
From: Richard Kahn <[REDACTED]>
Sent: Friday, September 25, 2015 7:21 PM
To: jeffrey E.
Subject: Fwd: Big N

please advise
thank you

Richard Kahn
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Begin forwarded message:

From: =/b>gene kral <genekralusvi@yahoo.com>

Subject: =/b>Big N

Date: =/b>September 25, 2015 at 3:14:41 =M EDT

To: =/b>Rich Kahn <[REDACTED]>, Ann Rodriguez <[REDACTED]>, Mary Kral <[REDACTED]>

Reply-To: =/b>gene kral <[REDACTED]>

September 25, 2015

LSJ, =LC

Re: =ig N

Dear =r. Kahn,

After =peaking with you this morning, I wanted to take the time to clarify a few things.

When =he Big N came to our yard, there was no precise scope of work in place. =/span>Our understanding from LSJ employees was to get the vessel back in service with the least amount of work and money involved.

As we =ndertook the quoted projects there were inevitable small items needing repair that became apparent.

We =ave billed a total of \$362,907.94. The additional billing that we have is less than 1% of the total. =/span>At Anna's request -- when issuing our estimates we offered discounts in the =mount of \$20,562.00. Discounts are equivalent to almost 6% of total billings. =/span>As far as Island Rigging Invoices -- on July 16 we emailed Anna and explained =hat if Boscoe ordered any additional parts from Island Rigging that they would =e billed directly to LSJ. =/span>If you withhold the final payment from Island Rigging, this will be coming out of our =ocket as we told them to bill you directly -- we didn't want to have to mark =nything up to cover Gross Receipts.

When =he vessel arrived we advised that LSJ hire a certified marine surveyor to inspect the vessel =nd issue a report with all findings. =/span>This did not happen until work was 99% complete.

The =essel, not having been properly maintained, required many additional fittings, brackets, =lamps, etc. Some of these were not visible =o naked eye until work was underway.

In =egard to the engines, Subbase Drydock was not part of the process of ordering the engines for =ig N. You received long block =ngines, and many components had to be switched over from the existing =ngines.

There =ere fundamental issues about rotation for components of the hydraulic system and SBDD also =dvised LSJ about the steering pump that was not part of the quoted work. In addition, the sending units =ere incorrect and the starter motor was inoperable.

And, =s I mentioned on the phone this morning, we went above and beyond the work quoted in many instances - bulkhead replacement, plate =ork and many additional fittings =or the water cooling system. We also installed shaft logs and repaired couplings that were not quoted. =/span>The additional billing of \$3k is time and material for additional work - but it is only a fraction of the =dditional work that went into the vessel.

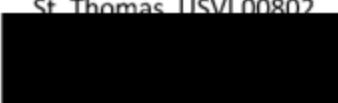
We =ppreciate your business, but we do feel that we have been more than fair in our dealing and in =ur billing. We have been in business in this location for 34 years and we always stand behind our =ork.

We =wait your response.

Thank =ou,

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Gene Kral =r.
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