

To Bob to send out e-mail

Chris,

I received a call from Kathy Callahan asking me to release the FEMA funds related to Interagency Agreements. As per my conversation with Brad Gair Wednesday evening, funds would be withheld until we had an acceptable agreement.

I just spoke to Brad who will now release the funds so EPA may proceed. He again reinforced FEMA's position that no funds would be released without my approval.

We had a brief discussion about DOH's submittal, which has been on hold. Based on my description of the program and its necessity from the City's perspective, he guaranteed that the \$400,000 would be approved.

We agreed to continue to work in partnership.

P.S. – Mark,

Brad asked if we had the indemnification letter issue resolved. I told him we had and he would be receiving it early next week. Please get it to Chris or myself so we may satisfy that aspect. Point of entry resolution to follow. We are getting there.

I spoke with Jerry Connelly of FEMA this afternoon (referred by Brad Gair) concerning EPA's Internal Agency Agreement "IAA" and the interior cleanup scopes of work. It appears EPA is attempting to get the IAA approved by Brad without committing to a definitive scope of work draft. It is my recommendation that Brad tie the IAA to the final draft, which could help us get EPA off the dime.

I made several calls today to Kathy in an attempt to see where they stood with the Nadler letter addressing the NCP. She has not returned my calls.

During my conversation with Jerry Connelly of FEMA, he gave me a heads up regarding comments made by Bud Larsen of OMB at a meeting this past Saturday. SEMO has requested indemnification from the City consistent with what was done with our exterior clean up project. When asked if we would be following the same procedure with the interior/unoccupied programs, it seems that Bud went ballistic and criticized the SEMO exterior indemnification.

I spoke with Mark Hoffer to see if he had any knowledge of problems with the indemnification and he indicated that this was the first he had heard. I asked Mark to get a feel from Corp. Counsel and others so we might not be blind-sided by a potential impediment to the process.

I also told Mark that Corp. Counsel was on their own in seeking FEMA reimbursement for an umbrella insurance policy to the tune of \$90 million (approximate \$4.5 Million premium). As previously discussed, we will not reduce our credibility with FEMA by making requests that are illogical and impractical.

If you hear anything from any of these folks, please advise.

Thanks,

Bob

e-mail

Chris,

- *All mechanisms are in place for EPA's commencement of the Interior Clean Up Program on 9/3. We will likely slightly delay one quadrant to the later part of the week due to outstanding union issues with one of the low bidders. This in no way compromises the program.*
- EPA has been testing in a segment of buildings with the funds we had released from FEMA.
- EPA seems positioned to get funding from the American Red Cross with respect to relocation and replacement.

extra

- Secured funding from FEMA for \$462K to support DOH's program linked to Lower Manhattan.
- Laurel Blatchford and Edelman have put together a wonderful communication program on Lower Manhattan. We have worked closely with them in support. As of now, they anticipate the Mayor announcing this next Wednesday, 9/4.

Last night I broached an idea to Laurel that might be beneficial to us. I asked that they consider giving Senators Clinton and Schumer (possibly even Lieberman who chaired hearings in February or March) a sneak preview of the Lower Manhattan Communications plan to be unveiled next week by the Mayor. She said it sounded great.

- It's my feeling that this could be effective and mute some of the critics who solely want to zero in on a minute population criticizing clean up efforts. It's just a suggestion.
- We have maintained a solid cooperative relationship with EPA (in spite of some sensitive issues), which should further enhance your position to work with Jane Kenny. You could say we gave them a pass concerning the Wall Street Journal quote from Bonnie Bellow. This quote did not go over well with FEMA Washington as per Brad Gair.
- We have further enhanced our credibility with FEMA
- Based on my conversation with Clinton's office of 8/29, we have a solid relationship. Senator Clinton's 8/13 letter to Administrator Whitman and the Mayor is entirely an EPA issue. I asked Mary Mears of EPA if they were responding to the Senator after my meeting at City Hall yesterday. The ball is in their court and the Clinton people concur.
- Our Exterior Clean-Up Program is proceeding nicely. As you know, our targeted completion date is 10/31/02. Quite honestly, we are ahead of schedule. Let's keep that between us.

Hope you had a great vacation and welcome back.