



City of Cleveland  
Frank G. Jackson, Mayor

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Department of Public Utilities  
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February 23, 2012

By e-mail (peter.tien@princetonenvironmental.com) and Regular U.S. Mail

Peter Tien  
Princeton Environmental Group, Inc.  
614 Frelinghuysen Avenue  
Newark, NJ 07114

Re: Agreement between Princeton Environmental Group, Inc. and  
the City of Cleveland for initial design and environmental  
permitting of a Municipal Solid Waste-to-Energy facility –  
City Contract No. 2010\*\*\*47

Dear Mr. Tien:

On March 30, 2010, the City and Princeton Environmental Group, Inc. entered into the above-referenced Agreement for professional services necessary for the initial design and environmental permitting of a Municipal Solid Waste-to-Energy facility. Princeton submitted a draft Design Memorandum dated February 10, 2011 [sic 2012] that does not meet the requirements contained in the Agreement, and that contains unacceptable errors and faulty research. There is cause to cancel the Agreement.


Under the Agreement, Princeton guaranteed the performance of its obligations under the Agreement. The standard of care for all of the professional engineering and related services performed or furnished by Princeton under the Agreement is the care and skill ordinarily used by members of Princeton's profession. The submitted Design Memorandum displayed an absence of that required care and skill. The Design Memorandum did not detail the minimum items required under the Agreement as specifically outlined in the Scope of Work Request, Exhibit A, Section 3, Subsection 7. Additionally, it contained many numerical inaccuracies apparently resulting from calculation errors, and incorrect base values, including but not limited to the amounts in the calculation of Estimated Daily Revenues, waste volume, waste collection amounts, and waste operation days. Further, many fact statements and descriptions in the Design Memorandum are not explained, do not adequately recognize possible variables, do not appear to be based in fact or on authoritative factual citations, and are inconsistent with other statements and descriptions in the Design Memorandum that address the same topic. Finally, the entire document is poorly written and riddled with grammatical errors.

The deficiencies in the Design Memorandum dated February 10, 2011 [sic 2012] were not adequately addressed in the draft submitted February 17, 2012 and dated February 17, 2011. All of these discrepancies demonstrate an unacceptable and unprofessional lack of care in preparation of the Design Memorandum.

In addition, the Design Memorandum was not delivered to the City by the deadline agreed in the Agreement. The City worked with you past the deadline, but the initial delay and further delays will preclude timely completion of the other tasks in the Agreement. We understand that you believe that because the air permit has not been finalized, the required components of the Design Memorandum cannot be completed. However, the Design Memorandum as submitted contains no identification or description of what the City should expect as a design deliverable. Without the initial design tasks required to be in the Design Memorandum, the next tasks will be impossible to achieve by the expected timelines. Drawings, specifications, reports, etc. should be produced in the Design Memorandum in sufficient detail to provide the City with the required elements to proceed to the next project tasks.

Therefore, under section XIV of the Agreement, this letter is written notice to Princeton Environmental Group that it is in default of its obligations under the Agreement. Accordingly, the Agreement is terminated unless the deficiencies in the Design Memorandum are cured within ten working days from the date of this letter.

Sincerely,



Barry A. Withers  
Director of Public Utilities

Cc: Ivan Henderson, Commissioner of Cleveland Public Power  
Darnell Brown, Chief of Operations  
Ken Silliman, Chief of Staff  
Barbara A. Langhenry, Interim Director of Law

Peter Tien – Princeton Environmental Group, Inc.  
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