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NEW YORK TIMES, FRIDAY, DECEMBER 7, 2001

Few Answers on Possibility of Private Overseer at Cleanup

By DIANE CARDWELL

City Council members hammered away yesterday at a Giuliani administration official over how and whether the city will replace its own agency with a private construction company to run operations at the World Trade Center disaster site.

Donald Hooker, the chief contracting officer for the Department of Design and Construction, which has been overseeing the cleanup effort, said repeatedly that he was unaware of negotiations between the Bechtel Group and the city, but that it was possible for such negotiations to be under way.

Last month, Giuliani administration officials told the four major contractors removing debris from the site that it would bring in the Bechtel Group, a construction giant based in San Francisco, to oversee the project and effectively replace Mr. Hooker's agency.

Union leaders have said that Bechtel, which had already completed a health and safety plan for the site that the city hired it to design, would probably bring in nonunion labor and outside contractors to complete the work. Yesterday, a spokesman for Bechtel, which could receive $27.5 million in fees for managing the site, declined to comment.

City officials have been close to mum on the subject, with Mayor Rudolph W. Giuliani saying last month that no such deal was imminent. Yesterday, the mayor praised the performance of the Department of Design and Construction, but did not address the Bechtel question directly. "So far, I think, D.D.C. has been handling it in an excellent way," he said, adding, "There were some serious safety issues about a month and a half ago, but all of them were addressed. And by all of the accounts that I get, they're doing a very good job."

Council officials have been concerned about management of the site because the four construction companies have been operating under emergency contracts that allowed the city to bypass its fastidious procurement process. As a result, said Kathryn E. Freed, the chairwoman of the Contracts Committee, the Council has not been privy to information like how long the contracts would remain in effect, or if the city would eventually turn over operations to a state or federal agency.

Another cause for concern among officials is the fact that the construction companies have been working without signed contracts, largely because of the unresolved issue of who would be liable for damages arising from lawsuits over asbestos or other toxic materials at the site. Yesterday, Francis X. McArdle, managing director of the General Contractors Association of New York, said that many people who live or work around the site are convinced that they have been harmed and are recording the names of companies operating at the site to pursue in the future.

Mr. Hooker, who would not comment after the hearing, agreed that liability had been a major stumbling block in finalizing contracts with the companies already operating at the site, a result of their immediate response to the call to work. "They came in without thinking and they responded," he said.

But Council members remained unsatisfied yesterday, with three of the incumbents who are running for speaker among the most vociferous in their questioning.

One of them, A. Gifford Miller, suggested that by moving to a private contractor, the city would effectively lose the savings it expects to realize by having part of what it pays employees who are working on the cleanup reimbursed by the federal government.

Another, Bill Perkins, asked Mr. Hooker, "Did you know you were coming to answer questions that you don't know the answer to?"

Mr. Hooker responded that he did not realize that so much of the hearing would focus on Bechtel, and that he had the answers to a dozen other questions, with which he had been presented before the hearing, about the city's management of the cleanup.

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