

Memorandum

To: Darren Indyke

From: Emad Hanna

Re: Paul Gandy Project Update

Date: 07-14-05

Phone System:

Gandy indicated his concerns regarding compatibility issues and increasing costs with the installation and the increasing monthly costs. Scully is negotiating with Innovative to reduce the mandatory 100 lines down to 50.

Paul has promised to deliver by Monday July 18th a summary with cost basis.

Lighting:

Gandy had originally quoted a price under \$ 100,000 based on the original survey, which he admitted that he made a mistake on and it is his fault. He now states the current estimate is about \$ 200,000 higher than anticipated based on the new site plan, which has considerably more pathways and added all utility conduits and duct banks for future facilities and a fixture cost around \$ 1,200 per light.

Paul has promised to deliver by Monday July 18th a summary with cost basis.