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February 5, 2009

Honorable David J. Burney
Commissioner
City of New York
Department of Design and Construction
30-30 Thomson Avenue
Long Island City, NY 11101

RE: 1100 Architect/Ricci Greene Associates, J.V., Contract No. 20090022895
Renovation & Expansion of the Brooklyn Detention Center

Dear Commissioner Burney:

On January 21, 2009, the Department of Design and Construction (DDC) submitted the above referenced \$31,347,000 consultant contract between DDC and 1100 Architect/Ricci Greene Associates, J.V. (1100 Architect/Ricci) for registration. The contract is to provide architectural, engineering and construction related services for the renovation and expansion of the Brooklyn Detention Center. The final contract price was the result of a negotiation with the consultant.

The registration submission is being returned because DDC has failed to adequately explain a 100% increase in the estimated construction cost of the facility and because the documentation provided to the Comptroller's Office was incomplete.

The pre-solicitation review report included with the submitted paperwork indicates that the estimated amount for this consultant contract was \$16,000,000 -- approximately half of the final negotiated price. In attempting to defend this extraordinary price difference, DDC stated that "[T]he initial preliminary anticipated cost developed by the Department of Correction (DOC) was based on approximately 7.21 percent of its estimated square foot construction costs." By mathematical extension, this indicates that the original construction cost was estimated to be \$222,000,000 ($\$16,000,000/0.0721$).

DDC further stated that following a meeting between DDC and DOC, the anticipated construction cost was increased by DDC to \$420,000,000 because DOC failed to consider site constraints, subsurface conditions, pile foundations, and complexity factors. It is extremely troubling to think that an agency of the City of New York could so severely underestimate the cost of construction of such a high profile project located in the heart of downtown Brooklyn. Accordingly, please provide the date(s) of the meetings between DDC and DOC, and the detailed scope and related cost estimates of the site constraints, subsurface conditions, pile foundations, and complexity factors that resulted in the doubling of the estimate of construction costs. Also please provide DOC's original cost estimate

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and a detailed breakdown of 1100 Architect/Ricci's price proposal, which was used in the negotiation of the final agreed upon contract amount.

The estimated construction cost in the agreement also appears to be different in various places. For example, applying the design fee curve contained in Exhibit D results in a construction cost estimate of \$400,000,000. In Exhibit B (Project Objectives), however, the construction budget is stated as \$450,000,000. Therefore, please explain the significance of these varying cost estimates and provide a detailed cost back-up to support each estimate. It also appears that the consultant will be using various sub-consultants on this contract. Please provide the expected amounts of each sub-contract.

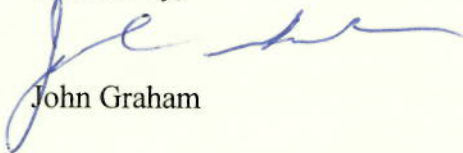
In addition, please provide the evaluation scoring sheets with the detail scores for both Stage 1 and Stage 2 evaluations.

In the event that DDC chooses to resubmit this contract for registration, please also provide the following documents that were missing from DDC's current registration package and that constitute components of the agreement.

- the Request for Proposals (RFP) and all signed addenda
- the consultant's technical and price proposals
- Exhibits H and I, and page 1 of Exhibit G of the agreement

If you have any questions or comments regarding this matter, please feel free to contact me or Ray G. Girgis, PE, at 212-669-2109.

Yours truly,



John Graham

cc: Marla Simpson