

Subject: Fwd
From: Roy Meeker [REDACTED]
To: [REDACTED]
Date: Wednesday, September 26, 2012 4:31 PM

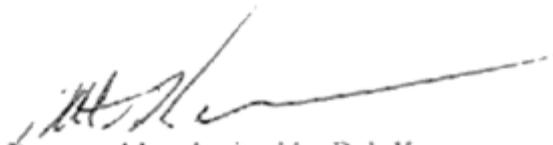
Island Marine
September 25, 2012
Industrial Service, LLC
(340) 643-7222
6500 Red hook Plaza #730
St, Thomas, U.S.V.I. 00802

Re Barge repair at Little Saint James;

1. To supply labor and miscellaneous shop supplies as needed.
2. Trouble shoot and install hydraulic cylinders on the port and starboard ramp.
3. Re-alien the port and starboard engines and transmissions.
4. Remove and replace hydraulic pumps and couplings.
5. Trouble shoot repair ; and / or replace any electrical, wiring, gauges, or sending units.
6. Replace air filter systems and related hardware.

This total price will not exceed \$32,600.00

Payments will be made as follows; 35% deposit (\$11,410.00) Balance when the job is completed not to exceed \$21,109.00



Respectably submitted by Bob Kassner



SUBBASE DRYDOCK, INC.

COMPLETE MARINE REPAIRS SINCE 1981

PAID

September 4, 2012

Re: Condition Report *Big N*

To Whom it May Concern:

The following report reflects the condition of the Rudder assembly, Drive train, Flex Exhaust, Ramp and Hull:

Rudders

Upon removal of the rudder blade, the lower pintel was found to be out of round, the bushing on the heel was worn and out of round. This is causing the rudder blade to contact the base plate. Repair costs were discussed with your representative and repair cost were not in budget.

The upper rudder shafts were examined and found to be covered in rust and grime. Subbase Drydock was instructed to remove rudder assembly, consisting of upper rudder bearings, rudder arm, steering (hydraulic) pin,tie rod, and stuffing boxes. Many connecting components were found to be worn, bushings were out of round, and parts severely rusted.

Subbase Drydock cleaned all parts, and reinstalled same. Repair costs were discussed and it was determined that repairs were not in budget.

The flanges holding the rudder stock to the rudder blade were disconnected and four of the eight bolts were found to be in a non-serviceable state. at this time we are awaiting a decision.

Drive train

The propellers were removed, coupling removed, shafts removed, stuffing boxes removed, and cutless bearings removed; upon removal all parts were cleaned and inspected. The propellers are in a satisfactory condition, the shafts are in a satisfactory condition, the stuffing boxes were cleaned and new hoses with clamps were installed, packing was removed and replaced with new.

The stbd coupling was inspected and the key way was not uniform in width. Repair costs were discussed and it was determined that repair cost was not in budget. A new step key was fabricated in an attempt to correct the loose fit. This repair is not considered to be a correction. The shaft log was found to be worn on the lower portion of the log. (both port and stbd, the port side is in a more advanced state), this was caused by the engine not being in alignment with the shaft, an attempt was made to correct the alignment on the Port shaft, these two components, without extensive modification, are not able to comply with industry standards (a rule for non-alignment is approx 5 thousands of an inch, the port alignment is over a 1/2' out on the 12 to 6 o'clock position and at least the same on the 9 to 3 o'clock position). The Stbd drive train is also out of alignment but not as severe. Repair costs were discussed and it was determined that repair cost were not in budget.

Subbase Drydock recommends that in the near future repairs should be made, if left in this condition severe vibration will cause some part of the drive train to fail.

Flex Exhaust

Upon removal of the heat covering the flex exhaust flanges were found to be in a deteriorated state, Subbase Drydock was instructed to fabricate new flanges. This was not in our bid and will be an additional cost.

The reason the flex part of the exhaust system failed was due to non-alignment, installing the new flex will only work for a short amount of time, once the engine alignment issue is corrected the new flex will have to be modified to fit or it will fail again.

All of the above repairs are not under warranty.

Ramp

The underside of ramp on both outboard port and stbd sides showed severe wear to plating. Subbase Drydock was advised to make repairs in addition to the quoted repairs. This repair is on a time and material basis.

Hull

After the bottom was pressure washed and sanded, cracks were visible to several areas of the hull, most in the strut area. Repair costs were discussed and a decision was made to do some of the repairs. Repairs are on a time and material basis.

All labor costs (other than bottom painting) were recorded and on all areas our repairs were below quoted costs.

After a review of all our findings I would budget approx 40k to make the vessel serviceable. This amount is over and above the work already performed.

Thank You,

Gene

A handwritten signature in cursive script, appearing to read "Gene", is written over a dashed line. A long, sweeping vertical stroke extends downwards from the signature.

ISLAND RIGGING & HYDRAULICS, INC.

8186 Sub Base Road, Suite 4
St. Thomas, Virgin Islands 00802

Tel: [REDACTED] Fax: [REDACTED] E-mail: [REDACTED]

25 September 2012

ESTIMATE A MILD STEEL HOSE FITTINGS AND ADAPTERS

To repair hydraulic plumbing for the loading ramp aboard the landing craft BIG N

PLEASE NOTE: The ramp cylinders must be put in place by Subbase Drydock

LABOR: To remove 26 hoses; drain and dispose of oil; remove old valves and valve bodies; measure and make up new hoses; install and bracket hoses and new valves and valve bodies. Fill system with oil, hook up, bleed and test cylinders.

120.0 hrs @ 80.00/per hour 9,600.00

PARTS: To include hose fittings, adapters, hose, valves and valve bodies, hydraulic oil and absorbers.

5,226.00

HOSE FABRICATION: 520.00

FREIGHT and HANDLING 250.00

TOTAL ESTIMATE: \$15,596.00

NOTE: This is an estimate not a quote or fixed price. Unforeseen difficulties and/or unknown requests may warrant additional parts and/or labor. Thank you, we are looking forward to working with you.