



17 June 2008

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Mr. Mark Shaffer
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Bureau for Historic Preservation
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400 North Street
Harrisburg, Pennsylvania 17120-0093

**Re: CENAP-OP-R-2007-120-24
SugarHouse Casino**

Dear Messrs. Boyer and Shaffer:

On behalf of HSP Gaming, L.P. (“HSP Gaming”) and as a follow-up to our telephone conversation on 10 June 2008, the purpose of this letter is to further clarify the information provided in my letter of 14 May 2008 relative to the preliminary site preparation activities that need to be performed by HSP Gaming in support of the on-going design and procurement of materials for the proposed SugarHouse Casino.

As discussed, HSP Gaming has an immediate need to perform the following limited activities:

- Test/Indicator Piles; and
- Obstruction Investigation and Removal.

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The installation of erosion and sedimentation controls also needs to be performed, in order to conduct both of these tasks.

The other activities listed in the 14 May 2008 letter, which included deep dynamic compaction, sewer/utility construction in Penn Street, and installation of sheet piling along the eastern portion of the fastland can be deferred by HSP Gaming, and HSP Gaming agrees to do so. As such, HSP Gaming's request to perform limited earth disturbance activities on the site is hereby amended.

A description of each activity to be performed is provided below:

Installation of Erosion and Sedimentation Controls

HSP Gaming has been issued an NPDES permit (PAI015107004) from the Commonwealth of Pennsylvania. In addition, general disturbance of the site at one particular time will exceed 1-acre in size. As such, erosion and sedimentation controls need to be installed pursuant to the PADEP permit. The installation of E&S controls will have no impact on the on-going Section 106 process. For the most part, the E&S controls installed will consist of silt fencing, resulting in only minor surface disturbance around the perimeter of the property, less than 1-foot in depth.

Test and Indicator Pile Installation

In December 2005, HSP Gaming performed a geotechnical investigation throughout the site, which included the installation of in excess of 47 soil borings. Based upon that investigation, the geotechnical engineer developed a deep foundation design consisting of the use of piles. The next step in the foundation design is to install test and indicator piles, in order to confirm the design parameters and lengths of the piles. The former property owner did not allow HSP Gaming to perform the test and indicator piles while the property was under an agreement of sale. Now that HSP Gaming has taken title to the property¹, the test and indicator piles must be performed in order for HSP Gaming to finalize construction budgets, bid packages and procurement of piles. The procurement of the piles has an exceptionally long lead time due to the need for a steel mill order.

Two test pile locations have been identified by the geotechnical engineer, and they are labeled "A-1" and "A-2" on the attached Figure 1. The soil at both of these locations will be undercut for the pile test, approximately 6 feet at area A-1 and approximately 4 feet at area A-2. Total earth disturbance associated with areas A-1 and A-2 will be approximately 5,000 square feet (i.e., 2,500 square feet for each area). The test pile lengths will vary between 60 and 80 feet.

¹ HSP Gaming, L.P. took title to the property on 12 May 2008.



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Disturbance of soil and driving of the test piles will have no impact on the archaeological resources present at the site. A full-time archaeologist from A.D. Marble & Company (“ADM”) will be on-site during the performance of the initial excavation activities in support of the test piles to confirm subsurface conditions are consistent with the finds to date.

Indicator piles will be installed at 18 separate locations throughout area “A-3” identified on the attached Figure 1. The indicator piles will be 18 inches in diameter, and will be driven at the existing ground surface. No excavation will be required. Total earth disturbance in area A-3 will be approximately 20 square feet (i.e., 1.06 square feet multiplied by 18). The indicator pile lengths will vary between 60 and 80 feet.

The installation of test and indicator piles will have no impact on the archaeological resources identified at the site, as confirmed under the attached letter from ADM.

Obstruction Removal

As both the U.S. Army Corps of Engineers (Corps) and Pennsylvania Historical and Museum Commission (PHMC) are aware, the majority of the northern portion of the site, east of former Penn Street, was developed with the former Jack Frost Sugar Refinery, a massive reinforced concrete structure, which was imploded, and the site subsequently graded. As a result of the former method of demolition, there remains a massive amount of demolition debris and large obstructions buried on the site; however, the extent and location of the obstructions remains unknown. HSP Gaming was not permitted to investigate the extent of the obstructions by the former property owner, while the property was under an agreement of sale. Now that HSP Gaming has taken title to the property, the investigation and removal of the obstructions (foundations, slabs, walls, etc.), to whatever extent they are present, must be performed.

The investigation and removal of obstructions must take place now in order for HSP Gaming to finalize their design plans and bid documents for earthmoving and foundations. While HSP Gaming has been issued a rough grading permit by the City of Philadelphia, it is not HSP Gaming’s intent to begin all activities governed by that permit. Only the removal of obstructions will take place under the existing rough grading permit. Once the obstruction removal is completed in a particular area, the resulting excavation(s) will be backfilled.

The obstruction removal activity will take place in the area marked with crosshatching on Figure 2. A full-time archaeologist for ADM will be on-site during the initial disturbance of an area in support of the obstruction removal activities, to confirm that subsurface conditions are consistent with the archaeology findings to date. It is currently estimated that approximately 50 percent of the approximate 8.3-acre crosshatched area will be disturbed in some form during the



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performance of the obstruction removal activities. The maximum depth of the disturbance is expected to be approximately 12 feet below the existing ground surface.

The removal of obstructions at the subject area will have no impact on the archaeological resources identified at the site, as confirmed under the attached letter from ADM.

Summary

In summary, it is necessary for HSP Gaming to perform certain activities at the site in order for their design and development process to move forward. In general, the planned activities will result in earthwork disturbance at the site, but will have absolutely no impact on the archaeological resources identified by ADM. In addition, HSP Gaming will have a full-time archaeologist on site during the initial excavation of all areas to confirm that subsurface conditions are consistent with those reported ADM. Therefore, it is requested that the PHMC and the Corps provide their concurrence that they do not object to HSP Gaming proceeding with the normal design, planning and site preparation activities described herein on the fastland portion of the property, while the Section 10/404 permit application is under review.

As always, please do not hesitate to contact me if you have any questions.

Very truly yours,
KEATING CONSULTING, LLC

Terrence J. McKenna, P.E.
Project Executive
Development Manager for HSP Gaming, L.P.

Attachments: Figures 1 and 2
A.D. Marble Letter of 17 June 2008

Cc: File