

FOR IMMEDIATE RELEASE

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Piney Orchard Utility Company, LLC
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LOCAL DEVELOPER ENTERS INTO AGREEMENT TO ACQUIRE PINEY ORCHARD SEWER PLANT

Goal Is to Provide Sewer Service to Arundel Gateway Project

On February 26, 2007, Piney Orchard Utility Company, LLC (POUC) entered into an agreement with Piney Orchard Wastewater, Inc. (a subsidiary of Constellation Real Estate, Inc.) to purchase the Piney Orchard Wastewater Treatment Plant located in Odenton, Maryland. The facility is operated by Maryland Environmental Service (MES), an independent state agency.

John C. Stamato, a real estate developer and managing member of POUC, is interested in acquiring the Piney Orchard plant to provide sewer service to the Arundel Gateway Project located roughly three miles away. Serving the Arundel Gateway Project would require a change to the Anne Arundel County Water and Wastewater Master Plan to add the Arundel Gateway properties to the Piney Orchard Sewer Service Area. It is estimated that 500,000 gallons per day of excess treatment capacity are available at the facility to service the Arundel Gateway Project.

The addition of the Arundel Gateway Project to the Piney Orchard Sewer Service Area could provide new users capable of financing long-term upgrades of the facility and a customer base adequate to make the plant financially viable well into the future. POUC has initiated environmental, engineering and financial analyses of operating the facility; POUC intends to retain MES to continue operating the plant.

The execution of this agreement triggers a "first right of refusal" by Anne Arundel County under a 1989 Wastewater Treatment Service Cooperation Agreement between the current owners of the plant and the County. POUC intends to meet with the County to address any issues they might have involving the facility. POUC also intends to meet with the Piney Orchard Community to keep them updated on the acquisition process.

The Piney Orchard sewer plant was constructed in the late 1980s to provide sewer service to the Piney Orchard planned unit development (PUD). The facility has been owned by Piney Orchard Wastewater, Inc. and has been operated by MES since its inception. There are approximately 4,000 residential dwelling units and 250 commercial units in the Piney Orchard Sewer Service Area, a majority of which are contained within the Piney Orchard PUD.

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