

Mr. Michael S. Mullin
 Nassau County Attorney P.O. Box 1010
 Fernandina Beach, FL 32035-1010

Re: Humidity "sweating" diffuser issues at Nassau County Historic Courthouse

This document formalizes the agreement reached on September 28, 2005 regarding the humidity and corresponding-sweating-diffuser issues at the Nassau County Historic Courthouse.

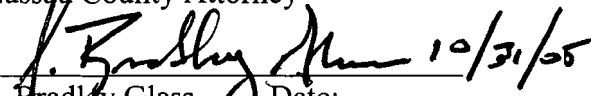
After several meetings and investigations into this matter, the "team" including PQH Architect's, Powell & Hinkle Engineering. The Auchter Company, County Administrator, and County maintenance have determined that the underlying causes of this situation are numerous, explainable and most importantly, repairable.

Because this humidity situation has now evolved into a microbial growth challenge on some diffusers the team has reached an agreement to address and repair this problem. The details of that agreement are as follows:

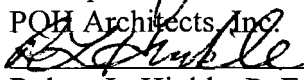
1. The County agrees to be responsible for handling any and all remediation of the microbial growth issues in the building and to provide a clean, building. This includes but is not limited to the contracting with a certified mold removal specialty firm, air testing of all related areas, removal of all affected building elements, remediation of mold in the building, and the complete payment for these services. The County also agrees to fund and provide for the rental of all required scaffolding to facilitate this removal process. This scaffolding will also be rented by the County for the duration of the ceiling replacement as explained below.
2. The County agrees to not pursue or allege design or construction issues, as regards the microbial growth, in exchange for the team's participation in the repairs as set forth in this agreement and therefore the County releases the architect, engineer and contractor from liability related the microbial growth.
3. In exchange, the architect, engineer and contractor agree to re-install, at no cost to the County, ceiling to a "as was" type condition and to perform other works as outlined in October 7 2005 letter from Powell & Hinkle Engineering (Attachment 1). All work is subject to the County's inspection and acceptance.
4. Any other construction or additions other than the work described in paragraph 3 will be deemed to be value added service and the County will be billed at the industry standard change order rate of cost plus 10% for the these extra services.

This agreement is accepted as written by the following authorized individuals.


 Michael S. Mullin Date 10/24/05
 Nassau County Attorney


 S. Bradley Glass Date: 10/31/05
 Chief Executive Officer
 The Auchter Company


 Jose Perez, AIA Date 11/2/05
 Principle


 PQH Architects, Inc.
 Robert L. Hinkle, P.E. Date 11/7/05
 Principal
 Powell & Hinkle Engineering, P.A.

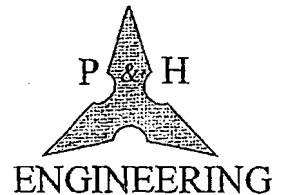
cc: Mike Mahaney, Nassau County Administrator
 Daniel Salmon, Director Nassau County Building Maintenance Department
 Jack Belt, Sr. Vice President & Project Manager, The Auchter Company

ATTACHMENT 1

FILE: 0567 HVAC WORK SCOPE FOR COND PROB LET

POWELL & HINKLE ENGINEERING, P.A.
1409 KINGSLEY AVENUE, BUILDING 12A
ORANGE PARK, FLORIDA 32073-5557

(904) 264-5570
FAX: (904) 278-2646
pheng@bellsouth.net



October 7, 2005

Mr. Rob D. Hoenshel
P.Q.H. Architects, Inc.
4141 Southpoint Drive East
Jacksonville, FL. 32216

Re: HVAC Work Scope for Nassau County Courthouse Condensation Problem

Dear Rob:

1. Set the controls for AHU-8 for the desired room temperature and set the controls for AHU-6 and AHU-7 five degrees higher when the rooms are not occupied.
2. Repair or replace the flex. ducts between the supply air and return air duct in the attic and the ceiling supply diffusers and return grilles.
3. Remove the insulation from the backs and necks of the ceiling diffusers and return grilles and replace with a foam-in-place insulation such as Icynene. Fill the entire box around each diffuser and grille with the foam.
4. Provide CO2 sensors to control exhaust fans EF-8, EF-9 and EF-10. The controls should be set to only run the exhaust fans when the CO2 levels rise above 1,000 ppm. Recommended Value Added Equipment to reduce outside humid air from being brought into the courtroom when not required.

Respectfully,

A handwritten signature in cursive script that reads 'R. L. Hinkle'.

Robert L. Hinkle, P.E.
Principal