990-0072-1A

MEMORANDUM

TO BE FILED
MARINE DEPARTMENT
P____ T (6 mo.)____

TO	SUBJECT	
Mr. H. P. Leyendecker	EXXON GETTYSBURG ROUGH BILLING - 1978 S/Y PERIOD NEWPORT NEWS SHIPBUILDING	
FROM	**DATE**	**FILE NO.**
W. A. Ingham, Jr.	January 23, 1979	

1. Rough Billing was finally mailed from Newport News on November 30, 1978.
2. Many of the items are unreadable (faulty - xeroxing).
3. Although I complained to Lloyd Ware on many occasions in person and via phone on the individual prices, and the disposition of the total cost. He instructed Jerry Allen, a new estimator, to"mail it out as is." "They can negotiate it later."
4. The betterment items and tank blasting and coating work interrupted and interfered with general repair items, many of which then had to be worked on overtime, to catch back up. The pricing should, I feel, reflect this. It doesn't.
5. The cost put against many individual items are much higher, in some cases, double the cost of identical items done in 1976, same class vessel. I can appreciate an increase in material and labor, but "double the cost of 1976?"
6. The estimating work on the GETTYSBURG and LEXINGTON was extremely poor, most unprofessional, indifferent. The assigned estimators were brand new young men who were given little to no guidance or supervision.
7. Some typical comparison figures, 1976 versus 1978.

Exxon Gettysburg '76	'78
#20 - Main & Emg. Switchboards	$ 2600 - #21 -$3500
#21 - Heat Lamps	1100 - #22 - 1525
#17 - Rudder Stock Packing	920 - #33 - 3565
#22 - Megger Test Readings	1240 - #23 - 1925
#18 - Anchor Chains	4320 - #39 -10230
#40 - Clapper Valves	1625 - #38 - 4800
#41 - Sea Valves	13860 - #64 -24300
#47 - Boiler Internal Cleaning	4890 - #78 - 9500
#48 - Boiler External Cleaning	6550 - #79 -11500
#52 - Boiler Refractory	18720 - #80 -28296
#26 - Deaereating tank	2430 - #48 - 4615
#34 - PVC Valves	2550 - #72 - 5250
#32 - Flame Arrestors	1125 - #73 - 4200
#33 - Spill Valves	930 - #74 - 1575
#39 - Cathodic Protection	4010 - #20 - 6675
#191- Hull Painting	46300 - #83 -51418

Exxon Lexington	
#18 - Megger Test Readings	1500
#23 - Sea Valves	14240
#25 - Clapper Valves	1850
#28 - Anchor Chains	6475
#36 - Spill Valves	900

BE A WINNER EVERYDAY take the extra FOR SAFETY

8. Meetings with Mr. Guy Via re. above and blasting and coating representatives were held. Promises were made to "get it all together". Lloyd Ware was told to "get with it". Result, none of this was done. Mr. Ware was "out of town" "otherwise busy", etc. The young estimators were for the most part on their own. Note: This problem did not exist when I had estimators like Mel Scruggs, Tim Malloy, C. Reynolds.

9. I am of course aware of the "bottom line - time and material". The reason for this memo is the unprofessional careless distribution of that figure against individual items. I also feel that the built in "fat" of time and material is excessive.

   I don't like their method of time and material cost control for example. The ship was out of the yard more than three months before I could get prices against additional items which were issued to the assigned estimator early on in the yard period.

10. I would exclude Messrs. Daniels, Shultz, Branch, Braswell, Worthington, Hancock, and Satchell, etc. from the above critique.

WAI: bt