990-0072-1

MEMORANDUM

HJB

TO	SUBJECT	
Mr. Harvey J. Borgen	EXXON WASHINGTON - Newport News - 1976 shipyard Period	
FROM	**DATE**	**FILE NO.**
W. A. Ingham, Jr.	November 11, 1976	

11/4/76 - latest projected total cost figures from Mr. Reynolds via phone this date.

Material - included tugs, drydock, etc. and 10% $202,242.00

Repairs

Straight time hours @ $12.50 -	$84,475MH =	1,055,937.5
1 1/2 time hours @ $16.00 -	3,030MH =	48,480.0
double time hours @ $19.50	520MH =	10,140.0
Included betterments total	$88,025MH =	1,114,557.5

Material -	$202,242.00
Repairs -	1,114,557.50
Total -	$1,316,799.50

Note: Factors to consider in negotiating final settlement - too many items took too many hours to complete. Instead of a particular item taking (x) number of hours - an excessive number of items were dragged out - ie; boilers, condensers, butterworth heater, evaporator, feed pumps, sandblasting, pipe work, catwalk, etc.
Material strike - slowed work - I told branch to take people off job who couldn't get material - He suggested no he'd make an adjustment in manhours charged in order to keep job moving during strike. He did not.

On second shift - He promised not to remove people to other jobs - but he did and often - key personnel were changed at will.
We had numbers of people working on items but at a noticeably slower rate in the last several years.
The cumulative effect of the above plus difficulty in getting material out of yard shops is indicated in the manhour production rate graph which should normally show a decline in manhours as items are completed as the yard period draws to a close. The graphs show no such decline in manhours.

In my opinion, the reason for the slowdown is capable yard personnel seeing less capable personnel being hired at the same pay with the same benefits to do the same job and getting the same rewards and the resentment is obvious.

WAI:kvm

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Final Report - 1976 Shipyard Period - Newport News, Virginia

Vessel arrived in yard September 15, 1976 - Left Oct 15, 1976
Cooperation by Messrs. Mahoney, Von Stultz, Keech and Scofield was very good.
Drydock Period consisted of (1) one haul and (3) three lay days.
The annual, biennial, midperiod inspections completed with no outstandings
There is a marked improvement in the general overall condition of this class vessel from what they were three years ago. This being so, the cost of subsequent repair periods should show a marked decline in yard period costs - all else remaining relatively stable.
There has been in my opinion a decline in production versus an increase in manhours over the last few years at Newport News. Material Department strike, changes in supervisory personnel, problems in getting work out of yard shops, particularly machine shop. Dragging out completion of items, poor 2nd shift performance and removing 2nd shift personnel to what the yard apparently considered more important jobs hurt us. The original package of 195 items was increased to 221 items. While I was at Newport News attending the LEXINGTON those and subsequent items not sent in from the ship til mid September (some of whichwere lost in transit from ship to office added to the number of items.) What was being added was discussed in daily phone conversations with the Houston office.
Concerning the cost increase of some items - bulkhead fractures, smoke stack, pump repairs - I would agree some numbers could be added but I honestly can't say what they might or could be - prior to the fact of knowing. I don't thing there is a reliable pattern. The only way to know the number of fractures is to be able to get in the tanks, erect staging and lights and count and mark them. This can only be done in the yard. A proper survey of the stack can't be done without shutting down the plant. I don't know the condition of various pumps until and unless I've had the chance to see them opened up. I should like to point out - that I did not attend the LEXINGTON two years ago in the shipyard - so I had no way of knowing the condition of the tanks at that time. I wasn't there and again over two years ago the company was not looking at ways to spend money to check continuing deterioration that had been going on for a number of years. There are many letters written by Masters and Chief Engineers regarding this. What we finally had to do to the anchor windlass should have been done five years ago and it would have been cheaper, but it wasn't done and finally it just gave out.
A new rudder pintle bushing was fitted this yard period. A new propeller fair water cap was fabricated and fitted this yard period. International polyurethene grey was used in stead of unavailable enjay grey.
Bulbous bow was blasted and coated with RB-Resinglass. One (1) spare anchor was removed from vessel and stowed in yard. Aft poopdeck king posts were removed and stowed in yard. Main condenser waterboxes were coated with Belzona. Eight angle clips were dowled to tube sheet and bolted to main condenser inlet division plate.

Fwd pumproom - Insert plates were installed in port aft longitudinal and aft port bulkheads - ladders - handrails, platforms renewed. Pumproom blasted and RB 191 and finish white coated. Focsle head damage was repaired. Port stbd. bilge strake rivets were matcoated. Inner smoke stack was renewed. Outer stack repaired.
#1 & #2 mooring winches were removed and shipped to factory.
Bottom 8 ft of #6 wings and #9 center tanks blasted and coated
Anodes were installed in #4 cargo tanks across
Butterworth heater was acid cleaned in place.
Aft port and stbd. air condition cooling coils new coils made up in New York - were not made to original sample - spider lines are 1/4" smaller and thus reduce cooling capacity.Anchor windlass was removed to shop and overhauled
Installed insert in #4 port longitudinal bulkhead
Install six angle brackets at juncture of longitudinal and transverse bulkhead

Future yard periods -

1 - Consider phasing out metal lifeboats - Replacing with fiberglass

2 - Aft peak tank - major portion of fwd. bulkhead to renew plus connecting internals

3 - Steel work #3 - #4 and #6 cargo tanks

4 - Blasting and coating 2000 sq ft. area of main deck

5 - engineroom ventilation ductwork.