

QUALITY FLOW SYSTEMS, INC.

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July 19, 2000

City of Rapid City, SD
Attn: Mr. John Wagner

Dear John;

The following proposal is recommended by U.S. Filter Control Systems (formerly Autocon Industries) and our representative Quality Flow Systems, as an effective solution for upgrading the existing Microcat 9900 SCADA software and hardware currently running the City of Rapid City water treatment and distribution system.

Recommended Proposal:

Software:

- (1) Licensed copy of WonderWare *InTouch* Runtime for NT system operator interface
- (1) Microsoft NT v/4.0 workstation
- (1) Autocon Micronet DDE I/O drive
- (1) Autocon 9710 programming software
- (1) Autocon Reporter application software
- (1) Microsoft Office 97
- (1) Specter WIN 911 alarm dialing / paging software
- (1) Norton's PC Anywhere dial-up software for NT

Hardware

- (1) Dell Pentium III PC - minimum 300MHz, 64MB RAM, 8.4GB hard drive, 8GB Tape Drive
- (1) NEC 17" color monitor
- (1) HP Laserjet 6P printer
- (1) External 56Kbaud modem (SCADA system access via city's laptop or Control Systems factory support)
- (1) Internal 100MB Zip Drive

SCADA system upgrade includes two (2) Microcat 9710 system controllers (configured hot standby) containing the communications and control programs previously residing in the computers at the Water Treatment Facility control room. The 9710 controllers will be located in a new wall mounted cabinet in the control room adjacent to the SCADA computer. The existing communications database and control strategies will be modified and loaded into the 9710 system controllers.

It should be noted that in event of a PC failure, the 9710 controllers will continue to communicate with and control all remote terminal units at the remote wells, boosters, water storage, and treatment plant locations without the computer running.

All other existing locations we upgraded to 9700 RTU devices as applicable. We include all responsibility for field commissioning, startup & testing of RTU communications and control programming to the satisfaction of Rapid City personnel.

Some modifications to the existing control logic is expected and accounted for in this proposal. Our engineering staff will work with Rapid City Water Department personnel on control logic schemes for all new or existing programmable controllers.

Control Systems field technicians will retain numerous components currently installed in the system. The proposal is based on using all existing power supplies, input / output modules, modems etc. where applicable.

It is expected that Rapid City Utility personnel will be available for a two-week period to assist our field engineers and technicians in the critical system cut-over stage of this upgrade.

The SCADA system upgrade includes the following services:

Communications database programming
Control logic programming
Operator interface programming
Report programming
Field startup and testing
(24) hours of on-site operations training
Updated system O&M documentation
Travel & per diem costs
One (1) year warranty costs for any new supplied equipment

Note,- Operator interface programming, control programming, communications programs, and log/report programming proposed includes supplying a SCADA system which is functionally equivalent to the application capability of the existing system . Our proposal includes on-site engineering services to meet with Rapid City personnel to design, plan and mutually agree to various parameters for the software work noted above.

Anticipated Days to Complete: 120-150 days

Our proposal excludes:

Performance bond, licenses, permits, fees, etc.
Sales, local, county, excess taxes
Alarm/event printer
Mounting or installation of cabinets, conduit, wiring, etc.
Computer UPS systems, furniture, auto-dialers, etc.
SCADA system laptop computers
Any existing equipment found to be defective or damaged by our field technicians

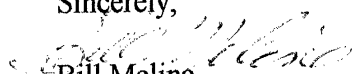
Total Delivered Selling Price - -\$94,360.00 (+ tax)

Change Order:

Please deduct \$3,116.00 from the above price for the deletion of the WIN911 alarm dialer.
The total new contract price is \$91,244.00 (+ tax)

If you have any questions or require more information, please give me a call.

Sincerely,


Bill Meline

Accepted By: _____

Date: _____

Title: _____