

**STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC WORKS
165 Capitol Avenue, Hartford, Connecticut 06106-1606**

JAMES T. FLEMING

Commissioner

August 8, 2007

Honorable John DeStefano
Office of the Mayor
City of New Haven
165 Church Street
New Haven, Connecticut 06510

Re: Gateway Community College

Dear Mayor DeStefano:

Concerning the above-referenced project, I am in receipt of a letter from your staff dated August 3, 2007. I was surprised to receive correspondence from municipal staff since my correspondence on this matter to date has been with you. I trust that this does not signal a diminution in the city's commitment to this project. Given the importance of this issue, I would hope that you could communicate directly with me and not through your staff.

Having read that letter, I am obligated to set the record straight.

A draft of the Land Transfer Agreement (LTA) was provided to the city on June 20, 2007. At the same time, the LTA draft was also provided to the Department of Public Works (DPW) staff and Connecticut Community College Systems. This allowed all parties to submit their preliminary comments simultaneously and avoid a lengthy review process. To date, DPW has not received a response from the city.

Part of the delay that this project has experienced to date was the failure to come to terms with the city's parking authority to provide adequate parking for the college. Such was contemplated when the decision to site the college downtown was made. Due to this failure, DPW had to go back to the drawing board and design a parking garage to integrate into our design for the college. This resulted in added expense (\$21 million) and we incurred a delay.

Regarding the demolition of the Macy's structure, the city has missed several key deadlines that have caused a substantial setback in the schedule for the new college. In fact, since the delay from the original demolition date of April, 2006, the state has experienced delay costs of about \$670,000 per month, which to date adds up to more than \$11 million.

According to your latest revision to the demolition schedule, the site will not be cleared before October 19, 2007. As you well know, DPW has offered to assist the city with management of the

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demolition project. Our assistance was refused by the city. Failure of the city to clear the site by that new promised date will seriously impact this project.

The demolition documents prepared by Spiegel Zamecnik & Shah Inc. dated July 7, 2004, provided that the existing tunnel concrete roof slab and wall are to be left and the roof slab to be waterproofed. This was prior to the tunnel "relocation" decision and the location and construction of the new pre-cast parking garage for 600 cars. Several times since February, 2007, after the tunnel and parking decisions, DPW expressed the need for the city to remove the existing tunnel concrete deck and wall that bisects the Macy's site. The complete removal of the concrete tunnel roof and wall will expedite the demolition process without the enormous effort to surgically remove these objects as originally designed.

During a scheduled meeting on July 23, 2007 to discuss the tunnel relocation preliminary estimate, DPW learned that Stamford Wrecking will be crushing and leaving behind on site all of the exterior masonry walls and concrete floor slabs. Leaving this material on site is not consistent with the executed letter of intent's "Land Transfer" item 3a, executed on December 6, 2006, by you and me. Based on that letter, there was no need for DPW and the design team to provide for removal of this material as part of our project. Furthermore, we were never on any notice of this contingency. If the State is left to contend with this material, that will be an added expense and a cause for additional delay.

As you know, per the city's request, DPW has provided several versions of design and cost estimates for the relocation/up-grading the existing tunnel. Solving this ongoing maintenance problem for the city has involved and will involve a substantial commitment of state resources. To date, the DPW has not been reimbursed for this work.

On May 17, 2007, the DPW provided a preliminary cost estimate to relocate the tunnel for the city's review and comment. Along with that information, DPW has, on several occasions, emphasized verbally and in writing that prior to proceeding to the design development phase that the DPW will require a commitment from the city to fund the requested work on the tunnel and to provide proof of the funding availability.

Regarding the preliminary tunnel estimates, a meeting was held with city staff on July 23, 2007, to discuss the preliminary cost estimate for the tunnel relocation. City staff identified a couple of items that they felt should be part of the Gateway project. We stated that the DPW consultant's team would review the comments and provide the city with a revised tunnel cost estimate. Your letter states that the revised information was promised to you by DPW on July 21st. This could not be possible as the items in question were not known prior to the July 23, 2007, meeting.

Regardless, the cost for the tunnel relocation is preliminary and will be adjusted up or down as the design details progress. But the "ballpark" figure is well-known. Not knowing the exact costs cannot reasonably preclude the city from identifying and committing a funding source.

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On August 2, 2007 a meeting was held with city staff to discuss the State Traffic Commission (STC) application. Once again, DPW reiterated our May 29, 2007, letter which states that the traffic study completed by our consultants found that optimizing the existing signals is practical and feasible. Therefore, the requested nine signal replacements would not be necessary. The city has not provided the DPW with any scientific data that supports the theory that the present traffic infrastructure cannot be optimized per the traffic study.

Having committed to helping the city solve its tunnel liabilities, the State is simply not prepared to solve various unrelated traffic issues for the city's downtown within the budget of this community college project.

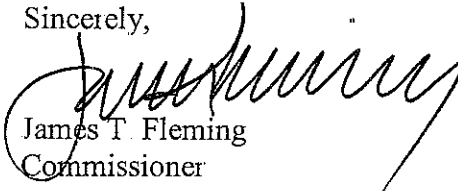
On February 28, 2007, city staff presented a comprehensive overview of the Macy's Demolition Project Documents that were prepared by the city. It was stated that the city was identifying the existing utilities at the Macy's site tunnel and that an existing utility plan would be completed and forwarded by the end of March 2007. The DPW design consultants have repeatedly requested this information as it is crucial to our overall design. To date, the DPW has not received this information.

The preliminary soil borings that were submitted to the City on April 1, 2007, identified a "weathered petroleum (fuel oil) odor on boring # B16". To date, the DPW is not sure if the city has conducted further analysis of this area to determine the comprehensiveness of the problem. The land transfer schedule will be affected if this issue is not resolved soon.

The Department of Public Works remains committed to this important project and to accommodating the city wherever we can. One example of DPW's flexibility in meeting the city's needs is the redesign of the first floor of the college to accommodate your request to relocate some of the program activities (book store, culinary arts, dining area, outdoor seating) to Church Street to allow the public to access the campus and to adjust the massing at the ground level by eliminating the overhang and introducing storefronts.

If the city is committed to this project, we trust that these delays will cease and that the city will begin to meet its own stated deadlines. The State has committed to investing a large amount of taxpayer dollars to the city's downtown and it would be best if the city could facilitate, and not hinder, that investment.

Sincerely,



James T. Fleming
Commissioner

cc: M. Lisa Moody, Office of the Governor