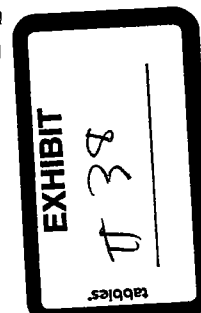


LOMBARDO ASSOCIATES, INC.

Web Site: www.LombardoAssociates.com



will enable the Feoffees to select an option that will serve as the basis for the final design and will include the following components:

1. Road use & traffic control
2. Sewer Collection System
3. Holding tank/Building

LAI will use the daily water use data collected by the Ipswich Water Department to develop design conditions. LAI will consolidate, analyze, and interpret the water use records for each of the 167 properties on Little Neck to identify excess water users.

2.0: DESIGN SERVICES

Lombardo Associates, Inc. will prepare design packages for the improvements as presented in the Engineering Plan. It is expected that design packages will be prepared for:

1. Road use, traffic control & landscape issues
2. Holding Tank/Building
3. Sewer System
4. O&M of System

Task 2.1 Preliminary Design

Site plans for the proposed improvements will be prepared. A base map of existing and proposed utilities (i.e., electrical, water, cable, etc.) will be prepared. Field checks and measurements will be performed to confirm existing conditions of critical importance.

Utilizing the design criteria established in the Engineering Plan, preliminary design drawings for each of the project's components will be prepared to about a 30% complete design and submitted as preliminary design for Feoffee review and comment. The Preliminary Design will include site plans, plan view of the holding tank - pump station, section views, a draft control and instrumentation details, wastewater collection system and house connections. The holding tank will require structural drawings and detailed evaluation of subsurface conditions.

Preliminary design will also include draft technical specifications for the construction of the sewer - holding tank system.

Up to eight (8) sets of preliminary design documents will be provided to the Feoffees for review and comment.

Task 2.2 Permitting

Lombardo Associates, Inc. will assist the Feoffees with application for and procuring needed permits, identified in the Master Plan, associated with the project's implementation.

Task 2.3 Final Construction Documents

Upon receipt of comments on the Preliminary Design, Lombardo Associates, Inc. will prepare responses and meet, as appropriate, with the Feoffees to discuss the comments and determine what changes or additions will be made to develop and complete the Final Design - Construction Drawings and Specifications. Construction drawings and specifications will expand on the detail of the Preliminary Design to include sufficient detail to allow the Feoffees to request bids for the proposed improvements. The specifications will include bidding information, a final bid form, General and Special Conditions, a sample contract and other appropriate documents.

Up to eight (8) sets of Construction Drawings and Specifications will be provided to the Feoffees for review and comment.

After Feoffee review and comment, appropriate revisions will be made. Up to five (5) sets of Construction Drawings and Specifications will be provided to the Feoffees for project review and filing.

3.0 SERVICES DURING CONSTRUCTION

Contractor procurement is a critical component and recommendations on the contractor selection process will be proposed after solicitation of contractor interest.

Task 3.1 Procure Contractor

Advertising, managing the bidding process and managing the bid review and bidder selection will be the responsibility of LAI. Up to twenty (20) sets will be provided for delivery to potential bidders.

Lombardo Associates, Inc. will hold a pre-bid meeting at a location determined with the Feoffees to respond to questions from potential bidders. LAI will prepare and transmit written responses to all technical questions received.

Lombardo Associates, Inc. will provide a review of bids received and provide a recommendation for contractor selection.

Depending upon the final contractor selection process, this will occur for up to three contracts.

Task 3.2 Construction Observation & Engineering

Lombardo Associates, Inc. will attend all construction progress meetings during the course of the work and will review payment requests. Lombardo Associates, Inc. will also provide responses to written questions submitted by the selected contractor during construction and will review all shop drawings submitted for compliance with the design intent.

Lombardo Associates, Inc. will provide full time on site observation services during construction of the planned improvements.

LAI's services will also include:

- Field observation
- Preparing contract addenda and change orders as necessary
- Shop Drawing Review
- Contractor payment review and recommendations for payment
- Preparation of a Plan of Operation at the 50% point of construction
- Preparation of Record Drawings

4.0 START-UP

Task 4.1 Start Up and Testing

Lombardo Associates, Inc. will provide on site engineering services during start up and testing of the improvements, consistent with the project needs and Feoffees' requests. Lombardo Associates, Inc. will also provide on call engineering services during this period.

Task 4.2 O&M Manual

Lombardo Associates, Inc. will prepare an O&M Manual for the designed improvements.

The O&M Manual will be provided in easy to use format to allow O&M Manual revisions resulting from modifications during the project

Task 4.3 Start-up Certification

LAI will provide support services for the project improvements certification and start-up. LAI will prepare a report outlining the information to be gathered during project certification. Based upon a review of the data, LAI shall provide certification that the improvements are operating as designed or if not what corrective actions are necessary.

Task 5.0 MADEP Report and ACO Support Services

LAI will also assist the Feoffees in addressing the continuing various requirements associated with compliance with the ACO.

SCOPE OF WORK ASSUMPTIONS

The following assumptions are part of this agreement and form a basis for the contract amount and schedule:

1. The existing topographic plan obtained from Larry Graham Associates, Inc. is sufficient as a base for the contract drawings.

SCHEDULE

Lombardo Associates, Inc. proposes to perform the Scope of Services described above on a best efforts basis with a projected completion date as stated below, which is based upon receipt of authorization to proceed by October 2, 2004. The actual completion dates will be dependent upon interim results and logistics of coordinating various parties.

The attached schedule shows the estimated timeline for the completion of design and construction of each component of the sewer – holding tank system. Fast tracking of the work and selection of contractor(s) will be initiated as soon as possible.

BUDGET & TERMS

Lombardo Associates, Inc. proposes to perform the above-described services on a time and expenses basis for an amount not to exceed Six-hundred-Fifty-Two-thousand-One-hundred-Seventy-Two dollars (\$655,172), which cannot be exceeded without written authorization from the Feoffees. Project Construction Cost was estimated by LAI to be \$2,918,000. Task Budgets are estimated as:

Task		Estimated Budget
Task 1.1	Master Plan	\$ 54,485
Task 1.2	Engineering Plan	\$ 52,246
Subtotal Task 1		\$ 106,731
Task 2.1	Preliminary Design (35%)	\$ 45,656
Task 2.2	Permitting - use 90% Docs	\$ 35,944
Task 2.3	Construction Documents	\$ 169,896
Subtotal Task 2		\$ 251,497
Task 3.1	Procure Contractor	\$ 30,478
Task 3.2	Services During Construction	\$ 218,263
Subtotal Task 3		\$ 248,740
Task 4.1	Startup & Testing	\$ 17,509
Task 4.2	O&M Manual	\$ 14,725
Task 4.3	Startup Cert	\$ 15,970
Subtotal Task 4		\$ 48,204
Total		\$ 655,172

LAI's fee schedule is:

Labor:

Classification	Hourly Rate
Principal	\$175
Senior Engineer	\$140
Project Engineer	\$115
Engineer	\$ 75
Senior Analyst- GIS Specialist	\$ 95
Senior Technician	\$ 60
Other Support Staff	\$ 50

LITTLE NECK SEWERING SCHEDULE

[illegible]

Environmental Engineers/Consultants

LOMBARDO ASSOCIATES, INC.

Expenses

Automobile travel	\$0.375/mile
Photocopies	\$0.10/page
Maps & Drawings	by size, complexity & use of color
Other Expenses	At Cost plus 8% Admin. Fee

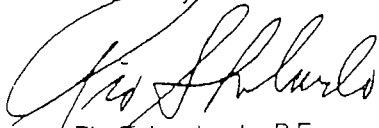
Monthly status reports on project activities will be issued along with budget status reports. The budget is an estimate and may need to be adjusted depending upon project developments.

LAI's services will be performed in accordance with the attached General Conditions-Form B and with the additional term that the Designs developed as a result of this activity are the property of Lombardo Associates, Inc. and their use on the Feoffees land, Little Neck, Ipswich can only occur with Lombardo Associates, Inc. as the Engineer of Record and lead engineer. LAI's services would be provided within professional engineering industry compensation standards.

Please indicate your concurrence with the terms of this agreement by signing in the space provided below and returning a copy of this Agreement to Lombardo Associates, Inc.

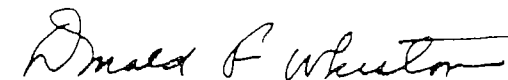
Lombardo Associates, Inc. (LAI) is interested in being of continued service to the Feoffees in a cost effective, high value-added manner. Thank you for consideration of our services. If you have any questions, please do not hesitate to contact me by telephone (617) 964-2924 or E-mail Pio@LombardoAssociates.com.

Yours truly



Pio S. Lombardo, P.E.
President

Acceptance and Authorization to Proceed:



Authorized Agent
Feoffees of the Grammar School, Ipswich

10/14/04

Date

cc: Mr. Peter Foote, Feoffee
Mr. James Foley, Feoffee
Mr. Alexander Mulholland, Feoffee
Selectman Ed Rauscher, Feoffee
Attorney Richard A. Nysten, Jr.
Attorney Don Greenough