

1 Executive Summary

Severn Trent Services is pleased to submit our Statement of Qualifications and Technical Proposal to the City of Clinton Public Works Authority for operation, maintenance and management of the water and wastewater facilities. As required, our Price Proposal is provided under separate cover.



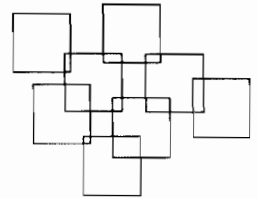
We have a long standing presence and proven history of providing reliable, high quality, compliant utility operations in Oklahoma. We have a regional office in Chickasha and operating experience that dates back to 1980. We have worked hard to earn our reputation as a strong community partner that is committed to the growth and development of communities in the State of Oklahoma.

Severn Trent has many unique capabilities and extensive experience that will benefit the City. We bring a new perspective to the operation and maintenance of your facilities that can only be obtained by partnering with an organization of our size and technical strength. During the site evaluation process, Severn Trent will evaluate the existing equipment and processes and, while valuing historical information, we will not be merely satisfied in continuing the status quo. Instead, we will present alternative approaches that will benefit the City operationally, financially and/or environmentally. Just as important, this fresh perspective will continue through our relationship as various members of our Technical Services Group provide ongoing reviews and suggestions for increased efficiencies and improved operations.

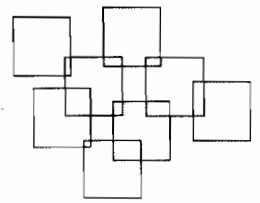
Severn Trent recognizes the importance of direct, ongoing communications to understand the City's issues – the key issues from your perspective. We will focus on directly addressing the City's concerns as we develop our plan for the future operation of your facilities.

The City's objectives, outlined in the RFQ, are areas of operation that Severn Trent provides to all of our clients in the U.S. daily. These objectives include:

- Cost effectively managing, operating and maintaining the facilities – Severn Trent will provide a professional management team to lead City employees in improving the operations and maintenance of the facilities. Staff will be provided with additional tools and resources to allow them to grow and improve the efficiencies of the system.
- Operating facilities in full compliance with local, state and federal regulations and statutes – Severn Trent's technical resources and optimization programs will ensure that the City's facilities are operated well within and many times beyond industry standards. We will utilize our Technical Services Group, made up of environmental engineers and process control, regulatory and QA/QC experts on a planned and ongoing basis to monitor and continuously improve our operational performance.
- Minimizing or eliminating permit excursions – We will ensure the final effluent and potable water produced at the City's water and wastewater treatment facilities, at a minimum, meets the City's permit requirements and any other applicable state and federal regulations and permits.



- Providing technical assistance to address the City's existing assets, future capacity and regulatory issues – Severn Trent understands the importance of properly and proactively maintaining the City's investment. We will:
 - Utilize state-of-the-art diagnostic equipment along with computerized maintenance management software to track and monitor equipment performance
 - Provide information and make recommendations to support development of a long-term maintenance plan including identification of cost-effective maintenance projects over the long term, preventive maintenance program scheduling recommendations and cost estimates to support capital planning improvement financing plans
 - Work closely with the City to ensure that any resulting upgrade, renewal or replacement projects as authorized by the City are managed and implemented in the most cost effective manner possible
 - Work closely with the City to properly and proactively plan for growth, facility replacements and upgrades, etc.
- Removing City from day-to-day burden of operating the system – Severn Trent will assume all industry standard responsibilities, liabilities and risks associated with operating and maintaining the City facilities; provide sufficient, appropriately-certified operating personnel; ensure reliability of operations and compliance with all applicable regulatory requirements; and maintain the value of the City's investment in facilities, equipment and systems



2 Required Standards

As instructed, Severn Trent has responded directly to each issue raised in Section 3.2.2 of the RFP.

Contractor must:

- Have been in the business of providing full service public-private contracts for operation, maintenance and management of water and wastewater treatment facilities for at least five years.

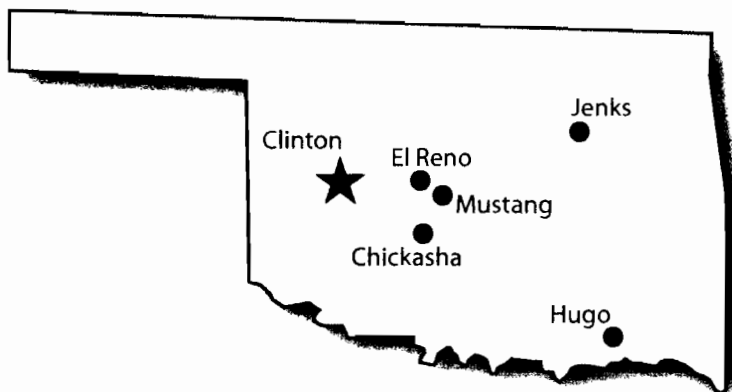
Severn Trent has provided contract operations services in the U.S. continuously for 35 years and has active O&M contracts that date back to the 1970s. A complete list of our current clients, with the respective contract start dates, is provided in Appendix A.

- Have existing full service public-private contracts for operation, maintenance and management of water and wastewater treatment facilities that have been in effect for at least five years.

Because of our proven ability to provide reliable, high quality, cost effective service with an emphasis on overall asset management, Severn Trent is able to establish long-term relationships with its clients and, in fact, has contracts that date back to 1978. We have nearly 200 O&M contracts that have been in effect for at least five years.

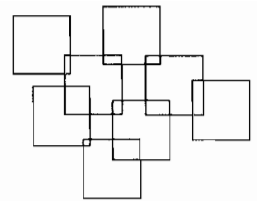
- Have operated treatment facilities in the State of Oklahoma for at least five years.

Severn Trent has provided contract operations services in the U.S. continuously for 35 years and has O&M contracts for clients in Oklahoma that date back to 1980. Our current clients in Oklahoma include:



- Chickasha – 4.5 MGD wastewater treatment plant, 6 MGD water treatment plant and 11 pumping stations (1980)
- El Reno – 7 MGD water treatment plant (2004)
- Hugo – 1.8 MGD wastewater treatment plant, 7 MGD water treatment plant and 9 pumping stations (2007)
- Jenks – 2 MGD wastewater treatment plant (2010)
- Mustang – 1.5 MGD wastewater treatment plant, 3 MGD water treatment plant, and 8 pumping stations (2001)

A listing of our current clients, with the respective contract start dates, is provided in Appendix A.



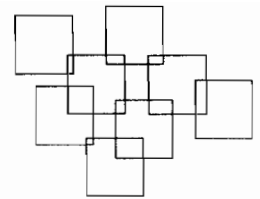
- Have operated facilities that comparable in size and complexity to the Authority's Facilities.

Severn Trent currently has nearly 400 clients and is responsible for:

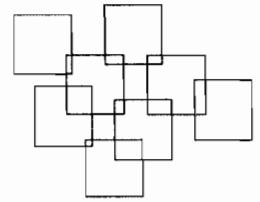
- Nearly 200 wastewater treatment plants including:
 - 24 that are at least 3.4 MGD
 - 57 utilizing extended aeration
 - 113 with chlorination and 31 with dechlorination
 - 105 utilizing aerobic digestion
 - 31 with belt filter presses
- More than 200 water treatment plants including:
 - 29 that are at least 2.5 MGD
 - 166 treating ground water
 - 15 with flocculation
 - 40 utilizing filtration
 - 24 with fluoridation

The following matrix provides a snapshot of Severn Trent projects that are comparable in terms of scope, facility size and/or treatment processes:

Project	Wastewater Treatment	≥ 3.4 MGD	Extended Aeration	Chlorination	Dechlorination	Aerobic Digestion	Belt Press	Water Treatment	≥ 2.5 MGD	Ground Water	Flocculation	Filtration	Chlorination	Fluoridation	Contract Start
Addicks UD, TX	■		■	■		■		■		■			■		2007
Alamogordo, NM	■	■		■		■	■	■	■	■		■	■		2002
Boyertown, PA	■			■	■		■	■			■	■	■		1994
Cameron, TX	■			■		■		■	■		■	■	■	■	2009
Carmel, NY	■			■				■		■			■		1995
Castlewood MUD, TX	■		■	■	■	■		■		■			■		1981
Chickasha, OK	■	■	■	■	■	■	■	■	■		■	■	■	■	1979
Cinco MUD #1, TX	■		■			■	■	■	■	■			■		1987
Cinco Southwest MUD #1, TX	■		■	■				■		■			■		2005
Cleveland, MS	■			■				■	■	■			■	■	1990
Coldspring, TX	■		■	■		■		■		■			■		2005
Dyer, TN	■			■	■			■		■		■	■		1985
El Reno, OK								■	■	■	■	■	■		2004
Elkton, MD	■						■	■			■	■	■		1993
Fort Bend County MUD #37, TX	■		■			■		■		■			■		1992
Fort Bend County MUD #57, TX	■		■	■		■		■		■			■		2006
Fort Bend County MUD #81, TX	■		■					■		■			■	■	2000
Fry Road MUD, TX	■			■		■		■		■			■		2004
Golden Gate, FL	■			■		■		■		■		■	■		1999
Green Trails MUD, TX	■			■		■		■		■			■		2004
Harris County FWSD #58, TX	■			■		■		■		■			■		1980
Harris County MUD #149, TX	■		■	■		■		■		■			■		1979
Harris County MUD #155, TX	■		■	■		■		■		■			■		1985
Harris County MUD #196, TX	■		■	■		■		■		■			■		1995



Project	Wastewater Treatment ≥ 3.4 MGD	Extended Aeration	Chlorination	Dechlorination	Aerobic Digestion	Belt Press	Water Treatment ≥ 2.5 MGD	Ground Water	Flocculation	Filtration	Chlorination	Fluoridation	Contract Start
Harris County MUD #238, TX	■	■			■		■	■			■		1984
Harris County MUD #250, TX	■	■			■		■	■			■		1984
Harris County MUD #276, TX	■	■	■		■		■	■			■		1987
Harris County MUD #358, TX	■	■	■	■	■		■	■			■		1983
Harris County MUD #36, TX	■	■	■		■		■	■			■		1983
Harris County MUD #391, TX	■	■	■		■		■	■			■		2005
Harris County MUD #433, TX	■		■		■		■	■			■		2006
Harris County MUD #49, TX	■		■		■		■	■			■		2002
Harris County MUD #70, TX	■		■	■	■		■	■			■		1982
Harris County UD #16, TX	■	■	■		■		■	■			■		1984
Hugo, OK	■	■	■	■			■	■		■	■		2007
Jackrabbit Road PUD, TX	■	■	■	■	■		■	■			■		1981
Kaufman County FWSD #1-A, TX	■		■		■		■	■			■		2004
Kingwood, TX	■	■	■	■	■		■	■			■	■	1997
Langham Creek UD, TX	■	■	■	■	■	■	■	■			■		1979
Lehigh Acres, FL	■	■	■		■		■	■	■	■	■		2003
Lititz, PA	■	■	■		■	■	■	■		■	■	■	1988
Mustang, OK	■					■	■	■			■		2001
North Green MUD, TX	■		■		■		■	■			■		1981
Northgate Crossing MUD #2, TX	■				■		■	■			■		1987
Northwest Harris County MUD #10, TX	■	■	■		■		■	■			■	■	1980
Northwest Harris County MUD #9, TX	■		■	■	■		■	■			■		1990
Palmyra, NY	■				■		■	■		■	■		1997
Penn Township, PA	■				■		■	■			■		2008
Plantation MUD, TX	■		■		■		■	■			■		1981
Plaquemines Parish, LA	■		■		■	■	■	■	■	■	■	■	1998
Poinciana, FL	■	■	■		■		■	■			■		1999
Port of the Islands, FL	■		■	■			■	■	■	■	■		2006
Remington MUD #1, TX	■	■	■		■		■	■			■		1981
Renn Road MUD, TX	■		■	■	■		■	■			■	■	1980
Southeast, NY	■		■		■		■	■		■	■		1994
Southwest Harris County MUD #1, TX	■	■	■		■		■	■			■		1982
St. Lucie County, FL	■	■	■	■	■		■	■		■	■		1999
Syracuse, IN	■				■	■	■	■		■	■	■	1989
West Harris County MUD #7, TX	■		■		■		■	■			■		1987
West Memorial MUD, TX	■	■	■	■	■		■	■			■		1981
Westlake MUD #1, TX	■				■		■	■			■	■	1981
Woodburn, IN	■						■	■		■	■		2000



3 Qualifications

Corporate Profile

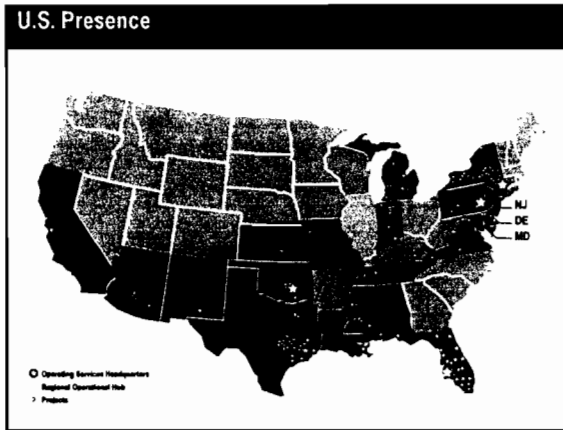
Severn Trent Environmental Services, Inc. (the contracting entity) was incorporated June 30, 1983 in Texas and holds tax I.D. . The corporate headquarters is located in Houston at:

Severn Trent Services
16337 Park Row
Houston, Texas 77084

In addition, our activities in Clinton will be supported by our regional office:

Severn Trent Services
1200 E. Georgia Avenue
Chickasha, Oklahoma 73018

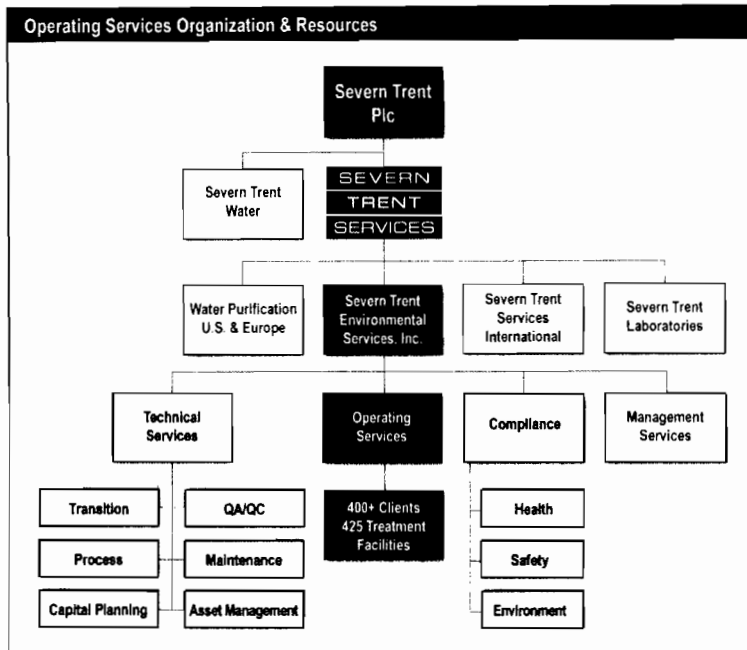
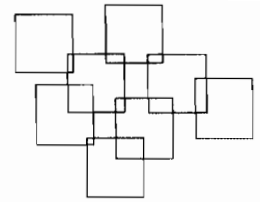
Severn Trent Services is a leading supplier of water and wastewater solutions. The company offers a broad range of products and services concentrated around water including contract operating services; disinfection, instrumentation and filtration technologies and analytical services.



A founding member of the Water Partnership Council, Severn Trent has provided contract operations services in the U.S. continuously for 35 years. Building upon the experience of its predecessors, which date back to the 1970s, the company was incorporated in Texas in 1983. Since that time, Severn Trent has grown its presence in the United States and has expanded its operations through additional acquisitions and business development activities. We currently provide contract operations in 21 states and continue to grow to serve clients in additional states each year.

Severn Trent Services is a member of the Severn Trent Plc group of companies. Formed in 1974 as a regional, state-owned water authority in the UK's Midlands and mid Wales region, Severn Trent provides high quality water and wastewater services to more than 3.7 million households and businesses in the watershed areas of two of Britain's greatest rivers – the Severn and the Trent, from which the company adopted its name.

Following privatization from the UK government in 1989, Severn Trent set out on a path to build a products and services business – Severn Trent Services – based on its expertise in water, wastewater and environmental protection. Building the company involved acquisitions in the U.S. and UK that began in 1990 and has grown to a comprehensive portfolio of products designed to analyze, treat, measure, deliver and protect our valuable water resources. Headquartered in the United States, Severn Trent Services has operations worldwide employing more than 3,100 personnel and



providing water and wastewater services to communities and industrial customers around the globe.

Combined, the Severn Trent Plc group of companies employs 9,000 people and comprises the fourth largest water and wastewater treatment utility in the world, operating nearly 2,500 facilities and serving more than 20 million customers worldwide.

Subcontractors

Severn Trent does not plan to utilize any subcontractors to assist in day-to-day operations. However, from time to time, we may need the services of local firms to help with providing specialized equipment

and specialized electrical or mechanical repairs that may be requested by the City. We will work with the City to identify qualified local subcontractors to perform such work as necessary at the facilities.

Affiliation

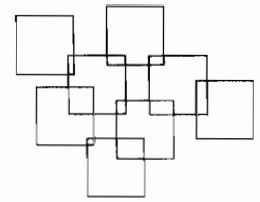
No Authority or City employee, Trustee or City Council member or other officer, employee or person who is payable in whole or in part from the Authority or the City has or had any direct or indirect personal interest in Severn Trent.

Financial Strength

The Severn Trent Services organization features a number of companies across several divisions and operations worldwide. In the U.S., Severn Trent revenues totaled \$342 million as of March 2009.

We are also part of the Severn Trent Plc group of companies. Severn Trent Plc is a \$2.8 billion publicly traded company on the London Stock Exchange that was listed in Forbes Magazine's ranking of the world's top 2000 companies in 2009. Severn Trent Plc is recognized as an industry leader in the global marketplace and has received the following recognition:

- The only water and wastewater company to be listed on the Global 100 of the most sustainable corporations in the world, a ranking that Severn Trent Plc has held for three consecutive years. Rankings are determined by InnoVest Strategic Value Advisors, a financial institutional research firm based in New York, and are based upon how effectively companies manage environmental, social and governance risks and opportunities, relative to industry peers.



- Listed on the FTSE 100 Index, a share index of the 100 most highly capitalized companies listed on the London Stock Exchange
- Listed on the Dow Jones STOXX Sustainability Index, which tracks European sustainability leaders and is comprised of the leading 20% of the Dow Jones STOXX 600 Index
- A B1 rating in the Morley Fund Management Sustainability Matrix, which ranks FTSE 100 companies according to social and environmental criteria and provides a new measure of business sustainability. Companies are measured according to business sustainability and the vision and practices of management.

A copy of the three most recent annual reports for Severn Trent Plc are provided in Appendix E for your review.

Compliance

Severn Trent has an excellent record, having achieved well over 99% compliance with all regulatory requirements at our facilities. Our record is exemplary in the utility operations and maintenance industry. As is common to this industry, we have occasionally received notification that one of our facilities has exceeded certain limits of its permit parameters due to equipment malfunctions, loading problems or other circumstances beyond our control.

We will guarantee compliance, provided that the raw water characteristics and wastewater influent waste flows and loads fall within the design criteria of the treatment plants. If any fines or penalties result from errors or shortcomings that are attributable to our operational personnel, Severn Trent will be responsible for their payment.

Realizing the importance of tracking and monitoring regulatory compliance, Severn Trent has invested significant resources to ensure procedures are in place to meet these requirements. Our Technical Services Group is staffed with degreed personnel with many years of experience whose responsibility is to stay abreast of current and future regulatory requirements and provide the direction and recommendations on how best to comply. Sampling requirements are followed and the regulatory reports are submitted as required to the various regulatory agencies.

Regional Experience

Severn Trent has an established operational presence in Oklahoma, throughout the Western Region and across the United States. Severn Trent has ongoing projects throughout the region – in Oklahoma, Texas, New Mexico, Kansas, Arizona and California. Examples are provided on the following pages.

In addition to providing a complete list of our clients in Appendix A, we have provided highlights of some of our projects on the following pages.