

October 22, 2004

Polydyne Inc.
Attn: Lawrence Grizzle
P.O. Box 279
Riceboro, GA 31323-0279

Re: Notice of Award, Solicitation No. SA04100062
Solicitation Description "Annual Contract for Liquid Emulsion Polymer"
Contract No. C050032

Mr. Grizzle

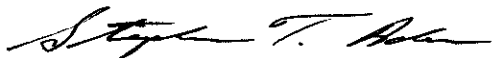
As a result of your bid response to the subject solicitation, the City has awarded the subject contract to your firm. The terms of this agreement are as follows:

Date of Award: October 22, 2004
Contract No.: C050032
Dollar Value: Not to Exceed \$383,718.85
Contract Term: November 8, 2004 through November 7, 2005, with two 12-month Extension Options.

Attached is a copy of the bid submitted by your company including all contract terms and conditions. If you have any questions regarding this contract, please contact the Contract Manager, Andy Ramirez, (512) 972-0310.

Thank you for your interest in doing business with the City of Austin.

Sincerely,



Stephen T. Aden, Supervising Senior Buyer
Purchasing Office
Finance and Administrative
Services Department

Enclosure: Contract Documents
Cc: Andy Ramirez, AWU