

Maguire Group Inc.
Architects / Engineers / Planners

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Barry W. Kimball, PE
Senior Vice President

June 14, 2007



Mr. Darren Indyke
Little St. James LLC
St. Thomas, USVI
C/o NY Strategy Group
The Villard House
457 Madison Ave., 4th Fl.
New York, NY 10022

**RE: Revised - Engineering /Architectural Services – Work Order No. 6.
Mechanical Building**

Dear Mr. Indyke:

Maguire Group Inc. (Maguire) is pleased to present this proposal for **Work Order No. 6** under our Master Agreement to provide engineering and architectural services for the new Mechanical Building on Little St. James Island. This work order is based on the general scope of services, terms, and conditions described in the *Abbreviated Standard Form of Agreement Between Owner and Architect* herein known as the Master Agreement, dated February 8, 2007. In general, the services proposed in **Work Order No. 6** include architecture and civil, structural, mechanical, electrical, and plumbing/fire protection engineering to provide preliminary engineering and final design to develop the Mechanical Building floor plan, site and building configuration based on the "program boxes" developed by Maguire Group and LSJ Owner Representative Doug Schoettle.

Services will be provided for all phases of design and construction as described in *Article 2 - Scope of Architect's Basic Services* in the Master Agreement. A more detailed description of the project scope and services to be provided is as follows:

Mechanical Building

The Mechanical Building, in its current configuration will be rectangular in shape with an approximate floor area of 10,000 square feet. The building and all required equipment (with the exception of the reverse osmosis equipment) will be designed based on the "program boxes" developed by LSJ and Maguire Group. The program boxes include;

1. Emergency generator and switch gear room, including generators and required equipment.
2. Fuel storage room, including 3-12,000 gallon steel storage tanks and required equipment.
3. Reverse osmosis room (180,000 gallons per day per 3-60,000 gpd units, layout, equipment and stand alone controls by equipment supplier, room size to be coordinated with equipment supplier)
4. Reverse osmosis room future expansion/temporary storage during const. This will essentially be the same as the room described above without R/O equipment.
5. A 100,000 gallon cistern & water distribution pump room, pumps and controls, cistern size may vary to match structure.
6. Permanent storage room, shelving and misc. equipment.
7. Control room/office, tool room and lavatory, including all support utilities equipment and furniture.

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Maguire Group will design, specify, size, integrate and/or coordinate the equipment to be installed and utility support of said equipment for the individual program boxes within the structure as currently conceived and as further defined below for individual disciplines;

Architecture: Maguire will be the "Architect of Record" assuming full coordination and technical responsibilities for implementation of the concepts. Maguire will prepare construction documents including architectural plans, elevations, sections, details, and schedules along with project specifications. Individual bid packages will be prepared for bid solicitation by the Construction Manager.

Site/Civil: The building will be located south of the existing reverse osmosis/generator building and will be built into the hillside "bunkered" with an earthen covered roof. Site design will include detailed layout, grading, and drainage plans based upon the developed concept. The Mechanical Building will require an onsite sewage disposal system for the lavatory. A fuel dispensing system from diesel tanks and an additional gasoline distribution tank will be located and specified. The site configuration will be coordinated with the existing R/O building which will remain. Landscape architecture and irrigation systems will be by others.

Structural: The Mechanical Building final configuration and number of stories will be determined during design development. The foundation, walls and roof will be concrete. The south, east and west walls will also act as earth retaining structures. The north face of the structure will be exposed and will offer easy access to the equipment rooms.

Mechanical: Ventilation of the all equipment and storage rooms will be provided. Air conditioning will be limited to the control/office/tool/office room and possibly the storage room. A chiller will be located at the exterior of the building. Air-handler units will be located during design development. The ductwork will be designed to accommodate the building floor plans.

Electrical: The electrical design will include calculations for the electrical loads of all buildings, based on the master plan for the emergency generation and switch gear. Based on the calculations equipment and feeders will be sized. The design will include electrical and lighting system supporting all the program boxes. Maguire will coordinate with the R/O equipment supplier and fuel storage supplier for both electrical and control requirements. In addition, coordination and integration of the overall island water system control will be provided. This electrical scope is based on a 480 volt system on the island.

Fire Protection/Plumbing/Water Distribution: This work order includes a fire code review and development of a fire detection & fire-suppression system acceptable to the owner. This will include design specifications for the installation of 3-12,000 gallon steel diesel fuel storage tanks for the emergency generators and a dispensing fuel unit for const. equipment.

Plumbing associated with the bathroom facilities and floor drains will be included.

The R/O equipment supplier will provide the piping design associated with the reverse osmosis equipment including the intake line and reject water line design. Maguire will design the pumps and piping from the storage cistern to 10 feet outside the building pending an accepted distribution routing. An island wide water distribution diagram will be developed to allow proper sizing of distribution pump equipment and pipe sizes based on elevation heads and distances to the various storage tanks/cisterns. Pump controls, valve controls and cistern level indicators will be specified.



Technical Specification and Submittals: Technical specifications using CSI format and MASTERSPEC® will be prepared for the parts of the project for which Maguire has design responsibility. We anticipate four design submissions: Program development for sign off by owner, 30% Design Development; 80% Building Permit Package for owner review and comment; and a 100% Construction Plans & Specifications. Biweekly design coordination meetings will be held by teleconference, and we anticipate one design review meeting to be held in our Foxborough, Massachusetts office and one review meeting to be held in the NY Strategy Groups, NY office.

Construction Administration: Maguire will provide technical support by reviewing all shop drawings and requests for information as they pertain to Maguire's design responsibilities.

On-Site Construction Administration: Maguire will also provide on-site functions during the construction phase to ensure a quality product for the owner by providing the following duties;

Provide periodic on-site inspection to ensure the construction is proceeding according to the design and the work is being completed to a quality, satisfactory to the Architect and Owner.

Ensure the degree of completion is commensurate with contractor payment requests.

Attend monthly construction meetings when necessary.

Provide construction issue resolution as it pertains to design.

Ensure an efficient review and response protocol for shop drawings and contractor requests for Information.

Provide technical assistance and coordination between the design team and CM as program, design or construction adjustments are made by the owner or owner's representative.

The fee for this effort will include man hours for one project manager/principal engineer level staff to provide 6 on-site visits, and 3 on-site visits for appropriate technical staff. An assumption of three 8 hour days @ \$122/hour would be required for each visit which equates to approximately \$2,928 per visit x 9 visits totaling \$26,352 would be a reasonable budget. The direct expenses covering air fare, lodging, meals and taxis will be billed separately. Based on a recent trip an estimate of expenses would be in the \$1,500 range per trip/person but would obviously vary depending on flight and lodging availability and the time of year.

Fee

The scope of services is as anticipated in the Master Agreement and as described herein. Revisions will be made to the Fee to match any significant revisions to the proposed building. We propose to engage in the design services described above on an hourly basis plus reimbursable expenses utilizing the hourly billing rates established in the Master Agreement. Invoices will be submitted monthly based upon the hours and expenses charged directly to the project in the proceeding months. For planning purposes we suggest the establishment of Work Order No. 6 budgets as follows:

Design Phase Services	\$297,030
Construction Administration	\$51,088
On-site inspection/CA	\$26,352
Reimbursable Expenses	\$10,000
Outside Consultants	\$0
TOTAL	\$384,470



Please feel free to call me directly if you have any questions. We look forward to undertaking this important and interesting project.

Very truly yours,

MAGUIRE GROUP, INC.

A handwritten signature in black ink, appearing to read "BW Kimball".

Barry W. Kimball, PE
Senior Vice President – Civil Works/Land Development

Attachments; preliminary drawing list & fee spread sheet

Approved and accepted this ____ day of June 2007

Darren Indyke – for L.S.J., LLC