

Apartment Status as of February 14, 2003

	Quad A	Quad B	Quad C	Quad D
# Done this Wk	71	29	30	7
# Plan Next Wk	?	40	41	11
# Plan Fol Wk	?	7	16	1

Common Space Completion Status as of February 14, 2003

	Quad A	Quad B	Quad C	Quad D
Com Spa Done	30	6	16	2
Com Spa To Be Done	39	22	32	18
Total	69	28	48	20

54 →

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Common Space Completion Status as of February 28, 2003

	Quad A	Quad B	Quad C	Quad D
Com Spa Done	37	7	28	3
Com Spa To Be Done	32	21	8	17*
Total	69	28	36	20

* 2 underway, 3 scheduled for next week

JBH ENVIRONMENTAL, INC.

ASBESTOS REMOVAL & REINSULATION

**194 Atlantic Avenue
Garden City Park, NY 11040**

Phone: {516} 741-1777

Fax: {516} 741-5807

June 13, 2003

Mr. Rajappan Radhakrishnan, Director
NYC Department of Environmental Protection
Bureau of Air, Noise and Hazardous Materials
Asbestos and Lead Control Program
59-17 Junction Blvd-8th floor
Elmhurst, NY 11373



*Mike & Virginia
fyi
Krish
6/16/03*

RE: WTC-ARB

Dear Mr. Radhakrishnan;

As you are aware the WTC indoor air quality contract has come to an early end. JBH Environmental, invoicing has only reached \$1,931,558.00. According to the requirements of our contract we need to obtain a \$50 Million general liability, \$1 Million umbrella for autos and a Fidelity policy.

The costs of these policies were based on a minimum premium which was based on the sum of the contract. Being the contract fell well-short of the projected amount our cost percentile for insurance has changed, leaving JBH Environmental, Inc. with a sizeable cost burden. We strongly feel that we should not have to be responsible for this burden.

Our breakdown is as follows:

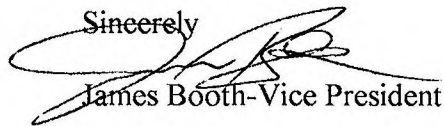
Contract amount: \$4,595,600.00 @ a cost rate of 3.5% equaling an amount of \$160,486.00.

Actual invoicing: \$1,931,558.00 @ 3.5% brings us to only \$67,604.00

This leaves us with an additional amount of \$93,242.00 which we strongly feel is due to us in a form of a change order issued through this contract.

This has been an issue for JBH since the beginning of this contract and has been discussed with DEP and EPA at length.

In closing we would like to add that there have been many issues that have concerned us with additional and unnecessary costs on this project (i.e. additional disposal, cleaning less than 5 apartments per day, multiple locations, returning to apartments to pick up additional items added to the list for disposal) but this issue is the most costly and damaging hardship to JBH and cannot be overlooked.

Sincerely

James Booth-Vice President

MAY 02 03 03:11P

Termon Construction Inc.

388 Third Avenue, Brooklyn NY 11215

Tel: (718) 694-0900

Fax: (718) 694-0200

Email: Termon2k@aol.com

Mr. Rajappan Radhakrishnan, Director
NYC Dept of Environmental Protection
Asbestos & Lead Control Program
59-17 Junction Boulevard
Corona, New York 11368

May 2, 2003

Send via fax: 718 595-3648

Re: WTC ARD - Frequency and Distribution of apartments

Dear Krish.

As requested, Termon Construction Inc. (TCI) respectfully furnishes information necessary to develop compensation for TCI's contract relative to working out of sequence and substantially different from our bid as formulated from the contract documents and pre bid meeting discussions. TCI bid this contract and made every necessary arrangement to provide and supply the project with manpower, supervision, equipment, materials and insurance needed to complete 20 apartments per day. Additionally, due to the demographics of Quadrant D, TCI bid this contract and fully expected to clean multiple apartments within the same buildings on the same day. TCI is requesting additional compensation for two situations:

1. TCI is requesting compensation of \$500.00 per day for every working day of the contract, after work started, when less than 10 apartments were scheduled in a given day and \$1000.00 per day for each day when no apartments were scheduled. This will pay for the overhead that was allotted for 20 apartments per day. Beginning October 21, 2002 (the first day workers and equipment were mobilized at the project), through April 24, 2003 there has been approximately 32 weekdays with no apartments scheduled. Additionally, there were approximately 85 days when less than 10 apartments were scheduled and cleaned. Applying the above requested values to these numbers would yield additional compensation in the amounts of, \$32,000 and \$42,500 respectively for a total of, \$74,500.
2. TCI is requesting compensation of, \$400.00 for the cost of a supervisor, for each occurrence where work was performed in any less than 3 apartments within the same building. This does not take into consideration the loss of efficiency and additional equipment required to mobilize various locations. Beginning October 21, 2002 (the first day workers and equipment were mobilized at the project), through April 24, 2003 there were approximately 210 occurrences when only 1 or 2 apartments were cleaned within the same building. Applying the requested compensation value of \$400 to 210 occurrences would yield additional compensation of, \$84,000.

Please take into consideration that there were a sufficient amount of apartments within each building to schedule multiple apartments on the same day. Additionally, given the number of apartments in the program, there should not have been any day with less than 20 apartments scheduled. Scheduling problems resulting from delays due to HVAC surveys or other reasons were completely outside of our control.

We believe this letter provides you with the necessary information needed for you to establish the requested change orders. Of course, should you have any questions, require additional information or want to schedule a meeting, just give us a call at 718 694-0900 or 917 873-7616.

Sincerely yours,

TERMON CONSTRUCTION, INC.

Thomas Heavey
Environmental & Construction Division

CC: Virginia Smyth, NYC DEP
Eric Wilson, US EPA
John Tancredi, SSC

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

Radhakrishnan, Krish

From: John Tancredi [jtancredi@sscenv.com]
Sent: Friday, May 02, 2003 12:55 PM
To: Termon2K@aol.com; 'Gerry Dennis'; jskinner@sscenv.com
Cc: 'Krish'; Wilson.EricJ@epamail.epa.gov
Subject: Apartment Sizes

Stacey,

It has been verified with building management, at several properties in Battery Park, that the square footages of apartment are in excess of the definitions issued by DEP in the Change Order # 1. For example: 2 bedroom apartments at Gateway Plaza are 1100 square feet, which is in excess of the 1000 square feet limit, thus making it a 3BR. To date we have cleaned approximately 60 - 2 Bedroom apartments in the towers at Gateway. The difference between a 2 BR and 3 BR apartments is \$593.98. The adjustment to our billing would be \$35,640 for this item alone. Clearly the bedroom sizes were misidentified by Athenica and ourselves. We are in the process of verifying apartment sizes at all buildings in which we worked. As soon as we have the correct apartment sizes we will revise our invoices to reflect the correct amounts due. By copy of this e mail we are notifying DEP and EPA of this discrepancy. Please contact Virginia Smyth at DEP so she is aware of this situation.

John A. Tancredi
Specialty Service Contracting Inc.
845 Broad Avenue
Ridgefield, NJ 07657
Tel: (201)941-8292
Fax: (201)941-6992
Cell: (201)832-9448

5/5/2003

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May 02 03 12:30P

Termon Construction Inc.

388 Third Avenue, Brooklyn NY 11215

Tel: (718) 694-0900

Fax: (718) 694-0200

Email: Termon2k@aol.com

May 2, 2003

Mr. Rajappan Radhakrishnan, Director

NYC Dept of Environmental Protection

Asbestos & Lead Control Program

59-17 Junction Boulevard

Corona, New York 11368

Send via fax: 718 595-3648

Re: WTC ARD - Disposal of Impacted Items

Dear Krish,

As requested, Termon Construction Inc. (TCI) respectfully furnishes the additional information necessary to develop compensation for TCI's contract relative to the disposal issue of "Impacted Items." As you know, the residents are receiving reimbursement by the American Red Cross for certain items that the residents choose to dispose of. Please note; prior to Jan 27, 2003, (the date that the Red Cross formalized its program, including actual dollar values for reimbursement) there had only been resident requests to dispose of two couches, one chair and two area rugs out of 200 apartments cleaned. Since the "formal program" was advertised, there has been approximately well over 150 mattresses and couches; 135 chairs and rugs; and 250 draperies, bed linens, and misc. items disposed of out of approximately another 600 apartments cleaned.

It is absolutely clear that the Red Cross Reimbursement Program, instituted long after the contract was awarded and started, has adversely affected our contract and has caused an unforeseen financial hardship.

Attached are cost breakdowns from our subcontractor, detailing the cost for disposal of "large", "medium" and "small" items as unit prices. According to the above number of items disposed of (which can be verified by, Athenica from copies of their disposal checklists) this would constitute a change order in the amount of approximately Sixty Five Thousand Dollars (\$65,000.00).

Also attached is a cost breakdown from our subcontractor, detailing the cost for removal and disposal of wall to wall carpet, padding and tackless. To date, wall to wall carpeting from approximately 8 - 10 apartments, averaging 1000sf per apartment has been removed and disposed of at the requested \$2.72/sf, which is similar to the \$2.75/sf for carpet removal in common space. This would constitute a change order in the amount of Twenty Seven Thousand Dollars (\$27,000.00).

As the contract is nearing an early end, we do not expect these numbers to vary significantly, however we cannot give a definitive estimate of carpet removal or items to be disposed of from apartments left to be cleaned.

We believe this letter provides you with the necessary information needed for you to establish the requested change orders. Of course, should you have any questions, require additional information or want to schedule a meeting, just give us a call at 718 694-0900 or 917 873-7616.

Sincerely yours,

TERMON CONSTRUCTION, INC.

Thomas R. Heavey

Environmental & Construction Division

CC: Virginia Smyth, NYC DEP

Eric Wilson, US EPA

John Tancredi, SSC

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

May 02 03 12:30p

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ADDITIONAL COST BREAKDOWN **DISPOSAL OF SMALL ITEM** **(PILLOW/DRAPE/LINEN)**

	PERSONS	HOURS	MANHOURS	RATE	TOTAL
LABOR					
HANDLERS	1	0.25	0.25		
DRIVER	1	0.125	0.125		
SUPERVISOR	1	0	0		
			<u>0.375</u>	38.81	14.55

	COST/UNIT	AMOUNT	
MATERIALS			
6 MIL BAGS	0.50	2	1.00
DUCT TAPE	3.25	0.05	<u>0.16</u>
			1.16

	YARDS	COST/YD	
DISPOSAL			
SMALL ITEM (ie: Pillow/Linen/Window Treatment)	0.125	45.00	5.625

TOTAL COST 21.34

10% OVERHEAD 2.13
 Sub Total 23.48

10% PROFIT 2.35
 Marked Up Total 25.82

Insurance 4.04% 1.043246

TOTAL UNIT PRICE \$ 26.87

May 02 03 12:30p

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ADDITIONAL COST BREAKDOWN **DISPOSAL OF LARGE ITEM** **(COUCH OR MATTRESS)**

	PERSONS	HOURS	MANHOURS	RATE	TOTAL
LABOR					
HANDLERS	2	1	2		
DRIVER	1	0.5	0.5		
SUPERVISOR	1	0.5	0.5		
			<u>3</u>	38.81	116.43

	COST/RL	AMOUNT	
MATERIALS			
6 MIL F/R POLY	55.00	0.25	13.75
DUCT TAPE	3.25	0.25	0.81
			<u>14.56</u>

	YARDS	COST/YD	
DISPOSAL			
LARGE ITEM (ie: Couch/Mattress)	2	45.00	90

TOTAL COST 220.99

10% OVERHEAD 22.10
 Sub Total 243.09

10% PROFIT 24.31
 Marked Up Total 267.40

Insurance 4.04% 10.803

TOTAL UNIT PRICE \$ 278.20

May 02 03 12:31p

SPECIALTY SERVICE CONTRACTING INC.
LABOR RATES FOR LOCAL 78
ASBESTOS HANDLER/LABORER

		STRAIGHT TIME	OVERTIME
<u>BASE HOURLY RATE</u>		23.85	35.78
<u>BENEFITS</u>			
Vacation		3.00	3.00
Welfare		1.00	1.00
Pension		2.00	2.00
BCA			
Training		0.25	0.25
Lecet		0.05	0.05
Health & Safety		0.05	0.05
<u>TOTAL BENEFITS</u>		6.35	6.35
<u>PAYROLL TAXES</u>	<u>%</u>		
FICA	0.0765		
SUI	0.0700		
FUI	0.0080		
DBL/OTH	0.0015		
<u>TOTAL P/R TAXES</u>	<u>0.1560</u>	3.72	5.58
<u>WORKERS COMP</u>	<u>RATE</u>		
CLASS # 5473	0.205	4.89	4.89
<u>TOTAL COST PER HOUR</u>		38.81	52.60

Rates effective through 11/30/03

May 02 03 12:31p

ADDITIONAL COST BREAKDOWN
REMOVAL AND DISPOSAL OF WALL TO WALL CARPET
 (INCLUDES PADDING AND TACKLESS - BASED UPON 1000 SF)

	PERSONS	HOURS	MANHOURS	RATE	TOTAL
LABOR					
HANDLERS	2	8	16		
DRIVER	1	1	1		
SUPERVISOR	1	8	8		
			25	38.81	970.25

	COST/RL	AMOUNT	
MATERIALS			
6 MIL F/R POLY	55.00	1	55.00
DUCT TAPE	3.25	4	13.00
			68.00

		YARDS	COST/YD	
DISPOSAL				
CARPET	1000SF	25	45.00	1125

TOTAL COST 2,163.25

10% OVERHEAD 216.33
 Sub Total 2,379.58

10% PROFIT 237.96
 Marked Up Total 2,617.53

Insurance 4.04% 105.748313

TOTAL PRICE \$ 2,723.28

UNIT PRICE \$ 2.72 /SF

May 02 03 12:31p

ADDITIONAL COST BREAKDOWN **DISPOSAL OF MEDIUM ITEM** **(CHAIR)**

	PERSONS	HOURS	MANHOURS	RATE	TOTAL
LABOR					
HANDLERS	2	0.5	1		
DRIVER	1	0.25	0.25		
SUPERVISOR	1	0.5	0.5		
			<u>1.75</u>	38.81	67.9175

	COST/RL	AMOUNT	
MATERIALS			
6 MIL F/R POLY	55.00	0.1	5.50
DUCT TAPE	3.25	0.1	0.33
			<u>5.83</u>

	YARDS	COST/YD	
DISPOSAL			
MEDIUM ITEM (ie: Chair)	0.5	45.00	22.5

TOTAL COST 96.24

10% OVERHEAD 9.62
 Sub Total 105.87

10% PROFIT 10.59
 Marked Up Total 116.45

Insurance 4.04% 4.704718

TOTAL UNIT PRICE \$ 121.16

INDOOR AIR DUST CLEANING PROGRAM

QUAD	PROJ. #	CT#	VENDOR	SubContractor	Submitted	Approved
A	WTC-AMA	20030010463	ATC ASSOC. Fred Burkhardt (212)353-8280 (646) 772-1164	Hazardous Elimination Corp.	NO	
	WTC-ARA	20030010446	TRIO ASBESTOS REM. CORP. Chris Horan (718) 961-4100	Will have 2 (duct cleaning)	NO	
B	WTC-AMB	20030010736	COLE CONSULTING Akin Cole or John Anuforo (914) 345-6000	D.J.H. Mechanical	Yes	Pending Vndx - OK
	WTC-ARB	20030010468	JBH ENVIRONMENTAL INC. Boris Merckin (516) 741-1777 cell (516)924-9349	None		
C	WTC-AMC	20030010692	WARREN & PANZER Jeff Terhune or Clifford Burns (212) 922-0077	Duct Dusters	NO	Vndx-OK
	WTC-ARC	20030010705	KISS CONSTRUCTION Garrett Meegan (718) 366-2090	None		
D	WTC-AMD	20030010717	ATHENICA ENVIRONMENTAL Theresa Vasquez (718) 784-7490 (917) 499-7792	Duct Dusters	Yes	Pending Vndx - OK
	WTC-ARD	20030010730	TERMON CONSTRUCTION Tom Heavey (718) 694-0900 (718) 946-7928	Speciality Services Inc.	Yes	Yes

\$27,546,037

65,000,000

+ help line

+ unacc./uncleaned