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June 30, 2011

**VIA CERTIFIED MAIL/
RETURN RECEIPT REQUESTED**

Commissioner James R. Smith
Office of the Claim Commissioner
999 Asylum Avenue
Hartford, CT 06105

NOTICE OF CLAIM PURSUANT TO S.G.S. § 4-147

Re: Our client: Southeast Area Transit Authority (SEAT)
Location: 21 Route 12, Preston, Connecticut
Date of Incident: July and August, 2010

Dear Commissioner Smith:

Pursuant to Connecticut General Statute § 4-147, the Claimant, Southeast Area Transit Authority (SEAT) hereby submits this claim for damages against the State of Connecticut, Department of Transportation and Commissioner .

Name and Address of Claimant: Southeast Area Transit Authority (SEAT)
21 Route 12
Preston, Connecticut
(the "Facility")

Name and Address of Claimant's Attorneys: Thomas J. Londregan, Esq.
Patrick J. Day, Esq.
Conway, Londregan, Sheehan
& Monaco, P.C.
38 Huntington Street
P.O. Box 1351
New London, CT 06320

Concise Statement of Basis of Claim: SEAT, a validly organized and existing Connecticut transit district, asserts this claim on its behalf, and on behalf of the cooperating constituent municipalities, City of New London, City of Norwich, Town of Stonington, Town of East Lyme, Town of Groton, City of Groton, Town of Ledyard, Town of Montville, Town of Waterford, Town of Griswold. Pursuant to Connecticut General Statutes §7-273b(d), SEAT is empowered to sue and be sued and to generally exercise "other powers as are necessary or incident to carrying out the powers and purposes of this chapter." SEAT is a tenant at the Facility, and all structures and fixtures located at the Facility, including but not limited to fuel tanks, storage systems, piping and other dispensing equipment are owned by DOT.

At a meeting conducted June 29, 2011, the members of the Board of SEAT voted to file this claim against the State of Connecticut, acting by and through its Department of Transportation, arising from an historic discharge of diesel fuel at the Facility. Based upon the facts and circumstances discovered to date, SEAT believes that the DOT is solely responsible for the historic discharge.

In July, 2010, SEAT personnel discovered a frayed and leaking flexible supply pipe within the sump adjacent to the diesel above ground storage tank system (the "AST system") located at the facility. In response to this discovery, SEAT retained Service Station Equipment to remove and replace the frayed supply pipe, from its origin at the AST to its terminus in the bus wash bay.

Subsequently, in August, 2010, a substantial release of petroleum product was identified by the Connecticut Department of Environmental Protection (DEP) Spill Unit after responding to a report from the Town of Preston Highway Department. The free product was discovered a considerable distance from the Facility itself, downgradient along an embankment meeting a tidal watercourse that is a tributary to the Thames River.

The AST System was designed, engineered, purchased and installed by the DOT and/or its consultants and contractors, The Maguire Group, Inc. and Earth Technologies, Inc. ("ETI") in or around 2000. SEAT had absolutely no involvement in the design, engineering, purchase or installation of the AST System, its parts or components. Upon information and belief, the work was performed exclusively by ETI, or its consultants and/or subcontractors, and the materials, parts and/or components of the AST System were selected by Maguire, ETI and/or the DOT.

SEAT's licensed environment professional ("LEP"), Joseph Magdol of HRP Associates, has performed a broad review and investigation of the potential source(s) of the subject release. Based upon HRP's review of historical site records, materials from the DOT obtained in response to a FOI request, groundwater and soil sampling at the Facility, and excavation of

various components of the AST System in the immediate area of the concrete AST pad and its associated sump, and in total upon the best information to date, HRP has determined to a reasonable degree of engineering probability that:

1. The inactive carrier pipe leading from the sump to the parking garage portion of the facility was not a source of any release.
2. The alleged "kink" in the active supply line leading from the sump to the bus wash bay was not source of any significant discharge.
3. The existing product plume resulted from the gradual release of diesel fuel from the sump area of the AST System which began between six and ten years prior to the discovery of the product plume in August, 2010.
4. The source of the product release is most likely the flanged fittings within the sump and the failure of the sump sensor to operate properly.

The internal components of the sump, flexible supply pipe, connections, fittings and valves, are not visible to the operator during operation. SEAT followed an annual inspection protocol with respect to the AST System. TMI, a certified tank inspection company, performed the annual inspections and testing at the Facility. Only a small amount of residual product was ever observed within the sump. The residual product was monitored at the suggestion of TMI. Based upon a review of its internal records, SEAT can find no evidence of any significant surface spill or overfill at the Facility, nor any indication of an overflow in or around the sump area. Accordingly, SEAT personnel neither knew nor should have known of the gradual release of product to the ground below the sump.

As a direct and proximate result of the failure of the sump fittings, which permitted a gradual release of diesel product at each sump flanged fitting penetration point, approximately 20,000 gallons of petroleum product leaked from the AST System without SEAT's knowledge over six to ten year period of time. Based upon historical figures, this equates to approximately 5 to 6 gallons a day, less than 1% of SEAT's current daily product volume.

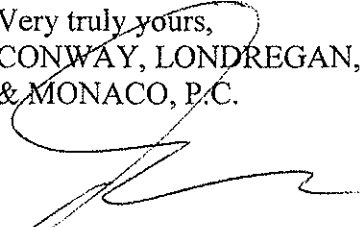
Statement of Amount Requested:

- (1) \$795,443.89 to cover environmental assessment, investigation, containment, recovery and/or remediation costs incurred to date by SEAT, which costs are continuing to accrue;
- (2) Attorneys Fees and Costs associated with commencement and prosecution of this claim.

Request for Permission to Sue the State: The Claimant requests permission to sue the State directly in Superior Court for redress of its grievances.

If any additional information is required at this time, please feel free to contact the undersigned.

Very truly yours,
CONWAY, LONDREGAN, SHEEHAN
& MONACO, P.C.



Thomas J. Londregan, Esq.
Patrick J. Day, Esq.

PJD/jc

cc: Ella Bowman, SEAT
Board of Directors, SEAT