
From: Richard Kahn <[REDACTED]>
Sent: Friday, March 15, 2013 6:32 PM
To: Jeffrey Epstein
Cc: Rich Barnett
Subject: 71st Street - Chiller/Tower Proposal
Attachments: Epstein Residence.pdf; Untitled attachment 00138.htm

Rich B and I both followed up this week (numerous phone calls) with Pierpont (other bidder on this job) whose original bid came in at 330,000.

Their bid was missing Electrical and Protection which Rich B estimated to be approximately 20,000 - 30,000.

Pierpont came to the house last week and was supposed to have new proposal this week.

Neither of us received a return phone call or revised bid to reflect additional costs. This lack of communication and follow through has left me very uncomfortable with this vendor.

The other bid we received was from AD Winston (dated June 19th 2012) in the amount of 357,255. Rich B called ADW in Feb 2013 and asked them to update bid and lower price. They said that they have had price increases since June 2012 however in good faith they lowered bid by 5,000 to 352,255. This week when I spoke to ADW I asked for further price reductions. They reluctantly said they would lower their price to 350,000 however they could not go any lower.

I also reviewed the scope of their work and wanted to highlight a few items:

a) Lead Time is 10-12 weeks

Work (start to finish) 3 Weeks

If we send deposit by Monday we would be in position to begin job in middle of June 2013.

b) Sales Tax will not be charged as we will fill out NYS Form ST-124 Certificate of Capital Improvement

c) payment terms 1/3 acceptance of bid, 1/3 upon delivery and 1/3 upon completion

There were two other items outside of this bid:

1) Rich B will need to bring in Siemens to perform electrical control wiring which Rich B estimates cost to be approximately \$8,000

2) Only extra not included in ADW Bid was the installation of a VFD (variable frequency drive) which varies the speed of the fans on the cooling tower as compared to standard feature of High Low and Off. Currently we do not have a VFD and ADW said the payback period of energy savings would be approximately 10 years. The cost for this extra is 22,656.

<http://hpac.com/motors-drives/benefits-vfds-cooling-towers>

Please advise if ok to proceed with AD Winston.

Option 1 - ADW and no VFD 350,000 - 16,666.67 deposit required

Option 2 - ADW and VFD 372,656 - 124,218.67 deposit required

Richard Kahn

[REDACTED] =lt;[REDACTED] >

Subject: FW: Revised Chiller/Tower =proposal

Hi Rich as requested here is the revised proposal =rom ADW.

From: [REDACTED] <=r>To: [REDACTED]
Subject: Revised =hiller/Tower Proposal
Date: Thu, 28 Feb 2013 12:25:44 =0500

Hi Richard,
Attached please =ind revised proposal. Please note, that while reducing the price, A.D =inston will be receiving price increases from vendors and =ontractors.

Thank =ou,
Mike

Michael =alladino
Vice President
A.D Winston Service =nc
Email: [REDACTED] >
Phone: [REDACTED]
Fax: [REDACTED]

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