

From: "jeffrey E." <jeevacation@gmail.com>
To: Peggy Siegal <[REDACTED]>
Subject: Re: Change Order #6 & #7
Date: Thu, 30 Nov 2017 20:06:01 +0000

how much have you paid to date?

On Thu, Nov 30, 2017 at 2:59 PM, Peggy Siegal <[REDACTED]> wrote:

I do believe a number of people called you on my behalf. The conversation was specifically about sending original vendor bills we will pay directly. Then send us your corresponding commission directly to me and we will cut you a separate check. I do not pay bills without vendor backup. This is standard operating procedure of all decorators and architects. Even the extremely famous Peter Marino works this way. Send the breakdown and you will be compensated.

Thank you.
Peggy

From: Karen Chien
Sent: Thursday, November 30, 2017 2:52 PM
To: Joshua Schmill
Cc: Peggy Siegal; Rebecca Drescher
Subject: Re: Change Order #6 & #7

Dear Peggy,

I received your email request for further information.

We did not receive a payment of \$149,149.47 to bring the original contract and Change Orders #1-5 current. The team has already begun to move off-site. They will be off the job by end of day Friday, December 1, 2017. I will notify building management of the situation and no one will be allowed to work in the apartment while our insurance is in place.

After we receive payment as mentioned above, I will address all issues noted in your emails including overall budget, schedule, etc. It has, and still is my intention to have you move back into the apartment as soon as possible.

To avoid any further delays, we will need to receive a payment of \$149,149.47 in the form of a certified check or wire transfer immediately. The longer payment is delayed, the team will have removed more tools, etc. and it will only add more time to the schedule to get them back into the apartment.

If your accountant is sending a certified check, it will need to be messengered to Patrick at your apartment by 12 pm on Friday, December 1, 2017.

Attached is our wire information.

Please advise your intention for payment, so I can advise the team. The more equipment they have to take off-site results in more time spent having to move back in and re-start the job again which will result in further delay.

I am traveling today through Wednesday, December 6th, and will be periodically checking email during this time.

Sincerely,

Karen

Karen Chien, Associate ASID
Principal

Karen Chien, Incorporated

KP Design Build LLC

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On Mon, Nov 27, 2017 at 9:03 AM, Karen Chien <[REDACTED]> wrote:

Dear Josh,

Notwithstanding the payment requests made on November 2, 2017 and again on November 20, 2017, we have not received payment.

Please be notified that unless we receive a payment of \$149,149.47 by 5pm on Wednesday, November 29, 2017 in the form of a certified check or wire transfer, we will leave the job as of this Friday, December 1, 2017.

This payment is for the balance of the second installment under the June 13, 2017 contract (\$46,800 minus overpayment of \$7,450.39), plus the open balances on Change Orders #'s 1-5 which totals \$109,799.86.

As noted in the payment schedule on the original contract, the second installment is due when the apartment is ready for paint. We have started priming and paint colors/decorative finishes have not been selected.

In addition, we will not begin work on Change Orders #6 and #7 until we receive prepayment in full of \$36,403.80.

Initially, this job was a simple kitchen and bath renovation to be completed by September 2017.

Now, in light of the numerous vast and untimely changes to the scope of the project, coupled with Ms. Siegal's reluctance to commit to certain decisions including rough electrical work for lighting and audio visual, and kitchen & library millwork, this job is taking much more time than my firm had allotted. We have other scheduled commitments with clients who are waiting in queue. Absent prompt payment, we will move on.

Kindly notify me immediately of Ms. Siegel's plans to pay the outstanding balance, and I will plan accordingly.

Sincerely,
Karen Chien

Karen Chien, Associate ASID
Principal

Karen Chien, Incorporated

KP Design Build LLC

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[REDACTED]

On Mon, Nov 20, 2017 at 5:16 PM, Karen Chien <[REDACTED]> wrote:

Josh-

The request to produce vendor invoices is not customary. Please be aware that our contract does not provide for the release of vendor invoices to Ms. Siegal. This issue was raised when we requested the last payment and has been discussed.

At this point, I will not proceed on or prepare any new change orders that have not been signed off and pre-paid by Ms. Siegal. Currently, this includes change orders #6 and #7. Change order #7 requires the preparation of a drawing to be submitted to building management, followed by a sign-off from the board before I can schedule the subs and pull permits with The NYC Dept. of Buildings. This initial process to get an approval for that change order could take 1-2 months.

In addition, I understand that decor is to be handled by Mrs. Gutfreund. Since Ms. Siegal will be making these purchase through her, they should not seek my consultation as to size and scale of such items as furniture, lighting, etc. This includes the provision of delivery of such items into the apartment.

I have attached a revised payment schedule reflecting an additional deposit due for the approved/signed contract dated 6/13/2017 and subsequent approved change orders #1-5, in addition to prospective change orders #6 and #7. We will not proceed with change orders #6 and #7 including drawings and submission to building management until we receive the full deposit requested by 11/21/17 - end of day.

I am confused as to why this keeps happening on this job as my clients always submit their payments without issue.

Please advise as to when the next payment will be sent to my office.

Thank you.

Karen

Karen Chien, Associate ASID
Principal

Karen Chien, Incorporated

[REDACTED]

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[REDACTED]

On Mon, Nov 20, 2017 at 12:22 PM, Joshua Schmell <[REDACTED]> wrote:

Karen – I need to see a breakdown from your vendors. I can't release any more money until I get this backup.

I'm more than happy to pay your bills as they come, I just need some more backup.

Thanks in advance.

L. Joshua Schmell, C.P.A.

ALTMAN, GREENFIELD & SELVAGGI

Certified Public Accountants



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From: Karen Chien [mailto: [REDACTED]]
Sent: Monday, November 20, 2017 6:46 AM
To: Peggy Siegal < [REDACTED] >
Cc: Rebecca Drescher < [REDACTED] >; Joshua Schmell < [REDACTED] >
Subject: Change Order #6 & #7

Hi Peggy,

Attached please find Change Orders #6 and #7.

Change Order #6 represents estimated costs to move the air Conditioning unit from the existing window to the new location. I also included moving the radiator so that it will be smaller, less deep and centered onto window and the cost of new air conditioner units for the Living Room and M. Bedroom.

I will need to submit a request to the building manager and the board for approval to do the work. If the building does not allow us to suspend the scaffold from the roof, we will need to install a scaffold on the ground. This cost is not included in this change order. In addition, this will the delay completion of the project which will be dependent on when we receive approval from the building, scaffolding requirements, weather conditions, etc. This process could take 2-3 months.

Change Order #7 is for electrical changes that were requested by you and Susan. Please let me know if we can go ahead with these items so I can schedule.

Let's discuss when we meet at the apartment.

Thank you.

Karen

Karen Chien, Associate ASID

Principal

Karen Chien, Incorporated



[REDACTED]

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[REDACTED]

[REDACTED]

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please note

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