

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1512 • HOUSTON, TEXAS 77001 "STANSHIP HOUSTON"

MARINE DEPARTMENT

J. H. SMARTZ
OPERATIONS MANAGER

A. D. MURPHY
FLEET & BRANCH MANAGER

L. H. HAPPEL
MARINE ADVISOR

H. P. LEYENDECKER
MAINTENANCE & SERVICES MANAGER

May 25, 1978

~~EXXON WASHINGTON~~ Feed

Pump Turbine Repairs

Contract No. 420 M5067

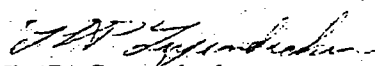
Mr. Jack Maye
General Electric Company
P. O. Box 22045
Houston, Texas 77027

Dear Jack,

Attached is the contract dated 4/24/78 authorizing you to carry out the repairs to the feed pump turbine rotor aboard the EXXON WASHINGTON.

Please advise us when the repairs will be completed and the unit ready for inspection.

Very truly yours,


H. P. Leyendecker
Repair Superintendent

HPL: bt
Attachment

c: Mr. L. A. Hanft
Mr. E. J. Worrel, Jr.



QUOTATION NO. 350M48025
 CONTRACT NO. 420M5067
 DATE April 24, 1978

NOTICE: This quotation is void unless accepted within 30 days from date hereof and is subject to change upon notice prior to acceptance.

**INSTALLATION AND SERVICE
 ENGINEERING DIVISION**

TO Exxon Company, U.S.A.
 Marine Department
 Post Office Box 1512
 Houston, Texas 77001
 Attention: Mr. Herb Leyendecker;
 Mr. Ed Worrel

I. Work Description, Completion, Price—General Electric Company (Company) agrees as follows:

We are pleased to submit the following firm price quotation to purchase and install a new row of first stage, first row buckets and bands to a General Electric boiler feed pump turbine rotor for the Exxon Washington.

To perform this work we quote a firm price of \$9,346.54.

This work will be performed in accordance with the attached work scope. Work is planned to begin on or about May 31, 1978. Additional work performed will be billed at the standard manhour rates.

II. Definition—Complete Installation/Maintenance Service

Complete Installation Maintenance Service can consist of a combination of planning, management, labor, tools, and miscellaneous materials to move, install, assemble, connect, interconnect, and start-up and or maintain the equipment involved.

This Contract is subject to STANDARD CONDITIONS FOR SERVICES on reverse side.

GENERAL ELECTRIC COMPANY

By *J. P. (Jack) Maye*
 J. P. (Jack) Maye
 Service Supervisor - Marine
 Title Mechanical & Nuclear Service
 Post Office Box 22045
 Address Houston, Texas 77027

Accepted: May 16 19 78

(Purchaser)

By

Herb Leyendecker
 REPAIR SUPR.
 (Title)

rj

Two copies of this Contract are provided. Please execute and return one copy to General Electric Company at the above address.

STANDARD CONDITIONS FOR SERVICES

Sale of any services or related material covered by this quotation is conditioned upon the terms and conditions contained herein. Any additional or different terms and conditions proposed by Purchaser are objected to and will not be binding upon Company unless specifically assented to in writing by Company's authorized representative. Any order for or any statement of intent to purchase hereunder, or any direction to proceed with the work shall constitute assent to Company's terms and conditions.

SALES AND SIMILAR TAXES: Company's prices do not include sales, use, excise, value-added or similar taxes. Consequently, in addition to the price specified herein, Purchaser shall pay, or reimburse Company for, the gross amount of any present or future sales, use, excise, value-added or other similar tax applicable to the price, sale or furnishing of any services or products hereunder, or to their use by Company or Purchaser, or in lieu thereof Purchaser shall provide Company with tax-exemption evidence acceptable to the taxing authorities.

PAYMENT: Unless specifically modified and agreed to elsewhere in this Contract, payment will be due without setoff upon receipt of invoice. For work extending beyond one month, invoices will be issued biweekly based on percentage of job completion minus the total of previous payments.

SUSPENSION/CANCELLATION: In the event Purchaser requests a suspension of work under this contract, Purchaser shall, in writing, notify Company reasonably in advance of the suspension date; this notification will indicate the anticipated suspension period. Company shall advise Purchaser of the price adjustment resulting from the planned suspension of the work. The price adjustment will be based on Company's ability to reasonably relocate manpower, and any materials or equipment during the suspension period.

If the financial condition of Purchaser at any time does not, in the judgement of Company, justify continuance of the work to be performed hereunder on the terms of payment agreed upon, Company may require full or partial payment in advance or shall be entitled to cancel the contract and shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Purchaser or in the event any proceeding is brought against Purchaser, voluntarily or involuntarily, under the bankruptcy or any insolvency laws, Company shall be entitled to cancel the contract at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its reasonable and proper cancellation charges. Company's rights under this paragraph are in addition to all rights available to it at law or in equity.

WARRANTY: Company warrants to Purchaser that the service will be performed in a competent manner and in accordance with any mutually agreed upon contract specifications, and will be free from defects in material and workmanship. If any failure to meet the foregoing warranty appears within one year from the date of completion of the service, if promptly notified in writing thereof, Company will correct the damage to the equipment upon which this service was performed either (at its option) by repairing or replacing any damaged part of the equipment resulting from faulty service and or repairing or replacing any defective material furnished with this service contract.

The preceding paragraph sets forth the exclusive remedy for claims based on failure of or defect in material or services, whether claim is based on contract, warranty, tort (including negligence) or otherwise, and however instituted, and upon expiration of the warranty period all such liability shall terminate. The foregoing warranty is exclusive and in lieu of all other warranties whether written, oral, implied or statutory, but said warranty does not affect any separate express warranty which may apply to the equipment on which the work was performed. **NO IMPLIED STATUTORY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PARTICULAR PURPOSE SHALL APPLY.** Company does not warrant any product or services of others which Purchaser has designated.

Title and risk of loss or damage to any equipment being repaired or replaced shall remain with Purchaser regardless of where the corrective work takes place.

DELAY IN PERFORMANCE: Company shall not be liable for delay in performance due to (1) causes beyond its reasonable control, or (2) acts of God, acts of Purchaser, prerequisite work by others, acts of civil or military authority, priorities, fires, strikes, or other labor disturbances, floods, epidemics, war, riot, delays in transportation or car shortages, or (3) inability to obtain or delay in obtaining, due to causes beyond its reasonable control, suitable labor, material, or facilities required for this contract. In the event of any such delay, the time of performance shall be extended for a period equal to the time lost by reason of the delay.

In the event Company's performance of work is delayed by acts of Purchaser or is delayed by prerequisite work by others, Company shall be entitled to an adjustment for time and expenses resulting therefrom in addition to extension of the time of performance.

CHANGES, DELETIONS AND EXTRA WORK: Purchaser, without invalidating the contract, may make changes by altering, adding to or deducting from the general scope of the work, the contract sum being adjusted accordingly. All such work shall be executed under the conditions of this contract except that any claim for extension of time caused thereby shall be adjusted at the time of ordering such change.

The value of any such extra work or change shall be determined in one or more of the following ways:

- (a) by estimate and acceptance of lump sum,
- (b) by unit prices named in the contract or subsequently agreed upon, or
- (c) by cost and negotiated percentage of cost or fixed fee.

OVERTIME WORK: The schedule of work is based on a work week of five (5) eight (8) hour days, Monday through Friday, exclusive of holidays. In the event the Purchaser changes the work week to any basis other than the above period, or desires to complete the work earlier than that specified, the price(s) shall be adjusted to reflect the change.

LIMITATIONS OF LIABILITY: (a) Company's liability on any claim of any kind (excluding bodily injury), whether based on contract, warranty, tort (including negligence) or otherwise, for any loss or damage arising out of, connected with, or resulting from this contract, or from the performance or breach thereof, or from all services covered by or furnished under this contract, shall in no case exceed the service contract price on lump sum contracts or the mutually agreeable estimated price if this contract is being performed on a cost type basis, and shall terminate one year after completion of this service.

(b) In no event, whether on contract, warranty or tort (including negligence) or otherwise, shall Company or its suppliers be liable for special, incidental, exemplary or consequential damages including, but not limited to, loss of profits or revenue, loss of use of the equipment or any associated equipment, cost of capital, cost of purchased power, cost of substitute equipment, facilities or services, downtime costs, or claims of customers of Purchaser for such damages. If Purchaser is furnishing Company's services or materials to a third party by contract, Purchaser shall obtain from such third party a provision affording Company and its suppliers the protection of the preceding sentence.

(c) When any service furnished hereunder is to be performed on or in connection with any nuclear installation or activity, Company and its suppliers shall have no liability for any nuclear damage, injury or contamination to any property located at the site and Purchaser indemnifies Company and its suppliers against any such liability, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise. In addition, Purchaser shall furnish an agreement of indemnification as contemplated by Section 170 of the Atomic Energy Act of 1954, as amended, and also nuclear liability insurance from NELIA and MAELI, or both, pursuant to Section 170 of said Act. Any of Company's material or equipment which becomes radioactive at the work site, shall, at Company's option, be purchased by Purchaser. Any nuclear decontamination necessary for Company's performance (including Warranty) shall be performed by Purchaser without cost to Company.

(d) In no event shall Company be liable for any loss or damage whatsoever arising from its failure to discover or repair latent defects or defects inherent in the design of the equipment, or caused by units or parts returned to use at the request of the Purchaser against the advice of the Company.

(e) The invalidity, in whole or part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraph of this article.

GENERAL: Company shall not be responsible for the acts and workmanship of the employees, contractors, subcontractors, or agents of Purchaser.

Company reserves the right to subcontract any of the work to one or more subcontractors.

The delegation or assignment by Purchaser of any or all of its duties or rights hereunder without Company's prior written consent shall be void.

Any information, suggestions or ideas transmitted by Purchaser to Company in connection with performance hereunder are not to be regarded as secret or submitted in confidence except as may be otherwise provided in a writing signed by a duly authorized representative of Company.

Company shall comply with all applicable state and federal safety and health laws, including but not limited to, the Occupational Safety and Health Act of 1970 (OSHA) and all standards, rules, regulations and orders issued pursuant to such state and federal safety and health laws, and laws related to nonsegregated facilities and equal employment opportunity (including the seven paragraphs appearing in § 202 of Executive Order 11246, as amended).

COMPLETE AGREEMENT: This contract contains the complete agreement between the parties, and no modification, amendment, rescission, waiver or other change will be binding on Company unless assented to in writing by Company's authorized representative. Any oral or written representation, warranty, course of dealing or trade usage not contained or referenced herein will not be binding on Company.

APPENDIX "A"

WORKSCOPE

Provide technical direction and labor, material and special services to perform the following:

SHIPBOARD (Disassembly)

1. Boiler Feed Pump Turbine

- a. Remove turbine rotor from vessel.
- b. Renew coupling $\frac{1}{2}$ on pump end (liquid)
(Furnish by customer).

2. Shop Work

- a. Remove the 1st stage, 1st row of buckets
- b. Blast clean dove tail fit and non-destructive test for true condition.
- c. Install new bucket and bands as directed.
- d. Check run out of bands, machine to obtain proper overhang and run out as directed.
- e. Renew coupling $\frac{1}{2}$ on rotor. (Furnish by customer.)
- f. Balance rotor w/A.B.S. stamp.

3. Shipboard (Reassembly)

- a. Install rotor.
- b. Check axial position with relation to stationary nozzles. Correct as required.
- c. Check thrust and radial bearing clearance.
Correct as required.
- d. Realign turbine to pump to obtain a fair alignment condition for this type unit. (The present alignment data shows excessive angular misalignment for this type coupling.)

A complete formal report of the work done and clearances will be forwarded to customer within thirty days of the job completion.

APPENDIX "B"
RESPONSIBILITIES

A. General Electric

1. The General Electric Company will furnish the necessary labor, tools and material to perform the work as described in Appendix "A".
2. The General Electric Company will furnish the necessary transportation from and to vessel.
3. The General Electric Company will furnish a formal report of the total job to the customer within thirty days after the completion of the work.

B. Customer

1. Make equipment available for work at the pre-arranged date.
2. Furnish ship's service air and electric power to the unit location.
3. Furnish necessary spare parts as required from ship's spares.
4. Furnish replacement flexible coupling for unit.
5. Make available the necessary operating personnel to start-up and check out machinery as required.

GENERAL  ELECTRIC

APPENDIX "C"

ADDITIONAL EXTRA WORK

In the event that extra work or repairs are recommended or required that is not included in Appendix "A" Workscope, this will be considered as extra work and will be billed at the standard manhour rates (attached) or firm price as applicable.

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RATE SCHEDULE

INSTALLATION & SERVICE ENGINEERING

	<u>Straight Time</u>	<u>Overtime</u>	<u>Double Time</u>
Specialized Field Engineering Assistance	\$465.00/day	\$87.20	\$116.25
Field Engineer	\$ 42.00	\$63.00	\$ 84.00:

The above rates exclude travel and living expenses to be billed at cost. Time and expenses shall begin at the time the man leaves his assigned headquarters location and shall continue until his return.

The "Straight Time" rate shall apply to the first eight consecutive hours worked or traveled of each working day, Monday through Friday.

The "Overtime" rate shall apply to hours worked or traveled in excess of eight hours of each working day, Monday through Friday, and to all hours worked or traveled on Saturday.

The "Double Time" rate shall apply to all hours worked or traveled on Sundays and holidays.

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RATE SCHEDULE

CRAFT LABOR

A. Hourly Rates

	<u>Straight Time</u>	<u>Premium Time</u>	<u>Double Time</u>
<u>First Shift</u>			
Millwright Journeyman	21.40	27.80	34.75
Millwright Foreman	22.35	29.10	36.30
Millwright General Foreman	22.95	30.15	37.40
Superintendent	24.90	32.55	40.70
<u>Second Shift</u>			
Millwright Journeyman	24.25	31.70	39.65
Millwright Foreman	25.30	33.15	41.45
Millwright General Foreman	26.05	34.15	42.75
<u>Third Shift</u>			
Millwright Journeyman	25.20	33.00	41.30
Millwright Foreman	26.30	34.50	43.20
Millwright General Foreman	27.05	35.55	44.50

The above rates include tools, having an initial value of \$200 or less, required for the disassembly and reassembly of General Electric equipment, but excludes special tools originally supplied with the machine.

Legal Holidays shall be as follows:

New Years Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, Friday following Thanksgiving Day, Christmas Day. Should any of these holidays fall on Sunday, the following Monday shall be observed.

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The "Straight Time" rate shall apply to the first eight (8) consecutive hours worked each day, beginning with the established shift starting time, Monday through Friday, excluding holidays.

The "Overtime" rate shall apply to all hours worked before or after the established work shift of eight (8) hours, Monday through Friday, and to all hours worked on Saturday. This rate shall also apply to all hours worked by a second shift if that shift does not continue for five consecutive days. The determination of five days shall not include Saturdays, Sundays or holidays, unless worked.

The "Double Time" rate shall apply to all hours worked on Sundays and holidays.

Any man working in excess of ten (10) hours in one shift, and each four (4) hours thereafter, shall be paid \$3.00 for an overtime meal plus one-half (1/2) hour's pay at the applicable rate.

Expenses for labor when working out of town will be billed at cost plus 10% or \$40.00 per day per man. Travel hours will be billed at the Straight Time rate plus \$0.15 per mile.

B. Materials

All materials, including expendables, furnished by General Electric to support the job, plus transportation charges to the job site, will be billed at our invoice cost plus a fee of 15% for procurement and administration.

C. Rentals

All equipment rentals, including change room and sanitary facilities furnished by General Electric to support the job, plus transportation charges to the job site, will be billed at our invoice cost plus a fee of 15% for procurement and administration.

D. Subcontracts

General Electric will be reimbursed for payments made under subcontracts entered into with purchaser's prior approval covering materials and services in connection with the work, at our invoice cost, plus a fee of 15% for administration.