

To the Governor Fyuederov and Mayor Farkhotdinov:

Address

To resolve the vital problem of water suppliment in accordance with the international standards and to eliminate the deficit of water in the city of Yuzhno-Sakhalinsk, we ask your assistance to registrate defacto the American Sakhalin joint stock company "Life" within the company "Potential of Sakhalin".

United Persons Incorporated together with the specialists of the program "Water of Sakhalin" having carefully examined the mentioned above program have worked out the proposals to be made in two steps.

First Step:

Work to eliminate the deficit of water and reconstruction of the main water pipeline with length 820 meters diameter 600 mm in 1992.

Second Step:

Bringing the quality of the water to international standards. Reconstruction of district network of water pipelines using the high quality Polychloride piping according to the American technology.

To resolve the mentioned above problems, the newly formed joint stock company "Life" presents the following proposals:

1. By the end of 1992 it is necessary to do in Yuzhno-Sakhalinsk two points:

A. Southern Part of the City;

1. Welding and bringing all the necessary equipment for three new wells on the territory of two already existing wells (Bolshiya Yeline).
2. Recontruction and re-equipment of two existing wells to increase their capacity.
3. Construciton of automatic system for chlorinating according to the American technology.
4. Construction of an insulated tank of 1890 m3.
5. Assembly of booster pump system connecting the tank with the cities water network.

B. Northern Part of the City, Lugavoe;

1. Reconstruction of 30% of the 33 existing wells to provide their maximum capacity.
2. Construction of automatic system for chlorinating according to the American technology.

C. Change completely 820 meters of existing main water pipe to 600 mm PVC pipe.

D. Equipment

1. Well Drilling Machine - One
2. Electric Generator - Three
3. Ditch Water Pumps - Three
4. Welding Machine - One
5. Cut-off Saws - Two
6. Cutting Outfits & Gas - Two
7. Miscellaneous Tools - One Lot
8. Communications System - One Lot
9. Backhoe Trenching Machine - One

Taken into consideration that this work is urgent, complicated, and important to teach the workers, the program should be financed with the help of hard currency credits given with the help abroad of UPI and the government of Sakhalin; and ruble monetary resources of the joint stock company "Potential of Sakhalin" at the moment of executed work and according to the estimated expenses.

We ask you to authorized the corresponding department to solve the problem of giving two million American dollars from the money resources (bonus for working the feasibility studies done by MMM company) to cover the rest of the hard currency and ruble expenses and out of the profit from selling water quarters and licenses for export of fish and timber according to the calculations and given budget ruble resources. The report about all money transactions should be presented.

Its a big and vitally important project. In the future we will resolve the same problems in other cities of Sakhalin and we have already started working on these.

We are asking your urgent decision please.

President of JSC, "Potential of Sakhalin"
Mr. Mosolevsky

President of UPI
Dr. F.K. Yazdi

General Director of the Program, "Water of Sakhalin"
Mr. V. Kim