

American Railworld Corporation, LLC

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Mr. Stephen S. Spratt County Administrator, 315 Court Street, Room 601, Clearwater, FL 33756

June 27, 2002

RE: Development In Pinellas County

Dear Mr. Spratt,

We are happy to submit this proposal by American Railworld Corporation (ARC) relative to possible construction of a light rail transit system using the technology put forward by Sky Train Corporation (STC). The financial interests of ARC are based upon real estate development and redevelopment, particularly using air rights in and around transit stations, together with provision of adequate premium transit to support and enhance the productivity of such projects. ARC looks to Government at all levels (The Authority) to participate in the implementation projects, supporting applications for monetary grants, construction permits, and other necessary regulatory requirements as well as commitment towards satisfying local planning constraints and needs for rezoning allowing ARC to develop air rights.

Joint interests in the short term.

We believe that both the City and the County look for developers, who can meet the local planning constraints, invest in real estate developments, and provide as an integral part the transit services these developments need. Also they look for leadership that has credibility with the local public.

ARC looks for clearance both to install the needed transportation infrastructure and the authorization to develop associated real estate projects that offer adequate profitability, sufficient to recompense for the expenses involved.

STC looks for participation and financial support for starting the installation of this premium transit service. Over the last six years, STC has built synergy with local universities, vendors, consultants and city and county leaders and their staffs. The proposal from ARC can accelerate the time frame of Pinellas County towards reaching the starting point of the long-sought-for premium transit network. STC can be the catalyst to make this happen.

The work must of necessity start small, but the long-term vision is of extending the lines to create a network serving most important locations across the County, and ultimately throughout the whole Tampa Bay area.

The proposal

This letter outlines in general terms the nature of City and County support we would depend upon as participation in the construction and operating project, as follows:

The work is to be defined as "A Technological Assessment" and expandable test segment, functioning as an industrial plant site. This would develop a new industry utilizing existing manufacturers with offices in Florida. The work starts with design and installation in three stages of more or less two miles of route for the technology proposed by Sky Train

Corporation (STC). Details of the STC technology have been presented to you and other representatives of your staff. Defining the site and the construction program would be arrived at jointly.

The first stage comprises design and costing of a short pilot installation, for which ARC requests that you will make available a suitable territory ready to receive it at no charge to ARC, comprising permits and documentation, land and air space, connections to services, relocation of utilities and other participation representing the governmental contribution to the investment costs involved. ARC will install and test at its own expense the components in preparation for actions in the second stage. Some suggestions have been made as to possible sites totally within lands already owned by the County.

The second stage comprises extension of the pilot installation to complete the planned length of the technological assessment project. The extensions may involve installing the overhead transit lines over city, county or federal roadways or private lands. ARC requests this Authority to make available the territory over the full length of route ready to receive it at no charge to ARC, comprising rights to land and air space, relocation of utilities, rights to install footings and columns for tracks and stations to be designed in conjunction with appropriate regulatory bodies, stairways and escalators for passenger access, and other auxiliary services accessory to conventional transit services. ARC will install the infrastructure and operate the extended line of route.

The third stage completes the assessment program, opening the service to public use, regulatory certifications, tests of quality of service, surveys of public opinion, and planning for extensions to widen the usefulness of the technology. ARC requests authorization to develop air rights over the stations and adjacent territories, as partial compensation for the investment and operating costs that ARC will incur.

This installation can bring benefits to the citizens, tourists, industry and tax revenues to Government, and bring a new consideration into planning for the needs of the Community where the service is to be inaugurated. On this basis we wish to further develop this project to a stage of final commitment.

Declaration of interest and invitation to further develop the project

We trust this proposal will meet the criteria for public/private participation and will advance the planning for the transit needs for the County. Can you now confirm your interest by a written invitation for us to further develop this proposal?

Sincerely, Jan M. Licke

Jan Zicha, P.E. President

Cc. Brian Smith