

Termon Construction Inc.

388 Third Avenue, Brooklyn NY 11215

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May 22, 2003

Mr. Rajappan Radhakrishnan
NYC DEP
Asbestos & Lead Control Program
59-17 Junction Blvd.
Corona, New York 11368

Re: WTC ARD Insurance Reimbursement

Dear Krish:

With the premature ending of contract WTC ARD, it has become evident that TCI's contract will never reach the base contract value of \$4,199,499.40. As you know, one of the requirements of this contract was to obtain a contract specific general liability policy including; hired and unowned auto Insurance and a Fidelity Bond. The cost for the required insurance was approximately \$170,000.00. All 3 policies had premiums that would constitute a rate of 4.04% for the base contract amount. Unfortunately there is no provision for a lesser premium, as this rate is based on the **minimum** premium.

TCI included the above rate of; 4.04% in its' bid calculations. If TCI's contract only reaches a value of; \$2,000,000 in billing, the same minimum premium is still paid to the insurance company changing the above rate rate to; 8.5%.

This letter is to request a reimbursement from DEP, in the amount of 4.04% of the difference between the base contract amount and the actual billing at the completion of the project; For example; if the contract totals out at \$3,100,000.00, TCI requests reimbursement of 4.04% on \$1,099,499.00 totaling; \$44,420.

This issue has been a concern from the onset of the project. We have voiced this concern, in concert with the other three WTC AR contractors. This concern was mentioned at every DEP and EPA meeting especially since 100% payment of premium has already been made.

We are currently pursuing a refund from the Insurance Company; however initial discussions are not promising.

We respectfully request that the DEP take this request under serious consideration and make the necessary arrangements for reimbursement of this item. As always, should you have any questions, just give me a call at 718 694-0900 or 917 873-7616.

Sincerely,

TERMON CONSTRUCTION, INC.

Thomas R. Heavey
Environmental & Construction Division

**Hazardous Waste Management ♦ Asbestos ♦ Lead Paint ♦ Mold
♦ Contaminated Soil ♦ Reconstruction ♦**

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♦ Contaminated Soil ♦ Reconstruction ♦**

Theodorellys, Penny

From: Termon2k@aol.com
Sent: Friday, May 23, 2003 2:55 PM
To: krishr@dep.nyc.gov
Cc: pennyt@dep.nyc.gov
Subject: WTC ARD - Indoor dust cleaning program (corrected letter)

Dear Krish:

Attached is a letter requesting partial reimbursement relative to insurance for the above referenced contract.

Should you have any questions, just give us a call at 718 694-0900 or 917 873-7616.

Thank you for your attention in this matter.

Sincerely,
Tom Heavey

5/23/2003