

Mr. Stephen Vold / Plant Manager
Waterbury WPCF
210 Municipal Road
Waterbury, CT. 06708

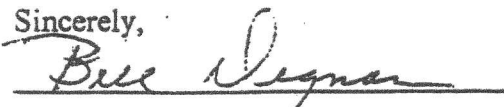
Jan. 23. 2002

Steve,

As you are aware, I spoke with you last week about my scheduled departure. At this point I assume nothing could be worked out with Waterbury for a possible continued stay. Please know that I appreciate the consideration you gave me. Therefore, I wish to submit my resignation to be effective at the end of Sat. Jan 26, 2002. The MDC of Hartford has hired me to start on Monday the 28th. I wish to leave in a professional manner because of who I am and you never know what the future brings. You have a beautiful plant here and it has been a pleasure to work with you in the time period that you've been back. I've found you to be a very knowledgeable person in the wastewater field, using logic, and a low-key manner to get things accomplished, in short presenting yourself in a professional manner. I wish you well with the continued progress of the Management Team to get the plant up and running properly.

My only reason for leaving is Waterbury's inability to pay a wage and benefit package, which is competitive for the wastewater industry in this area. Although, Waterbury has a serious financial problem, the economic law of supply and demand must also be looked at. I have no reason to believe that the plant white collar and management union's won't suffer the same fate as the blue-collar union. This would effect Waterbury's ability to find educated and experienced Class III & IV operators. The state has had a shortage of those operators for some time. It is not what Waterbury can afford to pay, but what they must pay to hold qualified people to keep this new \$100 million plant operational. Although, everyone is aware of the problem, little has been done to correct the problem. I know you are working on this problem and hope you are able to bring some realism to the City managers.

Sincerely,



Bill Degnan / Operations Supervisor