Energy	Ben Rose	312-953-5535
Mohave	Paul Phelan	909-394-8601
Madison Gas & Electric	Dan Higgins	608-252-7383
Prairie Power	Randy Fisher	217-245-6161

David Golke

POWER PLANT DECOMMISSIONING
ASSET MANAGEMENT

PROPOSAL FOR

Prepared and Submitted by:
Bob Findeiss
Executive Vice President

STUART B. MILLNER & ASSOCIATES
102 East Springfield Avenue • Union (St. Louis), Missouri 63084
Telephone: 636.744.1400 • Facsimile: 636.744.1403

The information contained in this Proposal is Privileged and Confidential.
It is intended for the specific use of **Menasha Utilities (MU)** and may not be exposed or distributed to outside concerns without the express written permission of

STUART B. MILLNER & ASSOCIATES

MILLNER & ASSOCIATES

Menasha Utilities

PART I

EXECUTIVE SUMMARY ---------- 3
ABOUT STUART B. MILLNER & ASSOCIATES ---------- 7
SUMMARIES OF SBMA'S PROFESSIONAL STAFF ---------- 10

TOTAL PLANT DEACTIVATION ---------- 18
The Inventory ---------- 21
Environmental Assistance ---------- 27
Negotiated liquidation program ---------- 28
The Auction Process ---------- 29
Sale of Power Production Machinery & Equipment ---------- 30
Sale of Recoverable metals ---------- 31
Recovery of Electrical Components ---------- 32
Real estate, Sales, and Demolition Services ---------- 33
Risk Management Program ---------- 34
Safety, Health, & Machinery Rigging ---------- 35

MARKETING STRATEGIES & IMPLEMENTATION 36
PLANT PRESENTATION PROGRAM ---------- 44
PROPOSED TIME LINE ---------- 47

PART II

FINANCIAL ELEMENTS ---------- 49
Accounting System ---------- 50
Exhibits (Brochures, Lot Book) ---------- 51

COMPENSATION PLAN & PHILOSOPHY ---------- 54
Anticipated expenses ---------- 55
Estimated Recovery ---------- 56
Safety & Health Manual

Stuart MILLNER & ASSOCIATES

Menasha Utilities

EXECUTIVE SUMMARY

POWER PLANT DECOMMISSIONING

Stuart B. MILLNER & ASSOCIATES

Menasha Utilities

Gentlemen:

Thank you for inviting Stuart B. Millner & Associates to participate in this very important Power Plant Decommissioning & Asset Investment Recovery Project. Since its inception in 1981, Stuart B. Millner & Associates (SBMA) has been responsible for over *1,500 Power Plant Decommissioning/Industrial Plant Deactivation* projects in the United States, Canada, Mexico and many European countries ranging in value from $30,000 to $17,000,000.

Over 150 coal and other fossil power plants are expected to be decommissioned in the near future. Project managers are confronted with the need to determine their most economically beneficial course of action for their decommissioning. Some time ago, I was asked how and why our company is different from its competitors. *The Simple Answer*: SBMA produces more value from a decommissioned power plant than any other asset management company because of a uniquely engineered TURN-KEY product that we have developed called,

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- Provide a complete "turnkey" approach to the Decommissioning of the Power Plant.

Our carefully orchestrated liquidation program is designed to create a sense of urgency to buyers, thereby generating the maximum financial return for our clients.

Our objective for this proposal is to prove to MU ***that*** SBMA's expertise as ***the*** PPD specialist best qualifies our company for this important project from both a **technical** and a **cost** perspective. ***SBMA is certain to achieve the maximum possible return.***

Thank you for affording SBMA the opportunity to present this proposal today!

Stuart Millner, CEO/President
Stuart B. Millner & Associates

PPD

POWER PLANT DECOMMISSIONING

Stewart MILLNER & ASSOCIATES

Menasha Utilities

OUR PROPOSAL IS COMPRISED OF TWO PARTS

PART I

SBMA'S CORE COMPETENCY AND SBMA'S ABILITY TO DELIVER THE GOALS OF THE PROJECT

PART II

EXHIBITS & MANDATORIES

COMPENSATION RECOMMENDATION

PPD

POWER PLANT DECOMMISSIONING

Stuart S MILLNER & ASSOCIATES

Menasha Utilities

PART I

SBMA'S CORE COMPETENCY AND SBMA'S ABILITY TO DELIVER THE GOALS OF THE PROJECT

POWER PLANT DECOMMISSIONING

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ABOUT US

- Established in 1981…*32+ years in the Asset Management Business!*
- Completed Power/Industrial Plant Closure Contracts: *more than 1,500 plant closings to date! Including more than 21 Power Plant Decommissioning's.*
- Completed contracts for over 450 of the Fortune 500 Industrial Companies in the United States and Canada.
- Recaptured over ONE BILLION DOLLARS in recoverable assets for its clients.
- Employees: 24 Full Time Professional Staff, plus 46 field personnel.
- Licensed Auctioneers in 22 states that require a license.
- Certified Industrial Machinery Appraisers.
- Appointed by President George H.W. Bush to a special commission to advise the governments of Hungary and Poland in the deactivation of the plants closed by privatization.
- One of the creators of the asset recovery plan implemented by General Motors that is still in use today.
- Awarded NASA contract to manage the asset recovery project for the "Solid Rocket Motor" program at its conclusion.
- Member In Good Standing Of:
  - AMEA……Associated Equipment Appraisers
  - MDNA……Machinery Dealers National Association
  - NAA……National Auctioneers Association
  - IRA……..Investment Recovery Association

PPD

POWER PLANT DECOMMISSIONING

WHAT IS SBMA? THE TURN-KEY SOLUTION!

- SBMA is a professional organization that specializes when called upon to managing the entire Power Plant Decommissioning process.

- PPD offers to its client a menu of services from which to choose. Not all clients need or want the same thing. The PPD program provides the client different ways to achieve results.

- SBMA is an organization which will maximize the return to its clients of ***all*** assets available for sale.

- SBMA will provide guidelines on how to best manage this project. SBMA always says YOU know "how to produce electricity" and WE know "how to decommission."

- SBMA will address approaches and systems to choreograph the decommissioning effort, including managing the entire project.

- SBMA is an organization that has successfully completed over 1,500 plant closures in the US, Canada, Mexico, South Africa and Europe.

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& ASSOCIATES

Menasha Utilities

WHAT IS SBMA PREPARED TO DO?

- Be a true partner to MU and provide any related and appropriate assistance the company will ask for over the course of the contract. Development/Management of all aspects of the project from RFP to Completion, a Turn-Key Solution!
- Implement our exclusive **Power Plant Decommissioning** Process (PPD) for managing the Decommissioning program at the MU Power plant.

SBMA's PPD program was created many years ago and has been implemented in one form or another in plants worldwide.

- PPD addresses every requirement for the MU Plant decommissioning.
- SBMA does not have to start from scratch to meet MU requirements…like a hand in glove....*the fit is already there*.

SBMA is qualified to:

- Inventory the assets which are available.
- Appraise those assets.
- Complete an Environmental assessment
- Market the assets on a LOCAL, REGIONAL, NATIONAL & INTERNATIONAL basis.
- Manage the safe removal of all assets.
- Provide a complete game plan – from beginning to end of the contract – and ensure the plant is delivered back to MU as promised.
- Create cash flow from the beginning to the end of the contract.
- Perfect a plan ensuring the best marketing strategy is implemented to create the greatest return, i.e.:
  - Private negotiated sales
  - Auctions of every type and variety
  - Recover the hidden value of assets in the plant like copper wire, motor control centers, transformers, ferrous and nonferrous metals.

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PROFESSIONAL SUMMARIES OF PERSONNEL WHO WILL MANAGE THE MU CONTRACT

Stuart B. Millner

PRESIDENT and CEO of SBMA and Chief Strategist for the MU Contract

- Graduated from Washington University, St. Louis-BS Marketing; married, four children.
- One of the Founders of Landmark Bancshares
- Has donated his time and talents to more than 25 charities, helping to raise over Ten Million dollars for those charities in the St. Louis area.
- Founded NISI in 1981 and its successor company, Stuart B. Millner & Associates, in 2001.
- From 1981 to the present, has completed over 1,500 plant closing and asset management contracts.
- During this same time frame, hundreds of millions of dollars have been recovered by SBMA for its clients.
- Appointed to President H.W. Bush's consulting team to visit the countries of Poland and Hungary, advising those countries on how to maximize the return to plants forced to close during the privatization of those plants.
- Visited China as a consultant for Delphi Corporation, General Motors and Westinghouse on how to maximize the value of undervalued assets in the plants that they operated and were forced to close.
- Was one of the creators of the Asset Recovery Program for General Motors, which was utilized for over ten years.
- Licensed in over 12 states.
- A founding member of AMEA (Associated Members Of Equipment Appraisers)
- Has visited over 2,000 industrial plants worldwide.

Bob Findeiss, Executive Vice President
Business Development
Sales Executive Professional with 19 years of diverse accomplishments in Business development and line operations. Demonstrated ability to evaluate talent, thinks proactively, and acts independently. Strong background in establishing Business Development Strategies, Sales, Negotiation, and Training.

Deborah A. Donoho, Vice President
Administration & Legal Affairs
Debi Donoho serves as SBMA's Vice President of Administration and Legal Affairs. Her responsibilities primarily encompass contracts, legal matters, and human resources. Ms. Donoho comes to SBMA with more than 20 years combined experience within the legal and law enforcement fields. From 1998 to 2007, Ms. Donoho served on the Board of Directors of the Missouri Paralegal Association, holding the office of Treasurer four consecutive terms. As a Director, she chaired the Programs and Professional Development Committee and was a member of the MOBar Committee on Paralegals.

Tracy R. Weinhold, Vice President
Finance ~ Analyst ~Accounting ~ Six Sigma Green Belt ~ Management
Tracy Weinhold performs multiple leadership roles for SBMA, serving as the company's Chief Operating Officer (COO) and Vice President of Finance. Ms. Weinhold holds a Master of Business Administration degree from Webster University in St. Louis, Missouri. She completed her undergraduate work at Central Methodist College where she graduated with high honors, earning a Bachelor of Science degree in Accounting and Business. Ms. Weinhold comes to SBMA with more than fifteen years Accounting and Finance experience, primarily in the, service and retail industries.

Jesse Lange, Vice President
Marketing
Jesse Lange serves as the marketing lead at SBMA. He has years of service marketing management experience with primary emphasis in direct response marketing. Mr. Lange's expertise includes a wide range of marketing experiences within the non-profit, service, retail, and corporate sectors. He brings detailed knowledge in all aspects of marketing, data mining, events, planning and implementation of strategic marketing initiatives.

David Golde, Senior Vice President
Power Plant DECOMMISSIONING Division

David Golde is a versatile senior executive with over 55 years of experience. His accomplishments span all areas of general management, advertising, sales promotion, merchandising, marketing and sales. His career is characterized by flexibility and diversity in job assignments with a variety of business skills. He has a high capacity to interact effectively as a member of management team with ability and rapport to motivate staff to accomplish goals.

Garth Burdette Wilber, Vice President
Chief Operation Officer

Burdette has over 38 years of experience in the auction/liquidation industry and as an appraiser of all types of personal property, with a strong emphasis on industrial machinery and equipment, throughout the United States, Canada and Mexico. In addition to being a MPPA (Master Personal Property Appraiser) certified appraiser and instructor, Burdette continues his education and extends his expertise as a member of the National Auctioneers Association, Auction Marketing Institute, National Auctioneer License Law Official Association, and various Auctioneers' Associations throughout the United States. Burdette is a past board member of the Missouri Professional Auctioneers Association and of the Michigan Auctioneers Association as well as the Certified Auctioneers Board of Governors

The following are examples of major **industrial** projects managed by Stuart B. Millner:

Company:	**RJ Reynolds**
Location:	Macon, GA
Description:	Two plants consisting of 2,000,000 sq. ft. of building on 20 acres.
Duration:	18 months

Company:	**United States Steel**
Location:	Duquesne and McKeesport, Pennsylvania
Description:	Two plants consisting of 18,000,000 sq. ft. of building on 440 acres.
Duration:	30 months

Company:	**Pan American World Airways**
Location:	JFK Airport, New York.
Description:	Complete rebuild facility, jet engine & jet engine test cells.
Duration:	6 months

Company:	**Westinghouse**
Location:	East Pittsburgh, PA; Round Rock, TX; Buffalo, NY; Winston-Salem, NC; Charlotte, NC; Abington, VA
Description:	Metal Working, Wire Making, Electric Motor/Generator Production.
Duration:	2 months to 18 months

Company:	**Chrysler Stamping Plant**
Location:	Milwaukee, Wisconsin
Description:	Automotive stamping equipment - 1,000,000 sq. ft. facility
Duration:	6 months
Duration:	12 months

Company:	**Acustar - Division of Chrysler Corporation**
Location:	Indianapolis, Indiana
Description:	Stamping and small electric motor for automotive industry
Duration:	6 months

Company: **Peterson Ship Builders**
Location: Sturgeon Bay, Wisconsin
Description: All types of wood and metal ship building equipment
Duration: 6 months

Company: **Chrysler Forge**
Location: Detroit, Michigan
Description: Large automotive forging facility
Duration: 8 months

Company: **Allis-Chalmers**
Location: Harvey,
Description: Tractor engine facility = 1,500,000 sq. ft., including Production machinery, CNC equipment, engine test stands, general machine tools, etc.
Duration: 9 months

Company: **General Motors Foundry**
Location: Danville,
Description: Large automotive foundry (702,000 sq. ft.), including molding lines, all types of blasting equipment, cupola/induction holding/annealing and draw furnaces, core making, mixers and mullers, conveyor, cranes, rail yard, laboratory equipment, compressors, etc.
Duration: 18 months

Company: **B P Amoco**
Location: Whiting, Indiana
Description: Lube oil, and packaging facility.
Duration: 9 months

Company: **Outokumpu Copper, Inc.**
Location: Kenosha, Wisconsin
Description: Copper, brass and bronze and rolling facility.
Duration: 18 months

Company: **SVI Corporation**
Location: Birmingham, Alabama
Description: Gray Iron, malleable and brass foundry.
Duration: 18 months

MILLNER & ASSOCIATES

Menasha Utilities

Power Plant Projects:

Company: Austin Utilities
Location: Austin, MN

Company: Interstate Power
Location: Burlington, IA

Company: Dynegy South Bay
Location: Chula Vista, CA

Company: Mohave Generating Station
Location: Laughlin, NV

Company: Geneva Energy
Location: Ford Heights, IL

Company: Tacoma Power Plant #2
Location: Tacoma, WA

Company: Shoreham Nuclear
Location: Wading River, NY

Company: Austin Energy
Location: Austin, TX

Company: Madison Gas & Electric
Location: Madison, WI

Company: Goodland Energy
Location: Goodland, KS

Company: Prairie Power
Location: Pearl, IL

Company: Maine Energy
Location: Biddeford, ME

POWER PLANT PROJECTS, Continued

Company: Dynegy Location:
Location: Chula Vista, CA

Company: Dynegy
Location: Morrow Bay, CA

Company: Dynegy
Location: Moss Landing, CA

Company: Dynegy
Location: Havana, IL

Company: Dynegy
Location: Oakwood, IL

Company: Dynegy
Location: Alton, IL

Company: Dynegy
Location: Baldwin, IL

Company: Dynegy
Location: Hennepin, IL

Company: Mohave Generating Station
Location: Laughlin, NV

Company: Geneva Energy
Location: Ford Heights, IL

Company: Tacoma Power Plant #2
Location: Tacoma, WA

Company: Austin Energy
Location: Austin, TX

MILLNER & ASSOCIATES

Menasha Utilities

POWER PLANT REFERENCES

COMPANY	CONTACT NAME	PHONE
Austin Utilities 400 4th St NE, Austin, MN 55912	Alex Bumgardner alexb@austinutilities.com	507-434-4453
Interstate Power 200 First Ave SE, Cedar Rapids, IA 2401	Belinda Skillen belindaSkillen@alliantenergy.com	319-786-4615
Black Hills Energy 1515 Wynkop St. Denver, CO 80202	Jason Hartman Jason.hartman@blackhillscorp.com	303-566-3445
Geneva Energy 1705 Cottage Grove, Ford Heights, IL 50411	Ben Rose brose@geneva7.com	312-953-5535
Madison Gas & Electric 133 S. Clair St., Madison, WI 53703	Dan Higgins dhiggins@mge.com	608-252-7383
Prairie Power 2103 S. Main, Jacksonville, IL 62651	Randy Fisher rfisher@ppi.coop	217-245-6161

Stuart MILLNER & ASSOCIATES

Menasha Utilities

POWER PLANT DECOMMISSIONING

THE BEST TURN-KEY SOLUTION!

ASSUMED GOALS
MAXIMIZE RECOVERY VALUE FOR MU

1. MU desires to decommission and maximize the recovery from all assets and do it with the least amount of cost.

2. SBMA's primary goal is to maximize the value back to MU.

3. This proposal embraces a well-organized and well thought out program to maximize MU's return in the shortest length of time.

OPTION 1-SBMA will act as a broker to sell all surplus assets within the plant.

OPTION 2- SBMA'S recommended OPTION would be to offer an asset management "Turn Key" program to include all phases of PROJECT MANAGEMENT from beginning to end of this contract. SBMA will control and manage all sub-contractors for remediation and demolition (to brownfield) as well as for the sale of the real estate

DECOMMISSIONING TASKS; SCOPE OF WORK

THE SBMA "POWER PLANT DECOMMISSIONING" PROGRAM

This proposal presents an overview of Stuart B. Millner & Associates' work products and how they apply to the decommissioning of any MU Plant.

Of course, we at SBMA recognize that the premise presented may be changed to create the final contract. SBMA's PPD program is shown on the following pages and consists of essential elements which will ultimately comprise the Decommissioning Tasks and Scope of Work (SOW), as follows:

1. The Inventory –Asset Identification, Inventory & Pricing
2. Environmental Assessment/Remediation
3. Plant Preparation
4. Selling Assets via Negotiated Sales or Auction Sales
5. Recovery of Electrical Components
6. Sale of ALL Recoverable Metals
7. Managing the Real Estate/Demolition and Rededication use
8. Risk Management Program
9. Safety and Health regulations

THE INVENTORY ...

Begin with Asset Identification, Inventory and Pricing

In differentiating SBMA from its competitors, it is important to understand that SBMA has developed protocols unique to the Power Plant Decommissioning business. The **PPD** process, as previously stated, is ***Quality Assurance Programs***, setting standards to eliminate potential defects before they occur.

The first discipline of the **PPD** process is the **Inventory**. SBMA's expert team of will completely and thoroughly identify all assets in the Power Plant.

The Inventory Report is the most critical of all **PPD** disciplines for the following reasons:

A. ASSET IDENTIFICATION

The Inventory Report insures:

1. An accurate accounting.
2. The development of concise marketing strategies for the assets.
3. Maximized revenue from sales.
4. Identification and segregation of assets to be sold and assets that have been designated to be transferred.

All assets must be accurately identified and appraised in order for MU and SBMA to agree upon and understand what is and what is not included, as well as the value to be expected at the conclusion of the PPD contract.

SBMA accomplishes this task by:

1. Inventory and tagging of all assets.
2. Preparing a complete set of machine specifications to be utilized for marketing the assets.
3. Entering assets into a dedicated database to accomplish the marketing task.

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EXAMPLE:

GENERATING UNIT DATA SHEET								
						Steam		
Description		Unit 1	Unit 2	Unit 3	Unit 4	Total	CT	Notes
GENERAL INFORMATION								
Commercial Operating Date								
Type								
Turbine Nameplate Capacity	kw							
Generator Namplate Capacity	KVA							
Net KW Oil Fuel - Summer	KW							
Net KW Oil Fuel - Winter	kw							
Heat Rate @ Maximum Net KW	Btu/KWHR							
TURBINE								
HP TURBINE								
Manufacturer								
Nameplate Capacity	KW							
Serial Number HP/IP Turbine								
Model (HP-IP/LP)								
Number of Turbines/Stages								
Steam Flow	lbs/hr							
Rated Steam Conditions								
Main Steam Pressure	psig							
Main Steam Temperature	deg F							
Reheat Temperature	deg F							
Speed	rpm							
Overspeed Trip	rpm							
Excessive Vibration Alarm/Trip	mils							
Thrust Bearing Wear Detector Alarm								
Low Lube Oil Pressure Trip	psig							
High Lube Oil Temperature Trip	deg F							
Remote Manual Trip	Y/N							
LP TURBINE								
Manufacturer								
Serial Number LP Turbine								
Last Stage Blade Length								

B. ASSET MARKETABILITY

The SBMA appraisal team will evaluate all identified assets for marketability against the following criteria:

1. **SALEABLE GENERIC**
   This category applies to those items marketable to a wide variety of industries. It includes assets such as Power Generation equipment, and plant maintenance equipment.

2. **SALEABLE INDUSTRY SPECIFIC**
   This category suggests certain assets are only applicable to a specific Power Generation industry group, Such as turbines, generators, transformers, boilers, condensers, soot blowers etc.

3. **SALEABLE SALVAGE**
   If an asset is not marketable in its present configuration, but contains salvageable components, it will be placed in this category. Typically, specialized process systems are frequently sold for the value of their components.

4. **SALEABLE SCRAP**
   Assets not marketable in any of the prior three categories will be sold for their raw material content as scrap. Assets in the bone yard and recoverable metals such as non-structural steel, cable and wire are included.

The overall objective of this PPD program is to recover maximum value for all personal property.

C. COMPONENTS OF THE INVENTORY

1. Market Timing

When an asset is determined to be too specialized to be sold in an auction environment, it will be sold by negotiated liquidation. A recommendation for the length of time any asset should remain on the market in order for it to achieve maximum value will be included in the analysis. This evaluation will be based on the following criteria:

- Size of Potential Market
- Specificity of Assets
- Complexity of Removal
- Needs of the Client

2. Valuation

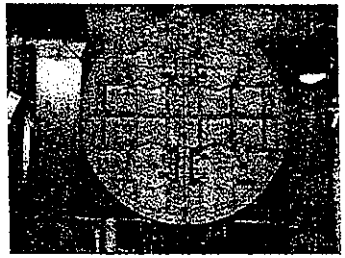
Our over 32 YEARS of experience in completing PPD programs for large corporations and small businesses have given us demonstrable valuation knowledge.

Our preliminary value analysis of the Power Generation equipment and inventory located in the various Plants will be presented after the following set of conditions is met:

1. The entire asset base has been determined*.
2. All records pertaining to the assets to be sold are made available to SBMA's staff appraisers to help in their analysis as to acquisition costs and age.
3. All assets that are to be released for liquidation are determined by a time-release statement.

Once these conditions are met, SBMA will:

- Complete the market value of every asset to be sold.
- Present the report to MU's management for review.
- Establish consensus and agreement between the management of MU and SBMA as to the target price of all the assets.

Asset ID	Description/Common Name	Specs		UNIT APPRAISE	SBMA TOTAL
COND004	Condenser, 4 Turbine				125,000
COOL001	Cooler, Turbine Oil, No.2, 4 Turbine Asset 001 & 002	2 Units		10,000	20,000
EJJR003	Ejector, Air, 4 Turbine Condenser				5,000

KEY THAT UNLOCKS THE VALUE OF THE ASSETS

PREPARING ASSETS FOR SALE

The Money is No Object Theory…

SBMA utilizes this brainstorming technique to develop a solid work plan:

"Money is No Object" – Although this is never a realistic statement, this theory places the responsibility on the Director of Marketing and the Director of Field Operation of SBMA, who are entrusted with the tasks of developing the results that are spelled out in this proposal and attack them as if money was no object. The teams are tasked to develop the very best plan they can conceive as if money was no object, knowing that after the plan is presented it is going to be culled back to conform to what is practical and affordable.

With this procedure, we take the proverbial handcuffs off the responder and allow for greater creativity without repercussions.

How Does This Theory Apply To The Program For MU?

Universally, every SBMA client wants to realize the very same goals at the completion of a contract:

1. The Most Money Possible!
2. The Least Amount of Cost!
3. A Company it can trust with its Asset Recovery project Completion of the Contract…***On Time, On Budget, with "ZERO" defects.***

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ENVIRONMENTAL ASSISTANCE/REMEDIATION

SBMA is prepared to supply an Environmental assessment/remediation firm for your solutions who will investigate and prepare any plant prior to the sale of the assets. The environmental company will provide the proper scope of work to remove any oil, lead, asbestos, PCB's, etc. from the property.

All of the onsite monitoring for this discipline will be handled by the Environmental Company selected for the project.

SBMA will be responsible for the monitoring of any and all subcontractors assigned to this project.

Proper Permits

All of the necessary permits from the city, state and any other governmental agency will be the responsibility of the selected Environmental/Remediation/ Demolition Company.

NEGOTIATED LIQUIDATION PROGRAM

The two marketing methods used by SBMA to sell assets are:

- Negotiated Liquidations
- Auction Sale Events

It is no coincidence that they are listed this way in the **PPD** process. Just as the appraisal section is the first discipline that must be addressed in the **PPD** quality process, Negotiated Liquidation must be evaluated prior to Auction.

- Many of the assets are not good auction candidates.
- Not all facilities are conducive to an auction sale.

Therefore, as we evaluate the assets in the appraisal phase of the **PPD** program, we will also make a determination as to the best marketing method for each asset to realize its maximum recovery.

Assets best marketed by Negotiated Liquidation (items priced and privately sold) include:

- High Value assets
- Assets with limited market appeal

THE AUCTION PROCESS

The auction process is sometimes the most effective and economical way to sell assets. In order for the auction process to be successful, several factors must exist.

These are:

- Commodities to be sold must be common to an industry.
- Industry solicited must be large enough to absorb the assets.
- Markets for the assets should be geographically convenient.

The benefits of the auction process are as follow:

- Immediate realization of results.
- Open competition drives prices to the market value.
- Small or low value items can be sold economically.
- Removal of assets from real estate is expedited and paid for by the purchasers, (with proper insurance) under the direct supervision of SBMA Field Supervisors

SALE OF THE SPECIALIZED POWER PRODUCTION MACHINERY AND EQUIPMENT

All Power Plants contain both specialized and generic machinery & equipment. SBMA would advise that these types of assets must be carefully marketed to a select, targeted group in order to maximize the return.

SALE OF RECOVERABLE METALS

The **PPD** program promises our clients that every asset possible will be sold and that all assets sold will be sold on an "As Is, Where Is, and No Warranty basis".

It is SBMA's recommendation that all loose metal of every quantity, quality, size and description be included in the sale.

SBMA advises its clients that the only items to be considered as discard are:

- Paper
- Wood
- Trash
- Rubber

ALL OTHER ASSET TYPES SHOULD BE CONSIDERED ASSETS AVAILABLE FOR RECOVERY!

RECOVERY OF ELECTRICAL COMPONENTS

Because of the **PPD** process, SBMA is more familiar with the market for electrical components than any other liquidation contractor. All electrical components available for sale will be clearly identified in the appraisal report.

Items included in this category include:

- Switch gear, buss & conduit.
- Wiring
- All transformers.
- Motors and motor control systems.

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REAL ESTATE SALES, DEMOLITION & REMEDIATION SERVICES

SBMA will do whatever is necessary to help MU achieve the best possible result. To maximize investment recovery the dismantlement process can be complex and can increase the cost of the demolition process.

The demolition services will be provided by our local joint venture partner (Hayden Wrecking Company) to submit a separate bid which will be approved by MU.
The demo company selected will be responsible for obtaining all necessary permits for any project.

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HWC HAYDEN WRECKING CORPORATION
a Demolition Contractor

ABOUT US

- Established in 1945 – after World War II, first generation William R. Hayden founded Hayden Lumber & Wrecking. In the early 1970s Ronald K. Hayden took the helm of the company and started to provide demolition and dismantling for Hayden Wrecking Corporation. Today, the tradition and reputation of personalized service and quality workmanship that our clients rely upon continues under the leadership of Sen. Brian and Nick Hayden.

- HWC is a full service demolition, dismantling, and asset recovery company with the people equipment and expertise to tackle every type of project including the most complex and demanding in an expedient, safe and cost-effective manner with the highest quality results. We are headquartered in the metropolitan St. Louis, MO area and have completed projects for customers throughout the Midwest, North, South, and East Coast for over 60 years.

- HWC receives repeat referrals for many of the Fortune 500 Industrial Companies in the US.
- Employees: 13 Full Time Professional Staff, plus part-time personnel and HWC is a union operation.

- **Industrial Dismantling** – HWC can provide all types of turnkey industrial dismantling, from small piping removal to department teardown and complete plant dismantling. Our decades of industrial experience allow our clients complete confidence in a safe, clean and efficient project.

  - Chemical/Petrochemicals/Refineries
  - Power Plants
  - Mining
  - Food/Beverage
  - Foundries/Steel Mills
  - Pharmaceutical
  - Agriculture
  - Tank Dismantling
  - Automotive
  - Utilities
  - Transportation

- **Industrial Asset Recovery** – HWC's asset recovery experience can allow clients maximum return on used and unused equipment. We can safely remove used equipment already sold by clients for shipment offsite or utilize our market experience to provide maximum return on surplus and unused equipment for owners.

  - Tanks
  - Vessels
  - Heat Exchangers
  - Instrumentation
  - Surplus Equipment
  - Reactors
  - Pumps
  - Material Recycling
  - Laydown Area/Boneyard Cleanup

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HWC HAYDEN WRECKING CORPORATION
a Demolition Contractor

- **Safety**

Safety is no accident at HWC. We have an impeccable safety record while working in an environment that is constantly changing. The success of our safety performance is a result of our commitment to training, up-to-date equipment, and most importantly, the long-term experience of our personnel.

Our customers expect projects to be completed with zero incident or accidents of any kind. Many implement stringent requirements before any work can begin. HWC is contractor compliant with Browz, PICS, and ISNetworld.

HWC Safety Training includes: 10 hr/40 hr OSHA; OSHA 40 hr Hazwoper & 8 hr Refresher; 24 hr MSHA training, 8 hr Refresher MSHA; Global Hazcom training, 1st Aid CPR, PPE, Confined Space, Rigging, Signaling, Aerial Training, and Trenching Shoring

- **HWC Contractor Compliance**

Browz – An independent supplier management and contractor management ensuring contractors meet clients' compliance requirements. Creates trust and lasting relationships.

PICS – An independent safe and sustainable prequalification program for contractors, vendors and suppliers using online interface

ISNetWorld - ISN is the global resource for connecting corporations with safe, reliable contractors and suppliers from capital-intensive and public sector industries

- **Corporate Officers Resumes**

Brian Hayden, Co-Owner Operations Manager – Brian worked part-time in the business as a laborer while attending college. After graduating college in the 1990 he held the positions of accountant, salvage sales manager and estimator for the family-owned business. After the retirement of his father in January of 2003, Brian assumed the responsibility of co-owner of the Company

Nicholas Hayden, Co-Owner Field Operations Manager – Nick, now also an officer of the Company, worked as a laborer for the Company while attending high school and

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- **Corporate Officers Resumes** – *continued*

college. He is now a skilled equipment operator which places him on site of the majority of the Company's projects.

His experience as both a laborer and an operator, along with his first-hand exposure to various specialized demolition/dismantling projects have provided him the knowledge required to act in a supervisory capacity as well.

Nick's OSHA training, crane safety training, mine safety and health training, and excavation hazards training qualify him to act as the designated competent person in many stages of the Company's projects.

Benjamin Hayden, Co-Owner Project Manager – Ben has worked for the Company in the field and yard throughout his high school and college years. After graduating college, Ben began his career in construction working with the a general contractor as a project manager on small to mid-sized renovations and new commercial construction.

Ben later joined the team of a large general contractor and worked as a project engineer on a $150 million level 4 laboratory and central utility plant in Atlanta, Georgia.

He has since then rejoined his brothers in the demolition industry as a co-owner of the Company. Ben has extensive technical knowledge of construction and general contracting including materials and methods, safety training, scheduling, and project management.

- **Professional Affiliations**

  - National Demolition Association
  - COCA, Inc. (Council of Owners and Construction Associations)
  - SIBA (Southern Illinois Builders Association)
  - AGC of America
  - TAUC (The Association of Union Constructors)

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HWC HAYDEN WRECKING CORPORATION

Major Projects Completed By Our Firm. (5 year period) (page 1 of 1)

Name Description	Owner General Contractor/GC	Contract Amount	Completed	Job #
Mercury Cell Bldg Calvert City, KY	Westlake Chemical	$694,562	05/13	13013
Owens Corning Newark, OH	Arlo Construction	$177,730	05/13	13013
Western IL University Macomb, IL	McHugh Construction	$633,710	05/13	12014
Shelter Tower Remington, IN	Monsanto Company	$279,870	12/13	12047
Titan Wheel Quincy, IL	Titan Wheel Corporation	$236,750	05/12	12013
Eastern IL University Charleston, IL	Honeywell	$139,375	05/12	11145
Demo – Motor Plaza North Dakota	Impact Strategies	$158,569	05/12	12015
RR Bldg Demo Osage city, MO	O'DEE, Inc	$122,752	05/12	12019
Mississippi Lime St. Genevieve, MO	Midwest Service Group	$658,870	08/12	10123
IL DOT I-70 Corridor Bldgs Demo	Illinois Department of Transportation	$239,302	11/11	10122
Solutia Krummrich Evaluation Sauget, IL	Solutia, Inc	$218,394	05/11	11110
Kerry Ingredients Bldg Demolition	WEL Recycling	$214,985	11/11	11129
Farmer City Bulk Storage Conditioning Tower Bulk Shelter Demolition Farmer City, IL	Monsanto	$354,795	05/10	09124

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HWC HAYDEN WRECKING CORPORATION

Major Projects Completed By Our Firm: (5 year period) page 2 of 2)

Name Description	Owner General Contractor (GC)	Contract Amount	Completed	Job #
Chlorobenzenes Complete Dismantle Sauget, IL	Solutia, Inc	$3,000,000	04-10	09105
Days Inn	Shiv S.D.L. Hotel	$129,000	01-10	09123
RFP Unit Tank Demolition Wood River, IL	ConocoPhillips	$130,000	11-08	07140
NCB Selective Plant Dismantling Demolition	Solutia Inc	$528,455	09-08	08101
Boeing Bldg 302 Interior Demolition	MC Industrial-GC	$503,453	07-08	07141
Dewey St Elementary Bldg Demolition	River City Const	$256,016	07-08	07127
Granite City Residential Demolition Granite City, IL	Vera Sun Energy	$140,150	07-08	07137
Eldorado, KS Refinery Equip. Dismantling	Louisiana Chemical Equip	$190,100	01-08	07126

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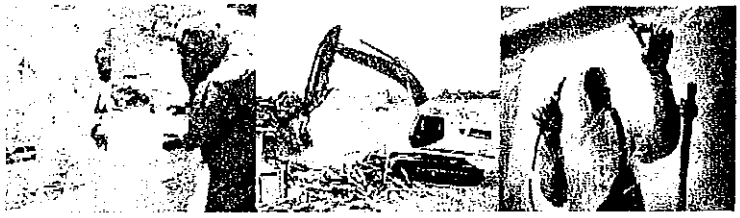
MIDWEST SERVICE GROUP

MIDWEST SERVICE GROUP

Statement of Qualifications

POWER PLANT DECOMMISSIONING



Celebrating 25 year in business, we are one of the oldest and most trusted Environmental Remediation firms in the Midwest.

Midwest Licenses/Training
- Asbestos Abatement
- Lead Abatement
- Hazwoper 40 Hour
- CPR First Aid
- Mold Remediation
- RCRA/Hazmat
- 10 Hour OSHA Trained
- 30 Hour OSHA Trained
- 500 / 510 OSHA Trainer
- Confined Space OSHA Competent

Midwest Markets
- Federal Government
- State Government
- Commercial, Industrial and Institutional

Midwest Representative Experience
- Asbestos Abatement
- Lead-Based Paint Abatement
- Demolition
- Emergency Response
- Fireproofing
- Hazardous Waste
- Mechanical Insulation
- Mold Remediation

Midwest Safety
- OSHA rate 0.76 for 2011 EMR 0.77
- OSHA rate 2.69 for 2010 EMR 0.74
- OSHA rate 1.68 for 2009 EMR 0.78
- American Subcontractor 2008 & 2011 Safety award winner

Midwest Credentials
- Over ten million dollar insurance coverage
- Over five million dollar (per project) bond capability
- Green solutions
- Federal/State government contract experience
- Professional project management and contract administration

Midwest Registration Information
- NAICS Codes: 562910, 237110, 237130, 238190, 238290, 238910, 541620, 561790, 562211.
- SIC Codes: 1799, 1541, 1542, 1611, 1623, 1629, 1771, 1794, 1795.
- PSC Codes: AD66, F108, P100, P400, Y124, Y131, Y152, Y235, Y244
- Duns: 175611532

Midwest State Certifications
- Missouri, Illinois, Iowa, Kansas, Arkansas, Oklahoma, Ohio, Indiana, Michigan, Wisconsin, Tennessee, Kentucky, Mississippi, Louisiana, North Dakota, Minnesota, Alabama, Pennsylvania, & Virginia

Midwest Union Affiliations
- AFL-CIO

Pre-Qualification Services

For additional information contact Jay Giesler ~ jgiesler@maa-stl.com ~ 636.926.7800
560 Turner Blvd - St. Peters, Missouri 63376
www.maa-stl.com

POWER PLANT DECOMMISSIONING

Stuart & MILLNER

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MIDWEST SERVICE GROUP

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GROUP

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POWER PLANT DECOMMISSIONING

Stewart & MILLNER

Menasha Utilities

USI Insurance
308 North 21st Street
St. Louis, Missouri 63103
www.usi.biz
Phone: 314.436.2369
Fax: 314.342.2163

March 26, 2013

RE: Midwest Asbestos Abatement Corporation
Dba Midwest Service Group

To Whom It May Concern:

It is with great pleasure that we provide this pre-qualification letter to you on behalf of Midwest Asbestos Abatement Corporation dba Midwest Service Group. Our agency has written performance and payment bonds for Midwest Service Group since 1996. During this period there has never been a need for surety intervention; the reason being is that Midwest Service Group completes their performance and payment obligations in a highly professional manner.

Currently Fidelity and Deposit Company of Maryland provides the necessary bonds through this agency and is in a position to consider projects in the $5,000,000.00 single job range.

If a performance and payment bond were to be required, Fidelity and Deposit Company of Maryland is prepared to issue a bond to cover 100% of the contract sum until contractual obligations have been satisfied. This, of course, is subject to normal underwriting conditions and review of the contract documents at the time a bond is required.

Should you need any additional information, please feel free to contact our office.

Sincerely,

Susan M. Stefanski
Attorney-in-Fact for
Fidelity and Deposit Company of Maryland

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Client#: 28630 MIDWESTASB

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/31/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Welsch, Flatness, & Lutz, Inc.
308 North 21st Street
P.O. Box 66753
Saint Louis, MO 63166-6753

CONTACT NAME:
PHONE (A/C, No, Ext): 314 436-2300 FAX (A/C, No): 314 342-7170
E-MAIL ADDRESS:
PRODUCER CUSTOMER ID #:

INSURED
Midwest Asbestos Abatement Corporation
DBA Midwest Service Group
560 Turner Blvd.
Saint Peters, MO 63376

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Steadfast Insurance Co.	
INSURER B: Colony Insurance Company	
INSURER C: Zurich U.S.	
INSURER D: United Fire & Casualty Company	
INSURER E:	
INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR X Asbestos & Lead Rem X Mold Remediation GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC			GPL9027197	01/01/2013	01/01/2014	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
							MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
							PRODUCTS - COMP/OP AGG	$2,000,000
								$
C	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			BAP9436168	01/01/2013	01/01/2014	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
								$
B	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DEDUCTIBLE RETENTION $			EXO301151	01/01/2013	01/01/2014	EACH OCCURRENCE	$10,000,000
							AGGREGATE	$10,000,000
								$
								$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC5869861	01/01/2013	01/01/2014	X WC STATU-TORY LIMITS OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000
							E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
D	Contractors Equipment			60379165	01/01/2013	01/01/2014	Leased/Rented Equipment Limit: $190,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

Proof of Insurance

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dennis D Fletcher

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ACORD 25 (2009/09) 1 of 1 The ACORD name and logo are registered marks of ACORD
#S246352/M246030

DMF

PPD

POWER PLANT DECOMMISSIONING

Stuart MILLNER & ASSOCIATES

Menasha Utilities

MIDWEST SERVICE GROUP

SAFETY

MIDWEST

SERVICE

GROUP

PPD

POWER PLANT DECOMMISSIONING

Frantz MILLNER &

Menasha Utilities

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA
2300 Wilson Boulevard, Suite 400, Arlington, Virginia 22201
PHONE (703) 548-3118

This is your National AGC Safety Awards Tabulation – (NASAT)

Building Your Quality of Life

2011 Report Card

Company Name	MIDWEST SERVICE GROUP									
Chapter Code & Name	28C	AGC OF ST LOUIS								
Division	Associates/Specialty							Category	324,999 to 70,000	
	Total Hours Worked	Lost Workday Cases	Total Number of Cases	Number of Fatalities	Company Lost Work Day Case Incidence Rate	Category Lost Work Day Case Incidence Rate	Chapter Lost Work Day Case Incidence Rate	Overall Division Lost Work Day Incidence Rate	Overall Company Incidence Rate	Overall Division Incidence Rate
2009										
2010										
2011	262,453	0	1	0	0.00	0.54	0.47	0.57	0.76	2.67

Note: Awards are based on three years of participation and either a zero incidence rate or 25% below the overall division lost work day case incident rate for 2011.

2011 AGC NASA Group Award Winner Categories

Division	Category	Work Hours
1 Building	1	775,000 and up
	2	775,999 to 110,000
	3	109,999 to 325,000
	4	49,999 to 0

Division	Category	Work Hours
2 Highway	1	475,000 and up
	2	424,999 to 110,000
	3	109,999 to 325,000
	4	49,999 to 0

Division	Category	Work Hours
3 Heavy / Highway	1	425,000 and up
	2	424,999 to 110,000
	3	109,999 to 0

Division	Category	Work Hours
4 Mechanical / Utilities	1	250,000 and up
	2	249,999 to 80,000
	3	79,999 to 0

Division	Category	Work Hours
5 Associates / Specialty	1	325,000 and up
	2	324,999 to 70,000
	3	69,999 to 0

PPD

POWER PLANT DECOMMISSIONING

Stewart & MILLNER

Menasha Utilities

WFL

365 Harris Avenue
St. Louis, Missouri 63103
314-476-2399
www.wfl-stl.com

December 10, 2012

Mr. Jay Geisler
Midwest Asbestos Abatement Corporation
Dba Midwest Service Group
CenMech, LLC DBA Central Mechanical Insulation
560 Turner Blvd.
Saint Peters, MO 63376

RE: Experience Modification Factor

Dear Jay:

Please be advised that the historical modifiers published for Midwest Asbestos Abatement Corporation dba Midwest Service Group and CenMech, LLC DBA Central Mechanical Insulation by NCCI are as follows:

1-1-11	.77
1-1-10	.75
1-1-09	.78
1-1-08	.75
1-1-07	.81
1-1-06	.87
1-1-05	.84

Please let me know if you have any questions.

Sincerely,

Tamara D. Torbit

Tamara D. Torbit
WFL | Account Manager
http://www.wfl-stl.com

POWER PLANT DECOMMISSIONING

SBMA will provide Project Management for all subcontractors.

If MU decides that the real estate is available for sale then SBMA can arrange for a suitable agreement between our companies for this discipline.
MU can realize the potential value of property through sale or long-term lease. In some cases the most valuable outcome in closing a plant is to convert the property to non-power use after all assets are liquidated.

Whatever the plan for MU, SBMA will work closely with MU for fruition of the project.

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RISK MANAGEMENT PROGRAM

SBMA protects its clients and their assets with a complete and comprehensive package of Risk Management programs, which ensure that MU is protected in all areas of the PPD program.

1. A Full Workmen's Compensation Plan.
2. Product Liability Plan.
3. Liability Insurance Program with limits up to $2 million naming MU as an additional insured.
4. All riggers and machinery movers must have in place at least $2 million worth of liability insurance.
5. SBMA is the responsible party to collect all sales taxes, when and where applicable.
6. SBMA is responsible for collecting all funds and supervising the removal of all assets.
7. It is our policy that no purchases are made for SBMA's own account. All sales are made to third parties and fully disclosed with the copy of every invoice as to whom it was sold, the price paid, and how remittance was made to SBMA.
8. SBMA acts as trustee of the MU assets, protecting the value of the assets for the maximum return.
9. The controls SBMA has put into place minimize the risk to our clients. These controls have proven effective in over $1 Billion worth of assets entrusted to our care. We have put into place many safeguards to help protect:

   - The Environment
   - The Assets
   - The Control of Funds
   - The Development of Good Client Relationships

If additional safeguards are required by MU, SBMA can incorporate these into our contract and working arrangement.

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SAFETY AND HEALTH PROGRAM

Enclosed with this proposal are SBMA's Safety and Health Manual. (CD enclosed) As part of the full time staff, SBMA will assign a project manager, who will ensure that all activities conducted by anyone on MU sites are compliant with the stringent guidelines set forth in SBMA's Safety and Health manual, as well as all federal, state and local regulations.

The Project Manager's work responsibility is to make sure that:

- All OSHA protocols are adhered to.
- All machinery protocols established by the Institute of Machinery dismantling and moving are followed.
- All potential environmental hazards are managed correctly before they become a problem.
- All outside contractors have the proper training, insurance and certified equipment to work in the plants.
- All SBMA employees assigned to this project will comply with MU drug testing, background checks and homeland security checks.

The Project Manager will be the *"go to"* person and will interface with the corresponding person employed in this area by MU.

* *

HEALTH AND SAFETY

* *

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MARKETING STRATEGIES AND IMPLEMENTATION

POWER PLANT DECOMMISSIONING

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MARKETING STRATEGIES

"Our strength?"

"I'd say it's our desire to understand the 'big picture' that faces our clients and respond to all of their concerns. Our PPD program enables each client to tailor their program to precisely satisfy their needs."

Stuart Millner
CEO/President

SBMA is not a typical Power Plant Decommissioning asset management/auction firm. Our in-depth analysis of each specific situation focuses on our client's needs FIRST. Only then will the design and scope of the marketing program be fully developed. Our experience in many different industries has made us unique in our approach to marketing. Though we sell many different types of commodities for many different industries, our research standards are exhaustive and our knowledge of the Power Plant Decommissioning Industry extensive. As with all quality control programs, this standardization enhances our ability to reach markets, control costs and prevent mistakes.

With SBMA you will not be serviced by:

1. Used Equipment Dealers with inventories of their own to sell.
2. Personnel with Limited Experience in the Power Plant Decommissioning business.

You will be serviced by:

1. The Highest Level Executive from one of the Most Experienced Power Plant Decommissioning Firms in the World.
2. A Company with an Established Presence in the U.S. and substantial International Marketing Ability, all just a phone call away.
3. SBMA Personnel throughout the **entire PPD** Process.

You have SBMA's personal assurance that our talents and energy will be dedicated to a marketing program that is second to none.

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MARKETING BUDGETS – CRITERIA

The budget for marketing the assets of MU Plant will be based on the following:

The Initial Inventory of ALL Assets

- Size of Facility
- Location of the Facility (Geographic Accessibility)
  - Condition of the Facility
  - Condition of the Material
  - Length of the Program
  - Check-Out Time Frame

The following is an outline of the type MARKETING PROGRAMS that SBMA will incorporate when the contract is awarded.

PENETRATING LOCAL, REGIONAL, & NATIONAL MARKETS:

SBMA's marketing team will incorporate the very proven techniques that have enabled the company to become the leader in many markets throughout the world.

- **Local**: Many commodities sell only to the local retail base of customers. Furthermore, customers do not travel long distances to buy items that have an appeal only to the local area. Advertising and marketing must be tailor-made for those markets.

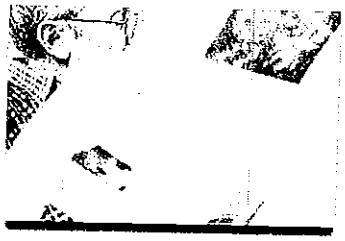
- **Regional**: This market is best described to be within a 500-mile radius of each MU Plant, whether a sale is to be conducted either by private treaty or through public auctions. Regional market buyers spend the time, effort and investment to travel to regional centers to purchase attractive, available assets.

- **National**: Historically, many surplus commodities were sold to wholesalers and dealers throughout the United States. It is SBMA's intent to employ *proven* techniques enabling national buyers to have a precise and accurate description of the property, with photographs where available.

- **International:** SBMA has successfully sold to customers in **Mexico, Canada, Argentina, China, India, England, Italy, Russia, Australia, Middle East, and Far East.** A *proven and tested* international structure is in place to maximize the return on those commodities which lend themselves to international markets.

SBMA will market the MU assets utilizing the following:

1. Direct Mail
2. Frequent Buyer Program
3. Platinum Elite Program
4. Media Advertising
5. Electronic Marketing
6. Internet
7. Email Blast Program
8. Complete Telemarketing Effort



DIRECT MAIL TECHNIQUES

The following discussion outlines in general terms the Direct Mail Program. In addition, SBMA has over 350,000 direct mail records in-house from every power plant and industrial group.

- The mailing list will be a combination of our substantial in-house mailing list developed from many other sales we have conducted in the past, lists we research and purchase, plus our "Frequent Buyer Program" and "Platinum Elite" members.
- SBMA's marketing department will collect all the data and edit it to practical size based on factors such as: company size, location and product.
- Brochures will be mailed upon request from responses to our print media advertising campaign.
- The Direct Mail program will be conducted on a local, regional, national and international basis.

FREQUENT BUYER & PLATINUM ELITE PROGRAMS

Immediately upon our selection as your asset management partner, we will mail a newsletter to members of our Frequent Buyer Program and Platinum Elite members.

The newsletter, will give the time, place, and type of currently available assets and allow us to get to the market much faster than any of our competition.

Many companies have used Frequent Buyer and Platinum programs to increase sales, but SBMA's programs offer you these additional benefits:

- Over 1,200 proven industrial auction/liquidation and credit approved buyers are currently registered in these programs.
- Potential buyers are encouraged to attend our sales through personal invitations, advanced registration, permanent registration numbers, and our help in getting the best bids on the removal of their purchases.
- Our innovative Frequent Buyer and Platinum Elite Programs are free to both our clients and customers, and it is just one of the ways SBMA maintains its reputation as the creative leader in the asset management industry.

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PRINT MEDIA ADVERTISING

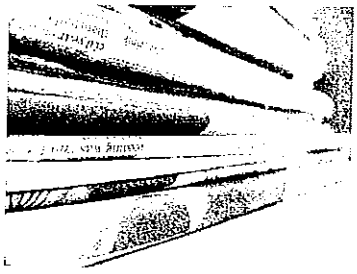
Our print media advertising program consists of all sales promotion not targeted at a specific purchaser. Some examples of print media advertising are:

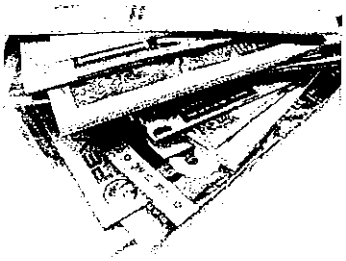
- **Newspaper Advertisements** – Local and Regional Dailies
- **Trade Journal Advertisements**
- **Periodicals & Miscellaneous Publications** – Equipment Sales and Trade Magazines

Our eye-catching style of media advertisements has proven to be an effective inducement to our customers. In our continuing effort to be the "best in the business," SBMA developed a unique style and identity that makes us stand out in what are often common and unremarkable auction ads.

The object of the print media advertising program is twofold.

- Solicit requests for brochures.
- Attract buyers within driving distances.





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ELECTRONIC MARKETING

INTERNET AUCTION:

Each auction conducted live, on-site at the plant is also broadcast LIVE across the Internet from the plant. In recent years, this double-barreled approach to get the right bidders to the sale has produced outstanding results.

The MU **PPD** program will also be advertised on SBMA's website –

www.sbmac.com.

We have found the Internet to be an economical and efficient marketing tool.

- ***E-BLAST PROGRAM***–SBMA will conduct an e-Blast program to those end users identified as potential buyers. This tool creates a sense of urgency and enjoys a high rate of response.

- ***COMPLETE INTERNET LISTING OF ALL ASSETS***–This unique tool has been used successfully by SBMA. It is particularly helpful in displaying surpluses, the quality or complexity of the product.

Social Media

In addition to the above programs, all surpluses will be added to all of **SBMA's** social media accounts.

MachineTools.com

craigslist

PPD

POWER PLANT DECOMMISSIONING

TELEMARKETING

Following the direct mail and print media advertising impact, our marketing staff will begin a telemarketing campaign.

Calls will be made to selected companies to verify receipt of the direct mail brochure and to encourage attendance.

Assistance with questions from machinery specifications to travel arrangements and accommodations are offered to our customers. This type of attention to our customers assures our clients a high quality enthusiastic auction crowd.

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PLANT PRESENTATION PROGRAM

Our Plant Presentation Program is one of the most important areas of concern to maximize the value of the liquidation of MU's financial interests.

PROJECT MANAGER – ON SITE

The Project Manager's responsibility will be to manage the project from the day SBMA is awarded the business through the day we complete the contract. His responsibilities include the following duties:

- **Overall Project Coordination**: Ensures that all components of the project are being actively accomplished. The project manager assures the appropriate balance exists - resulting in higher profits for our clients, as well as SBMA.

- **Specifications**: Dispatches a specification writer and photographer to the site to gather information about significant sale items. The Project Manager ensures that those significant items are properly described in order to attract knowledgeable buyers.

- **Advertising**: Once specifications are approved, the Project Manager determines which items should be featured and at what level. After the Advertising Department determines the creative look and layout of the brochure and print media advertising, the Project Manager is consulted for final approval.

- **Scheduling**: A critical element in the smooth flow of the sale process, the Project Manager ensures that all stages of the process are scheduled and completed...***On Time, On Budget, and with ZERO Defects.***

- **Client and Customer Relations**: The off-site relationship with potential customers goes a long way towards getting buyers on-site for the sale. The Project Manager makes sure clients' questions and concerns are addressed.

PLANT PRESENTATION PROGRAM *(continued)*

PROJECT MANAGER - ON SITE *(cont'd)*

The Project Manager will supervise the transformation of each facility from its present condition into a proper sale environment. He will be your liaison in the preparation of the facility.

- **On-Site Client and Customer Relations:** To answer any questions, respond to specific client needs, and to make the purchase of equipment at auction a more comfortable experience for our customers.

- **Hiring and Supervision of all Temporary Labor:** The Project Manager oversees the daily tasks of temporary employees by providing them with the direction needed to meet the goals of the project.

- **Inspection-Scheduling and Escorting:** The Project Manager will be responsible for all inspection activities. He will schedule, coordinate, and escort potential buyers.

- **Sorting and Arranging of Equipment:** Sorting of sale items can eliminate unnecessary lots or "break up" large lots of merchandise where a single lot quantity could adversely affect the average "per piece" price.

- **General Area, Machinery or Equipment Cleaning:** The Project Manager enhances the overall appearance of the sale site resulting in greater item appeal.

- **Lot Book Preparation:** The Project Manager records the lotted and tagged items, and then forwards the list to St. Louis for "Lot Book" preparation.

- **Informational Signs:** Signs that direct our customer to the facility, as well as, those that direct them around the sale site ease customer tensions and make for more relaxed sale conditions.

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CHECK-OUT / REMOVAL

- Check-out will be conducted by appointment only to provide proper supervision of each buyer's removal.
- The Project Manager will monitor the check-out activities.
- Buyers are supervised while loading and again prior to leaving the site to ensure security during the entire removal process.

This procedure will allow the buyers to plan accordingly, prevent problems, and maintain a high level of satisfaction with SBMA and you, our client.

SUPERVISION

The check-out procedure is overseen by the Project Manager, who daily relays all information to the Union, (St. Louis) MO headquarters office by means of direct telephone communication and the following forms:

(1) Incident Report
(2) Missing Lot Report
(3) Release Authorization
(4) Unsold lots

By these comprehensive controls, we are able to:

(A) Prevent anyone from operating in an unsafe manner.
(B) Prevent problems before they occur.

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PROPOSED TIME LINE

To execute this program correctly, our marketing program must be allowed the time necessary to penetrate local, national and international markets. Certain assets at the plants could be sold immediately for maximum revenue. Other assets will require that the right buyer be aggressively pursued.

SBMA always keeps in mind the big picture. Our sales team will exercise the patience and restraint necessary to draw the maximum value from the available equipment.

Our proposed compensation is directly correlated to the success of your program – our partnership.

SBMA's program is patient, deliberate and executed with surgical precision! The ultimate success of the project depends on it.

It is anticipated that this contract will be from October, 2013 through June, 2014.

It is anticipated that the Negotiated Liquidation to be initiated IMMEDIATELY!

This will provide SBMA sufficient time to prepare the site and advertise to an international market.

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PART II

EXHIBITS & MANDATORIES

COMPENSATION RECOMMENDATION

POWER PLANT DECOMMISSIONING

FINANCIAL ELEMENTS

1. ACCOUNTING

All assets assigned to SBMA will be identified by a SBMA control number. These control numbers:

- Can be cross-referenced to any control number assigned by MU and will become the permanent record of the existence of the asset.
- Will enable traceable activity.

All pertinent information regarding an asset sale is logged into our computer system. This information includes:

- Sale date
- Description
- Asset control number
- Buyer information
- Selling price and payment information

Sale proceeds are collected by SBMA and deposited in an SBMA/MU trust account that will be established at the time of the contract initiation. This enables SBMA to:

- Monitor the clearing of checks, wire transfers and the subsequent removal of purchases.
- Remit net proceeds to MU on the 15th of the month following the first 30 day cycle.
- Once SBMA has verified the receipt of cleared funds, buyer will be permitted to remove purchased lots. Under no circumstance will any buyer be allowed to remove purchases prior to verification of cleared funds.

With quality control standards established by SBMA, the possibility of errors occurring is extremely unlikely. On the following pages are examples of accounting controls that will be in place for MU's program.

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ACCOUNTING SYSTEM

The following is a list of reports that demonstrate our auction accounting system that is capable of expanding to an ongoing liquidation. This system is followed for each auction/liquidation project with which **SBMA** is involved and makes it easy for the client to see how each sale is tracked. The data is stored in an auction accounting software that is readily accessible.

1. **Brochure**
   Specifications and pictures are taken of many of the items for sale and incorporated into a brochure to be mailed to the potential buyers.

2. **Lot Book**
   When the brochure is produced, it gives an overview of sale items. The next step takes the accountability a step further. Each item for sale is given a lot number and is entered into the accounting software. A lot book is then produced for the auction event and distributed to all buyers.

3. **Buyer's List**
   Anyone that purchases must register. The person registering gives his/her full contact name, address and telephone number. This gives **SBMA** and the client a complete record of who visited the facility and what each person bought, if anything.

4. **Clerk Sheet**
   At the time of the auction everyone registered has a buyer number. The auctioneer begins to sell. Some lots are grouped together, but most are sold individually. The clerk writes down the buyer number and price. After ten (10) lots are sold, they are recorded into the auction software.

Stuart & MILLNER

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ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 2/9/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Weiss Insurance
683 Trade Center Blvd
Suite 100
Chesterfield MO 63005

CONTACT NAME: Katie Wright
PHONE (636) 787-2777 FAX (636) 787-2774
E-MAIL ADDRESS:
PRODUCER CUSTOMER ID #: 00009836

INSURED
Watson Road Holding Company
DBA Stuart S. Millner & Associates
102 East Springfield Ave.
Suite 300
UNION MO 63084

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Hartford Casualty Insurance Co	29424
INSURER B: Hartford Underwriters Ins Co	30104
INSURER C: Rated by Multiple Companies	00914
INSURER D: Travelers	
INSURER E:	
INSURER F:	

COVERAGES — CERTIFICATE NUMBER: CL113911798 — REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC			24SBQBV6584	3/29/2012	3/29/2013	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS X SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			84UEC8J9035	3/29/2012	3/29/2013	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Comp/Coll	$ 1,000,000 $ $ $ $
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DEDUCTIBLE X RETENTION $ 10,000			84UEC8J9044	3/29/2012	3/29/2013	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	34SEC8P4390	3/29/2012	3/29/2013	X WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 500,000
D	ERISA BOND			104972168	06/01/2010	06/01/2013		50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

Snohomish County PUD #1
PO Box 1107
Mail Stop 02
Everett, WA 98206

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Matthew Weiss/DUFEIN

ACORD 25 (2009/01) INS025 (2009/01)

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The ACORD name and logo are registered marks of ACORD

PPD

Stuart B. MILLNER & ASSOCIATES

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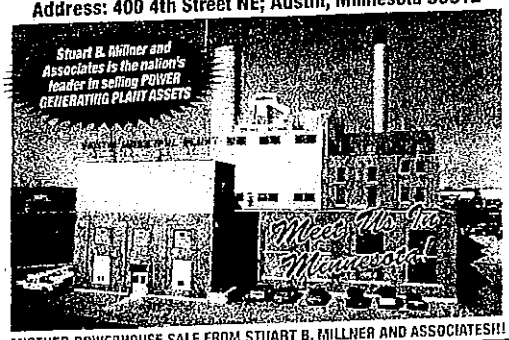
PUBLIC AUCTION
HUGE 3 DAY SALE
OCTOBER 12-14, 2010
Sale Starts 9:00 AM Each Day
Preview: Friday, Oct. 8 and Monday Oct. 11 (8:00 AM to 4:00 PM each day)

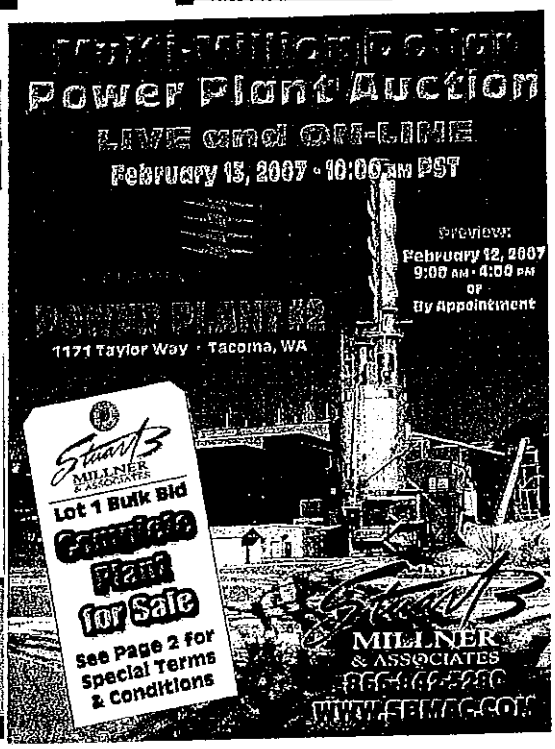
PUBLIC AUCTION
2 DAY SALE
OCTOBER 18-19, 2011
Sale Starts 10:00 AM Each Day
Preview: Monday, Oct. 17 (9:00 AM to 4:00 PM)

PUBLIC AUCTION
LIVE ONSITE AND ONLINE
AUCTION DATE & TIME: TUESDAY, JUNE 14 AT 10:00 AM CDT
PREVIEW DATE & TIME: MONDAY, JUNE 13 – 9:00 A.M. TO 4:00 P.M.
AUSTIN UTILITIES POWER PLANT
Address: 400 4th Street NE; Austin, Minnesota 55912



ANOTHER POWERHOUSE SALE FROM STUART B. MILLNER AND ASSOCIATES!!
Stuart B. MILLNER & ASSOCIATES
Bid online at www.sbmac.com
ONSIGHT
Questions? Call 866-642-5280

Power Plant Auction
LIVE and ON-LINE
February 15, 2007 • 10:00 AM PST
Preview: February 12, 2007 9:00 AM - 4:00 PM or By Appointment
POWER PLANT #2
1171 Taylor Way • Tacoma, WA



LIQUIDATION
MAJOR TURBINE MANUFACTURER

Multi-Million Dollar Power Plant Liquidation
Surplus Assets to the Ongoing Operations of:
Tacoma, Washington

KICKOFF
Open House
June 12th-June 16th
& June 19th-June 23rd
9AM-4PM Each Day

If interested-accepting offers to purchase entire power plant.

Liquidation Location:
Steam Plant No. 1
1171 Taylor Way, Tacoma, Washington
Driving Directions: From I-5 take the 56th Street (Exit 136) East North, approx. 3 miles. This turns into Taylor Way. 1171 is on the right just before E. 11th Street.
Visit www.sbmac.com for a complete listing of all assets.

Sale Managed and Conducted By:
1532 Fenpark Drive
Fenton, MO 63026
Toll Free: 866-642-5280
Stuart B. MILLNER & Associates
www.sbmac.com

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& ASSOCIATES

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COMPENSATION PLAN & PHILOSOPHY

We propose that this Asset Recovery Program be self-funding. Accordingly, SBMA expects NO reimbursement for any expenses associated with the contract.

SBMA will also impose a customary charge to buyers, known in the industry as a "Buyer's Premium." The Buyer's Premium is a standard **15%** onsite and **18%** online on all sales, whether made by negotiated sale or auction and is credited directly to SBMA.

▶OPTION 1- SBMA can act as a "broker" to sell all assets available for sale.
SBMA's compensation for this part is a commission of 10% from the Client.

▶OPTION 2- SBMA will manage the entire process from beginning to end of this contract. This includes hiring and overseeing the suitable remediation and demolition company. SBMA will also be involved with the sale of the real estate if MU decides to include this discipline with our contract. The fee for this Option is only $25,000 per month for the duration of the contract.

It is important that our presentation be made IN PERSON to the committee to explain our details and disciplines within our RFP. We can be available at your location within your time frame.

ANTICIPATED EXPENSES PAID FOR BY SBMA

To demonstrate our level of commitment to this program, we believe it is appropriate to present our list of anticipated expenses. A partial list of the kind of expenses that SBMA will be paying is:

- A full time site manager
- A full time assistant site manager
- All field supervisors that will work at the plant
- All travel
- All per-diem and associated living accommodations
- All marketing and advertising expenses
- All accounting functions

The expenses that SBMA will not be paying are:

- Trash Roll-Off Containers
- Any environmental work
- Any demolition work

ESTIMATED RECOVERY

Every client that we have always wants to know

"How much will the assets bring?"

This is a very legitimate question. Everyone wants to know this…

…and so do we!

But, and there is always a "but" when the client inquires at the inception of the project…before the inventory is taken. SBMA must assume that the assets inspected will be there when we are ready to sell it.

MU's request for a proposal is like many others we have worked.

Midwest Service Group

560 TURNER BLVD.
ST. PETERS, MISSOURI 63376
(636) 926-7800
FAX (636) 926-7802

November 7, 2013

Mr. Bob Findeiss
Stuart B Millner & Associates
102 E. Springfield Ave
Union MO 63084

Dear Mr. Findeiss

Midwest Service Group is pleased to submit the following preliminary budget proposal for the labor, materials, equipment, insurance, and scaffolding required to abate the asbestos containing materials for the Menasha Wisconsin Utilities Plant. This proposal is based on Midwest's site visit to the project, as well as on our past experiences on similar projects of size and scope. This pricing includes the independent consultant and laboratory for air sampling of adjacent areas during this abatement work and any final clearance testing that is required. This proposal does not include prevailing wages law if they are required for this project.

AGREEMENT

CLIENT: Stuart B Millner & Associates

PROJECT: Menasha Utilities Plant, Menasha Wisconsin

COST: For removal and disposal is **$ 2,586,790.00**

ALTERMATE COST #1: excluded from the above asbestos abatement pricing is the cost to remove or dispose of any fire brick inside of the boilers, this material was not tested to our knowledge. If this material is tested positive for asbestos content over 1% the preliminary cost is an additional **$ 576,800.00**

TERMS: Net 30 days. A 1 1/2% per month interest charge will be assessed on accounts past due.
TERMS & CONDITIONS: The terms and conditions of this agreement are stated on the reverse.
TIMING: This proposal is firm for 45 days. Reconsideration will apply beyond this period.
STANDARDS: All work detailed in this proposal will be performed in accordance with the applicable Federal, State, & Local regulations.

If this proposal is acceptable, please sign and return it to me. If you have any questions, please contact me at (636) 926-7800. We look forward to performing this service for you.

Sincerely,

MIDWEST SERVICE GROUP

Corey Elliott
Project Manager

Accepted: _____ Date: _____

HWC
HAYDEN
WRECKING CORPORATION

IL: (618) 874-8318
FAX: (618) 874-8319
E-mail: office@haydenwrecking.com
Website: www.haydenwrecking.com
4201 St. Clair Avenue
Washington Park, IL 62203

Date: 11/4/2013

Bob Findeiss
Stuart B. Millner & Associates
102 E. Springfield Ave.
Union, MO 63084

Email address: bfindeiss @sbmac.com
Phone number: (363) 744-1400

RE: Demolition Estimated Costs

Dear Mr. Findeiss,
We of the Hayden Wrecking Corporation propose to furnish all labor, supervision, tools, equipment and supplies needed to perform the Demolition at Menasha Utilities (Menasha, Wisconsin) in accordance with the scope of work and clarifications as listed below, for the following contract amounts and all scrap/salvage:

Base Bid

Scope of Work
Perform demolition as follows
1) Terminate steam lines and pour concrete cap at power plant end.
2) Terminate sewer and water service at property line.
3) Remove all site structures including walls, foundations and slab on grade.
4) Process, sort, load and haul steel and other salvageable materials to recycle facility.
5) Process, sort, load and haul debris to an approved landfill.
6) Crush and place clean concrete, brick and block in resulting excavation.
7) Import clay fill, backfill and compact remaining excavations to 90% standard proctor.
8) Grade site to a smooth, safe condition.

HWC proposes the work stated above for a total cost of: **$ 448,000.00**

Standard Clarifications
1. An asbestos survey will be provided, by others, as required to make EPA notification.
2. All base materials and surface paving are to be left in place, other than, that required for structure removal.
3. Hayden Wrecking Corporation will perform the project(s) union shop basis working 10 hours per day, 4 days a week, and 1 shift per day. Proposed working hours are 7:00 a.m. – 5:30 p.m.

4. Cost for delays and/or loss of productivity caused if Hayden Wrecking Corporation encounters hidden or contaminated material, regulated material, including all material considered hazardous or non-hazardous not specified, will be to the account of Stuart B. Millner & Associates.
5. Hayden Wrecking Corporation once mobilized, will be assured by Stuart B. Millner & Associates that work under the contract scope will be released and available to Hayden Wrecking Corporation without delays and as scheduled to allow continuous productive use of Hayden Wrecking Corporation's personnel and equipment.
6. All salvage/scrap material generated during the work will become property of Hayden Wrecking Corporation.
7. Separate prices quoted are for (*budget or order of magnitude)* purposes only, and may be subject to adjustment with increases or decreases based on final scope of work. Pricing quoted contains overhead and profit for the combined total price. Price may be subject to change with further scope of work clarifications, additions or deletions.
8. Hayden Wrecking Corporation will be permitted to perform all work utilizing *Hot Work Procedures* in areas covered by this proposal.
9. All equipment marked to be salvaged, to the account of others, will be disconnected and removed by others prior to Hayden Wrecking Corporation proceeding with their scope of work, unless other arrangement are made prior to start of the project.
10. Hayden Wrecking Corporation will be permitted to utilize *Controlled fall method* when removing equipment and structures on all phases of the project.
11. Hayden Wrecking Corporation price is exclusive of all demolition area isolation wall construction, sheeting, shoring, bracing or excessive dewatering.
12. Price excludes the cleaning, grinding and/or removal of all paste, mastic, glue, grout, etc. which was used to attach siding, roofing ceiling material, floor coverings which become the property of Hayden Wrecking Corporation.
13. Hayden Wrecking Corporation will be given adequate access to the work site for personnel and equipment permitting uninterrupted performance of the work as scheduled.
14. The site will be secured by others until it is officially turned over to Hayden Wrecking Corporation to begin work. The condition and quantity of salvageable materials and equipment shown during the site visit will be maintained by others.
15. Price excludes the sampling, analysis, handling, packaging, or disposal of all lead or asbestos containing or contaminated material not included in the scope of work.
16. All material generated, including concrete, earth, siding, structural steel, piping and service/process equipment which is to become the property of Hayden Wrecking Corporation, will be considered non-contaminated and all surfaces will be free of contaminates. All material will be considered suitable for recycling or disposal without additional handling or cleaning by Hayden Wrecking Corporation.
17. The cost for sampling, analysis, cleaning, handling, loading, transporting or disposal of any hazardous or regulated material will be to the account of Stuart B. Millner & Associates and will be considered an addition to the scope of work.
18. Price excludes the sampling, analysis, surface cleaning, handling, loading, transporting, or disposal of all electrical equipment including transformers, capacitors, light ballast's, florescent bulbs, mercury switches or lamps, refrigerants, oil spills or oil permeated surfaces which may contain PCB's (polychlorinated biphenyl) not included in the scope of work.
19. Price quoted excludes the sampling, collecting, packaging, handling or disposal of all unidentified or unspecified containers including tanks, barrels, tires, cans, bottles, bags and boxes.
20. Hayden Wrecking Corporation's proposal includes labor, equipment, PPE, supervisor and office support.
21. Hayden Wrecking Corporation's proposal includes leaving the work area in a "broom swept" condition when complete.
22. Hayden Wrecking Corporation's proposal includes licensing, permits and EPA notification.
23. Hayden Wrecking Corporation's proposal includes transportation and legal disposal or recycling of demolition debris.
24. Hayden Wrecking Corporation's proposal includes compliance with all OSHA, State and Company safety rules and regulations.
25. Hayden Wrecking Corporation's proposal includes all work to be performed in one (1) phase.
26. Full payment for contract services completed thirty (30) days after completion.
27. Hayden Wrecking Corporation's proposal excludes removal of all licensed /titled vehicles.

28. Hayden Wrecking Corporation's proposal excludes any backfill unless specifically noted above in the scope of work.

Safety & Protection:

It will be Stuart B. Millner & Associates responsibility to inform employees or tenants working in adjacent areas of the demolition activities taking place and impose an "off limits" policy for all non-essential tenant company employees entering the work area and to further instruct employees to "check in" with Hayden Wrecking Corporation's site representative prior to entering any area under the control of Hayden Wrecking Corporation.

Price excludes all temporary or permanent dust, weather, or service protection required including sensitive surface areas or equipment (i.e., computers, copiers, office equipment, instrumentation, etc.) which may be susceptible to fugitive dust or inclement weather conditions.

Below Grade Work:

Prices quoted exclude the locating, relocating, removal, cleaning, disconnecting, plugging, capping, and disposal of all cisterns, oil tanks, septic tanks, wells, underground storage tanks, service product or utility lines.

We at Hayden Wrecking Corporation wish to thank Stuart B. Millner & Associates for this opportunity to provide our specialty contracting services. Should you have any questions regarding this proposal, please contact me at 618-874-8318 or my cell 618-978-6588.

We are fully insured and, if awarded this project, our standard Certificate of Insurance will be issued to you prior to our demolition operations. Any requests for additional coverage and/or specific endorsements will be provided, if available, for the additional cost.

Thank you for considering our firm, and we hope, finding our proposal acceptable.

Respectfully yours,
Hayden Wrecking Corporation

David Bayless
Business Development/ Estimator

Accepted by: _____ Date: _____

SURPLUS

Menasha Utilities
Menasha, Wisconsin

Request For Proposal

Response Package

Issue Date: August 26, 2013

Notice of Intent to Bid Date: September 20, 2013
(Complete Sections I-III)

Proposal Due Date: November 8, 2013
(Complete Sections IV-XII)

Menasha Utilities 2013 River Street Power Plant Response Package

I. RESPONDENT INFORMATION

Corporate Name: __Surplus Investment Group_____

Corporate Address: _____2517 Barry Knoll Way_____
_____Fort Wayne, IN. 46845_____

Parent's Corporate Name: _____

Parent's Corporate Address: _____

Authorized Representative:
Name: _____Dean Baughman_____
Title: _____Principal_____
Phone: _____260-615-0229_____
Fax: _____
E-mail: _____dean@surplusinvestmentgroup.com_____
Signature: _____Dean Baughman_____

Primary Contact:
Name: _____Dean Baughman_____
Title: _____Principal_____
Phone: _____260-615-0229_____
Fax: _____
E-mail: _____
Signature: _____Dean Baughman_____

Please check one of the following:

_____ Electric Utility
_____ Power Marketer or Broker
_____ IPP/EWG/QF
__x___ Other (please specify below):

Investment Company that also provides turnkey services of brokerage, environmental, demolition and beautification.

Menasha Utilities 2013 River Street Power Plant Response Package

II. NOTICE OF INTENT TO BID PHASE - TYPE OF PROPOSAL

(Both can be checked if desired):

1. __ Provide Continued Operations - Purchase Power Plant
2. _x_ No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

III. NOTICE OF INTENT TO BID PHASE - EXECUTIVE SUMMARY

Please give a brief description of the expected business plan. This section is intended to provide a high level summary of how the transaction is expected to be structured. This summary is not intended to be used to make a commitment of the type of proposal, (continued operation vs. purchasing equipment) but is intended to describe all options being considered and to include any issues and concerns that are known at the time of filing the notice of intent to bid.

With this opportunity Surplus Investment Group is wanting to produce a plan to market certain Boilers with their equipment to overseas end users. We also, would sell as much equipment as possible to our matrix of buyers world wide. The remaining asset would be environmentally abated, decommissioned and demolished by our team. We would provide an open book system to track assets and weight for this project. The goal would be to get the highest price for assets and split the net profits with the owner. If we reach a certain tear based on a formula then more can be given to owner. We feel we would need 24 to 36 months to sell a Boiler System but can be very profitable.

Menasha Utilities 2013 River Street Power Plant Response Package

Menasha Utilities 2013 River Street Power Plant Response Package

ALL OF THE REMAINING ITEMS ARE FOR THE PROPOSAL PHASE

IV. TYPE OF PROPOSAL

(Check One):

1. __ Provide Continued Operations - Purchase Power Plant
2. __ No Continued Operations - Purchase Plant Equipment for Resale or Salvage - and /or Purchase Building and Land

V. PROPOSAL PHASE - EXECUTIVE SUMMARY

Please give a brief description of the proposal being submitted. It is understood that there may still be issues that need to be resolved in the due diligence process, and they should be included in this summary.

Can perform all of the following to include; but, not limited to:

1. Marketing all non-performing usable assets/surplus by way of established customers from around the globe
    a. By way of already established customers from around the globe
    b. Have established partnerships to auction newer and new store supplies to maximize the profits for assets/surplus items
    c. Once certain assets have exceeded expected sales time limits they will be identified as scrap metal
2. A collaborative safety, environmental, and reclamation plan will be established with the Menasha Utilities group for review and approval
3. Complete and/or select demolition per the request of customer
    a. Proceed to dismantle the facility down to desired land use

We are offering the following:

1. Partnership based on the net profits of this project
2. We will provide the following for every item(s) sold as usable or scrap metals:
    a. Manifest
    b. Bill of sales
    c. Weight tickets
3. We propose a process of a 50/50 partnership with the same goal to maximize profits for the duration of the project
4. All checks will be written back to Menasha Utilities on a monthly basis

We believe this process is a very profitable venture for both parties, and is the best fit for the power facility.

Kind regards.

VI. POWER SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to sell power (capacity and energy) to the following:
_____ MISO DA/RT Market and MISO Capacity Resource
_____ Bilateral Finsched to MISO Member
_____ Renewable Energy Credits for Biomass Conversion
___x__ Other (please specify below):

VII. STEAM SALE DESCRIPTION (Applicable to Continued Operation Type 1)

A. Respondent is intending to consider the option below related to selling steam to Menasha industrial customers:
_____ Not Seeking to Sell Steam to Industrial Customers
_____ Intending to Seek Steam Sales to Two Industrial Customers

Menasha Utilities 2013 River Street Power Plant Response Package

VIII. Pricing

A. Proposal Type 1 - Continue Plant Operations

1. Plant Purchase Approach:
   _____ Fixed Purchase Price
   Price:_____
   _____ Other Approach (please specify below):

No Interested in this plan.

Menasha Utilities 2013 River Street Power Plant Response Package

B. Proposal Type 2 - No Continued Plant Operations

1. Plant Equipment Pricing Approach:

_____ Fixed Price for All Equipment/Land/Building
Price:_____

___x__ Other Approach - Please describe below

See section V.

Can perform all of the following to include; but, not limited to:

1. Marketing
    a. Commodities and Surplus Appraisals
    b. Have established partnerships to auction new store supplies and other sellable assets to maximize the profits
    c. Once certain assets have exceeded expected sales time limits they will be identified as scrap metal
2. Engineering
    a. Design and planning of decommissioning and demolition (D&D)
    b. Cost analysis
    c. Permits and certifications
    d. Project Safety
3. Environmental
    a. Phase 1&2 Surveys
    b. Test Samplings
    c. Abatements
    d. Remediation
4. D&D
    a. Decontamination and Decommissioning
    b. Dismantlement and Demolition
    c. Industrial Relocation(Rigging, Packing, Shipping and Storage)
    d. Transportations and Logistics (domestic and international)
5. Beautification & Construction

We provide a turnkey solution to your projects recovery needs.
We feel a split partnership of the net profits in the best approach
for this plant.

Menasha Utilities 2013 River Street Power Plant Response Package

IX. FINANCIAL INFORMATION

Please provide the following financial/credit information:

If company is rated by S&P, Moody's, and/or Fitch, please provide latest credit report (if responding company is not rated, then please provide for parent company and/or other guarantor):

_____ S&P _____ Moody's _____ Fitch

__NA___ Most recent SEC Form 10-K and most recent SEC Form 10-Q Report
__NA__ Three most recent Annual Reports

What form of performance security will be provided to support the proposal?

Our company can provide a performance bond or deposit money held for the security of this project.

X. FINANCING REQUIREMENTS

Is new financing required to facilitate the desired transaction?
_____ Yes __x___ No

If yes, have financing arrangements been made prior to submitting this proposal?
_____ Yes ___x__ No

Please briefly describe proposed financing arrangements.

We would provide cash transaction upfront or bonding in place before we do business.

XI. ANTICIPATED REGULATORY APPROVALS

The proposed transaction may require regulatory approval(s): Please give name of agency, jurisdiction of agency, relevant statute under which approval is required, and responsibility for obtaining approvals.

NA

XII. REFERENCES

Please provide contact information for any parties that had a similar business arrangement as to what is being proposed.

Dynegy-

Jim Nuernberger- Sr. Mgr. Purchasing 618-206-5841

More Ref. upon request….