AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	Page 1 of 150

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
0051	10/01/2008		

6. ISSUED BY	CODE N00033	7. ADMINISTERED BY *(If other than Item 6)*	CODE 00091
Military Sealift Command, N1033/PM5 914 Charles Morris Court, S.E. Washington, DC 20398-5540		DOT/Maritime Administration, MAR-380 400 Seventh Street, SW., Room 7310 Washington, DC 20590	

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and Zip Code)*		9A. AMENDMENT OF SOLICITATION NO.
MAERSK LINE, LIMITED ONE COMMERCIAL PL 20TH FL NORFOLK, VA 23510-2126		9B. DATED *(SEE ITEM 11)*
	(X)	10A. MODIFICATION OF CONTRACT/ORDER NO. N033C055340
CODE * FACILITY CODE	(X)	10B. DATED *(SEE ITEM 13)* 10/11/2005

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

No Funding Information

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS.
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☑	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: 52.217-9 and Mutual Agreement of Parties
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Modification 0051 is issued to:
(A) Exercise Rate Period 4 - 01 Oct 08 through 30 Sept 09, pursuant to Contract Clause I-3, Option to Extend the Term of the Contract (FAR 52.217-9), subject to availability of funds.

Per Diem rates will remain the same through October 31, 2008. Mod will be issued upon finalization of FY09 Per Diem Rates. Rates will be retroactive to October 1, 2008.

SEE CLAUSES SECTION - CONTINUATION OF BLOCK #14

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*		16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)* Milton G. Spears	
15B. CONTRACTOR/OFFEROR *(Signature of person authorized to sign)*	15C. DATE SIGNED	16B. United States of America BY M. G. Spears *(Signature of Contracting Officer)*	16C. DATE SIGNED 09/30/2008

MAERSK LINE, LIMITED

September 30, 2008

Mr. Glen Spears
Chief of Contracting Office
Maritime Administration
7737 Hampton Boulevard
Building 4D Room 211
Norfolk, VA 23505

Maersk Line, Limited will comply with Modification P00051 on a provisional basis, subject to the following conditions: (1) MARAD and MLL will finalize the terms/conditions and FY2009 per diem rates on or before October 31, 2008 unless otherwise mutually agreed by the parties; and (2) the final terms/conditions and FY2009 per diem rates will be applied retroactively to October 1, 2008 and may include an equitable adjustment for one-time costs (e.g., P&I insurance premiums for October).

Best regards,

Frederick W. Finger, Jr.
Senior Director
Ship Management and Chartering

One Commercial Place, 20th Floor, Norfolk, VA 23510-2103
Phone: (757) 857-4800 Fax: (757) 852-3232
www.maersklinelimited.com

Line Item Number	Description	Delivery Date (Start date to End date)	Quantity	Unit of Issue	Unit Price	Total Cost

No Changed Line Item Fields

Previous Total:
Modification Total:
Grand Total:

TABLE OF CONTENTS

SECTION A -- SOLICITATION/CONTRACT FORM

A.1 SUMMARY OF CHANGES

The free form item ‘CONTINUATION OF BLOCK #14 has been added.
The free form item ‘SF-26 BLOCK 17 CONTINUATION has been edited.
The free form item ‘ has been edited.
The free form item ‘ has been edited.
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The free form item ‘ has been edited.
The free form item ‘Attachment J-2 - Ship Manager Subcontracting Purchasing Policies - has been edited.
The free form item ‘Attachment J-21 - Project, Business Plans and Budgets in RMS - MA has been edited.
The free form item ‘Attachment J-4 - Deliverables - MARAD has been edited.
The free form item ‘Attachment J-9 - List of Reimbursables by Topic Area - MARAD has been edited.
The free form item ‘TE-02 Quality Assurance Surveillance Plan has been edited.
The free form item ‘TE-04 Vessel Location has been edited.
Clause ‘FILE - Attachment A - FSS Technical Manual.doc’ has been edited.
Clause ‘FILE - Attachment H - Award Fee Plan.doc’ has been edited.
Clause ‘FILE - Attachment J - EDI Agreement.doc’ has been edited.
The free form item ‘Attachment C - DD Form 254, Contract Security Classification Specifi has been edited.
The free form item ‘Attachment E - American Inst Hull Clauses & American Inst Hu has been edited.
The free form item ‘Attachment F - Civilian Mariner Wage Rates - MSC has been edited.
The free form item ‘Attachment G - SF LLL, Disclosure of Lobbying Activities - MSC has been edited.
The free form item ‘Attachment I - Invoice Requirements/Report of Expenditures - MSC has been edited.
The free form item ‘Attachment J-1 - RESERVED has been edited.
The free form item ‘Attachment J-10 - RESERVED has been edited.
The free form item ‘Attachment J-11 - SF-3881 - ACH Vendor Miscellaneous Payment En has been edited.
The free form item ‘Attachment J-12 - RESERVED has been edited.
The free form item ‘Attachment J-13 - Required Training - MARAD has been edited.
The free form item ‘Attachment J-14 - RESERVED has been edited.
The free form item ‘Attachment J-15 - Alternate Site for Certificate of Inspection (COI) - has been edited.
The free form item ‘Attachment J-16 - RRF Management System (RMS) Brief Overview - has been edited.
The free form item ‘Attachment J-17 - U.S. Customs Form 226 has been edited.

The free form item ‘Attachment J-18 - SF-1012 has been edited.

The free form item ‘Attachment J-19 - RESERVED has been edited.

The free form item ‘Attachment J-20 - Notice of Prohibition on Liens - MARAD has been edited.

The free form item ‘Attachment J-3 - Processing Seafarer's Personal Injury/Illness Claims has been edited.

The free form item ‘Attachment J-5 - RESERVED has been edited.

The free form item ‘Attachment J-6 - Subcontracting Plans - MARAD has been edited.

The free form item ‘Attachment J-7 - RESERVED has been edited.

The free form item ‘Attachment J-8 - RESERVED has been edited.

A.2 CONTINUATION OF BLOCK #14

Continuation of Block #14

N033C055340
Comprehensive Modification
(Sections Impacted)

(B) Effective 01 Oct 08 this modification also:

(1) Removes language in C5.2.2. - "medical requirement that any crewmember refusing to take immunizations will be removed."
(2) Adds M9 e. Professional Credentials
(3) Adds language to C1.9.2.5.2 regarding medically unfit crewmembers
(4) Adds language to M26 regarding FOS mariners medically ineligible to receive inoculation/immunizations.
(5) Adds the following language to M28(b) "but who requires the new inoculation or immunization in order to perform his/her duties.
(6) Adds M29a - "Security Clearances for ROS crew: . . ."
(7) Adds M45a - "Internal security . . ."
(8) Adds M54a - "Force Protection Report . . ."
(9) Adds M77a - "Business Plan . . ."
(10)Changes language in M91 to read "On/about Jul 1"
(11) Changes language in M93 to read ". . . in RMS . . ."
(12) Adds language after M113 - "Section C-2 Government Furnished Property and Services . . ."
(13) Adds language to M139 regarding "MARAD fosters cadet training."
(14) Adds M176a - "Oil Spill. . . ."
(15) Adds M181a - "Absence of the Master."
(16) Adds M186a - "As issues arise regarding weapons/ammunition. . ."
(17) Adds language to 4.1.7 to read "Copy area COTR."
(18) Removes C4.1.12.9 and changes to read: "q. ROS Roster: Maintain and keep current, the ROS crew employment lists. Include: Name (Last, First, Middle Initial), rating and phone for recall." Change CDRL to HR-007 instead of HR-00715.
(19) Adds M252a - Clarifies Ad Valorem requirement.
(20) Changes requirement in M271a from 95% to read "90 percent. . . ".
(21) Adds M275a - Environmental Protection Agency language.
(22) Adds language to M279 - Non-Tanker Vessel Response Plan.
(23) Adds M289a - Incorporates the Maritime Administration provided Non-Tank Vessel Response Plan/Shipyard Oil Pollution Emergency Plan.
(24) Adds M308a - CBR-D medicinals.
(25) Adds M354 - Employment of Government Personnel
(26) Adds M355 - Physical Loss or Damage to the Vessel
(27) Changes F8 to reflect room number change to "1800" for Division of Pacific Operations.
(28) Changes the following in G-1 - PCO, add contact to Division of Atlantic Operations and add Division of Pacific Operations.

(29) Adds language to G-3 for Task Order Activations.
(30) Adds Updated J-2
(31) Changes language to J-4 Deliverables as follows:
Category 1 Lines 26 & 30 clarified section C references.
Category 2 Line 7 changed Section C references.
Category 3 Line 2 & 121 - now reserved.
Category 3 lines 122 through 124 verified reference numbers are correct.
Category 3 Line 125 added environmental inventory requirement.
(32) J-9 - Adds Item Number 151 Vessel Communications - in FOS.
(33) Changes TE-1 RRF Operations Management Manual as follows:
Section 2 - Updates Definitions throughout.
Section 18 - Removes references to RRF vessels no longer in force.
Section 19 - Clarifications - The Maritime Administration's combined the Non-tank Vessel Response Plan and the Shipboard Oil Pollution Plan into one document called the Non-Tank Vessel Response Plan/Shipboard Oil Pollution Plan. This plan will become effective for FSS Oct 1, 2008. The Maritime Administration will provide CD-ROMs.
(34) TE-4 Vessel Readiness and other characteristics - Changed locations. Removed FY08.
(35) Updated Logistics Manual dtd September 9, 2008.

SM-PEAS
Note: Self assessments are not to be required by any Maritime Administration entity in the preparation of contractor SM-PEAS-like assessments. A contractor may reply to evaluations within SM-PEAS in order to preserve a record of its viewpoint of the evaluation.

SECTION B -- SUPPLIES OR SERVICES AND PRICES

SECTION C -- DESCRIPTIONS AND SPECIFICATIONS

C.1

SECTION C-1 GENERAL

BACKGROUND

M1. The U.S. Maritime Administration was delegated ACO authority on April 1, 2007, to develop a contract modification in anticipation of vessel transfer to the Maritime Administration for eight (8) Fast Sealift Ships to be maintained in an RRF-like condition applying performance based policies and procedures to provide an effective and cost efficient service. As of Oct 1, 2007 MARAD has both Administrative Control (ADMINCON) and Operational Control (OPCON) of the vessels and PCO authority for the Navy contract N00033-05-C-5340. Commencing October 1, 2007, MARAD will issue this document as a contract modification

1.0 General. The purpose of the contract is to provide for the operation and maintenance of Fast Sealift Ships (FSS). The Contractor will provide qualified ship officers and crews, operational and technical support (ashore and afloat), equipment, tools, provisions and supplies, to operate, maintain and repair the vessels. The FSS are public vessels of the United States Government and support the surge requirements of the United States Department of Defense. The following paragraphs describe the general Scope of the Performance Work Statement.

1.1 Scope of Work/Mission. The Contractor shall provide personnel, operational and technical support ashore and afloat, equipment, tools, provisions, and supplies to operate, maintain, and repair eight (8) FSS. The Contractor shall plan, schedule, coordinate and assure effective completion of all services described herein. All mechanical, electrical, and auxiliary systems shall be maintained in accordance with the terms and conditions of this contract throughout the entire contract performance period. The Contractor is responsible for performing scheduled and unscheduled maintenance and repairs, as necessary, on a 24 hour a day basis.

M2. Plans. The Contractor is responsible for the development, implementation, management, and maintenance, including updates and lessons learned, of all required plans under the contract. Contractors are responsible for establishing policy and procedures related to these plans, inclusive of all necessary training of supervisory and other appropriate personnel. Ships' officers are responsible for enforcement of Contractor policies, plans and procedures. All plans and any subsequent modifications will be incorporated by the Government into its Quality Assurance Surveillance Plan (QASP) (TE-2) as one of the standards which the Government will use to determine compliance. Compliance with all Plans is a performance measurement under the QASP.

M3. THE ORDER OF PRECEDENCE REFERENCE.
52.215-8 -- Order of Precedence -- Uniform Contract Format (Oct 1997) Deviation
Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:
(a) The Schedule (excluding the specifications).
(b) Representations and other instructions.
(c) Contract clauses.
(d) Other documents, exhibits, and attachments.
(e) The specifications.

M4. DELIVERABLES. Unless specifically directed otherwise, all deliverables, listed in Attachment J-4, shall be delivered in an electronic format. Advise MARAD COTR delivery has been made.

1.2 Operational Control (OPCON). The Contractor will be notified of OPCON during the activation of the ships. OPCON may be retained by the Maritime Administration (MARAD) or it may be turned over to a naval operational commander. Normally Operational control of ships in FOS belongs to the MSC or the MSC Area Commander in which the ship is located. Delay of the ship or diversion from operations will be reported immediately to MARAD and the OPCON Commander. The Government shall obtain any clearances to operate in foreign waters or to call at foreign ports.

1.2.1 Concept of Operations. The FSS are currently maintained in reduced operational status four (ROS-5) on the East and Gulf Coasts of the United States. ROS-5 requires that the ships be maintained in such a condition that upon notification to activate they will be fully operational within five days (120 hours). Normally, a vessel is activated within 4 days including a 24 hour sea trial before declaring Ready For Sea in all respects within 120 hours or 5 days. From time to time, there will be Government stevedore cargo

operations and other training required to be conducted on the ships during ROS-5. An exception to this activation time period is made when activation is required in connection with a severe weather sortie, training evolution, or contingency.

1.3 Layberths. Layberth services for all FSS vessels during ROS-5 periods will be provided by the Government. It should not be assumed that layberth locations will remain constant for the duration of the operating contract. Layberth services may be provided at Government or commercially leased facilities. The Contractor may be directed to provide layberth services on a temporary basis. At layberths FSS will remain in ROS-5 status, (TE-4) unless otherwise ordered by the Contracting Officer.

M 4.a Severe Weather Plan. Note the terms "hurricane plan," "emergency evacuation plan," or "Plan for Getting underway" are interchangeable with "severe weather plan."

M 4 b Develop, and if required execute, a Severe Weather Plan (CDRL SFTY-0006) which accounts for both remaining alongside and getting underway. Obtain approval of the USCG COTP. At the Contractor's discretion this plan may be part of the overall activation plan, or a separate document. In either case it must be easily recognizable. Note: the Mooring plan below may be part of the severe weather plan or stand as an independent document. This is the Contractor's choice.

M 4.c Obtain from COTR a copy of the outport vessel's Heavy Weather Mooring Plan. MARAD does not have Mooring plans for all vessels contained in TE-4. However, MARAD will provide a copy of those it has. Obtain copy for review after modification 0050 to this contract from MAR-612. Review this plan, correct if required, and resubmit as the Contractor's Mooring Plan. If a mooring plan is unavailable, contact MAR-612 for directions. Ensure that the vessel is properly moored in accordance with its parameters at all times. Comments should be provided to the COTR. Take additional action if winds are anticipated to exceed 70 mph. Note: MARAD uses the Navy's (NFESC) guidance to moor ships that are going to remain in port in heavy weather to a standard referred to as "Mooring Service Type III". The wind speed varies by port and ranges from 70 mph to 113 mph. A copy of the table is in Attachment J-15. However, during the performance period of the contract, the most recent copy can be obtained from MAR-612. Attachment J-15 will not be updated. NDRF moored vessels may obtain copy of Fleet Mooring plans, however, fleet personnel are responsible for the vessel's safe mooring. (CDRL SFTY-0007)

M4 d Arrange for vessel to be properly moored and connected to the required shoreside hookups (i.e., power, water, alarms, etc.)

1.3.1 Area of Operations. It is intended for the ships to be layberthed at sites on the East and Gulf Coasts of the United States. The ships, however, may be sited worldwide. The ships are designed for extended, independent underway operations in remote geographic areas; therefore self-sufficiency in operations and maintenance is an important mission objective.

1.4 Hours of Operation. During ROS periods the ships will be manned by the ROS crews (see Attachment A, Section 19) 40 hours weekly from Monday through Friday (except National Holidays). Normal ROS working hours shall be from 0800 to 1700 hours (including time allotted for breaks and lunch). A minimum of one qualified individual must be retained on the ship evenings and weekends to fulfill security requirements (M45 this section.) During FOS periods the contractor will be required to maintain a reimbursable FOS crew (see Attachment A, Section 19) 24 hours a day 7 days a week ROS crew is fixed price. FOS crew is reimbursable.

1.5 Operational Tempo (OPTEMPO). OPTEMPO will normally consist of approximately 84 percent ROS and 16 percent FOS per ship during peacetime, but is not warranted. Operational commitments, however, may require deviation from this schedule. At a minimum, the Contractor can anticipate one dock trial and one sea trial on alternative years. No notice trials may be conducted by the Government at any time, after normal working hours, including weekends and holidays, to monitor the Contractor's performance while transitioning the ships from ROS-5 to FOS status within the 120-hour period. At any time during the life of the contract any or all of the ships may be placed in FOS in order to support military operations and exercises, or to support national emergency requirements. Ships placed in FOS are subject to deployment for indefinite periods of time.

1.5.1 Increased Costs During Increased OPTEMPO. No Government representations herein with respect to the expected operating tempo of the vessels shall give rise to Government responsibility or liability for any increased costs whatsoever associated with or caused by any increase or decrease in operating tempo beyond what has been forecast by the Government or by the Contractor. The Contractor hereby assumes all risks whatsoever for increased costs associated with any change whatsoever in anticipated operating tempo of the vessels, whether or not such anticipated operating tempo is a result of representations made by the Government herein or elsewhere.

1.6 Weather Information and Ship Routing. Normally, the Naval Meteorology and Oceanography Centers will provide Optimum Track Ship Routing (OTSR) for the ships in accordance with COMSCINST 3121.9 (Series). Routes assigned by OTSR are recommendations to the Master.

1.7 Administrative Control (ADMINCON). Administrative control will be held at all times by the U.S. Maritime Administration (MARAD). If OPCON changes, ADMINCON remains with MARAD.

1.8 Delivery, Transition, and Turnover Requirements

1,8,1 Contract Phase-In. MARAD is assuming administration of a Navy contract. The Contractor and Military Sealift Command have already completed contract phase-in. There will be a mutually agreed to transition/inventory of GFP between the Contractor and MARAD logistic personnel as follows:
The contractor shall provide copies of its SM system (repair parts) database and its Baseline Inventory (accountable property) database to MARAD. All other GFP is "where is as is."

1.8.2 Ship Delivery/Turnover. Reserved.

1.8.2.1 Delivery/Redelivery Contract Physical Inventories. Reserved.

M5. Completion or Termination Inventory. At the completion or termination of the contract, conduct a joint (with MARAD) and complete physical inventory of the vessel's accountable property. The results of this inventory will then be reconciled with the accountable property database contained in RMS. Provide a written survey for each item found to be lost, damaged or destroyed. (CDRL L-0002)

M6 Termination or Completion Inventory of Spare Parts, Technical Manuals and Ship's Drawings. Jointly with MARAD, obtain and inventory a sample of the vessel's spare parts, technical manuals and ship's drawings in accordance with the statistical standards provided in TE-5 and (CDRL L-0006). The results of this inventory will be jointly recorded. This sample will include spare parts stored in the following locations:

a) Loose spare parts;
b) Spare parts mounted on bulkheads; and
c) Spare parts contained boxes and cabinets, both sealed and unsealed.

1.8.3 Expiration/Termination. The Contractor shall return each ship to the Government at the end of the contract performance period, except when the Government has canceled the contract. The Government shall have a unilateral right to cancel this contract at no expense to the Government at any time after the first contract year. The Government shall issue a cancellation notice, in writing, 45 days before the effective cancellation date. The Government shall not be required to justify cancellation of this contract.

a. The Contractor will provide a complete listing of all Government property in accordance with FAR 45.508-2 for each ship. The listings will contain basic information contained in FAR 45.505-1 and will be provided to the MARAD Logistics Management Officer 45 calendar days prior to redelivery of all ships(s). The Contractor shall repair all Government property in need of repair/maintenance before the redelivery inventory is conducted. All repairs not completed by Contractor prior to the redelivery inventory may subsequently be made, at the Government's option, at the Contractor's expense, except in cases where repair costs would be reimbursable under the terms of this contract. In the case of minor damage to the Government property the compensation due the Government by the Contractor shall be the actual cost of repair, provided such amount does not exceed the replacement cost of the item.

b. In the case of items lost, worn or damaged beyond economical repair, the amount of the Contractor's liability shall be the replacement value of the item as determined by the Contracting Officer. Any failure of the Contractor to agree with such determinations shall be treated as a dispute over a question of fact pursuant to the clause of this contract entitled "Disputes". At the Government's option any property in excess of the original inventory, except for additions provided by or at the expense of the Government, shall be priced, and the Government will either return the material or reimburse the Contractor.

1.8.4 Vessel Turnover. Custody of a ship shall be deemed transferred when the Government releases the Contractor from responsibility for the ship; or if lost, at noon of the day lost (if that date is not known, at noon of the day when last heard from); or from the time when the ship is declared a constructive total loss by the Government. Transfer of custody for reason of loss relieves the Government of any further obligation for the payment of the per diem rate. During the final 90 days of the contract performance, the Contractor shall be required to assist with the phase-in of the follow-on operation of the ships. The Contractor shall provide phase-out services until each ship is re-delivered. The end of the 90-day period will coincide with the end of the contract period as it

may be extended. All personnel and other associated costs of attending turnover are for the Contractor's account and are not reimbursable. The ships shall be redelivered to the Government in the same good order and condition as when delivered hereunder except for normal wear and tear, any repairs/replacements which have been made, and ordinary depreciation, at a United States port designated by the Government or at such port as may be mutually agreed to.

1.8.5 Return of Government Furnished Property. Unless an exception is authorized by the Contracting Officer in writing, the Contractor shall be required to return all Government Furnished Property such as outfitting, tackle, apparel, supplies, stores, equipment, and furnishings back to the Government. If GFP is not returned, the Contractor will be required to replace or reimburse the Government for such items in kind with reasonable wear and tear excepted.

1.9 Personnel

1.9.1 Shore-based Personnel. To the extent that such materials and services are not specified as being provided by the Government, provide all administrative support to ensure that all requirements of this contract are accomplished in a timely and efficient manner. Administrative support includes: management personnel, technical and professional personnel irrespective of each an individual's discipline, all overhead and G&A employees, supplies, materials, and services necessary to maintain, activate, and operate assigned ships, and to fulfill all other requirements of this contract and those offered by the Contractor.

1.9.1.1 Availability. . Establish procedures to maximize retention and continuity of experienced and high performing shoreside staff and ROS crew

Establish procedures to ensure reliable and timely communications between Contractor points-of-contact and the MARAD program office on a 24/7 basis. The Contractor points-of-contact shall have the inherent authority to commit the company if circumstances deem it necessary.

Verification of Personnel Data. Verify that the information for shorebased personnel is valid, entered into RMS, and updated as necessary throughout the life of the contract. (CDRL HR-0001)

President/Owner Data. Provide the name, work and home phone number of the MARAD Corporate President/Owner(s). Note: this information shall be password protected and the password to MAR-610 by separate cover for use by the Maritime Administrator. (CDRL HR-0002)

Emergency Contact: Provide emergency contact information to the COTR and enter into RMS. This information shall provide MARAD the ability to contact the Contractor 24/7 during emergencies and no-notice activations. (CDRL HR-0003)

.1.9.1.2 Key Shore-based Personnel. MARAD does not specify any personnel as "Key." If the Government has any reason to be dissatisfied with the qualifications, conduct or performance of any shoreside person employed by the contractor, the MARAD COTR or Contracting Officer will provide particulars to the contractor who shall promptly investigate and take appropriate corrective action.

1.9.1.3 Engineering Shoreside Personnel. All Contractor port engineers and those engineers within the management structure of the Contractor's staff shall have a practical knowledge of mechanical engineering and naval architecture principles and practices as they pertain to ocean-going ships, and familiarity with marine/mechanical, electrical, and structural engineering disciplines.

1.9.1.3.1 Qualifications of Engineering Shoreside Personnel. Reserved.

1.9.1.3.1.1 Engineering Management. Reserved.

1.9.1.3.2 Number of Port Engineers. Reserved.

M7 Port Engineering Requirements. Provide port engineering services to execute the requirements of this contract including corrective maintenance.

M8 Physical location of PE for ROS ships. Provide on-site office facilities for the Port Engineers/Team who is supporting any ROS vessel or combination ROS/RRF-like vessel. On-site is defined as being anything within 2 hours response time to the vessel. PEs may be beyond the 2 hour response time on a temporary basis for training, availabilities or loadouts. The facility is defined as a trailer or commercial office space, or equivalent. Use of the ROS vessel is permissible, however, the Contractor must plan for re-location of the facility within the activation timeframe without interruption to activation activities. Port Engineers may exceed the 2 hour response time for special events such as MARAD called meetings or training. If doubt exists call the PCO.

M9 Absence/temporary replacement: Perform any duties normally carried out by the permanent personnel during any periods of absence.

1.9.1.3.3 Availability Outside CONUS. Per diem and travel costs for Contractor personnel required on-site outside CONUS shall be reimbursable in accordance with Federal Travel Regulations (FTR) in effect at the time of the trip and with Contracting Officer prior approval.

1.9.2 Shipboard Personnel. The Contractor shall man the ships with trained, qualified and medically fit personnel sufficient to accomplish the requirements of the PWS and consistent with the ship's mission Entire crew must be literate in spoken and written English. All officers shall be U.S. citizens. Each unlicensed seaman must be a citizen of the United States or an alien lawfully admitted to the United States for permanent residence; and not more than 25 percent of the total number of unlicensed seamen on the vessel may be aliens lawfully admitted to the United States for permanent residence. Advise MAR-612 by the fastest means possible during an activation the Name (Last, First, Middle Initial) Date of Birth, place of Birth, Citizenship, last 4 digits of SSN, Passport number, Security clearance, and if applicable alien registration number. Advise mariners of vetting requirement. MARAD will abide by Privacy Act restrictions in handing this data.

a. The Contractor shall develop and maintain a contingency plan adequate to ensure that there will be no interruption of services due to labor disruption within the contractor's own labor force.

b. Provide and maintain the ROS crew employment list: include Name (Last, First, Middle Initial) rating, and phone for re-call.

c. In certain situations during FOS, there may be supercargo and/or security team personnel embarked. During these periods the Contactor shall ensure that USCG requirements for increased shipboard personnel are met.

d. For the safe, efficient and economical operation of the vessel, employ medically/dentally and psychologically fit Deck, Engine, and Radio (when assigned) Officers and unlicensed personnel who meet requirements of STWC-95 or its successor agreement(s); and possess current, valid USCG licenses, including all necessary endorsements, commensurate with the tonnage and classification of the ship. Unlicensed personnel shall have the necessary endorsements on their USCG Mariner's Document for the rating to which they are assigned. Fit for Duty documentation is available in Attachment J-3.

e. Professional Credentials. The Transportation Worker Identification Credentials (TWIC) - are not reimbursable to the SM. They are part of the mariners' professional certification. MARAD pays for ROS wages 365 days/yr. The Contractor shall allow no more than two of these paid days to permit the permanent ROS mariner (not temporary or replacement ROS crewmember) to obtain the card. Travel is not included as a reimbursable item. FOS mariners are expected to comply with regulations by the implementing date of October 2008.

f. Reserved.

M10. FOS Crew is a reimbursable. Provide full FOS crew, unless otherwise directed by the COTR, when ship are activated to Phase O.

M10a Complaints. The Master and Officers must execute their responsibilities as defined by law and exercise sound judgment at all times. In the event that MARAD has any reason to be dissatisfied with the qualifications, conduct, or performance of any person employed by the Contractor, MARAD will notify the Contractor and the Contractor shall investigate the matter and take appropriate corrective action as warranted

M10b Imminent Danger Pay and War Risk Bonuses: MARAD will reimburse Imminent Danger Pay and War Risk Bonuses once the DOD has issued the applicable geographic region, authorized and provided such payments to MARAD. When this occurs:

1) Advise FOS crews that such determinations usually take considerable time, however if authorized, payment will be forthcoming.

2) Maintain records of all personnel eligible for payment. War Risk Bonuses and Imminent Danger Pay are not paid concurrently.

M11. Provide within the "Operations Phase Project" of J-21 the aggregate FOS fully burdened wages. Modify, as necessary, to suit changes to FOS manning levels to reflect any unique mission requirements per the direction of the COTR. Update throughout the performance period as necessary.

M12. Provide to MAR-610.3 and the COTR by email any recommended changes to the FOS manning level (position and quantity) which deviates from the original contract proposal. Indicate if changes were driven by specific mission operational requirements, unavailability of mariners with specific ratings, etc.

M13. Fleeting of ROS personnel during FOS: Notify COTR during activation of any intention to "fleet up" the ROS Chief Mate to Master during operations.

M14. Articles. Implement of foreign articles for Phase O crew in accordance with 46 CFR Part 14, and USCG NVIC No 1-86. Foreign articles are not required for most Turbo activation, maintenance activations, and coastwise voyages. (CDRL HR-0010)

M15. Mariner Status. Alll crewmembers (ROS and FOS) are direct employees of the Contractor. Their performance is the direct responsibility of the Contractor. The Contractor has the prerogative to institute management actions (e.g., reprimand, reassignment, additional training, additional supervision, dismissal) to achieve acceptable performance. The Government will not interfere with the employer-employee relationship unless there is a violation of Federal statutes or regulations.

1.9.2.1 Sailing in Designated Capacity. The Contractor shall take all action necessary to ensure that all ROS licensed and unlicensed crewmembers will sail in their designated capacity when the ship is placed in an FOS condition whether for tests, storm evasion sorties, exercises, or in response to hostilities or contingencies, or for other purposes.

1.9.2.2.1 Labor Agreement for Sea Trials and Emergency Sortie. The Contractor's Labor Agreement shall be so designed as to not adversely effect its ability to properly crew the ship for short-term FOS periods such as sea trials, dock trials or emergency sorties.

M16. NO STRIKE Clause. Recognizing that critical sensitive services are required under this contract, it is essential that continuous operation of the ships be maintained. Therefore, there shall be no work stoppages of any type, including but not limited to strikes, sympathy strikes, boycotts, slowdowns, sickouts, primary picketing, secondary picketing, protests against unfair labor practices, contract violations, social or political protests and any other protests or interruption or interference with work onboard the vessel(s) for the full term of any voyage or any subsequent extension thereof.

M17. RIGHT TO FIRE Clause. An agreement permitting the Contractor with the right to fire any licensed and unlicensed member.

M18. RIGHT TO RESTRICT FUTURE EMPLOYMENT Clause. Any crewmember discharged by the Contractor for cause, shall not be eligible for future employment onboard an RRF-like vessel.

M19. The Contractor is solely liable for any amounts agreed to in its collective bargaining agreements or employee labor agreements and any revisions thereto. Simply because the CBA is submitted as part of a Government contract proposal does not obligate the Government in any manner to the contents therein.

M20. The Contractor submitted with its proposal, and must maintain throughout the contract period, a contingency plan adequate to ensure that there is no interruption of contract service due to labor disruption or phase-in/out of crew. Such plan shall remain continuously in effect throughout the period of performance under this contract, including any options hereunder, and may consist of or include any or all of the following:

(1) CBAs with no-strike, no lock-out provisions.
(2) Employment agreement.
(3) Plans to demonstrate the continuous availability of adequate numbers of qualified personnel in a labor pool to perform services required under this contract.

M21. Employment Disputes. Litigation involving an employee who is disciplined by a Contractor is at the Contractor's expense.

M22. Abide by all Federal, state, and local regulations regarding employment and maintain the appropriate records from pre-hire solicitations through dismissal.

M23. Contractors who employ crewmembers through CBAs shall make it clear to the crewmembers and the holders of the CBA, that the crewmember's employment relationship is with the Contractor and not the U.S. Government, although they will work on Government-owned vessels. Dismissal for cause is a matter between Contractor and crewmember.

M24. Probationary periods, right to transfer previously accrued benefits, accumulation of compensatory time or leave, and Convalescent Pay are totally up to the employer within the parameters of the Service Contract Act (SCA).

1.9.2.3 Replacement Pool. Reserved.

1.9.2.4 Right to Select. The Contractor shall secure written agreements from the applicable maritime unions, if any, that specifically provide the Contractor with the right to select each officer and the right to approve or reject each unlicensed crewmember. Copies of these agreements are to be provided to the Contracting Officer and MARAD COTR.

1.9.2.5 Immunizations. Vessel operating services for ships are considered essential contractor services in support of military and associated support missions. As a result, Masters, officers, crew, and other individuals who are embarked on such vessels for contractor's purposes, including but not limited to subcontractors, are considered contractor personnel performing mission essential services under DODI 3020.37, November 6, 1990, (Change 1, January 26, 1996), and are subject to the following:

1.9.2.5.1 General. Masters, officers and crew who are embarked on vessel(s) subject to this contract shall have received current immunizations in accordance with BUMEDINST 6230.15, (Immunizations and Chemoprophylaxis) as amended, prior to assignment to the vessel(s).

1.9.2.5.2 Supplemental Immunizations. In addition to the foregoing, at any time during the period of this contract and any options or extensions hereto, COMSC may establish, through written policies or directives, immunization programs for civil service mariners which shall apply with the same force and effect under this contract to Masters, officers, crew, and any other individuals as described above, unless specified otherwise. The Contractor shall ensure that all Masters, officers, crewmembers, and other individuals embarked on vessels subject to this contract comply with all such immunization programs which shall include, but not be limited to, notification to the Contracting Officer of the immunization status of Contractor personnel as provided herein. Decisions regarding crewmembers who are medically ineligible to receive inoculations/immunizations will be made on a case by case basis depending upon BUMED medical advisories. The Contractor will not be penalized for not sufficiently screening mariners for medical ineligibility to receive inoculations/immunizations.

1.9.2.5.2 Failure to Comply.

M25 ROS Crew - The Contractor shall ensure that all ROS crewmembers have received or are medically eligible to receive all required immunizations/inoculations prior to hiring the crewmember and assigning them to a vessel in Phase M status.

M26 FOS Crew - The Contractor shall ensure that all FOS crewmembers have received or are medically eligible to receive all required immunizations/inoculations before the vessel leaves United States territorial waters. For FOS mariners who are ineligible to receive an inoculation/immunization, the Contractor will coordinate with Military Sealift Command medical department regarding any data they must maintain for the length of the voyage. Masters will be instructed by MSC whether or not the ineligible crewmember will be allowed ashore.

M27 Except as specified in J9, the Government will not reimburse the Contractor for wages or any costs associated with repatriating or replacing any ROS or FOS crewmember who is found ineligible to receive any required inoculation/immunization due to a medical condition or who refuses to comply with a previous immunization requirement or a new supplemental immunization directive.

M28 The Government will reimburse the Contractor for the cost of repatriation and up to one month's wages, or as required by articles if foreign articles were signed, as well as the cost of obtaining replacement personnel, for any ROS or FOS crewmember who:

(a) is found ineligible to receive an inoculation/immunization required by Section 5.5.1 above at the time of his/her employment because of a medical condition the crewmember developed after he/she was employed by the Contractor; or

(b) is willing to comply with a new supplemental immunization directive that became effective after the crewmember was employed by the Contractor but who is ineligible to receive the newly required inoculation because of a medical condition, but who requires the new inoculation or immunization in order to perform his/her duties.

In accordance with USCG regulations, include all crewmembers in the Contractor's drug testing programs.

1.9.2.5.2.2. Notice. Reserved.

1.9.2.5.3 Default. Reserved.

1.9.2.6. Reserved.

1.9.2.7. Resumes of Key Shipboard Personnel. Reserved.

1.9.2.8 Storekeeper. Reserved.

1.9.2.9 Appearance. The ships to be operated under this contract are public vessels of the United States. Material conditions, personnel appearance, discipline, customs and usage should be maintained at a high professional standard such that the operation of these ships will not bring criticism or discredit upon the U. S. Government.

1.9.2.10 Personnel Deficiencies.

a. In the event that MARAD has any reason to be dissatisfied with the qualifications, conduct, or performance of any person employed by the Contractor, the Contractor shall, on receiving particulars of the complaint, investigate and take appropriate corrective action.

b. If at any time during the contract, the Contractor is unable to meet the manning requirements required under the contract, the Government reserves the right to man the ship using whatever means necessary including military, civil service, or other civilian personnel, and reserves all rights to seek remedies under the contract, including making a deduction or setoff.
c. The Contractor shall maintain a list of crew shortages (by billet) and will calculate wages and fringes associated with these shortages every billing cycle. A copy of this list shall accompany the per diem invoice for the covered period, and the total wage/fringe shortage values shall be reflected as a credit to the Government by a line item deduction on that invoice.

1.9.2.11 Crew Rotations during FOS. Crew rotations shall be undertaken in a manner that does not compromise ship safety and ensures personnel and operational continuity. Crew rotations shall be carried out on a cyclical basis between every 90th and 120th day of operations. At a minimum, the following restrictions shall be observed:

- There shall be at least 30 days between the rotation of the Master and Chief Mate;
- There shall be at least 30 days between the rotation of the Chief Engineer and 1st Assistant Engineer; and
- Not more that half of the officers or crew shall rotate at one time within the deck, engine or stewards' department.

All crew travel & per diem associated with FOS crew rotations CONUS and OCONUS are reimbursable in accordance with the Federal Travel Regulations current at the time of travel. Reimbursement will not be made at all, however, in the case of OCONUS crew rotations that reasonably could have been conducted in CONUS.
M29. For mission operations, if a crewmember requests to remain in service, and both the Contractor and the union have no objection, this is permissible to MARAD. Additionally, on a case by case basis, the Contractor shall advise MARAD (MAR-612) whether it recommends an overlap of any crewmember prior to relief. It is the Government's option to approve/disapprove overlaps.

1.9.3 Personnel and Facility Security Clearances. Reserved.

1.9.3.1 Vendor and Transient Vetting. Full name; birth date, city, country; citizenship and passport information of crew, security personnel, military personnel, industrial-assistance personnel, service representatives and all others who will be granted unrestricted access to the ship must be submitted to MARAD- MAR-612 not less than forty-eight hours prior to their visit/embarkation.

M29a Security Clearances for ROS crew: The contractor shall ensure a minimum of two (preferably three because of rotations) ROS crewmembers have classified security clearances up through SECRET to be able to practice and download message traffic on a quarterly basis.

1.9.4 Personnel Interaction.

1.9.4.1 Master Responsibilities. The Master is responsible for the navigation, care, and custody of the vessel and cargo and as well as the safety of personnel embarked. The Master shall comply with lawfully issued SAILORDS and OPORDS. The Master shall exercise due diligence to observe all such orders and instructions. The Master shall enforce all laws of the United States that are his to

enforce, as well as all applicable rules and regulations of the U.S. Coast Guard, MARAD and Military Sealift Command. In case of emergency, nothing in this contract shall be construed as preventing the Master from taking the most effective action which, in his judgment, will rectify the situation causing the emergency, and thereby safeguard life, property, and the ship. Should the Master deviate from orders temporarily on the basis of danger to life and property at sea, he shall inform the Operational Commander (MARAD or MSC as appropriate) with an information copy to MARAD (MAR-612). The Master shall provide a written report of the action taken, his rationale, and recommendations as soon as possible. Under normal operating conditions, when under MSC or naval OPCON, the Master shall not take any mission aborting action without consultation with and prior approval of the Fleet Commander. If under MARAD OPCON, the Master reports only to MARAD.

1.9.4.2 Crewmember Emergencies. Advise embarked personnel that personal emergencies becoming known while the ship is operationally employed will not be considered justification for aborting the mission or otherwise calling on any port solely to accommodate the emergency. . The appropriate course of action for handling medical emergencies at sea will be decided on a case-by-case basis by the Master. Additionally, there will be times when no personal communications may be transmitted from the ship

1.9.5 Chemical Testing. The Contractor shall comply with all the requirements of 46 C.F.R. Part 16 for chemical tests for dangerous drugs and alcohol, notwithstanding that the FSS vessels are public vessels and are not subject to the requirements of 46 C.F.R. Part 16. For purposes of this requirement, the Contractor shall be deemed a "marine employer" and individuals hired to serve onboard the ships shall be deemed "crew members" as those terms are used in 46 C.F.R. Part 16. This requirement includes the performance of random testing and associated training as required by 46 C.F.R. Part 16.

1.9.6 Orientation Visits, Conferences, and Meetings. The Contractor shall send appropriate shipboard and shore based personnel to make orientation visits and attend conferences as designated by MARAD. The organization hosting the visit or conference will schedule visits in advance and coordinate attendance of personnel with the Contractor

1.9.7 Statutory Employer. Pursuant to Louisiana Revised Statutes (La.R.S.) 23:1061(A)(3) Department of Transportation and the Contractor expressly provide and agree that the United States of America and/or the Department of the Transportation , by and through the Maritime Administration, is the statutory employer of any of Contractor's shipboard employees and is entitled to the tort immunity provided in La.R.S. 23:1032.

M30 Activation(s) will be monitored as necessary by MARAD COTR to ensure the vessel is ready for service. 3.2.7 Activation Reporting.

M31 Develop, manage, and submit timely and accurate reports as defined below, entering data into RMS. COTR Reports include:

M32 Status Reports - Daily. Provide daily status to the COTR on vessel activation progress. COTR will direct time and frequency of this report for each activation. (CDRL A-0002)

M33 Status Reports - Special. Provide required special status reports when requested by COTR or by the MARAD HQ-612. These reports usually involve security, Chemical, Biological, Radiological-Defense (CBR-D) outfitting, reporting crew shortages, or other issues unique to a military operation. (CDRL A-0003)

M34. Vessel Movements (MOVEREPS)

M35. Submit via e-mail or classified message as directed by the COTR vessel movement data including date, time, and location of vessel movement. (CDRL A-0004)

M36. Scan into RMS a PDF copy of all ship delivery reports between MARAD/MSC. This is not the same as the noon or pre-arrival reports required by MSC.

M37. Communications: In FOS, all personal calls must be at the Master's discretion. Payment may be made in accordance with the Contractor procedures that may include, but not be limited to, credit card, calling card, and prepaid phone cards. Private communications are not subject to reimbursement. Crewmembers operating ship to satellite personal communications devices (cell phones) must check with Master to determine if communications are restricted due to vessel's location or mission.

M38. Crew List(s)

M39. Provide and maintain currency a crew list including military personnel onboard. This list is provided upon request by COTR. (CDRL A-0005)

M40. Reserved.

M41. Screening. Screen all crewmembers to ensure that they are fit for duty per Attachment J-3, and do not have a history of alleged shipboard injuries or inability to perform duties. Complete "The Seafarer's Data Sheet (MA-1001A)" and "Seafarer's Statement of Physical Condition (MA-1001B)". (CDRL TE-3 J-0001 and J-3 appendix) (CDRL HR-0005)

M42. Compliance with Statute Regarding Substance Abuse: The MARAD, DOT, as vessel owner, enforces a zero-tolerance of substance abuse in the work place. THE CONTRACTOR AND ITS PERSONNEL, INCLUDING ALL CREW MEMBERS, SHALL ABIDE BY ALL STATUTES OF THE UNITED STATES CODE GOVERNING ALCOHOL, CONTROLLED SUBSTANCES, SMUGGLING, DANGEROUS WEAPONS, AND GAMBLING ONBOARD U.S. FLAG GOVERNMENT OWNED VESSELS.

M43 Crew Shortages: Report crew shortages in accordance with 46 U.S.C. 8103 and USCG Navigation Circulars (USCG NVIC#1-86 Part G.) Provide COTR, MAR-612 and MAR-620 with copies of USCG Form CG729 (report on Crew Shortage). (CDRL HR-0009) If at any time during the contract, the Contractor is unable to meet the crewing requirements of the contract, the Government reserves the right to crew the ship using whatever means are necessary, including military, federal or state reservists, civil service, or any other civilian personnel including other competitively obtained contract personnel that meet regulatory and security requirements for the position(s).

1. 10 Information Security Requirements. The Contractor shall handle, store, maintain classified material in compliance with requirements set by DOD Industrial Security Manual for Safeguarding classified Information, and the DD Form 254, DOD Contracts Security Classification Specification for classified contracts.

1.11 Shipboard Physical Security. COMSCINST 5530.3 (Series) establishes minimum physical security standards for the ships, when under MSC OPCON. The Master is responsible for the safety and security of his ship and crew and must ensure that appropriate members of his crew receive adequate shipboard and, when required, formal training to carry out these requirements.

M44. Physical Security and Safety of Vessels. Owners (MARAD) and operators (Contractors) have the primary responsibility for ensuring the physical security and safety of vessels. MARAD and Contractors shall work together to develop a comprehensive national program for response to a variety of security conditions based upon homeland security levels.

M45. Internal Security: Provide resources, programs and procedures to provide routine internal security for ROS vessels 24/7. Routine internal security involves responding to vessel alarms; maintaining operational shipboard equipment; and the prevention of unauthorized personnel from vessel entry. The vessel must be manned 24/7 by someone who can properly respond to a fire, security breach, or equipment failure.

M45a. Internal security includes: the gangway/gate guards, guard shacks when these are not supplied by other agencies/entities. For example, the CAPE T berths in Houston, Texas, the Port provides the gate guards, but in Charleston the Ship Manager provides the gate/ramp guards at the pier. Specific direction may be obtained from the Maritime Administration area COTR or MAR-612.

M46. "Heightened security" will be as directed by MARAD via the COTR and is reimbursable. Heightened security is anticipated only during Homeland Security assessment codes of orange and red and may include armed guards from military, private, or non-Contractor contract sources. "Heightened security" will be as directed by MARAD via the COTR and is reimbursable. It may include AB's to be provided for gangway and roving patrol security for ships in a layberth. If a second Government owned ship is nested outboard, (whether FSS or not or whether managed by the same Contractor or not) these same ABs will serve both ships. Cost for the AB's will be billed separately as a reimbursable

M47. MARAD complies with the Maritime Security Act of 2002, the International Ship and Port Security (ISPS) Code, and subsequent USCG regulations and requires its Contractors to execute this policy.

M48. Identification of Company/Vessel Security Officers. Provide in RMS the name and contact data for the Company Security Officer(s) (ISPS Code Part A 1.3 paragraph 11) and individual Vessel/Ship Security Officer - one (1) per ship (ISPS code Part A 1.3 paragraph 12). It is strongly suggested that the property custodian for weapons/ammunition and force protection ATO should also be the Ship Security Officer, although they may be separate people. (CDRL SEC-0001) Note: Services of Company security officer should be pro-rated among all ships managed by the Contractor and included in G and A. The Ship Security Officer shall be included in the fixed price.

M49. Vessel and Layberth Security Risk Assessments: Conduct periodic security risk management assessments for both vessel (ISPS Code Part A 1.3 paragraph 8, ISPS Code Part B and USCG NVIC 10-02), and if applicable, the outport (wharf/pier and any area which the Vessel Security Officer determines may pose a security risk). Perform an annual security audit of the Vessel Security Plan for each vessel in accordance with ISPS and subsequent USCG regulations.

M50. Baseline security assessment of vessel internal spaces. After NTP, the MARAD COTR/Contractor representative shall conduct a joint baseline assessment of security consisting of a joint inspection of all storage areas to ensure that all storerooms, cages, spare part boxes, etc. are locked, sealed, or otherwise secured. A joint security statement indicating completion of the inspections and certifying the condition of the secured spaces shall be prepared by the Contractor representative and provided to MARAD. (see Section C.2.7.1)

M51. International Ship and Port Security (ISPS) Vessel Security Plan: The Contractor has a copy of the USCG approved ISPS Vessel Security Plan in accordance with ISPS (Part A Section 9.4 and Part B Section 9) and the Maritime Transportation Security Act of 2002. The Contractor will review, update, and re-submit this plan to the USCG. IMO requires that audits and inspections be conducted to formally assess the effectiveness of the ISPS Security Plan. (see also Section C.1.5) (CDRL SEC-0002)

M52. Reports: Maintain, via the Company Security Officer, the Continuous Synopsis Record in accordance with ISPS, (Chapter XI-1 Regulation 5 and Chapter XI-2) and shall report security incidents in accordance with ISPS Part A paragraph 12.2.8. (CDRL SEC-0003)

M53. Exterior Security Drills: Conduct both shoreside and waterside security drills in accordance with ISPS (Part A paragraph 13.4) and the vessel security plan.

M54. MARAD Security Directives: Incorporate the following MARAD security directives into security procedures against terrorism, hostage situations, demonstrations, stowaways, sabotage, piracy, and hostile acts at any time and especially in areas where incidents are likely to occur:

a) · Post visible sign(s) - "Government-owned vessel. Restricted area. No solicitation. No unauthorized visitors."

b) · RRF-like vessels do not carry spouses, dependents, friends or guests of either the crew or DOT/DOD personnel. In special circumstances, MARAD HQs MAR-610, and Area Division SOMOs, may waive this requirement for specific events.

c) · Official visitors - See TE-1 Section 2.

d) Non-official visitors must sign a Waiver of Responsibility for Injury, Accidents or Illness occurring while onboard the vessel and have the waiver approved by the Director, Office of Ship Operations prior to visiting the vessel. Non-official visitors are not authorized to remain overnight onboard any RRF-like vessel. The Director, Office of Ship Operations on the occasion of ceremonial events or other activities onboard RRF vessels may authorize exceptions.

e) · Since FSS vessels are public vessels, they shall not be used for commercial or personal profit. Any such use or attempted uses will result in disciplinary action.

f) · Ships lifeboats shall not be used for liberty, or recreation.

g) · Report any breach of security on any Government property (leased or owned) to COTR and Fleet superintendent (if applicable).

h) · Execute the Contractor's Physical Security Plan, and Bomb Threat Response Plan.

i) · Determine threat level and provide for gangway security, extra watch standers, roving patrols, or request outside (non-ship's force) assistance, upon direction of the COTR.

j) Positive security control of entrance into an FSS ship is required at all times in all phases. A visitor log shall be maintained entering the time of arrival/departure, name of person, and reason for visit. This includes vendors. The senior deck officer shall authorize the inspection of all persons and materials coming onboard and ensure there are procedures in place to summon additional assistance. Personnel not assigned to the vessel shall present identification.

k) · The senior deck officer shall ensure the Watch Standing Mate, when utilized, understands his/her responsibilities with respect to physical security of the vessel even when military personnel are present. Watch standing Mate must be familiar with standing orders, and be familiar with emergency procedures to summon assistance as well as to report threats to proper authorities.

l) · Take any action within his/her authority and capability to prevent or minimize loss or damage to ship/cargo from theft, espionage, sabotage and other criminal activities.

m) · Use the resources provided by Navy operational commanders, host nation or other sources to enhance the security of the ship.

n) · The senior deck officer shall maintain signature custody records on MARAD provided weapons by serial number at all times. (MAR-612 is POC for weapons and ammunition.)

o) · A locked stateroom door is not a secure place. The Master may, at his/her discretion, allow crewmembers to store personal items (cash, etc.,) in the vessel's safe. Masters are to ensure the crewmember understands that neither the Government nor the Contractor assumes liability for items stored in the vessel's safe.

p) · The ROS crew participates in external security. ROS crewmember orientation shall be accomplished within fourteen (14) days of reporting onboard. ROS crewmembers shall be provided Contractor-developed procedures for several "routine" security conditions, i.e., unauthorized personnel attempting to board vessel, person found onboard without authorization, personnel leaving with what appears to be ship's equipment as well as "terrorism" scenarios, such as bomb threats, unidentified person in water adjacent to vessel. Contractors shall advise the ROS crew what outside resources are available to them for maintaining security (including local police, fire, Naval Investigative Service (NIS), Federal Bureau of Investigation (FBI), MSC, port authorities etc.,) and vessel systems.

1.15 MSC Shipboard Antiterrorism/Force Protection Measures.

(1) Contractor agrees that U. S. Armed Forces personnel may board the Vessel at any time at any location for U. S. national security purposes, gives consent for such boarding, and agrees to cooperate fully with such U.S. Armed Forces personnel in the boarding party. Contractor also agrees to permit U. S. Armed Forces personnel to search without limitation any and all vessel spaces for U.S. national security purposes. Notify the MARAD COTR, in advance if possible, or soonest after boarding should U.S. Armed Forces personnel desire entry for national security purposes.

(2) Government reserves the right, at Government's sole option, to embark armed U.S. Armed Forces personnel at any time during the period of the contract to protect U. S. Armed Forces personnel, cargo or equipment on board the Vessel, or to protect the vessel itself. These force protection personnel will provide security in accordance with rules of engagement established by competent U. S. military authorities and will operate under the command of such authorities.
Contractor shall provide accommodations and victualling for these embarked personnel. Government shall reimburse Contractor for all expenses relating to the embarkation force protection personnel.

(3) If under MSC OPCON, the Contractor agrees to render all necessary assistance to U. S. Armed Forces personnel with respect to the identification and screening of crewmembers or such others as may be aboard the Vessel. Contractor consents to the immediate removal of crewmembers or such others as may be aboard the Vessel deemed unsuitable for any reason by the Contracting Officer or U.S. Armed Forces personnel. Contractor agrees to replace any such crewmembers promptly and that such replacements will fully comply with all crew screening requirements. Governement agrees to reimburse Contractor for the reasonable costs directly incurred by Contractor with respect to such replacements.

(4) If under MSC OPCON, the Contractor agrees to comply fully with the current ship physicalsecurity measures required by relevant MSC Force Protection instructions or other security-related directions from MSC or U.S. military authorities for the threat condition of the area. This may include turning off Automatic Identification Systems on board the
vessel, or adopting other security measures. Additionally, the Contractor will comply with and implement the requirements of MSC's current SHIPBOARD ANTITERRORISM/FORCE PROTECTION (AT/FP) PROGRAM instruction, COMSCINST 5530.3 series, as revised, incorporated herein by reference.

M54a. Force Protection Report - Provide to the Maritime Administration on a monthly basis updates to the MAR-612 force protection spreadsheet which was sent to all Ship Managers on/about October 25, 2006. If you did not obtain this spreadsheet, notify MAR-612. This spreadsheet contains information on forfe protection readiness of crews and vessels and is similar to the information required at activation (CDRL Sec 0006).

M55. Training for Crewmembers: Comply with Attachment J-13 for security training of personnel. For ROS crewmembers see "Training section" under Human Resources. For Fully Operational Status (FOS) crewmembers that join the vessel, security training is to be provided as part of vessel orientation.

M56. Notification to MARAD: Throughout the performance period of the contract, notify the COTR of any layberth deficiency that may affect the security of the vessel.

M57. Review the Vessel Security Plan provided by MARAD and ensure a statement of the Master's Authority (see also Section C.5.11.1) is contained. The vessel's Master is responsible for shipboard security in accordance with maritime law.

M58. At Sea Security: Contractors and Masters shall provide for physical security while ships are at-sea, at-anchor, and in-port. The latest edition of COMSCINST 5530.3, Subj: MSC Ship Physical Security provides guidance. Reasonable, not total compliance, with this directive is required.. For example, if the vessel does not have a wash down system, the Contractor is not required to install one.

M59. Master Briefing: Discuss with vessel Masters' their Phase O physical security duties, responsibilities, and options. Masters can assign additional officer and crew personnel to security duties, hire outside guards or request additional assistance from MSC Area subarea Commanders. However, such actions shall be reported on the daily POSREP (See CDRL O-0006) so that the COTR may assure funding is available.

M60. Force Protection/Information Security. Be flexible and cooperate with MARAD and other authorized U.S. Government officials in the development and management of force protection and security. This includes:

o · Designating the FOS Chief Mate as the Force Protection Officer with commensurate collateral duties. (see Maritime Transportation Security Act) Note: this may be the 2nd Mate in ROS.

o · Obtaining and maintaining a list of all shipboard clearances and associated personnel data at all times.

o · Coordinating and tracking crew force protection and security training.

o · Maintaining custody of and inventorying and managing small arms, weapons, ammunition, CBR-D Personnel Protection.

o · Protect all classified documents and materials.

o · If small arms are issued to the vessel by MSC, maintain custody of them, determine when it is appropriate to use small arms, and issue same to qualified personnel.

o · Ensure all crewmembers are trained in physical security procedures. This may be incorporated into damage control drills. Ensure five (5) ROS crewmembers have small arms training (see Attachment J-13).

o · Ensure the MARAD-provided check-list is used for determining who is eligible for anti-terrorism property custody and training.

M61. Force Protection Report. Provide to MARAD on a monthly basis updates to the MAR-612 force protection spreadsheet which will be provided to MLL by MARAD. This spreadsheet contains information on force protection readiness of crews and vessels and is similar to the information required at activation. (CDRL Sec 006).

M62. Facility Clearance and Classified Materials Manager: The Contractor is required to have a facility clearance up to Secret level clearance with a Company security manager and a Vessel Security Officer (per ship) throughout the performance period of the contract. The facility must have a GSA approved Class 6 document safe that has an approved electronic combination locking devise. The Master, Chief Mate, and Chief Engineer must have a Secret security clearance granted by the Defense Industrial Security Office (DISCO). It is the contractor's responsibility to submit requests for security clearances in the proper format and in a timely manner prior to assignment to the program based on Defense Security Service (DSS) guidance. The Contractor shall develop and promulgate directives for the handling, retention, safeguarding, and disposition of classified materials. During vessel deactivation no classified material shall be retained onboard ship which will not be needed within ninety (90) days. All classified material, when ready for destruction, must be destroyed in accordance with the DOD Security Manual for Industrial Facilities. (CDRL SEC-0004)

M63. Security Clearances for Mission Operations: The Contractor shall provide personnel with security clearances up through SECRET for the Master, Chief Mate, classified materials custodian, communications officer. If personnel are unable to attain security clearances during mission operations, the Contractor shall notify the COTR. If additional personnel may be required to obtain security clearances, MARAD will notify the Contractor. If the classified materials custodian and the communications officer are the same individual, then at a minimum 3 separate deck officers must have classified security clearances. If during the performance period, a Contractor has difficulty in providing these 3 minimum personnel, contact MAR-612 immediately. (CDRL 0005)

SAFETY and QUALITY
1. 12 Quality System. The Contractor shall develop and maintain a certified safety management system which fulfills the requirements of the International Maritime Organization's (IMO) International Safety Management Code (ISM).

M63a. Although the RRF program's primary function is to serve as a source of strategic sealift during national emergencies, MARAD fosters other long-term goals during the execution of the Program. These include: improvements to the sustainability and livability of U.S. communities; reduction in the number of RRF shipboard injuries and deaths; and reduction of the adverse effects of the RRF on ecosystems and the environment. To accomplish these goals, MARAD will work in partnership with the Contractor to maximize safe performance for all personnel, and foster high security and environmental standards and achievements. Should a Contractor have any question at any time with respect to public vessel compliance and regulatory statutes, questions shall be directed to MAR-611 with copy to the regional COTR. Note: MARAD, as vessel owner, promulgates an Occupational Health and Safety Program (OHS Program TE-1 Section 18). This Program is not approved by a third party - for International Safety Management (ISM) certification. If upon reading the MARAD safety actions in the OHS Program, the Contractor finds a conflict between its ISM certificate and the MARAD safety actions, the Contractor shall advise MARAD HQ (MAR-612) OHS COTR immediately. MARAD's OHS Program is not meant to replace or supersede the Contractor's ISM certificate. The Contractor's Safety Management Program which is the vessel's safety program takes precedence until the issue can be worked out. MAR-611 will take appropriate measures to arrange a waiver to individual requirements should one be needed.

M63b. Cooperation. The Contractor shall cooperate with MARAD to develop and implement to the maximum extent possible the policies, plans, and procedures of MARAD's OSH Program and to offer recommendations for its improvement. Contractor personnel shall attend, as directed and funded by the COTR, OSH conferences organized by MAR-612. These are normally twice a year trips to Washington DC.

M64. International Safety Management (ISM) Document of Compliance (DOC): Maintain a valid ISM DOC, for itself as a corporation, for the vessel types awarded for the performance period of the contract. The entity/offeror who will perform management of the ships must have a separate ISM DOC or interim DOC at NTP.

M65. Vessel Safety Management Certificate (SMC): In accordance with appropriate USCG regulations and NVICs for public vessel voluntary ISM compliance, obtain and maintain for the performance period a valid ISM SMC or interim SMC for designated vessels. ABS fees in connection with this are reimbursable. (see Attachment J-9 #58) Internal audits for DOC are not reimbursable; audits and other fees for the maintenance of the Ship Management Certificate are reimbursable.

M66. For ROS vessels with a valid interim Ship Management Certificate review the assigned ships' Ship Management Certificate or renew, a valid interim Ship Management Certificate for the vessel within twelve (12) months.

M67. For ROS vessels without an SMC or if a new Contractor has been assigned the vessel, Contractors will apply for and obtain a valid an interim SMC for their assigned ships within twelve (12) months.

M68. ISM Safety Management System/Vessel Safety Plan: Update the ISM Safety Management System to incorporate characteristics of awarded vessels, and as conditions warrant. Copies of the safety management system shall be available to all crewmembers and to the Government. (CDRL SFTY-0001) The Ship Manger's ISM Safety Management System becomes the Vessel's Safety Plan for the performance period of the contract. MARAD will not review or approve as this document as it is part of the Contractor's ISM DOC. See also TE-1 Section 18 for MARAD requested procedures, such as a Vessel Pre-Fire plan, which if not already addressed by the Contractor during development of its ISM Safety Management System, should be incorporated.

1.12.1 Certification and Inspection records. Copies of DOCs and SMCs will be furnished to the MARAD COTR and Contracting Officer. The Contracting Officer will also be furnished copies of the required periodic audits. Ensure MARAD receives copies of all third party audits of any Contractor policies, procedures, processes or system, in particular those relating to ISM certification and quality assurance. (CDRL BUS-0003)
The Government reserves the right to periodically audit the shipboard and corporate systems in accordance with the Contractor's Quality System.

1.12.2 Inspection and Test Records. Inspection and test records required by or in support of the Quality System shall, as a minimum, indicate the nature of the observations, number of observations, and the number and type of deficiencies found shall be available for government inspection. Data included in inspection and test records shall be complete and accurate, and shall be used to analyze trends and assess corrective action.

1.13 Quality Assurance

M69. The Contractor shall develop and execute a Contractor Quality Assurance Plan (QA). Which is its method for assuring quality control of its own service. Notify MARAD of any changes to the Contractor developed QA which was submitted as part of the proposal. (CDRL BUS-0002)

M70. Quality Assurance Surveillance Plan. The Government will monitor the Contractor's performance in accordance with TE-2 Qaulity Assurance Surveillance Plan (QASP). This is the Government's plan, not the Contractor's.

1.13.1 Inspections. The Government will routinely conduct quality assurance inspections to monitor performance elements through informal ship visits and site audits in accordance with the procedures outlined in the Award Fee Plan (Clause H-8) and TE-2.

M71. Business Plans and Requirement to account for funds. The Business Plans shall encompass all known facets of the maintenance, repair, manning, training, regulatory compliance, and operations (if planned) of the vessel. The Business Plans shall identify all estimated resources and scheduling for successful execution. Each vessel shall have three (3) Business Plans associated with it: Current Year Business Plan; Budget Year Business Plan; Five Year Business Plan. Business Plans shall be updated quarterly at a minimum. Attachment J-16 provides MARAD best concept for RMS development and is provided for information only. As with any planning document is SUBJECT TO CHANGE.

M72. Current Year Business Plan - The COTR approved work plan the Contractor executes during the current fiscal year. The Current Year Business Plan was developed prior to October 1, 2007. On October 1, 2007, the contractor shall execute the current year Business Plan in NS5 and shall provide the draft Budget Year (FY 09) and Five Year Business Plan (FY10-14) to the MARAD COTR within 60 days of October 1, 2007.

M73. Budget Year Business Plan - Estimates, schedules, and projects work the Contractor will execute in the following fiscal year. The Budget Year Business Plan becomes the Current Year Business Plan in the following fiscal year.

M74. Five Year Business Plan - Estimates, schedules, and projects work the Contractor will execute during the five (5) fiscal years subsequent to the Budget Year Business Plan.

M75. Business Plan Development and Update

M76. Current Year Business Plan

M77. Establish from the prior fiscal year's Budget Year Business Plan, as approved by MARAD.

M77a. Business Plan - general. The Contractor shall utilize the templates and incorporate the policies and procedures of J-21 into the development of their business plans. MARAD COTR will provide a copy of J-21 to the Contractor. Questions on use of J-21 should be directed to your ACO/COTR.

M78. Effective on October 1 of each contract year

M79. Identify the required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness.

M80. Update to reflect actual work performed, costs and dates as work is accomplished and invoices are received.

M81. Adjust to include changes as required for unknown work changes to schedules, and MARAD mandated adjustments.

M82. Upon completion of the fiscal year, the Current Year Business will become historical data.

M83. Budget Year Business Plan

M84. Establish from the first year of the prior fiscal year Five Year Business Plan.

M85. Identify all known and required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness.

M86. Provide cost estimates by equipment, system or space for possible unknown repairs and corrective maintenance actions based on historical data.

M87. Continuously update as requirements are identified and refined utilizing RMS.

M88. Submit to MARAD by no later than July 1 of each year.

M89. Report requirements identified after July 1 and required in the following fiscal year to the COTR for inclusion in the plan.

M90. Five Year Business Plan

M91. On/about July 1 of each contract year, amend to include new fifth year of the plan.

M92 Identify all known and required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness.

M93. Provide cost estimates by equipment, system or space in RMS for possible unknown repairs and corrective maintenance actions based on historical data.

M94. Provide estimated costs by equipment, system, or space for repairs and corrective maintenance actions in RMS.

M95. Recommend to COTR any upgrades, recapitalization projects, or life cycle extension programs.

M96. Include any MARAD directed modification or upgrade of the vessel as directed by MARAD.

M97. Continuously update in "near real time" as requirements are identified utilizing RMS.

M98. Business Plan Execution

M99. Through a MARAD issued TO, accomplish all facets of the Current Year Business Plan as approved by MARAD.

M100. Accomplish corrective actions and repairs not specifically identified in the Current Year Business Plan but projected as an estimate for a system or space (see Section 6.4.2.3).

M101. Provide updates to RMS to reflect actual start and completion dates, actual costs, and changes to scope of work.

M102. Notify the COTR of any events or required actions which will warrant a change to the business plan.

M103. Accomplish changes to the business plan as directed by the COTR. Changes will be administered through a Contract Modification, new TO, or TO Modification.

M104. MARAD ADP Interface: Provide ISP for vessels while in ROS. DSL is not required for RMS. Ensure Contractor ADP is in compliance with MARAD ADP system. MARAD ADP system is provided in the Tech Library under MISC.

M105. MARAD will provide the following software programs and appropriate training:

ABS Nautical Systems v. 5 (NS5) will be provided as the Ready Reserve Management System (RMS). MARAD will transfer at its expense all legacy systems and provide training in the use of NS5. Enter accurate and timely data into RMS as required. MARAD's license comes with the following mandatory modules which the SM will use:

- Maintenance
- Inventory*
- Reports
- Replication

*The inventory module is accompanied by a purchasing module. Contractor must use the purchasing module to enter cost data and vendor data. Further use of the purchasing module, is at the optional discretion of the Contractor.

M106. MARAD's license comes with the follow modules which it is optional for the SM to use:

Purchasing module except for the items noted above.

M107. Although NS5 may have other modules, MARAD's license does not include these.

M108. Contractor Responsibilities towards RMS:

o The vessels' existing Preventative Maintenance Plans will be entered into RMS as individual work items. The current frequency will also be entered into RMS with an associated equipment and system. The Contractor shall review and modify the procedure and frequency, as necessary. The Contractor should also assign any sub-equipments (this is managed via pull-down menus where sub-components are already linked to the parent equipment). Contractors will have to activate the work item within the system (mouse click on the screen). Based on the frequency of the work item, a schedule will be auto-generated. The Contractor shall record accomplishment of all preventative maintenance actions within RMS as well as any additional maintenance or repairs required.

o The Contractor is required to review all outstanding repair and procurement Work Orders). These items should have associated scheduled completion dates and cost estimates as well as associated equipments and systems. Contractor shall validate each within the system.

o The Contractor shall use the system to identify new work and procurements required through the utilization of the system's "Work Order". Each item shall include: Title; Priority (4 level); Category (General, Hull, Mechanical, or Electrical) Associated equipment(s), System, or Space(s) (entered via a drop-down menu); clear and concise Statement of Work; Estimated Materials and Labor; Estimated, Committed, and Actual Costs; Vendor; Parts Required if procured or used from onboard or warehouse spares (from existing spare parts database).

o Where applicable, the Contractor shall develop "Events". Events are a group of "Work Orders" that occur during a common time period or shipyard availability (i.e. a drydocking).

o The Contractor shall attach electronic files, as appropriate, within the system. This can occur at various points for work orders or for specific parts. The files may be drawings or contractor reports. Any file format is accepted.

o All spare parts data will be entered into RMS. The Contractor shall record usage and management in accordance with the Logistics Management Manual.

o Establish, apply and maintain appropriate resources to input, maintain and integrate data, information and processes for all contract requirements.

o Attend MARAD RMS-related user training as directed.

M109. Computer requirement. Contractors will provide computers for shorebased use, and for use of their port engineering team(s) as follows:

o Hard drive: 40 GB
o Processor: 1 GHz
o RAM: 512mb or higher
o Display: Super VGA (1024 x 768)

o Peripherals: CD-ROM and DVD, Keyboard, MS Mouse
o OS Windows 2000 Pro or Windows XP Pro

M110. Contractors shall provide Microsoft Office 2003 Professional Edition, and capability to attach, transmit, and receive email.

M111. EXPENDITURE AND TRACKING OF REIMBURSABLE FUNDS

1.14 Management Control System/Accounting System. Reserved.

M112. Upon receipt of the executed TO, the Contractor may proceed in accordance with procedures in Attachment J-2.

M113. It is the Contractor's responsibility to track all funds expended under reimbursable TOs. The SM shall develop a system, which tracks funds obligated and funds available on each TO. Funds shall be further tracked to show the status of purchase order(s) (PO) issued, funds obligated and expended, and PO closed out. The system shall further track the PO to the work items covered by the TO. At times, a PO may cover several work items. Alternatively, a deficiency(ies) DSN may require the use of several POs. The tracking system must be able to accommodate such possibilities. MARAD may request a copy of the tracking document on an "as needed" basis, or as often as monthly.

SECTION C-2 GOVERNMENT FURNISHED PROPERTY AND SERVICES
Directions for public access to the Maritime Administration's Virtual Office of Acquisition which contains copies of Ship Manager contracts and contract modifications are available at: http://voa.marad.dot.gov. See Ship Manager Award page.

2.0. General. The Government will provide, at Government expense, the facilities, materials, equipment, and/or services necessary for the operation of the FSS vessels listed below.

2.1. Property. Government property shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of this Contract.

2.1.1. Title to Government Property. Title to all property furnished shall remain in the Government. In order to define the obligations of the parties under this clause, title to each item of equipment acquired by the Contractor for the Government pursuant to this Contract shall be deemed to pass to and vest in the Government when its use in the performance of this Contract commences, or upon payment therefore by the Government, whichever is earlier. All Government-furnished property, together with all property acquired by the Contractor, title to which vests in the Government under this paragraph, is subject to the provisions of FAR 52.245-02 and is hereinafter collectively referred to as "Government Property. Title to Government property shall not be affected by the incorporation or attachment thereof, be or become a fixture or lose its identity or personality by reason of fixation to any realty.

2.1.2. Maintenance and Preventive Maintenance of Government Property. Reserved.

2.1.3. Access to Government Property. The Government shall at all reasonable times have access to the premises where the Government property is located.

2.1.4. Possession of Government Property. The Government property shall remain in the possession of the Contractor for such period of time as is required for the performance of this Contract unless the Contracting Officer determines that the interests of the Government require withdrawal or removal of such property. In such case the Contractor shall promptly take such action as the Contracting Officer may direct.

2.2. Services. The Government will furnish the following related services at no cost to the Contractor or reimburse the Contractor for actual costs of the following services except as otherwise stated.

2.2.1. Port Services. The Contractor shall use Government contracts, when available, for port or agent services prior to using commercial sources. If utilization of Government contracts for agent or port services would adversely impact the mission of the ships, the Contractor shall notify the Contracting Officer prior to utilizing commercial sources.

2.2.1.1. Other Port Charges and Expenses a. Except as otherwise provided herein the Government will pay expenses of loading and unloading cargo, canal tolls, dues, taxes and similar port charges imposed by public authority including consular charges (all of the foregoing except as pertaining to non-official expenses of the Master, officers and crew), incurred by the ships in ports visited pursuant to the Government's direction. The Government shall pay sales taxes, and similar taxes, and foreign taxes to the extent

accepted by the Government as port expenses hereunder, provided the Contractor shall have used due diligence to secure immunity from such taxes. Any tax or duty from which the U. S. Government is exempt by agreement with any foreign government, or from which the Contractor or any subcontractor is exempt under the laws of any country, shall not constitute an allowable port expense under this contract, unless the Contractor has used diligence to obtain exemption and has paid under protest.

M114. The Government shall also pay all expenses incurred by the ships in aforesaid ports, which although not imposed in the instant case by public authority, are usually imposed by public authority, such as wharfage or dockage.

M115. The Government agrees to pay all expenses necessary incurred by the ships entering or leaving the aforesaid ports (including agent and custom broker fees).

M116. The Government shall also pay for (1) pilotage of the ships where such pilotage is customary, or where the ships are required by the Government to enter or transit a hazardous or restricted area or body of water; and (2) pilotage or towage in connection with the bunkering or ballasting of the ships, or in shifting the ships in accordance with the orders of the Government. Nothing herein shall be construed as requiring the Government to pay expenses incurred by the Contractor for services rendered for the convenience of the Contractor, the ship or her Master, officer or crew, or in connection with the Contractor's business such as fees of underwriters, or expenses in moving the ship about the port to obtain stores or provisions. All of the charges and expenses which are incurred for the Government's account as aforesaid will be paid by the Contractor, who shall be reimbursed by the Government upon presentation of properly certified vouchers and supporting receipts.

2.2.1.2. Agent Fees. All fees of agents appointed and used by the Contractor to husband the ships, including the fees of the agents appointed for canal transits and at bunkering ports, shall be reimbursed pursuant to the instructions of the Government provided that such fees shall not exceed those customarily charged commercial vessels for similar services.

2.2.2. Diplomatic Clearances. The Government will secure diplomatic clearances, operational area clearances, and explosive charge clearances when and where required. The Government will secure port visit clearances.

2.2.3. Fuel Oil. Excepted as provided below, the Government will furnish either directly or on a reimbursable basis, all required fuel and fuel filters, lube oil, lube oil filters and hydraulic oil. Packaged petroleum products (degreasers, cutting oils, etc.) are consumable supplies and are to be provided by the Contractor at its expense regardless of quantity. The grades of fuel used on board the ships are set forth in Attachment A, Section 27.

2.2.3.1. Sources of Fuel and Lube/Hydraulic Oil. The Contractor shall obtain fuel from either DESC military stocks or DESC contract. DESC stock/contracts should be utilized before going to commercial sources. The contractor also supplies Lube/Hydraulic oil on the same basis Bunkers. Lube/Hydraulic oils are reimbursable in accordance with J9.

M117. Cost of bunkers - either Government furnished or reimbursable (J9 #18)

M118. M/E Lube Oil is reimbursable. Routine consumable maintenance lubes and greases are to be included in the ROS fixed fee.

M119. Other chemicals, gases, and incidental chemicals are to be part of the ROS fixed fee.

M129. Analysis of Lube/Hydraulic oil - MARAD has a contract with the DOD Joint Oil Analysis Program (J9 #53). This is a government furnished service and will be customized specific to FSS installations. The contractor may be directed to or may request independent analysis in case of unique situations and will be reimbursable.

2.2.4. Oil Analysis. Participate in the MARAD's Lube Oil Analysis program. The Lube Oil Analysis program requires samples be submitted to the MARAD's support contractor for all identified machinery as depicted in the vessel-specific testing schedule.

2.2.5. Boiler Chemicals. MARAD will provide boiler and fresh water system treatment chemicals per the MARAD Water Chemistry Contract. The Contractor will be required to comply with the terms of this contract for maintaining these systems. Provide reports on equipment as required. (CDRL M-0010)

M130. The Contractor shall integrate fuel testing, water chemistry and lube oil analysis into the preventative maintenance plan as applicable.

2.2.6.1. Food Service Records. The Contractor shall maintain and make available to MARAD COTR a record containing the names, rank, and unit/agency of all Government personnel messing aboard the ships, against which a claim for reimbursement will be submitted.

2.2.7. Mail. Mail forwarding services will be provided by the Government through the U.S. Postal Service. If under MSC OPCON utilize COMSCINST 3121.9 (Series). The contractor must provide ship staff to pickup/deliver any correspondence/parcels with respect to this contract on a daily basis. P.O. boxes for vessels may be at a different location than the layberth.

2.2.8. Messages. All official message traffic will be handled via Navy communications systems while under DOD OPCON or through the least cost routing under MARAD ADMINCON and OPCON. Ships are equipped with a PC based message drafting, review, sending and printing capability, commonly referred to as MERCOMMS or PC-to-PC Transfer System (PPTS), which integrates a standard PC with e-mail to INMARSAT or land line. Costs to file official Naval messages, if any, will be reimbursed; this includes communications officer overtime.

2.2.9. Training. Required Government training is listed in attachment J-13. Mariner wages are reimbursable unless paid elsewhere under this contract. They are not paid twice. Travel, lodging, tuition, food, etc are reimbursable in accordance with the Federal Travel Regulations.

M131. General. Training for all crewmembers shall be non-discriminatory, job related, skill building, effective, and innovative, yielding effective results oriented employees who are high performers.

M132. Training should be integrated with the business plan so that it supports on-going maintenance and operations.

M133. Maintain list of Government-provided training courses per employee. (CDRL HR-0014)

M134. Military Training. When directed by COTR, provide qualified ROS or FOS crew members to support the training of military personnel on a reimbursable basis.

M135. For weekend cargo handling training: Duties usually include checking the ship's power source, checking the equipment before and after training to ensure its condition, and being on site two (2) days per weekend.

M136. If additional personnel are required to support weekend cargo handing training, they shall be added at current wage rate. The Contractor's employee(s) may be required to be on-site a day before training commences in order to check out equipment. The COTR will advise the Contractor in advance when these personnel are required and issue a task order to cover overtime or reimburse new crewmembers brought on specifically for this service.

M137. Document damage caused by the cargo handling trainees, so that MARAD may advise the DOD sponsor; and record and correct deficiencies in accordance with standard maintenance procedures. Deficiency correction is a reimbursable item.

M138. For a Sealift Emergency Deployment Readiness Exercise (SEDRE): An FOS crew may be required. Cargo is loaded under normal deployment conditions and may be transported to another port for discharge.

M139. Cadet Training. The MARAD fosters cadet training. Coordinate with USMMA and State Academies to offer available training billets for cadets in both ROS and FOS. This is a reimbursable. Billet priority will be given to all cadets from USMMA, followed by cadets in the SIP Program in the State Academies, followed by other cadets. Personnel The DOL-approved apprentice program for unlicensed personnel may also be used in place of a cadet if cadets are not carried. This is reimbursable in J-9 #12.a Personnel from other schools offering marine engineering may be carried with the permission of MAR-610.

M140. Provide Cadet subsistence, quarters, and training as required by the cognizant school.

M141. Provide Cadet wages not exceed 46 CFR 310 (J9#19).

M142. Cadet transportation is reimbursable in accordance with Joint Travel Regulations (JTR).

M143.Advise MAR-612 any time a cadet is scheduled to be onboard an RRF vessel. Advance notification to MAR-612 is required.

Note: The DOL-approved apprentice program for unlicensed personnel may also be used in place of a cadet if cadets are not carried. This is reimbursable in J-9 #12.a.

2.2.10. Layberthing Services. The ships will be berthed at Government provided layberths. Unless directed, the Contractor will not be responsible for securing these services in ROS. At these layberths the following services will be provided at the Government's expense:

a. Suitable electricity up to 2400 amps.
b. Potable water at 40 PSI, metered
c. Telephone service MARAD provides three lines to a ship at the Layberth. Any additional lines are to the Contractor's fixed price.
d. Twice weekly garbage collection
e. Pier side fire hydrants with 1500 GPM capability at 100psi pressure or local firefighting services within 15 minutes of the berth
f. Paved access and parking
g. Facility physical security
h. Steam service (as required by location) at 100 PSI

2.2.11. Travel. When specified in this contract as a reimbursable expense, travel expenses (lodging, meals, incidentals) will be reimbursed in accordance with the Federal Travel Regulations. The Contractor shall utilize the established rates for Government personnel for transportation and lodging. Reimbursement for airfare shall not exceed the lowest customary standard, coach or equivalent airfare offered during normal business hours. The Contractor will not be reimbursed for travel expenses unless auditable records for transportation contain evidence, such as original receipts substantiating actual costs incurred for travel are maintained. Expenses for lodging, meals and incidental expenses shall be reimbursed to the Contractor, provided that the overnight stay was documented as necessary. Actual costs shall be considered reasonable, allowable and reimbursable only to the extent that they do not exceed on a daily basis the maximum per diem rate as set forth in the Federal Travel Regulations and Standardized Regulations set forth in FAR 31.205-46.

2.2.12. Shipboard Personnel Wages During Time of Contingency. Reserved.

2.2.13. Reimbursable Supplies and Services. Reserved. Reimbursement costs shall not include any indirect charges to include overhead, general and administrative costs, material-handling costs, or profit or fees above the actual direct cost. When the contractor expects total funding expended for reimbursables to reach 85 percent of the total funds available under the Reimbursable CLIN(s), the Contractor shall notify the Contracting Officer in writing. The notice shall state the estimated amount of additional funds required to continue performance for the period specified on the Task Order. The Contractor shall not exceed nor incur costs that exceed the Not-To-Exceed amount or the amount of funding stated on the Reimbursable CLINs when purchasing reimbursables.

SECTION C-3 CONTRACTOR FURNISHED ITEMS

3.0. General. The Contractor shall furnish at its expense all necessary personnel, facilities, equipment, consumable supplies, provisions, medical equipment and supplies, services and any other items required to perform all activities required by the Performance Work Statement, to the extent that these items are not specifically provided by the Government as listed in Section C-2 or listed as reimbursables under attachment J-9.

3.1. Food Service. The Contractor shall provide food for the ROS. Food for FOS crews, Government personnel, such as supercargo, security team and others is reimbursable. Overtime for the Steward Department in FOS is reimbursable. Overtime for the Steward Department in ROS is not permitted unless approved ahead of time by the COTR for special "events" or projects.

3.2. Supplies.

3.2.1. Consumable Supplies. Consumable & Expendable (excluded consumables/expendables for Preventative Maintenance which are fixed price) are reimbursable.
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3.2.2. Provisions. Provisioning is a reimbursable expense. (J9 #58) When in CONUS, the Contractor is to procure all provisions from commercial sources. When operating outside of CONUS and Hawaii, the Contractor may order provisions from the Navy Supply System if available.

3.3. Services. Reserved.

3.3.1. Scheduling for all Regular Overhauls, Availabilities, and Use of Industrial Assistance. The Contractor shall develop overhaul schedules and shall provide the schedules to MARAD in its Business Plan in RMS. The ships shall be scheduled for overhaul in accordance with ABS and USCG requirements.

3.3.2. Berthing and Shore Services. Reserved.

3.4. Ship's Store Operation/Slop Chest. The Contractor will obtain all slop chest items at their own expense, operate the slop chest, and dispose of all materials in accordance with their own corporate procedures. MARAD will no longer reimburse slop chest materials. Reserved.
This supply of retail items will be used to support the crew and embarked personnel during FOS. Embarked Government personnel will be provided the opportunity to purchase retail items in the same manner as the rest of the crew. Adequate supplies to support deployment will be brought aboard prior to FOS. Suitable supplies of toiletries and other personal items shall be available for sale aboard the ship. Special attention should be given when ordering where the possibility of mixed gender crews exists.

SECTION C-4 SPECIFIC TASKS

4.1 General. The ships will carry lawful cargoes worldwide. Operations will include roll-on/roll-off and lift-on/lift-off operations pierside or offshore as part of Logistics-Over-The-Shore (LOTS). Underway operations may vary from routine transits to participation as a member of a naval task force. The Contractor shall operate the ships to support all Government requirements, and in accordance with the U.S. Coast Guard regulations, which apply to the operation of these ships, unless, exempted. Contractors shall maintain assigned RRF-like ship(s) in Fully Mission Capable Readiness Status (TE-4) and efficiently activate and operate these vessels in support of national emergencies and defense objectives. Services required include labor and supervision to equip, provision, supply, replace, upgrade, maintain or repair structures, equipment, machinery, outfitting, spare parts or supplies. The Contractor shall provide administrative support to ensure that all requirements of this contract are accomplished in a timely and efficient manner. Administrative support includes: management personnel, technical support, supplies, materials and services necessary to maintain and operate assigned ships, to the extent that such materials, reporting, and services are not specified as being provided by the Government.

M144. Provide all resources and support equipment required to accomplish continuous ship operations for at least 180 consecutive days in accordance with good commercial practice and the laws and regulations of the United States. Ships are required to maintain operational sea speed listed in TE-7 or notify COTR immediately.

M145. Operational Speed. Contractors may provide comments or recommendations on TE-7 to the Chief, Division of Maintenance and Repair (MAR-611). Such comments should occur before a vessel "fails to make speed" contained in TE-7. Failure to routinely meet operational speed requirements will result in an investigation to determine root causes, such as, but not limited to, severe weather, improper loading, operational or mission considerations, or failure to perform preventative or routine maintenance.

M146. Operations Plan. Develop, implement, manage and maintain the Contractor developed ship-specific Operations Plan. Compliance with the Operations Plan, and any of its modifications, is considered a performance measurement under the QASP.

4.1.1. SOM. There are two Standard Operating Manuals (SOMs). MARAD's is called TE-1 and MSC SOM is COMSCINST 3121.9 (Series). Both SOMs shall be maintained by the contractor and consulted by the contractor. SOMs provide policies and procedures pertaining to the operation and administration of the ships. Masters shall be familiar with the instruction's content. In cases where any SOM and this contract conflict, provisions of this contract shall take precedence.

M147. Definitions and Abbreviations. Definitions and abbreviations used throughout the contract, Technical Exhibits (TEs) and attachments are contained in TE-1 Section 2.

4.1.1.1. Reports. Operational reporting requirements are contained in, but not necessarily limited to those listed in Section 2-14-6 and B-2-3-5 of COMSCINST 3121.9 (Series), and Attachment A, Section 3. These reports are required when a vessel is under MSC OPCON.

M148. When an RRF ship is under MSC OPCON, significant reporting is required under MSC SOM. This manual (in CD-ROM format) is constantly changing. MSC will provide the SM with a quarterly update by mail. If difficulties are encountered advise the MARD COTR immediately. SINCE MARAD WILL BECOME THE VESSEL OWNER, THE COTR/AREA DIVISION SHALL BE COPIED ON ALL REPORTS.

M149. For classified reports: Using the PC to PC Transfer System (PPTS) , the ship is able to send classified message traffic/reports to the appropriate MARAD Area Divisions and Headquarters address.

M150. Upon the issuance of weapons/ammunition, the following reports: 1. the Navy Small Arms Asset Verification List; (CDRL O-0001) and 2. The Ammunition Transaction Report shall be submitted to MAR-612. (CDRL O-0002)

M151. Notify the COTR immediately, if any vessel in Phase O has not reported in at least once in any twenty-four (24) hour period. Copying the COTR (or Area Division via PPTS - if classified) on the Noon Report, usually required by MSC, is sufficient. (CDRL O-0003)

M152. During all Phases, report to MARAD (MAR-612) or, if established, the MARAD HQ Operations Center, significant events, e.g. rescues at sea, medivacs, or political unrest which affects ship operations or in which the ship is involved.

M153. The Casualty Reporting System includes: Casualty Reports (CASREPs); Casualty Situation Reports (SITCASREP); Casualty Corrected Reports (CASCORs) and Casualty Cancelled Reports (CASCANs). (CDRL O-0005)

M154. CASREPs. Advise the COTR, MAR-612, MARAD HQ Operations Center, MSC and the naval operational commander via the Navy's casualty reporting system when a vessel is experiencing a material casualty during Phase O. Provide decision tree rational for C3/C4 for CASREP in a separate report to MARAD Area Divisions/HQ Operations Center. Include COTR, MAR-612, and the MARAD HQ Operations Center on ALL message traffic regarding the casualty.

M155. CASCANs. Cancel outstanding CASREPs upon redelivery of an RRF vessel to MARAD by issuance of a CASCAN. Information contained in the cancelled CASREP shall be transferred to RMS.

4.1.2. Cargo.

4.1.2.1. Hazardous Cargo. The Government (except as to matters affecting the stability and seaworthiness of the ships) shall be responsible for proper loading, stowage, maintenance and discharge of goods of an inflammable, explosive or dangerous nature, and shall comply with all applicable regulations and furnish any necessary fittings.

4.1.2.1.1. Ammo Bonus. In the event the Government places aboard the ship explosives in sufficient quantity to cause the Contractor to pay the crew a required "explosives bonus," the Government will reimburse the Contractor actual bonus costs. A properly certified invoice citing this paragraph and including the language from the union agreement or other applicable document requiring payment of the bonus will be submitted for payment.

4.1.2.2. Cargo Composition. The ships shall be used to carry cargo including but not limited to, petroleum in drums, equipment, personnel, ISO containers, and vehicles for support of U.S. military forces to enhance rapid deployment of such forces or in other transportation or prepositioning service as directed by the Government.

4.1.2.3. Waivers, Exemptions and Permits. The Military Sealift Command or other government agencies will obtain all necessary USCG waivers, exemptions and permits with regard to the cargo.

4.1.2.4. Receipt for Cargo. If required, the Government shall prepare a manifest that shall list the cargo loaded on the ship. The Master shall sign this manifest in acknowledgment of the receipt of cargo said to have been loaded by the Government without responsibility as to quantities, mixture, mark, number of vehicles, packages, weights, etc., or the apparent condition of the cargo, it being understood that it is the Government's responsibility to tally the cargo and to check the condition thereof upon loading and discharging. Any receipt signed by or on behalf of the Master or agent(s) appointed by the Contractor shall be without prejudice to the terms and conditions and exceptions of this Contract and subject to all of them. Not withstanding this statement, it is the Master's responsibility to examine furnished names, especially a hazardous cargo manifest and to insert the correction when found deficient.

4.1.2.5. Master's Supervision Responsibility. The Master, under U.S. Coast Guard regulations, is responsible for the safety of the crew and the ship, and, therefore, has a responsibility to ensure that cargo operations are conducted in accordance with those regulations. Cargo shall be loaded, stowed, trimmed, secured and discharged by the Government under the Master's supervision; the Master shall be responsible for such activity as it pertains to the safety and seaworthiness of the ship.

4.1.2.6. Lost/Damaged Cargo. The Contractor shall generally not be liable for the cost of repairing or replacing cargo that is damaged or lost. However, the Contractor is not relieved of other liability, obligations or consequences, if any, imposed by other clauses of this

Contract, such as I-1.1 (Default), if the cargo is lost or damaged due to the Contractor's failure to properly perform its obligations under this Contract or due to Contractor's negligence.

4.1.3. Preparation for Cargo Operations - Cranes and Ramps. In preparing a ship for commencement of cargo operation, only qualified crewmembers will operate ship's cranes to position sideport ramps and platforms, to lift/set hatch covers, and lower position ramps. Any overtime required for these functions is reimbursable.

4.1.4. Loading and Discharging

4.1.4.1. Safe Berth. The cargo or cargoes shall be laden and discharged at any dock or any wharf, place or open roadstead that the Government may direct, provided the ship can lie always safely afloat at any time of tide. If the Government directs the ship and the ship is damaged as a direct result thereof and through no fault of the Contractor, Master, crew or pilot or error of navigation, the repairs and time lost shall be for the Government's account.

4.1.4.2. Stevedoring Costs. The Government shall pay all expenses directly connected with the loading and discharging of the cargo including broom sweep of all decks to clear loose debris, stevedoring, wharfage, clerking and tallying, winchmen, heavy lifts, dumping, stowage, securing and trimming, and removal of strongbacks. Unless otherwise provided herein, the Government shall provide necessary dunnage, shifting boards and any extra fittings or material requisite for special trade or unusual cargoes. If the Government elects to remove dunnage and fittings placed on board, the cost of removal and discharge shall be borne by the Government. Any additional cleaning required to meet standards of appearance, including clover leafs, mechanical damage to paint system, and repairs will be handled as directed by the COTR.

4.1.4.3. Simultaneous Cargo Operations. The Contractor shall provide sufficient power to operate all the ship's cargo gear simultaneously. The ship shall work night and day, if required by the Government, local custom to the contrary notwithstanding. The Contractor shall provide sufficient deck personnel to adequately supervise cargo operations taking place simultaneously throughout the ship around the clock. Overtime to provide sufficient deck personnel during loading or discharge shall be reimbursable.

4.1.4.3.1. LOTS. Logistics-Over-The-Shore operations consist of simultaneous cargo operations which take place in-stream utilizing lighterage, and are of various duration. The Contractor shall provide sufficient deck personnel to adequately supervise cargo operations throughout the ship around the clock as may be required during LOTS operations. The Government shall reimburse the contractor for actual crew overtime expenses in accordance with the overtime instructions provided the Master by the COTR prior to operations.

4.1.4.4. Notice of Damage to Ship. The Contractor shall report all damage to the ship and its gear to the MARAD COTR within 24 hours after discovery of the damage and shall assist the Government in documenting and investigating any occurrence, especially when third parties are involved.

4.1.4.5. Lighterage. Lighterage, if any, will be at the risk and expense of the Government.

4.1.4.6. Stevedore Detention. Reserved

4.1.4.7. Operation of Ship's Gear by Crew. The Contractor or Master shall assign competent and qualified members of the ship's crew, to the extent permitted by other ship-board duties and the safety of the ship, to operate the ship's cargo handling equipment and gear, including but not limited to the cranes, ramps, forklifts and container lift trucks. This is reimbursable if not covered elsewhere under crew wages. Reserved.

M155a. Cargo Handling: The Contractor shall promulgate, to shipboard personnel, procedures incorporating all federal, state, and local statutes and regulations, and equipment manufacturers' safety requirements for cargo handling in U.S., foreign ports, and in-the-stream for the safe handling of all types of cargo, including HAZMAT.

M155b. Ship's cargo gear includes, but is not limited to cranes, winches, davits, booms, Roll-on/Roll-off (RO/RO) ramps, elevators and transporters, underway replenishment (UNREP) and vertical replenishment (VERTREP) cargo gear, and Material Handling Equipment (MHE) items such as, forklift trucks, pallet jacks, and hand trucks.

M155c. The Contractor via crew supervisors is responsible for ensuring that the crew utilizes proper protective clothing during work. Advise COTR if special sizing of PPE is required.

M155d. Operate cargo support equipment when required for any cargo operation and in accordance with the applicable manufacturer's operating manuals and instructions.

M155e. Master is responsible to ensure his ship is properly loaded, secured, discharged, and cleaned.

M155f. RESERVED

M155g. Unsafe Operations: Instruct the Master that any unsafe practice, by military or military contracted stevedores, noted by a ship's officer during cargo operations, shall be reported to the senior military official present and a copy of the incident kept in the ship's files. If unsafe practices continue, the Master has the authority to cease cargo operations until the situation is corrected.

M155h. Cargo Operations/Plans: Recognizing that stow plans are fluid, ensure, via the Master, that a copy of the loading/stow plan (and master cargo stowage plan for firefighting and damage control) is obtained from DOD Surface Distribution and Deployment Command (SDDC, formerly MTMC) terminal supervisors and/or MSC representatives prior to sailing.

M155i. Personal Flotation Devices: All personnel working in an operating environment including ship ramps, or lighters, shall wear USCG-approved, buoyant, personal floatation devices equipped with a light and whistle. DOD personnel, unfamiliar with ocean environments frequently are unaware of this regulation. The Master shall enforce this safety procedure. The ship's crew shall set an example by wearing such equipment themselves when working in lifeboats, over the side, or on ramps.

4.1.4.8. Stevedore Services. The Contractor from time to time, in areas where Government provided stevedoring services are not available, may be directed by the Contracting Officer to subcontract, on a reimbursable basis, for stevedoring services for load or discharge of ships at port(s) designated by the Government. The Government shall notify the Contractor of a requirement to subcontract for stevedoring services as soon as possible prior to the ship(s) arrival at the designated port or ports. Said notices shall be verified in writing and shall specify the port, arrival date, and description of cargo to be handled (specifying all explosives or hazardous cargo) and such other information as necessary or appropriate for the Contractor to arrange for the requested services. The Government shall reimburse the Contractor for all cargo handling and related costs following submission of properly certified invoices supported in accordance with applicable billing instructions and Section G. In the event that said receipts are not available, a copy of the canceled check or bank wire transfer may be submitted in lieu of the receipt. Reimbursement shall be limited to expenditures actually made by the Contractor, its agents or sub-agents for such cargo handling and related expenses.

4.1.5. Activation Period. During the activation period, newly assigned crewmembers will be properly indoctrinated by the Contractor concerning the ships' operation and mission as defined in C1.1. The Contractor shall ensure that consumable stores and provisions sufficient for the intended voyage are onboard the ships. When directed by the Government, the Contractor shall arrange for bunkers. The ships shall be prepared to get underway by the Contractor in order to depart their layberths at the end of the 120-hour period. Bunkering is normally handled outside of the 120-hour activation period. Provide general policy and ship specific plan for bunkering the ship in accordance with Federal, State, and local environmental regulations.

M156. Ensure crew members are familiar with the ship's bunkering plan and conduct bunkering operations with the utmost care for environment in strict compliance with the bunkering plan.

M157. Bunkering is normally performed after the vessel is reported RFS and accepted by MSC.

M158. Bunkering instructions can either be provided in the MSC activation message or by the COTR.

M159. Vessels under MSC OPCON must request bunkering instruction from the MSC area commander. The MSC area commander will instruct the vessel to use bunkers or procure bunkers commercially as a reimbursable. Bunkers are GFP or reimbursable (at the discretion of the Government). During operations, request information on availability of bunkers from the local MSC area commander before arriving in port.

M160. Maintain list of crewmembers who have viewed bunkering video.

M161. Inventory of oil spill response kit - semi-annually. Coordinate with COTR.

M162. MARAD has provided a laminated Bunkering checklist (in the standard administrative filing cabinet) for use during bunkering; and an instructional video for the training of all crewmembers who are involved in bunkering.

M163. Maintain and utilize Government-furnished (GF) Oil Spill response kits onboard RRF-like ships.

M164. Maintain, adjust, deploy, or remove GF containment booms as directed by the COTR.

M165. Perform inventories of the oil spill response kits at least semi-annually and advise COTR of missing or expired parts. Maintain and utilize Oil Spill response kits onboard RRF-like ships, in accordance with regulatory body requirements.

M166. Report on the status of bunkers as directed by MSC/MARAD and request the source of bunkers from the MSC Area Commander.

M167. Workforce Planning: Reconcile the potential of military exercises which often are scheduled for twenty four (24) hour periods two 10 hour shifts with 4 hours for maintenance with the crewing requirements of Title 46, Subtitle 1 Part F, Chapter 81, section 8104 Watches.

M168. The ships will then proceed to the ports of embarkation in order to complete the loadout of cargo and equipment. The MARAD COTR will determine when the ship has attained FOS Properly includable transition costs include additional crew wages, crew transportation costs, messing and berthing upon completion of operations.

M169. Activation. There are two (2) categories of activations: scheduled and unscheduled. The former is an integral part of the scheduled preventive maintenance requirements of the vessel and associated with its assigned R-Status. The latter is associated with a specific Department of Defense (DOD) initiated request or requirement or other national emergencies.. The five (5) specific types of activations within these two (2) categories, which the Contractor may be required or directed to perform, are defined in TE-1 - Section 2.

M170. For Mission Activations:

M171. Provide all resources and support equipment required to accomplish all the necessary work of activating the ship within the ship activation readiness period as defined in TE-4 to ensure that the vessel is capable of sustained operations for up to 180 days.

M172. Direct the work of all subcontractors and provide periodic reports to COTR.

M173. Activate, store, crew, and provision assigned ships, obtain USCG, ABS and other regulatory tests surveys, inspections or certifications within its assigned readiness period.

M174. Bunker the vessel as directed by the COTR.

M175. Receive and load cargo.

M176. Operate the vessel for up to 180 consecutive days.

M176a. Oil Spill. The Maritime Administration maintains an oil pollution insurance contract for RRF vessels including the 8 Fast Sealift Ships. For spills requiring the services of a response team, contract the following Maritime Administration personnel in descending order:

- Your Area Division SOMO who is a QI with estimated clean-up cost (up to $250,000)
- Andy Jordan (COTR of the pollution insurance contract) 202-366-5071 (costs over $250,000)
- Gene Magee (ACOTR of the pollution insurance contract) 202-366-5073 (covers over $250,000) if Andy is not available.

For spills requiring a response team, phone your Area Division COTR and send an email message to Adrian.Jordan@dot.gov.

M177. Simultaneous activations can be expected, and unless assigned vessel is in readiness category C-3, C-4, or C-5, which indicate it is not able to be activated within the prescribed timeframe, activation timelines are mandatory.

M178. For Notice and No-Notice Activations: Perform all tasks of M169 through M189. Section C 3.2.1 though C3.2.1.6. However, the COTR may reduce requirements (quantities of provisioning, stores, extend timelines, etc.) as required by the specific activation or planned operation scenario.

M179. For Maintenance Activations: Conduct in accordance with the Contractor developed Preventative Maintenance Management Plan.

M180. Safety Observation Period. Discuss with COTR and implement into Activation Plan a period during activation for crew safety orientation required under your ISM. This is not a stand down. This observation period shall be accomplished after receipt of activation orders and prior to Ready For Sea. It may be necessary to request additional time for this activity. A five day vessel which is not required to sea trial may conduct this period on the 5th day. It is important to retain the names of crewmembers who attend this observation orientation for future litigation. Note: it will be necessary to develop several scenarios within the activation plan to account for maintenance activation, notice and no-notice activations with time built in or requesting additional time. Conducting the safety observation and orientation requirements at anchor is one option.

M181. Compliance with the Activation Plan, and any of its modifications, is considered a performance measurement under the QASP.

M181a. Absence of the Master. The activation plan shall develop a policy addressing who is in charge during:
o The period before the Master's arrival on an activating ship.

M182. Cost Estimates. The Contractor shall provide, within forty-eight (48) hours of being notified of an activation, a cost estimate, inclusive of overtime costs, for the activation, operation and subsequent deactivation of the vessel. (CDRL A-0001)

M183. Enter into RMS activation cost information and data including current obligated fund totals, anticipated funding requirements.

M184. Arrange for and assist in the collection of data associated with the crew survey forms. (CDRL A-0007)

M185. Maintain throughout both Phases the onboard property, inventory and currency of MSC, USCG, and other nautical publications and instructions.

M186. Report any discrepancies (inventory and/or currency) to the COTR (for items, which MARAD furnishes,) and undertake necessary efforts to replace or update the deficient items.

M186a. As issues arise regarding weapons/ammunition, advise MAR-612 with cc to COTR within 24 hours, by the fastest means possible.

M187. Ensure missing documents or publications are obtained prior to the completion of load-out or departure from CONUS, whichever occurs first. Items in the Standard Administrative Yellow Filing cabinet onboard each vessel are found in CDRL BUS-0004

M188. Activation Plan

M189. Develop, implement, manage, and maintain the ship-specific Activation Plan. (CDRL L-0009)

4.1.6 Emergency Sorties. Emergency sortie may be required to at any time the Government determines such a sortie is appropriate. The Contractor will provide as a minimum such crewmembers as the U.S. Coast Guard may require to go to sea. It is not intended that a ship will be able to work cargo or otherwise be fully mission ready upon emergency sortie. The Contractor will obtain a permit to proceed from the cognizant USCG OCMI (Officer in Charge of Marine Inspection). Emergency sorties shall be performed at the discretion of the Government.

4.1.6.1 Emergency Sortie Costs. Emergency sorties will be conducted within the Phase O per diem. Additional crew transportation costs required for sortie will be reimbursable as will the wages of the FOS crew used for the sortie.

4.1.6.2. Sortie with FOS. Reserved.

4.1.7. Full Operational Status (FOS). Full Operational Status will be ordered by MARAD COTR. During FOS, the OPCON operational commander may provide the ships with specific courses/speeds, restricted zone routings or similar information for the safety of the ships based on intelligence reports or other information not readily available to the ship. If the Contractor is unable to comply with these orders because the Master determines it jeopardizes the safety of the ships, the Master must advise the operational commander within one hour, by immediate precedence message, with copy to MARAD, of the contractor's intended actions and reasons for not accepting the direction. Keep the naval operational command and MARAD fully informed of the ship's status until it is capable of complying. Copy area COTR.

4.1.8. Sea Trials. Sea Trials should be scheduled at the end of each 5 year drydocking (in lieu of towing) and at the intermediate drydocking. This equates to twice in five years. It is recommended that the Contractor schedule dock trials t be conducted twice

between each sea trial but this is subject to how dock trials will complement the vessel specific maintenance plan. The Contractor will enter both sea trials and dock trials into its Business Plan. Sea Trials are conducted to assess ship's operational readiness, determine operating condition of all machinery, equipment and systems, and to train crewmembers.

4.1.9. Ship Smartness. Reserved.

4.1.9.1. Vehicle Lashing Assembly Stowage. A general plan for stowage of the VLA for the eight (8) FSS class ships can be found under Section 25 of Attachment A. Changes to these plans are at the Contractors discretion. The cargo securing equipment will be stowed as defined by the vessels official Government property baseline inventory records. The Contractor shall make every effort not to loose lashing gear during exercises and cargo operations.

4.1.9.2. Post Exercise Stowage of Vehicle Lashing Assemblies (VLAs) and Cargo Securing Equipment (CSE). VLA will be stowed by ships force on racks and in bins in the compartments after completion of cargo operations and Cargo Securing Equipment will be stowed IAW locations listed in the vessel's official Government Property Baseline Inventory. A report of inventory discrepancies including their circumstances shall be sent to the MARAD COTR within thirty (30) days. Cost associated with VLA handling will be reimbursed. At the option of the government, costs associated with replacement of post-exercise VLA and Cargo Securing Equipment inventory discrepancies may be reimbursable.

4.1.10. Agents and Agent Selection. Selection of Agents and sub-Agents is at the discretion of the Contractor who is responsible for successful performance.

4.1.11. Husbanding the Ships. During ROS, the Government will arrange for layberth services. During FOS, the Contractor shall husband the ships by providing the following services. (Note: the Government reserves the right to provide any or all of these services).

4.1.11.1. Berthing and Shore Services. Shore services include, but are not limited to, potable water, shore electrical power, trash and garbage removal, oily waste removal, sewage removal, and line handlers. The Contractor will be reimbursed for the cost of these services by the Government.

4.1.11.2. Pilots. The Contractor shall arrange for pilots, unless otherwise directed by the local MSC Area Commander (e.g., in ports where Government contracts for pilots are in place). The Government will reimburse the Contractor for the cost of this service.

4.1.11.3. Tugboats. The Contractor shall arrange for sufficient numbers of adequately powered tugboats to assist the ships in berthing to a pier, mooring to a buoy, and to escort the ships in restricted waters. The Government will reimburse the Contractor for the cost of this service.

4.1.11.4. Launch Services For Government Personnel. When directed by MARAD COTR, the Contractor shall arrange launch boat services for Government personnel when the ships are at anchor or moored offshore. Launches shall be seaworthy and conform to U.S. Coast Guard regulations or comparable foreign standards for the carriage of passengers. The Contractor will be reimbursed for the cost of this service.

M190. FOS Overtime. As the Contractor's representative, the Master will personally manage and authorize overtime during operations. MARAD will provide to the Contractor guidance and funding on discretionary and non-discretionary overtime via a TO prior to the vessel's sailing. The Contractor shall forward instructions on the implementation of this overtime to the Master. The Contractor is responsible for providing accounting of Phase O overtime via invoices. (CDRL HR-0013)

4.1.12. Reduced Operational Status (ROS). Until ordered otherwise, the ships will remain in five-day Reduced Operational Status referred to as "ROS-5". The Contractor shall maintain the ships in a degree of readiness that will enable the Contractor to make the ship ready for sea in a period of time not to exceed 120 hours. The Contractor will be directed to activate the ship from ROS to FOS.

During ROS, the Contractor shall:

a. In accordance with TE-4, each vessel designated as ROS will be crewed with an ROS maintenance crew. At a minimum, each ROS crew must consist of ten (10) ROS maintenance personnel including:

· One (1) Chief Mate
· One (1) Boatswain
· One (1) Chief Engineer

· One (1) First Assistant Engineer (1st AE)

Each of who meets the general crewing qualifications.

b. Provide as necessary and within its fixed price, any ROS crewing, over and above that required by MARAD, for the:
o Performance of the routine schedule preventative maintenance as identified in the Contractor's vessel specific ship maintenance management plan including quarterly light-offs, equipment cycling/rotation, etc.
o A quantifiable amount of time for the accomplishment of emergent repairs that may be accomplished during normal working hours.
o Maintaining vessel security, fire and flooding protection
o Performance of all required regulatory body drills
o Maintaining inventory and custody of GFE including spare parts
o Documents, charts, etc.
o All other PWS and TE requirements.

c. The maximum number of the ROS crew per vessel will be determined by the Contractor based upon its assessment of the PWS as provided in its proposal. If selected for the contract, the Contractor will have fifteen (15) days from NTP to employ all ROS maintenance crewmembers at the fixed price rate. For co-located vessels, the ROS maintenance crewmembers may be interchanged for work between vessels.

d. The ROS crew complement identified and offered by the Contractor in its final proposal will be incorporated into the Contractor Contract and will become the required ROS crew compliment for the performance period of the contract.

e. The Contractor will not be reimbursed by MARAD for any additional personnel "temporarily hired/subcontracted-for" for the performance of any of the items of the PWS/specification that are considered routine ROS duties and responsibilities. However, the Contractor will be reimbursed for additional temporary or sub-contracted personnel for requirements which exceed those defined in this PWS/specification, for example, OPDS exercise preparations frequently require a Master to be brought onboard the ROS ships before the ship is activated.

f. General ROS Duties and Responsibilities. ROS Crew Duties and Responsibilities.
This section addresses ROS crew duties and responsibilities. Additional ROS outport requirements are in Sections 35 of TE-1.

g. The ROS crew's primary duties and responsibilities are to:

1) Become completely familiar with shipboard equipment and systems.
2) Perform Maintenance Actions.
3) Perform general shipboard duties.
4) Operate and maintain shipboard equipment and systems during idle status.
5) Perform minor repairs and assist in supervising vendor and industrial repairs.
6) Maintain the ship's inventory; and
7) Activate (transition) and operate the ship, when directed, and train new crew members. An ROS crew may be assigned temporarily to an inactive ship in Phase M or during Phase O to maintain the ship in standby but not fully manned status.
8) Become thoroughly familiar with the Activation Plan.
9) Maintain unique equipment maintenance requirements and procedures.
10) Maintain equipment repair history and status of regulatory inspections and surveys.
11) All ROS crewmembers as appropriate to their rating shall:
o Assist in ship activations and sail as a member of the full crew.
o Assist new crew members to become familiar with the proper and safe operation and maintenance of shipboard equipment and systems including all compartments, major systems, as well as fire fighting and damage control equipment and systems.
o Assist the Port Engineer in establishing a good working relationship with local regulatory body representatives and overseeing performance of regulatory inspections and surveys.
o Maintain inventory in accordance with MARAD supply directive/manuals, which are referenced in TE-5, including an inventory of any hazardous materials on board.
o Classified material, if retained onboard, must be in the custody of personnel with security clearance.
o Accommodate visits by MARAD and other government or government-invited personnel during visits.

h. Work Rules: Uniqueness of ROS Positions: Contractors shall advise ROS crewmembers that many of their duties and responsibilities do not fall under standard seafaring conditions. No officer, such as the Chief Engineer, has a totally administrative

function. Officers have an abundance of administrative duties, but they are expected to accomplish other tasks that are primarily "hands on."

i. Due to the size and composition of ROS maintenance personnel, it is understood that ROS maintenance crews shall be expected to work as a team with no regard to departmental boundaries when work is related to maintaining the safety, security and habitability of the vessel. The type of work that all ROS maintenance crewmembers would be expected to do as a team includes, but is not limited to the following:

1) Secure Ship for Prevailing Weather Conditions
2) Adjust/Double up/stow mooring lines
3) Adjust Gangway
4) Take on and stow ship's stores/spare parts
5) Operate cargo equipment for storing/testing
6) Assist with vessel habitability requirements
7) Housekeeping.

j. Provisions of ROS Employment: ROS crewmembers are subject to the following terms and conditions:

They must agree to participate as part of the sailing crew (i.e., during Phase O).

1) They may be required to assist in the transitioning of a vessel whether it is their specifically assigned vessel or not. MARAD considers this training. It is MARAD's option to temporarily assign other ROS crewmembers during maintenance activation. Either the Chief Engineer OR the First Assistant Engineer (not both) from a co-located vessel may sail with the transiting vessel as an observer or as a crewmember.

2) If performance was satisfactory, transfer from maintenance (ROS) crewmember to sailing (FOS) crewmember shall not break any continuous employment, and the crewmember shall revert to his/her original maintenance status at lay-up.

3) In the event of extended operations all crewmembers assigned to the vessel shall be provided reliefs as per the appropriate employee agreement. The Government retains the right to phase reliefs in order to provide continuity.

k. ROS Work Week: The standard ROS workweek shall consist of eight (8) continuous hours per day (excluding lunch break and hours to fulfill off-hour security duties), five (5) days per week, Monday-Friday. The majority of ROS crewmembers are expected to work during the core hours of 0900-1500. Contractors may authorize exceptions.

l. ROS Overtime:

1. Phase M with ROS crew is a fixed-price CLIN and all work required under that CLIN shall be performed at no additional cost to the Government. Therefore, except for emergencies, (see below) overtime for ROS crew will not be reimbursed unless it is scheduled and approved in advance in writing by the COTR. The Contractor shall provide a memorandum to the COTR outlining:

- The cause for the overtime/compensatory time
- Demonstrated cost savings
- The estimated amount of overtime/compensatory time to be earned
- The ROS crew rating which shall be assigned.

m. The COTR will consider overtime and advise whether or not it is approved. Copy of this authorization will be provided to the ACO. A follow up email report shall be provided to the COTR with copy to the ACO the following day stating what was actually incurred. Overtime shall not be included in the normal performance of M&R in the ship's Preventive Maintenance Plan.

n. Overtime is based upon exceeding the standard forty (40) hour workweek as defined above. The Contractor is obligated to pay employees at the required overtime rate for any overtime actually worked regardless of whether ROS crew overtime is approved or reimbursed by the Government.

o. Overtime required because of an emergency, i.e. the preservation of life, limb or property, will be reimbursed. The Contractor shall report all emergencies requiring ROS crew overtime to MARAD via electronic mail within 48 hours after its occurrence. The notification must include an explanation why the overtime was incurred. Copy ACO on these actions.

p. Period of Performance: Advise ROS crewmembers that they do not have a commitment of guaranteed employment during the performance period of the contract. For purposes of "expectation of employment" a maintenance crewmember shall consider a six (6) month renewable cycle to be the norm assuming no failure of performance upon the part of the employee.

q. ROS Roster: Maintain and keep current, the ROS crew employment lists. Include: Name (Last, First, Middle Initial), rating and phone for recall. (CDRL HR-007)

r. Billets: ROS billets shall be crewed each day of the year (e.g. 365) days and billets may not be gapped. Since "gapped" is defined as permanently leaving the vessel, the Contractor shall replace the employee. The Contractor shall deduct the period of the gapped billet (from the time of departure of the crewmember until the replacement crewmember is onboard, from the appropriate monthly invoice(s)). The Contractor shall retain payroll records to substantiate the invoice and provide them to the ACO upon request. See definitions in TE-1 Section 2 for "gapped" and "crewed."

s. Leave: Temporary absences (sick leave or vacation) are between the Contractor and its ROS personnel. The billet remains crewed. Contractors are responsible for the continuation of duties and responsibilities with no drop in performance during temporary absences of personnel.

t. Unpaid Leave for ROS: Unpaid leave changes to a Gapped Billet after 15 consecutive days of absence unless the Contractor specifically requests MARAD extend the "crewing" of the position. MARAD approving official for the Contractor request is the PCO. If MARAD requires a replacement, the cost is to the SM. Time before the crewmember is replaced will be deducted from the Contractor's monthly invoice. Whether the SM allows the original member to return or keeps the replacement is the Contractor's choice, but the cost of transportation is also the Contractor's. Replacements during temporary absence of ROS crewmember: This is a Government option. Upon the direction of the COTR, the Contractor will obtain a temporary replacement. Upon request of the COTR, the Contractor shall provide an estimate of replacement costs including transportation and fully burdened wages.

u. With respect to reserve or jury duty, an ROS crewmember may resume a former billet upon return. Payment of ROS wages during reserve or jury duty are between the Contractor and its employee.

v. Utilization of leave is between the mariner and his/her employer the Contractor.

w. Assumption of ROS Sick Leave or ROS Vacation Leave from previous Contractor Contracts. No ROS sick leave or ROS vacation leave will be permitted to transfer to this contract.

x. Leave Accrual: Sick leave shall be accrued at the rate of one day for every thirty (30) calendar days worked as an ROS maintenance crewmember (maximum of 12 sick days per year), to be payable when the crewmember is unable to perform his/her normal maintenance duties due to illness. Termination of employment shall result in the loss of any accrued sick leave.

z. ROS vacation shall be accrued at the rate of 1.5 days for every thirty (30) calendar days worked as an ROS maintenance crewmember (maximum of 18 vacation days per year).

aa. Unless the Government declares its intention to exercise an option under this contract, the Contractor shall advise ROS crews to use or lose sick and vacation leave during the fourth year of the contract. MARAD does not intend to "buy out" any ROS leave remaining on the books and will not carry it over into the next SMC.

bb. Paid Federal Holidays: The following are ten (10) Federally-observed holidays:

New Year's Day	Labor Day
Martin Luther King Day	Columbus Day
Presidents Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

cc. ROS crews shall follow the U.S. Government calendar for exact day of leave if holiday falls on a Saturday or Sunday.

dd. Phase M Per Diem. The Contractor provides an ROS crew including any and all relief personnel to MARAD under a fixed price CLIN.

ee. Transportation: Transportation shall not be reimbursed if an ROS crewmember elects to terminate his/her employment.

ff. Subsistence and Lodging: The Contractor has a choice on whether to provide subsistence and lodging to ROS crewmembers. The Government will not provide reimbursement for subsistence of ROS crewmembers.

gg. If the Contractor elects to provide this subsistence, provisioning for the subsistence and preparation of food, will be part of the Contractor's fixed price per diem.

hh. MARAD permits, but does not require, ROS crewmembers to live onboard ship. All costs associated with lodging onboard the vessel in ROS, such as laundry, exchange of linen, etc., are to be included in the Contractor's fixed price per diem. If the Contractor elects to provide lodging onboard and the vessel becomes uninhabitable, the Government will reimburse the Contractor for lodging and subsistence.

ii. ROS Telephone Service: is part of the Contractor's fixed price. The Government provides three (3) phones as part of berth service and will reimburse for connections/disconnections during activation/deactivation. ROS telephones are to be used for official business only. If the Contractor desires more than three (3) phones for the ROS crew it is at his fixed price.

jj Post Station Bills: Ensure, via the senior deck officer, that all station bills are properly posted and emergency equipment (personal floatation devices, exposure suits) is functioning properly or replaced. Materials required for drills is either GF or reimbursable at the Government's direction - consult COTR.

M191 Voluntary Program Support. MARAD, as the Governmental advocate for the maritime industry, occasionally tests program concepts under actual field conditions. This may include the voluntary involvement of ROS crewmembers. For example, the new Ship Owner's Cooperative Program (SOCP) mariner identification card may be one of the tests conducted using ROS crewmembers. No additional compensation is provided for this type of voluntary program support.

4.1.13 Salvage Assistance. The Contractor shall immediately notify MSC Headquarters if under MSCOPCON, and MARAD COTR and MAR-612 at all times, if any ship suffers a casualty, or otherwise becomes disabled at sea. Salvage is the saving of distressed or sunken ships or removal of ships as hazards to navigation. Rescue/assistance comprise measures administered to ships in distress or in danger of a distress situation. Settlements for salvage services rendered to other vessels, including those owned or controlled by the United States, shall be handled by, and are under the control of the Government. All salvage monies earned, including recovery of fuel consumed and hire during the salvage operation, by any ship hereunder shall issue to and be for the account of the Government after deducting Master's and Crew's share. It is mutually understood and agreed that the Contractor shall not be entitled to nor participate in any salvage or salvage awards hereunder. The Contractor shall promptly furnish the Government with full reports and information on all salvage services rendered or received.
In circumstances where Government provided assistance is not available or the vessel is in no immediate danger (which will be determined by the Operational Commander on a case-by-case basis), the Contractor will be tasked to provide such services on a reimbursable basis.

4.1.13.1 Salvage Assistance Report. In the event of a salvage or rescue/assistance situation on a vessel covered by this contract, the Contractor shall submit a Salvage or Rescue/Assistance Request. This report shall be filed in conjunction with CASREPs and Reports of Required Emergency Repairs. As a minimum this report shall include:

- Ship Location.
- Weather Conditions.
- Sea Conditions.
- Description of casualty, including cause and action being taken by the crew to control damage.
- Type of assistance required.

As applicable, this report shall also include:

- Draft forward and aft prior to casualty.
- Draft forward and aft after casualty.
- Amount of potable water, ballast, and bunkers on ship, by tanks.
- Extent of hull damage, including condition of watertight bulkheads and decks, list of flooded compartments or tanks, and ruptured, distorted, or otherwise disrupted strength members.
- Type of bottom, if aground.
- Range of tide and time of next high tide, if aground.

4.2 Engineering Operations - General. The Contractor shall operate all main, auxiliary, and emergency shipboard equipment and systems while in port, at sea, and during maneuvering, to provide main propulsion and power to support hotel services, and deck operations. The Contractor shall operate equipment and machinery in accordance with the Manufacturer's Technical Manuals, United States Coast Guard (USCG) regulations (46 CFR, 33 CFR), and any applicable local or other jurisdictional requirements.

4.2.1 FOS Operations. The Contractor shall have all main, auxiliary, cargo, and emergency systems ready for sustained operation at sea at the outset of each voyage.

4.2.1.1 Maneuvering, Entry & Leaving Port and Canal Transits In FOS prior to maneuvering in U.S. or foreign ports, the Contractor shall operate and test maneuvering and emergency equipment as specified in 33 CFR Part 164, 46 CFR Part 196 or 46 CFR Part 97.15, as applicable. The conduct and results of these tests shall be recorded in each ship's engine room logbook. The Contractor's Chief Engineer or First Assistant Engineer shall be present in the engine room spaces for the full duration of all maneuvering operations. Any overtime for maneuvering, entry & leaving port and canal transits is for the account of the Contractor.

4.2.1.2 Support for Performance of Maintenance and Repair. In FOS, if, due to ongoing or impending maintenance and repair work to equipment or machinery critical to providing in port services, the Contractor is unable to provide the necessary services to support in port operations, the Contractor shall provide written notification to the MARAD COTR describing the reason for the procurement of shore services. This notification shall be sent no later than the day on which the ship enters port.

4.2.1.3 Inport Readiness. In FOS, regardless of the length of time a ship is in port, if that ship is in Full Operational Status (FOS), the Contractor shall ensure each ship's capability to get underway within twenty-four (24) hours of receipt of sailing orders. This shall include a full FOS crew.

4.2.1.4 Inport Maintenance. In FOS, in those cases where anticipated maintenance and repair work will preclude or has the potential to preclude the ship from getting underway within twenty-four (24) hours, the Contractor shall notify the MARAD COTR describing the work to be accomplished, the timeframe required to accomplish the work as described, any viable alternatives which may meet the timeframe requirement, and requesting consent to proceed with the work described. MARAD COTR will coordinate the request with the MSC

4.2.2 Inport Maintenance while in ROS-5. In those cases where maintenance and repair work will disable critical equipment for more than 48 hours the Contractor shall notify the MARAD COTR describing the work to be accomplished, the timeframe required to accomplish the work as described, any viable alternatives which may meet the timeframe required, and requesting consent to proceed with the work described.

4.2.2.1 Dock Trials. Reserved.

4.2.2.1.1 Dock Trial Agenda. Reserved.

4.2.3 Lubrication Systems. The Contractor shall ensure that all ship's systems and equipment are lubricated. Lube oil analysis will be provided to the Contractor through a Government contract. M/E lube oil is reimbursable. Routine consumable maintenance lubes and greases are to be included in the ROS fixed fee.

4.2.4 Hydraulic Systems. The Contractor shall operate all ship's installed hydraulic systems in accordance with the equipment manufacturer's instructions. The Contractor shall operate all hydraulic systems, including but not limited to pumps, purifiers, filters (fixed and portable), relief valves, alarm system, strainers, heat exchangers, valves, and piping, to maintain the quality of hydraulic oil in accordance with equipment manufacturer's specifications. Procurement of hydraulic oil will be handled in the same manner as lube oil.

4.2.5 Fuel Systems. The Contractor shall operate the installed ship's fuel oil storage, service, and transfer systems in accordance with the U.S. Coast Guard Regulations and to maintain the fuels within the prescribed range of conditions defined in the technical manuals and other manufacturer's instructions for the equipment served. The fuel oil storage, service, and transfer system operations apply to residual fuels, and diesel fuel marine (DFM).

4.2.5.1 Fuel Bunkering. The Contractor shall comply with the U.S. Coast Guard Regulations and MARAD instructions for fuel bunkering. This shall include the establishment and utilization of a fueling bill including sampling, personnel billets, communications, and procedures for bunkering. The Contractor shall maintain a Government provided environmental safety spill kit ready for use. MARAD bunkering checkoff list (TE-1, Section 19 end.) Also a MARAD bunkering video will be provided.

4.2.5.1.1 Fuel Consumption Reporting. Upon specific request of the MARAD COTR provide voyage summary reports that permit calculation of fuel consumption per mile and per voyage leg. The report will provide distance between voyage points, time between points, consumption between points and will calculate average speed between points, average speed per leg and average consumption per leg.

4.2.5.2 Fuel Quality Assurance and Testing. In order to maintain the quality of DFM in accordance with Section 27 of Attachment A, test and sample fuel for water, solids and biological growth. The government will provide equipment and training necessary for testing. Maintain testing results in the oil record book. Sampling and testing will be conducted, at a minimum:

a. When receiving fuel;

b. Weekly for all storage tanks;

c. Prior to transferring into service tanks; and

d. Prior to placing suction on a service tank.

4.2.6 Boiler Feedwater System. The Contractor shall operate boiler feedwater system in support of equipment operating requirements. The Contractor shall maintain the quality of water in the system within the prescribed range of conditions defined in the manufacturer's instructions. The Contractor shall take appropriate actions to maintain the condition of the water in the system as indicated by the results of tests.

Integrate water chemistry and lube oil analysis into the preventative maintenance plan as applicable.

4.2.7 Environmental Protection and Enhancement. The Contractor shall maintain and operate all shipboard environmental protection equipment in accordance with the manufacturer's instructions.. The Contractor shall comply with TE-1 Chapter 19 (entitled Environmental Concerns) and its referenced directives.

4.2.8 Reporting of Casualties. The Contractor shall report to the Contracting Officer, MARAD COTR and the Operational Commander all casualties to shipboard equipment, machinery, and ship's hull and shall report any change in status of their correction in accordance with the requirements of COMSCINST 3121.9 (Series) and format of NWP 1-03.1. Casualties shall be reported a series of CASREPs in accordance with NWP 1-03.1: "CASUALTY/INITIAL," CASUALTY/ UPDATE," and "CASUALTY/MARAD CORRECT."

4.2.8.1 Reporting of Marine Casualties. The Contractor shall inform the U.S. Coast Guard and the MARAD COTR of all accidents or occurrences resulting in damage by or to the ship, gear or cargo, or injury, or loss of life. This includes among other things, collisions, strandings, groundings, flounderings, heavy weather damage, fires, explosions, failure of gear and equipment, and any other damage that might affect or impair the seaworthiness of the ship. The initial report shall be by phone call followed up by by either a CASREP or email within 8 hours. The Contractor shall inform the U. S. Coast Guard of such casualties in accordance with USCG regulations.

4.1.8.2 Marine Casualty Investigations. The current MSC/USCG Memorandum of Agreement requires the Contractor to report all marine casualties in accordance with 46 CFR 97. The Coast Guard shall investigate all casualties meeting these reporting requirements. The Contractor shall provide the Contracting Officer, MARAD COTR, and ABS with a Casualty Investigation Report that shall include all MARAD correspondence to and from the U.S. Coast Guard regarding any marine casualty investigation.

4.2.9 Notification of Emergency Repairs. In both ROS and FOS when an emergency arises which may affect the safety of the ship and crew, or may cause a delay to the ship's schedule or ability to get underway, the Contractor shall refer the matter immediately and directly to PM5, the Area Commander and the MARAD COTR. The appropriate CASREP or UNIT SITREP should also be transmitted.

4.3 Maintenance and Repair - General. The Contractor shall maintain the material condition of the all ships under this contract in accordance with the requirements outlined in the contract, and all other applicable instructions, rules and regulations referenced throughout the Performance Work Statement (PWS). All costs incurred for maintenance and repair are reimbursable in accordance with Section G of the contract.

M192. Performance Goal: Develop and execute a high quality, comprehensive ship-centric maintenance program. The maintenance management program shall ensure assigned ships are fully compliant to prescribed readiness and mission requirements.

M193. Regulatory Compliance

M194. The Contractor shall:

M195. Perform maintenance, repair, and modification of RRF-like vessels to ensure compliance with all applicable regulatory requirements as dictated by the Government for U.S. Flag Vessels.

M196. Maintain and operate vessels in accordance with the Code of Federal Regulations (CFR), as inspected by the United States Coast Guard (USCG) and classed by the American Bureau of Shipping (ABS).

M197. Maintain and operate RRF-like vessels in voluntary compliance with the International Maritime Organization Convention for Safety of Life at Sea (SOLAS) except as specifically exempted in writing by MARAD. No exemption list currently exists. RRF-like vessels are exempt from International conventions and treaties only to the extent that those requirements are not promulgated in domestic regulations (CFR). Continue this practice on assigned vessels in their current configurations. Submit additional requirements to sustain voluntary SOLAS compliance to the Contracting Officer's Technical Representative (COTR) for review and approval. (CDRL M-0001)

M198. Review existing regulatory compliance schedules and develops and delivers a comprehensive plan and schedule for accomplishing any regulatory requirements in RMS. (CDRL M-0002)

M199. Ensure accurate scheduling of all regulatory compliance inspections, surveys, and tests. Do not apply for nor anticipate being granted any extensions to regulatory due dates by the regulatory bodies. However, if the Contractor believes an extension is beneficial, it should advise the MARAD COTR as part of its business plan. MARAD may direct the Contractor to request extensions if deemed necessary by the Government.

M200. If at any time and for any reason the Contractor cannot maintain the vessel to Regulatory Compliance, shall notify the COTR immediately by telephone with written e-mail follow-up within 24 hours of discovery.

M201. Resolve discrepancies found during the vessel inspection or survey process within the period granted by the regulatory body. Submit a change to their current year Business Plan for corrective actions to be accomplished during the current fiscal year or plan for the work in a subsequent year Business Plan.

M202. Maintain cognizance over changes or additions to regulatory body requirements. The Contractor has responsibility to identify changes or additions to regulatory requirements. When changes or additions are identified, notify the COTR in writing. The notice shall clearly describe the change or addition and include a proposal for how the vessel will meet the changed or added requirement. (CDRL M-0003)

M203. Alternative Compliance Program: MARAD has determined that all ROS vessels shall be enrolled in the ABS Alternative Compliance Program. The Government reserves the right to grant exceptions. Exceptions shall be in writing, by the Chief, Division of Ship Maintenance and Repair (MAR-611). Requests shall be submitted to the COTR. All vessels enrolled in ACP must meet the applicable eligibility criteria established by USCG including full voluntary compliance with ISM.

M204. The following specific work items are envisioned as being required to bring a vessel into ACP:
1. All vessels shall within COI anniversary window submit CG 3752 form for inspection to OCMI with notification thereto of becoming a participating vessel in the ACP Program.
2. OCMI /ABS will coordinate with Vessel for joint inspections (hand-off survey)
3. After successful "hand-off survey" the OCMI notifies G-MOC of same.
4. G-MOC (USCG Headquarters, Office of Compliance - G-MOC) is the Program Manager and notifies the vessel's owner by letter (Copy to ABS Coordinator and OCMI) of vessel enrollment into the ACP.

M205. Classification Surveys: ROS motor and steam vessels shall maintain machinery in an ABS approved Preventative Maintenance/Condition Monitoring (PM/CM) program to the maximum extent feasible within the guidelines of the scheduled sea and dock trials. Hull and machinery surveys for ROS-5 vessels shall remain as continuous except where otherwise approved, in writing, on a case by case basis by the Chief, Division of Maintenance and Repair (MAR-611). Requests shall be submitted to the COTR. The schedule and requirements associated with or supporting the Continuous Hull and/or Machinery Survey (CHS/CMS) Class of ROS-5 vessels shall be integrated into their Maintenance Management Plans. It is MARAD's desire to have as many ROS vessels in

continuous survey as possible, however, it is recognized that some Contractor's preventative maintenance programs and ship configurations are better suited to periodic surveys. This is an acceptable alternative to continuous survey.

M206. Maintain currency of regulatory body due dates, comments and remarks, as appropriate, within the MARAD Ready Reserve Force Management System (RMS).

M207. Readiness

M208. Maintain assigned ships in the designated readiness corresponding to the activation timeframe requirements in TE-4. Readiness is defined as the measure of material condition and preparedness of a vessel to activate within its assigned "R-Status" and sustain operations for 180 days.

M209. Report via e-mail or phone to the assigned COTR the recommended material condition status of the vessel(s). Utilize the following condition status "C-ratings" in making the report (CDRL M-0004): Contractor

o C-Status Title Definitions Description
o C-1 No Mission Degrading Deficiencies Describes a ship having no known deficiencies which impact its mission or activation within assigned R-Status
o C-2 Documented and Correctable Mission Degrading Deficiencies Describes a ship which has mission degrading deficiencies which can be corrected within the assigned R-Status
o C-3 Mission Degrading Describes a ship, which can be activated within its prescribed R-Status, but has deficiencies, which cannot be corrected within the R-status, and limits the full mission capability of the ship.
o C-4 Major Deficiencies prevent the ship from activating or performing its primary mission and cannot be corrected within the assigned R-Status Describes a ship that cannot be fully mission capable within the assigned R status, or a ship that has a COI that will expire within 15 days, or a COI that has expired. C4 Status applies to unscheduled or otherwise planned events that result in the vessel's downgrade in readiness.
o C-5 Scheduled major repairs in progress; unable to meet assigned R-Status Describes a ship undergoing scheduled major repairs, which prevent it from meeting its assigned R-Status. C5 is only for planned availabilities.

M210. Phase M and Phase O: Vessels shall be in one of the two phases, Phase M or Phase O, as defined below, while assigned to the Contractor.

M211. Phase M - Maintenance: In this phase, the vessel is preserved, tested (including maintenance sea trials), repaired and maintained in its required state of readiness. Vessels may be in a partially crewed or reduced operating status (ROS-5) During this phase the vessel must be capable of activation within the assigned time frame and of operating continuously for 180 days.

M212. The Contractor is not required to obtain a layberth, however, during the course of the contract, MARAD may request its assistance at obtaining layberth services as a Prime.

M213. Phase O - Operation: This Phase involves the operation of the vessel for a specific mission or exercise. The vessel is to be operated in accordance with standard commercial practice and the RRF Operations Management Manual (TE-1). The policies and procedures of this Manual apply to RRF-like vessels. To the extent that there may be a minor exception, the MARAD COTR shall direct the change. In Phase O the ship is normally under Military Sealift Command's (MSC) operational control.

M214. While in Phase M and Phase O, maintain the vessel in a C-1 or C-2 status.

M215. MARAD recognizes that events will occur which will result in a C-3 or C-4 status.

M216. Notify the COTR within 24 hours of discovery whenever an event occurs which would place the vessel in a C-3 or C-4 status.

M217. Initiate planning and as directed by Task Order take necessary action to correct promptly a C-3 or C-4 deficiency and return the vessel to the required readiness level. Submit a change to the current year Business Plan to reflect corrective actions.

M218. MARAD recognizes that the vessel will have to be scheduled for C-5 status periods due to regulatory inspections, upgrades, and major maintenance periods.

M219. Identify these periods within the vessel's business plan. (CDRL M-0005) The Contractor may be expected to adjust its proposed C-5 periods per the direction of the COTR when fleet-wide readiness is evaluated.

M220. While the C-5 period must be kept to a minimum, evaluate cost against premium time and work acceleration expenditures in returning the ship to its required C-rating status.

M221. Preventative Maintenance Plan Development

M222 Develop one (1) preventative maintenance plan for each vessel which addresses both Phase M and Phase O. The plan shall specifically identify where any maintenance action differs between Phase M and Phase O and, if necessary, separate maintenance actions shall be developed and scheduled to reflect what is to be accomplished for the respective phase. Compliance with this Plan, and any of its modifications, is considered a performance measurement under the QASP. The preventative maintenance plan shall take into consideration all facets of inspection, testing, and conditioning the vessel's machinery, equipment, outfitting, and spaces (including structure, habitability areas, cargo areas, etc). The preventative maintenance plan shall include all regulatory body inspections and tests, as required

M223. The ship-specific Preventative Maintenance Plan, incorporates both regulatory and preventative maintenance actions, shall be developed when the vessel is inactive. It shall reflect the assigned ROS-5 . This plan shall be developed so as to ensure the vessel can be activated within the designated activation period, and subsequently sustain operations continuously for 180 days. The Contractor will work with MARAD personnel from Apr 1, 2007 to October 1, 2007 to convert the SAMM database into a RMS database with PM plan . Existing preventative maintenance plans shall be utilized upon notice to proceed. Revise the existing plan as deemed fit or develop a new Preventative Maintenance Plan. The Preventative Maintenance Plan shall be submitted to the COTR. (CDRL 006)

M224. Scheduled maintenance activations and sea trials are reimbursable and shall be included in the Preventative Maintenance Plan. Provide a cost estimate for maintenance activation and/or sea trial. Acquire qualified Thermography Assessment and Vibration Analysis services to attend sea trials and provide written reports on the condition of vessel electrical installations and machinery per the direction of the COTR. Provide diesel engine analysis for diesel ships. Maintenance actions that can only be conducted or are most practically conducted during the maintenance activation, sea trial, or subsequent deactivation shall be identified in the Preventative Maintenance Plan and scheduled accordingly. Conduct sea trials and dock trials on each assigned vessel at the following intervals:

M225. Contractors will be [or have been] provided an MS Excel spreadsheet by MARAD which shall be utilized as a template for identifying and scheduling all facets of the PM Plan. This spreadsheet will contain a listing of all equipment in the vessel's current configuration database. The Contractor shall enter data supporting the PM Plan such as frequency of maintenance or inspection, running hours, description of the action, etc. The Contractor shall expand the spreadsheet to include any additional equipment or spaces requiring maintenance. The Contractor may develop a separate MS Word document for those PM Plan descriptions which require a large text field. If the Contractor requires the larger text field(s), all additional PM actions will be consolidated to a single MS Word file. Each action depicted within the MS Word file shall be preceded by the "EQCODE" number for that specific equipment.

M226. After initial submittal of the PM Plan spreadsheet and, if required, supplemental MS Word document, MARAD will upload the information into RMS. The Contractor will be responsible for maintaining the data within RMS after being uploaded to the system.

M227. The Preventative Maintenance Plans shall be submitted to the COTR for initial review. After initial submittal and acceptance, the Preventative Maintenance Plan shall be included with the Ship's Business Plan. Any revisions to either plan after initial submittal shall be identified in writing to the COTR. (CDRL- RESERVED)

M228. The Contractor shall utilize the Preventative Maintenance module in RMS to document the execution of the preventative maintenance plan. Any anomalies or findings of the equipment, system, or space through the execution of the PM Plan shall also be recorded.

M229. Preventative Maintenance Plans for Vessels in NDRF sites

M230. Contractors are responsible for the development of a preventative maintenance methodology.

M231. Corrective Maintenance and Repairs

M232. Subject to the limitations of funding provided by MARAD, accomplish all corrective maintenance and repairs to the vessel. Corrective maintenance and repairs include all tasks necessary from initial identification of an unsatisfactory condition through final acceptance of the corrected item. This includes, but is not limited to, overhauling, repairing, or replacing with new machinery, equipment, installations, and spaces (including structure, habitability areas, cargo areas, etc.) to remedy an unsatisfactory condition.

M233. Recommend and, as directed by COTR, accomplish modifications or upgrades determined to be beneficial to the vessel and its performance, extend the vessels life cycle, or enhance its cargo carrying capacity.

M234. Identify deficiencies on the vessel which impact or may potentially impact the performance of the vessel, readiness, regulatory status, safety of the crew, and threaten the environment.

M235. Enter all deficiencies into MARAD's RMS as an official record. (CDRL M-0011)
The deficiency shall be depicted within MARAD's RMS with a clear and concise statement of work that includes a cost estimate, planned completion date, duration to complete (number of days), contractor assistance required, and if the vessels readiness will be impacted during the repair period. Identify the impact of each work item on the readiness of the vessel and determine the applicable "C-status" for that item (reference Section C.2.2 or TE-1 Section 2 for definition of C-status).

M236. Determine if deficiencies require immediate accomplishment or can be deferred to a later date or during the next activation (scheduled or unscheduled). Any deficiency that will place the vessel in a C-2 status shall be entered into MARAD's RMS within 48 hours of initial identification. Notify the COTR within 24 hours of identification for any maintenance or repair item or cumulative items that will place the vessel in a C-3 or C-4 status and enter the deficiency into MARAD's RMS at the next opportunity. All other repair items, upgrades, and enhancements shall be entered into MARAD's RMS at the discretion of the Contractor for funding consideration

M237. In the event that a situation or condition develops that poses a threat to life, limb, property or the environment, take immediate action to protect or preserve the same.

M238. Performance of Repair Work

M239. All repair and/or up-grading work required in conjunction with the contract (including all surveys and correction of sea trial deficiencies, or any other deficiencies that may be noted up to time of delivery and acceptance previously noted or not) necessary to meet all requirements of this contract shall be accomplished in a U.S. ship repair facility, unless the work is for emergency, or mission essential repairs, or for pre-positioned ships which are deployed overseas, or for any vessel forward deployed outside of the United States.

M240. Business Plan Development (Maintenance and Repair)

M241. The Business Plans shall encompass all known facets of the budget, scheduling, maintenance, repair, manning, training, regulatory compliance, and operation (if planned) of the vessel. The Business Plans shall identify all estimated resources and scheduling for successful execution.

M242. Submit initial detailed estimates of activation, operation, and deactivation costs for each vessel by item.

M243. Submit with the Business Plans an estimate, by category (ship work breakdown structure), for emergent work which may arise during the year. Base these estimates on their experience as a ship operator and on historical data.

M244. Identify the required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness. Documentation of these proposed actions and scheduling is part of the vessel's Business Plan. (CDRL M-0012)

M245. Business Plan Execution (Maintenance and Repair)

M246. Execute the Current Year Business Plan for each assigned vessel in accordance with the respective Plan's scope and schedule, subject to the obligation of funds. This shall be applicable regardless if vessel is in Phase O or M. Report status of individual tasks within the plan utilizing RMS. Maintain all data in RMS reflecting start and completion dates (planned and actual); work items

(planned, in progress, and completed); method to complete; obligated and actual costs; and other supporting data elements as required by the system. (CDRL M-0013)

M247. Maintain a historical database of work and repairs accomplished, to include associated costs accurately categorized by equipment, system or space. Use RMS database to refine and justify outyear business plans.

M248. During the course of executing the business plan, MARAD recognizes that there may be events which will cause the Contractor to append or deviate from the plan as it was agreed upon, e.g., no-notice activations, MARAD imposed funding limitations, changes to readiness level, shipyard availability, unforeseen and unanticipated repairs, implement upgrades or changeouts, etc.

M249. Notify the COTR within 24 hours for any unplanned situation or condition, which changes the readiness status of the vessel. In the event that a situation or condition develops that poses a threat to life, limb, property or the environment, take immediate action to protect or preserve the same.

M250. Notify the COTR in the event a change is required in the Business Plan. Recommend an appropriate course of action and identify all impacts to the balance of the Business Plan (including outyears, if necessary). Make all necessary modifications to RMS to reflect the changes.

M251. Revise business plans and maintenance methodology and ROS crew makeup, if required, by changes in layberth arrangement. Costs associated with the move will be reimbursable as listed in Attachment J-9 and approved by the PCO.

4.3.2.1 Maintenance and Repair Assignments. The Contractor shall provide trained, qualified personnel to perform all maintenance and repair tasks at sea and in port. The Contractor shall ensure that all personnel in addition to training required for U.S. Coast Guard qualifications, meet the training requirements of attachment J-13.

4.3.2 Accomplish Voyage Repairs. The Contractor shall accomplish all voyage repairs. Voyage repairs, for the purpose of this contract, are defined as repairs to the ship including any and all ship systems, which are accomplished anytime during the course of a voyage. If necessary, the Contractor shall arrange for industrial and technical assistance to accomplish voyage repairs in a timely manner so that the ship can safely and efficiently accomplish its mission.

4.3.4 Government Identified Repairs. The Government may identify repairs as a result of formal or informal surveys and inspections. Although the Contractor may receive copies of correspondence identifying repairs from these inspections, the Contractor must receive approval in its Business plan and a valid Task Order before taking action. Upon receipt of this direction the Contractor shall accomplish these repairs in a timely manner.

4.3.5 Emergency Repairs. The Contractor shall accomplish emergency repairs as necessary to safeguard the ships, equipment and crews and to minimize delays in the operating schedule. Emergency repairs required to maintain equipment in an operational status are permitted to be temporary. In the event no casualty report is submitted, the repair will not be considered an emergency repair. If the casualty is not properly documented, then no overtime or premium paid to expedite the repair will be reimbursable. In the event the casualty is properly documented and it is demonstrated to be in the best interest of the Government to expedite the repair, then reasonable costs associated with expediting the repairs will be reimbursable. The Contractor shall submit daily status reports for emergency repairs being performed outside of the United States. This report shall, as a minimum, detail the work performed during the 24-hour cycle.

M252. Ad Valorem Documentation: Contractors shall utilize U.S. Customs Form No. 226 (Attachment J-17) for reporting all repairs and parts procured from foreign sources at the first U.S. port of entry after an overseas voyage. Send a copy of the US Custom's Form 226 with supporting documentation to MAR-611 and the COTR at the same time it is submitted to Customs. Inclusive of the submittal, identify any items on the Form 226 which may be subject to customs relief. Additionally, notify MARAD (MAR-611) of any difficulties with U.S. Customs. (CDRL O-0004)

M252a. The Contractor shall be responsible for monitoring the costs of repairs and parts procured overseas and the associated Ad Valorem duties which will be applied. These costs will be applied to the Phase 0 operations task order and the Contractor shall ensure adequate funding remains available to pay incurred Ad Valorem duties. The Contractor shall notify the COTR immediately if it is determined the Ad Valorem duties are projected to exceed the available Phase 0 funding levels.

M253. The Contractor shall be responsible for monitoring the costs of repairs and parts procured overseas and the associated Ad Valorem duties which will be applied. These costs will be applied to the Phase O operations task order and the Contractor shall ensure

adequate funding remains available to pay incurred Ad Valorem duties. The Contractor shall notify the COTR immediately if it is determined the Ad Valorem duties are projected to exceed the available Phase O funding levels.

4.3.6 Configuration Control. The Government shall retain control over the configuration of each ship. The Contractor shall perform no configuration changes to any ship without first securing the written consent of the Contracting Officer. Configuration changes are defined as alterations to the ship's hull, arrangements, machinery, systems, equipment, or allowance that involve a change in design, material, number, or location of components of a ship. Each configuration change shall be reviewed by the Government and the Contractor to identify required revisions or updates to technical documentation and configuration documentation as required in this section.

4.3.6.1 Configuration Change. A configuration change occurs whenever any system, equipment, component or unit is installed, removed, modified or relocated by any agent.

4.3.6.2 Contractor Alteration Requests. The Contractor shall submit all requests for alterations to the COTR and MAR-614 in accordance with TE-5.

M254. Ship Configuration Management. Preserve and maintain the vessel's configuration record in accordance with TE-5, and maintain the following configuration management standards:
a) Record all changes, removals, additions, upgrades and modifications to the installed equipment configuration of the vessel; and

b) Prepare and submit Allowance Change Requests in accordance with TE-5.

4.2.6.2 Alteration Approval. MARAD will evaluate each alteration request based on an analysis of the need, cost effectiveness, feasibility, and desirability. If approved, it must be submitted in the business plan.

4.3.6.4 Minor Alterations. Minor alterations are those alterations which require no design support, which, if accomplished, would create an operational improvement to the ship, which can be accomplished conveniently as the ship becomes available and which, together with the cost of updating technical documentation, cost no more than $50,000 per ship. The Contractor shall include minor alterations in the Business Plan. As a minimum, the Business Plan shall contain a cost estimate to accomplish the alteration, including the cost to update technical documentation, and a brief description of the need for the alteration and method of accomplishing the alteration. Based upon this evaluation, the Resource Management Board (RMB) and the Contracting Officer may authorize the accomplishment of any or all of the business plan. Spare parts requirements may be applicable to minor alterations.

4.3.6.5 Government Required Alterations to Ships' Configuration. Alteration to the ships' configuration may be necessary to meet changes to regulatory and/or MARAD requirements. In these instances, the COTR will provide to the Contractor an authorization of its business plan, directing the accomplishment of the business plan project and all other associated documentation necessary to accomplish the alteration. The Contractor shall be responsible for accomplishing the alteration, and for updating shipboard technical documentation with that technical information provided by the Government.

4.3.6.6 Reimbursement for Configuration Changes. The Government will reimburse the Contractor for the actual costs of accomplishing all alterations and for the procurement of updates to technical documentation, with the exception of those alterations for which the crew may realize enhanced living conditions, and a laborsaving or other benefit. The Government will not reimburse the Contractor for any costs incurred in managing or administering the accomplishment of any alteration.

4.3.6.6.1 Alteration Development by Contractor. The Government will reimburse the Contractor for all direct expenses of alteration development and design, procurement specification and work item development for alterations approved in the business plan Reserved.

4.3.7 Integrated Logistics Support (ILS) Technical Documentation. The Government requires ILS and technical documentation to support the life cycle operation of shipboard equipments and systems. ILS and technical documentation includes repair parts, technical manuals, special tools, test equipment, training, drawings and technical support data. This is accomplished in RMS.

4.3.7.1 Initial outfitting of ILS/Technical Documentation. RESERVED.

4.3.7.2 Acquisition of ILS/Technical Documentation for Planned Alterations. Shipboard operations which are approved, procured and installed require the acquisition and approval of ILS/Technical Documentation concurrent with the equipment acquisition and prior to shipboard installation.

4.3.8 Maintenance of Technical Documentation. The Contractor shall be responsible for maintaining the accuracy of the shipboard technical documentation.

4.3.8.1 Shipboard Plans and Technical Manuals. The Contractor shall be responsible for maintaining the accuracy of the shipboard plans and technical documentation.

4.3.8.2 Contractor's Shore Staff Plans and Technical Manuals. RESERVED. All Government provided or funded plans and technical manuals and drawings shall be turned over to the follow-on contractor at the completion of this contract.

4.3.8.3 Automated Technical Data Management.

4.2.8.4 Maintenance of Technical Support Data.

4.3 Material Support - General.

4.4.1 SHIPCLIP. Reserved.

4.4.2 Government Equipment and Property Technical Manual. See TE-5 for guidance on management procedures for government property. Some of the topics discussed there include, but are not limited to:

- Procurement Procedures for Parts and Property
- Stock Replenishment
- Requisitioning from the Federal Supply System
- Reserved.
- Transportation of Parts/Supplies and Other Property
- Depot Level Repairables
- Shore Based Spares
- Government Property Category Listings
- Force Protection
- Chemical, Biological and Radiological Defense
- Small Arms and Ammunition
- Disposition of Government Property

M255. Responsibility. Account for all Government Furnished Properties (GFP) in accordance with the contract. This includes, but is not limited to, all shipboard accountable property, technical manuals, drawings and spare parts. Preserve, manage and control all spare parts, accountable property, ship's drawings and technical manuals in a manner that prevents waste, theft and unnecessary procurement.

M256. Property Control Systems. Maintain a MARAD approved Property Control System in accordance with Federal Acquisition Regulations (FAR) 45.5, the RRF Logistics Management Manual, (TE-5), and the PC-SAL Users Manual. (NOTE: PC-SAL is a legacy MARAD computer system. The functionality of PC-SAL will be incorporated in RMS. During the first year of the SMC, MARAD will replace or re-issue manuals as required to reflect RMS applications for logistics operations and spare parts management. The term "PC-SAL" has been replaced in contract documents, however other documents may still refer to this legacy system. Whenever such references are encountered, the term RMS is substituted.) The Contractor is not responsible for translating foreign language documents, contained in the property control system, into English.

M257. Records. Maintain complete, current and auditable records of all GFP transactions in accordance with FAR 45.5 and TE-5. Records of spare parts, accountable property, technical manuals, and drawings shall be maintained in the vessel's RMS computer system in accordance with the RMS manual.

M258. Maintain the following files onboard each vessel:

a) Documents used to ship any item of GFP off the vessel or receive any item of GFP onboard the vessel; and

b) Copies of Reports of Survey (DOT Form 4410.1) initiated by the Contractor for items lost, damaged or destroyed onboard the vessel.

M259. Training. MARAD Area Division Logistics Management Officer (LMO) will schedule training and issue passwords for the MLSS before Contractor personnel use it.

M260. Accountable Property - Acceptance Inventory. Conduct a joint (with MARAD) and complete physical inventory of all of the vessel's accountable property. RMS will be adjusted to reflect the results of the inventory. At the conclusion of this reconciliation process the Ship Manger will acknowledge the receipt of the entire inventory of accountable property as well as the accountable property database contained in RMS. (CDRL L-0001)

M261. Maintain a complete and 100percent accurate inventory of all accountable property in RMS

M262. Annual Inventory. Conduct and report the results of a complete physical inventory of accountable property in accordance with TE-5. (CDRL L-0003) This inventory is conduct on/about the anniversary date of contract award on a yearly basis, unless otherwise directed by the COTR

M263. Post Phase O Inventory. Conduct and report the results of a complete physical inventory of accountable property in accordance with TE-5. This includes sea trials as well as Phase O. (CDRL L-0004)

M264. Accountable Property. Submit a DOT Form 4410.1 for all lost, damaged or destroyed accountable property in accordance with TE-5. The COTR is responsible for determining whether or not to replace missing accountable property. An Area Division survey board will decide the issue of liability. If the Contractor is deemed liable for missing, lost or damaged property, the Contracting Officer (CO) will deduct the appropriate value of the item from monies due the Contractor.

M265. Failure to Submit Required Survey Form (DOT Forms 4410.1) within five (5) working days after the Completion or Termination Inventory. The value of the items found lost, damaged or destroyed will be deducted from monies due the Contractor until the required documents have been both submitted by the Contractor and fully reviewed and processed by MARAD.

M266. Recovery of Funds for failure to use agency assets. Except as provided for in TE-5, the Administrative Contracting Officer (ACO) will deduct from monies due the Contractor as recovery of funds for the cost of spare parts procured by the Contractor when the same item (or a valid serviceable alternate), was available in any of the three (3) Shore-based Spares (SBS) warehouses at the time the purchase order was placed unless it is determined by MARAD that special circumstances preclude such a deduction. A Contractor has ordered a part which MARAD deducts the cost of because it is available within the 3 SBSs, may return the same part for vendor credit. The SM will pay all associated costs of the return.

M267. Spare Parts, Technical Manuals and Ship's Drawings

M268. Acceptance Inventory of Spare Parts, Technical Manuals and Ship's Drawings. Jointly with MARAD, obtain and inventory a sample of the vessel's spare parts, technical manuals and ship's drawings in accordance with the statistical standards provided in TE-5. The results of this inventory will be jointly recorded. (CDRL L-0005) This sample will include spare parts stored in the following locations:

a) Loose spare parts;
b) Spare parts mounted on bulkheads; and
c) Spare parts contained boxes and cabinets, both sealed and unsealed.

M269. Acquisition of Spare Parts: Unless otherwise directed by the COTR, be responsible for the acquisition of spare parts in accordance with the Shipboard Allowance List (SAL) and available funding.

M270. When a requirement for any replacement or spare part is identified, review the most recent Shore Based Spares (SBS) database and confirm that no serviceable asset is available in the MARAD SBS system or FSS SBS warehouses. Except as provided for in TE-5 and in accordance with 41 CFR101-26.107, if a valid serviceable spare part (or alternate) is available in any SBS warehouse, request the item. Contractors will be reimbursed for travel to warehouse to verify the serviceability of parts. Contractors who order parts may return them for vendor credit. All costs associated with the return of improperly order parts will be to the Contractor's account.

M271. Standards for Repair Parts. In addition to the requirements set forth in FAR 45.5 and TE-5, maintain the following logistics management standards for repair parts managed in RMS:

a) Maintain a 90percent (or greater) accurate inventory of spare parts NOT secured by a MARAD applied seal; and

b) Accurately mark, record and stow repair parts in accordance with FAR 45.5 and TE-5 within ten (10) working days of receipt by the Contractor.

M272. Replenishment of Spare Parts. Integrate into the annual Business Plan requirements for the acquisition of spare parts for the next fiscal year. Requirements must identify and estimate the cost of all Criticality Code 4 spare parts that are not on board the vessel and not available from MARAD SBS warehouses. Requirements will also identify any other spare parts the Contractor considers to be important for the safe and efficient operation of the vessel. (CDRL L-0007)

M273. Maintenance of Technical Support Data. Technical support data will be maintained by the Contractor utilizing the appropriate method to ensure accurate and timely invoice certification and processing.

4.5 Hotel Services - General. The Contractor shall provide hotel services to ship's Crew and Sponsor personnel commensurate with U.S. Navy crewmembers of equivalent rank or status (i.e. Officers, Senior NCOs (E7-E9) and Enlisted (E6 and below) and any other personnel (tech reps, observers, Government personnel) authorized by the MARAD COTR.

4.5.1 Subsistence Endurance Levels. The Contractor shall establish standard records and procedures for use in each FSS ship to ensure the endurance levels stated below are maintained at all times in FOS. ROS may vary as appropriate.

Type of Provisions	Days of Endurance
Dry	90
Chilled	45
Frozen	45

4.5.1.1 Provide Food Service for Government/Sponsor Personnel. The Contractor shall provide Government/Sponsor personnel with galley prepared food service.

4.5.1.2 Purchase of Foreign Foods. The Contractor shall ensure that foreign meat, fish, poultry and dairy products will be purchased only in emergency situations Army and Air Force Veterinary Service approved sources should be used when possible, followed by commercial sources.

4.5.2 Food Service Operation. All food service operations aboard ship shall be conducted with emphasis on safety and sanitation in accordance with commercial practices and collective bargaining agreements. The Master is responsible to ensure inspections of food service spaces and equipment are conducted. The Contractor should realize that high quality and sanitary food service is an incentive to retaining a highly qualified and responsible crew which is a performance factor. Reserved.

4.5.2.1 Food Handlers. All Contractor personnel employed as food handlers shall meet the health and training standards set forth by USCG and public health authorities.

4.5.3 Provide Sanitation Services. The Contractor shall maintain the ship in a sanitary condition at all times. Reserved. All living spaces and staterooms shall be maintained in a clean and sanitary condition.

4.5.3.1 Sanitation Training. Reserved. This includes sanitation for rooms after the former occupant has left and prior to the new arrival if the departure of the former occupant was due to a medical emergency.

4.5.3.2 Provide Pest Control. The Contractor shall ensure that all living spaces, recreation lounges, and work areas are free of pests at all times. All stores shall be checked by the Contractor's personnel as appropriate, prior to loading to ensure they are rodent or pest free.

4.5.3.2.1 Conduct Shipboard Pest Control Operations. Reserved.

4.5.3.3. Certificate of Deratization. The Contractor shall make arrangements to procure the necessary inspection (if certificate is not in place at the start of the contract, this initial cost is reimbursable.

4.5.3.4 Certificate of Sanitation. Annually, the Contractor shall make all arrangements to procure the necessary inspection to maintain a Certificate of Sanitation issued by the Food and Drug Administration, US Public Health Service (USPHS), regardless of the number of personnel on board. this cost is reimbursable.

4.5.4 COR/Stateroom. Reserved.

4.5.5. Provide Linen. The Contractor shall provide the following laundered items to all personnel when they report onboard the ship and replace them if they should become worn: sheets, blankets, bedspreads, pillowslips, towels, and bath mats.

4.5.6 Provide Self-Service Laundry Facilities. The Contractor shall make available laundry facilities for the Government personnel who may be embarked. Laundry facilities will be available at all times and will include a sufficient amount of all cleaning supplies.

4.6 Communications - General. The Contractor shall perform the basic radio room functions to comply with national and international regulatory body requirements (e.g. U.S. Coast Guard, Federal Communications Commission (FCC), International Convention for the Safety of Life at Sea (SOLAS)) such as, but not limited to,

a. USCG NVIC 9-93 of 12 NOV 93

b. Federal Communications Commission Regulation on Global Maritime Distress and Safety System, 47 CFR 80 Subpart W, 16 MAR 92

c. International Maritime Organization; International Convention for the Safety of Life at Sea (SOLAS), 1974 as amended

4.6.1 MSC Special Requirements. The contractor shall comply with the following special requirements when under MSC OPCON:

a. Communications Officer. Designate a deck officer among the crew who will familiarize himself with the radio equipment and operating instructions to a sufficient degree, that will enable him to operate the INMARSAT voice equipment and a HF transmitter in an emergency. This individual will be onboard the ship during FOS.

b. Communications Policy and Procedures Manual. When under MSC OPCON comply with the procedures specified in COMSCINST 2000.2 (Series), the "Communications Policy and Procedures Manual."

c. Cellular Telephone. Cell phones for ship's business and operations are outfitting items. Masters may authorize the purchase of phone cards for ship's business. This is applied to the ship's operating budget.

d. GMDSS. The Contractor shall ensure that any mariner who will operate, perform maintenance, service or repair on the GMDSS will be licensed. The GMDSS will be supported by all required spares, tools and test equipment carried onboard which will be used by two (2) trained and certified GMDSS operators and one (1) trained and certified GMDSS maintainer. The GMDSS shall be in compliance with the latest international and national regulatory body requirements including IMO CN114.

e. Secure Communications. The Ship shall be capable of supporting secure (encrypted) communication equipment by complying with DOD and DON guidance on proper access, handling and disposition of classified material. The following publications contain physical security requirements:

(1) DOD Manual 5220.22-M (Industrial Security Manual for Safeguarding Classified Information) and DOD 5220.22-S (COMSEC supplement)

(2) SECNAVINSTs 5510.30 (Series) and 5510.36 (Series)

f. Communications While in ROS. There is no communications guard in ROS.

g. Radio Room Physical Inventory. Following the ships return from an FOS mission, the Contractor shall inventory all radio repair parts and property within 30 days.

4.6.2 In FOS, satellite charges or other communications costs from the ship for official's ships business (i.e. Agent supplied cell phones) are reimbursable (see J9#22). The Contractor shall establish procedures to control and monitor communication costs..

4.6.3 Reserved.

M274. The PC to PC Transfer System (PPTS) also referred to as Mercomms, shall be tested on a monthly basis while in ROS. The purpose of this monthly test is two-fold: (1) to ensure that the equipment is functioning properly and (2) to purge message traffic that may be stored for the ship at the MSC Afloat Network Operations Center in San Diego, California.

4.6.4 Communication Costs. The Contractor will be responsible for normal costs associated with operating the Radio Room. The operator is responsible for all communication costs required for operator business, such as calls to company officers, agents, etc. Costs for official communications, that is, to the government, from the government, or at the direction of the government, will be reimbursed.

4.7 FSS Contract Training Requirements - General. The Contractor shall develop training and indoctrination programs and courses in accordance with attachment J-13. Replacement crews shall have successfully completed the required training prior to assignment to a ship or position. MARAD COTR will be notified of any replacement crewmember who has not successfully completed required training. The Government retains the right to attend any or all training sessions.

4.7.1.1 Federal, State, and Local Governmental training requirements. For the length of the contract, the Contractor shall ensure that each mariner meets all Federal (i.e. USCG, EPA, FCC, etc.) State, and local government training requirements that are presently in effect or that may be imposed by those agencies in the future. These training requirements include, but are not limited to, GMDSS, STCW, Chemical Testing, OPA 90, Ozone Depletion Substances, HAZMAT, etc.

4.7.1.2 Conduct of Training. Reserved. MARAD required training is listed in J-13. The Contractor is required to follow all regulations and guidelines of STCW-95 or its successor agreements, your own ISM, the Code of Federal Regulations, the USCG, Public Health service in connection with safety, sanitation, and health of all embarked personnel. The Contractor may continue to use any of the Navy references provided in its original contract if these are useful in fulfilling these obligations. For any training beyond normal commercial requirements completed for license/documentation, and J-13, consult your COTR.

4.7.1.3 Cost of Training. Reserved.

4.7.1.4 Specific Training Requirements. Reserved.

4.7.1.5 Quota Control. Reserved. Some courses in J-13 have a quota. Contact MAR-612 if J-13 requires it.

4.7.1.6 Entrance Requirements. Reserved.

4.7.1.7 Training Periodicities. Reserved.

4.7.2 Required Shore-side Training. Reserved.

4.7.2.1 General. Reserved.

4.7.2.2 Basic Safety Training. Reserved.

4.7.2.3 Damage Control. Reserved.

4.7.2.4 Advance Fire Fighting. Reserved.

4.7.2.5 Reserved. Reserved.

4.7.2.6 Reserved. Reserved.

4.7.2.7 Environmental. Reserved.

4.7.2.7.1 MSC's Environmental Programs Course. Reserved.

4.7.2.7.2 Afloat Environmental Protection Coordinator (AFPC) Course. Reserved.

4.7.2.7.2 Afloat Hazardous Material Coordinator Course. Reserved.

4.7.2.8 Force Protection. Reserved.

4.7.2.8.1 Anti-Terrorism Awareness Training. Reserved.

4.7.2.8.1.1 Anti-Terrorism Officer (ATO). Reserved.

4.7.2.8.2 Shipboard Security and Tactics (SST) training. Reserved.

4.7.2.8.3 Small Arms Instruction and Qualification. Reserved.

4.7.2.9 Gas Free Engineering. Reserved.

4.7.2.10 Chemical, Biological and Radiological Defense (CBR-D). Reserved.

4.7.2.10.1 CBR-D Orientation. Reserved.

4.7.2.10.2 CBR-D Officer's Course. Reserved.

4.7.2.11 Engineering Training. Reserved.

4.7.2.11.1 MSC Shipboard Maintenance Management Training. Reserved.

4.7.2.12 Communications. Reserved.

4.7.2.12.1 Local Area Network (LAN) administration. Reserved.

4.7.2.12.2 Message Traffic Transfer. Reserved.

4.7.2.13 Supply. Reserved.

4.7.2.13.1 Logistics/Supply Management Government Training. Reserved.

4.7.2.13.2 Logistics/Supply Management Contractor Training. Reserved.

4.7.2.14 Medical Training Requirements.

4.7.2.14.1 Elementary First Aid. Reserved.

4.7.2.14.2 Provide Medical First Aid. Reserved.

4.7.2.14.3 Take Charge of Medical Care On Board Ship. Reserved.

4.7.2.14.4 Shipboard Pest Management. Reserved.

4.7.2.14.5 Heat Stress Afloat. Reserved.

4.7.2.14.6 Hearing Conservation Afloat. Reserved.

4.7.2.14.7 Water Sanitation Afloat. Reserved.

4.7.2.14.8 Marine Sanitation Devices. Reserved.

4.7.2.14.9 Respiratory Protection. Reserved.

4.7.2.14.10 Navy Chemical, Biological, Radiological and Envi8ronmental (CBRE) Casulty Care Management Course. Reserved.

4.7.2.15 Stewards Department Training. Reserved.

4.7.2.15.1 Chef Steward-ServSafe. Reserved.

4.7.3. Required Shipboard Training. Reserved.

4.7.3.1. General. Reserved.

4.7.3.2. Shipboard Equipment Training. Reserved.

4.7.3.3. Ship's Crew Force Protection Training. Reserved.

4.7.3.4. Personnel Casualty Response Team. Reserved.

4.7.3.5. CBR-D Training. Reserved.

4.7.3.6. ServSafe Program. Reserved.

4.7.3.7. CBR-D Contingency Training. Reserved.

M275. Environmental. The Contractor shall adhere to sound safety, security, and environmental standards and practices with no adverse impact on personnel, the environment and property.

M275a. The U.S. Environmental Protection Agency (EPA) now requires all generators use a new shipping document for transporting hazardous waste offsite, off ship, etc. The new shipping document known as a Uniform Hazardous Waste Manifest became a requirement on September 5, 2006. The old forms can no longer be used by generators, transporters and treatment disposal facilities. The Contractor should consult either MARAD environmental specialists, the COTR, or the following web address: http://www.epa.gov/epaoswer/hazwaste/gener/manifest/index.htm. Both training link and the form itself are for wastes and under the section you will see Highlights on the right side of the page. Go to New Hazardous Waste Manifest Effective September 5, 2006 and read.

M276. Pollution Prevention: All RRF and RRF-like ships shall comply with all federal, state, local, and foreign hazardous material and hazardous waste regulations unless waived in foreign ports. Masters of RRF and RRF-like ships shall conform to USCG and Environmental Protection Agency (EPA) laws and regulations where foreign regulations are less stringent.

M277. General: Provide personnel resources with adequate environmental training to accomplish the functional tasks anticipated. This includes Port Engineering staff, Contractor staff supervisory or staff personnel, or ship's crew. The Contractor shall take all prudent actions to prevent violations of law. Violations of law will be reported to the appropriate enforcement agency for civil or criminal prosecution.

M278. Policy Directives: Develop, and execute programs, policies, and procedures to ensure proper execution of pollution prevention measures in accordance with applicable regulatory requirements.

M279. Incorporate MSC or MARAD provided directives (Vessel Response Plan/Non-Tanker Vessel Response Plan/Shipboard Oil Pollution Emergency Plan VRP/NTVRP/SOPEP) (TE-3, CDRL E-0001) into Contractor programs, policies, and procedures and promulgate as necessary. MARAD will be up-dating VRP to reflect custody and ownership changes for the FSS from MSC. Advise COTR and MAR-612 of any conflicting guidance or deficiencies. Carry out the procedures contained therein with the VRP and NTVRP/SOPEP and, when specified in the activation order, COMSCINST 5090.1B CH-1 (All RRF Ships including FSS), COMSCINST 5090.5 CH-1 (Tankers) and COMSCINST 5090.6 CH-1 (Non-Tankers.) Copies of each of these documents are to be contained in the standard administrative yellow cabinet. Contractors desiring copies for corporate office retention must reproduce them at their expense. It is imperative that Contractor and Contractor employees be aware of the laws and programs for abating and controlling the release of harmful pollutants. For spills of any size, immediately notify MARAD Area Division COTR (or SOMO in the COTR's absence) and MAR-612 who maintains the MARAD oil pollution insurance policy after notification to the National Response Center in accordance with the VRP.

M280. Environmentally Related Research: RRF-like vessels may occasionally be used for environmental research by other governmental organizations. Be responsive and flexible during research conducted by MARAD-approved sources.

M281. Hazardous Materials (HAZMAT): The term "hazardous material", as used in this section, is as defined for hazardous chemicals in 29 CFR 1910.1200, the U.S. (OSHA) Hazard Communication Standard, and the Emergency Planning and Community's Right-To-Know Act. No RRF or RRF-like ship shall transfer (donate) hazardous materials or hazardous waste to any private sector, state or local/city agency.

M282. Hazardous Material -- Asbestos
The EPA has determined that asbestos is a hazardous air pollutant. All persons are cautioned that asbestos may be found on pipes, ducts, boilers, tanks, reactors, turbines, or structural members, engine exhausts, etc., or in the holds or compartments of the vessels to be managed.

M283. HAZMAT Training: Provide personnel resources with adequate HAZMAT environmental training to accomplish the functional tasks anticipated.

M284. Group Environmental Training: Provide ship and shoreside personnel as directed via task order to attend periodic booming demonstration(s) in connection with HAZWOPER refresher materials.

M285. TE-1 Section 19: MARAD policy, procedures and directives involving environmental concerns are provided in TE-1 Section 19. Contractors shall incorporate MARAD provided directives into Contractor programs, policies, and procedures and promulgate as necessary. Advise COTR of any conflicting guidance, or deficiencies.

M286. Material Safety Data Sheets (MSDS): Develop and execute programs, policies and procedures for receiving, handling, inventorying and reporting, Material Safety Data Sheet (MSDS) labeling, maintaining MSDS labels in readable condition during loading/unloading, proper securing and stowage of hazardous materials to the ship(s) in all Phases including the maintenance and appropriate filing of associated records. (CDRL E-0002)

M287. Minimum HAZMAT During Retention: Maintain minimal amounts of HAZMAT onboard vessels during all phases and this HAZMAT will be properly labeled, and handled. Additional general guidance includes:
a) Retained HAZMAT shall have a shelf life of two (2) years or more.
b) All ships entering the NDRF will be inspected by NDRF representative.
c) Stowage locations for all HAZMAT, solvents, and chemicals will be directed by COTR.

M288. Disposal of HAZMAT: Contractors shall develop, manage, and execute programs, policies, and procedures to ensure the lawful disposal of HAZMAT including the retention of associated records. (CDRL E-0003)

M289. The U.S. Environmental Protection Agency (EPA) now requires all generators use a new shipping document for transporting hazardous waste offsite, off ship, etc. The new shipping document known as a Uniform Hazardous Waste Manifest became a requirement on September 5, 2006. The old forms can no longer be used by generators, transporters and treatment disposal facilities. All Contractors should consult either the Area Division environmental specialist, their COTRs, or the following web address: http://www.epa.gov/epaoswer/hazwaste/gener/manifest/index.htm Both training link and the form itself are available on-line. The alternative method to obtain the website is to go to www.epa.gov and go to the linik for wastes and under that section you will see Highlights on the right side of the page. Go to New Harardous Waste Manifest Effective Sept 5, 2006 and read.

M289a. Incorporate the Maritime Administration provided Non-Tank vessel response Plan/Shipboard Oil Pollution Emergency Plan (NTVRP/SOPEP) into programs, policies, and procedures and promulgate as necessary. Advise COTR and MAR-612 of any conflicting guidance or deficiencies. Carry out the procedures container therein with the NTVRP/SOPEP and, when specified in the activation order appropriate COMSCINSTs.

M290. Air Testing: Contractors with ROS crews shall develop, manage, and execute programs for their environmental training and safety including ambient air baseline testing; orientations; drills as first responders to various emergencies including, but not limited to fire, oil spills, health; and maintain all associated personnel records.

M291. Waste Management and Control: In accordance with Annex V of MARPOL 73/78 and 33 CFR 151.51 through 151.77 and industry best practices, develop, manage, execute and monitor the Master's execution of both an individual shipboard solid waste management plan and a shipboard recycling plan, which minimizes the use of plastics during all Phases; and addresses the collection, processing, storing and disposal of garbage or medical waste during activation, operation, and deactivation. If applicable, address execution variation during Phase M and vessel activation.

M292. Environmental Responsibilities During Ship Repair Availabilities: The Contractor shall develop programs, policy, and plans for the identification and disposal of any unused, or unidentified HAZMAT or HAZMAT with an expired shelf life, during repair availabilities. The Contractor shall address, as applicable, two (2) scenarios in the development of its shipwork solicitation:

1. the removal of waste generated during vessel operations.

Only upon written direction (no verbal permitted) from the COTR, the Contractor is responsible to obtain all appropriate EPA Identification Numbers and permits and/or state/local equivalent to track the removal of this waste. These numbers shall be provided to the repair facility. The repair facility shall price and accomplish the removal of this waste in accordance with all applicable laws and regulations.

2. the removal of waste generated during the repair, by the repair facility.
Contractors shall require that the repair facility:

a) complies with all applicable federal, state, and local environmental laws and regulations

b) addresses the use of properly licensed (permitted) transporters and storage, treatment, disposal facilities and provides as a deliverable prior to the commencement of work:

c) photostatic copies of all required EPA identification numbers permits and/or licenses and or state/local equivalent

d) a copy of its waste removal plans, and any other plans and programs related to the required work

M293. The Contractor shall ensure that his subcontractor prices and is responsible as the generator of all hazardous and solid waste that results from the activities of the subcontractor under the subcontract.

M294. The Contractor shall provide copies of all documentation of work performed to the COTR or his representative pertaining to sampling, analysis, storage, transportation and disposal of all hazardous, industrial, and special wastes generated from work resulting from a subcontract. (CDRL E-0004)

M295. Contractors must be knowledgeable in the regulations that pertain to vessel operations and shipyard/repair activities and ensure that these regulations are complied with. Questions regarding this section shall be forwarded to MAR-611 who will coordinate with MAR-820 and provide guidance

M296. Required Training. Provide for and coordinate the rotation of ROS crewmembers to permit currency in STCW-95 or successor requirements, as listed at Attachment J-13. The Chief Engineer and 1st AE may not both be absent at the same time for training or for any other reason unless specifically directed or approved by the COTR.

M297. Optional Training: COTRs may approve additional training for ROS crewmembers, which in the Government's opinion is beneficial to the program. Travel, subsistence and lodging, cost of course and materials, when Government directed, are reimbursable. New STCW training requirements and STCW refresher courses and upgrades are reimbursable. (see Attachments J-9 and J-13)

M298. The training cited in this part, generally, may be accomplished aboard ship, but in the case of some equipment, training may be better suited to teaching ashore. The Contractor shall ensure that mariners being assigned to any ship be familiar with their specific duties and with all ship arrangements, installation, equipment, procedures and ship characteristics that are relevant to their routine work or emergency.

M300. Vessel Orientation. In accordance with ISM, ensure that all crewmembers are provided ship orientation BEFORE commencing work, as applicable to their departments. Orientation shall include:

a.· Review of standing orders
b.· Night orders
c.· Emergency procedures for fire, flooding, CO2, and the loss of major equipment
d.· Tag-out procedures
e.· Navigation, mooring, cargo and ship operations (Deck only)
f.· Security
g.· Emergency isolation valves and shutdowns.

M301, Utilize procedures and practices in your Safety Management System, particularly non-conformities. Focus on:
a. Problem trends relating to material condition and maintenance procedures for shipboard operating equipment.
b. Personnel training for individual ship's equipment operators, including:
1. Muster stations for specific emergencies
2. Crew assignments regarding Oil Spill Locker location, its required content and use of the equipment contained therein.
3. Crew awareness regarding the location of Force Protection and CBRD equipment.

4. Engine Room Fire procedures, including use and operation of SCBAs and fire-fighting equipment, including fixed and semi-portable.
c. Engineering casualty control drills
d. Crew capable inspections and checks of installed fire detection/fire-fighting equipment and systems.
e. Crew execution of individual ship safety practices, procedures and requirements for the gamut of emergency response scenarios such as fire, collision, grounding, DIW, piracy, elevated MARSEC, or HSAC levels, CBRD, and Force Protection.

M302. Shipboard Equipment Training. The Contractor shall ensure that all mariners who operate, repair or maintain the ship's equipment, under their responsibility, listed below, are trained in the operations, maintenance, repair, and all safety aspects and limitations of each piece of equipment and systems as established by manufacture's guidelines and regulatory requirements prior to use, as required by 46 CFR Part 15. This equipment includes, but is not limited to ship's stern ramp and side ports; ship's cargo handling equipment; ship's cranes; ship's personnel moving / lifting equipment; ship's cargo holds fume tight and watertight doors. The periodicity of these courses is ongoing and required whenever new equipment is installed.

4.7.4 Drills.

4.7.4.1 Drills General. In addition to the drills required by federal law and international agreements, reserved, the Contractor may conduct such drills as it determines are needed for the readiness posture of the ship to meet emergencies. These drills should be documented..

4.7.4.2 Specific Drills. Reserved.

4.7.4.2.1. Engineering Casualty Drill. Reserved

4.7.4.2.2. Damage Control Drill. Reserved

4.7.4.2.3. Steering Engine Casualty Drill. Reserved

4.7.4.2.4. Man Overboard Drill. Reserved

4.7.4.2.5. Chemical, Biological and Radiological Defense (CBR-D) Drill. Reserved

4.7.4.2.6. Physical Security Drill Reserved

4.7.4.2.7. Confined Space Rescue Drill. Reserved

4.7.4.2.8. Hazardous Material (HAZMAT) Drill. Reserved

4.7.4.2.9. Towing and Salvage Drill. Reserved

4.7.5 Crane, Side Port, Hatch Covers and Ramp Operations and Safety Training. Reserved

4.7.5.1 Crane Side Port, Hatch Covers, Ramp Maintenance Training. Reserved

4.7.6 Cargo Handling Equipment Operational Training. Reserved

4.7.6.1 Cargo Handling Equipment Maintenance and Repair Training. Reserved

4.7.7 Engineer Specification Writing Training. Reserved

4.8 Physical Security - The Vessel Security Plan applies when a vessel is under MARAD OPCON. When under MSC OPCON COMSCINST 5530.3 (Series) is the primary reference on physical security matters and establishes minimum-security standards for MSC ships. COMSCINST 3121.9 (Series) and MSCSURGEDET INST 5530.3 (Series) and 5530.2 (Series) provide additional guidance on physical security and small arms management. MSC Area Commanders will direct additional security measures as the local threat condition warrants.

4.8.1 Security in Port (ROS). - The Contractor shall provide one qualified individual during non-working hours designed to ensure the safety of the ship and the security of ships' spaces. Assigned duties necessary to maintain the integrity of the engineering spaces

(including tank soundings as required), check the status of mooring lines, or anchor chains (if at anchorage), and other deck concerns as assigned, and to check selected ship spaces for fire, flooding or other hazards. Estimated overtime for this watch, if required, should be included in the CLIN and in the annual business plan.

4.8.2. Reserved.

4.8.3 Security at Sea. The Contractor shall provide security against terrorism, hostage situations, demonstrations, sabotage, piracy or hostile acts at all times, especially in areas where incidents are likely to occur (COMSCINST 3121.9 applies under MSC OPCON). The Contractor shall display appropriate international signals indicating special operations or dangers to navigation for approaching ships and shall comply with COMSCINST 3121.9 (Series) for signaling between U.S. and Russian Naval ships operating in close proximity.

4.8.4 Contractor's Responsibility for Increased Security. The Contractor will be informed in the activation message the level of security to maintain in Phase O. The Contractor shall be prepared to comply with increased FP posture to include the supporting of embarked FP personnel as required in high threat areas. The Contractor will be reimbursed for extra guard service to include crew overtime for increased FP postures in high threat areas. This is a reimbursable and should be included in operational cost estimate as a separate line item...

4.8.5 Implement Standard Practice Procedures. Reserved.

4.8.6 Small Arms Allowance. During activation, the Government may provide the ship(s) with small arms, a class 5 gun safe, armory and magazine located in or next to the Master's stateroom or in the ship's armory or magazine for use by the ships crew to provide Force Protection (FP) within the life lines of the ship, if deemed necessary for the mission. Additional weapons and ammunition will be provided for use by an embarked force FP Detachment (Det) who will provide FP outside the life lines of the ship. The Master shall be responsible for the custody of small arms and ammunition. The Master shall maintain custodial control and accountability, by serial number. The small arms shall only be utilized onboard the ship to protect the vessel, cargo and crew. The Master is authorized to issue small arms to crewmembers that are trained in their use. Reserved.

4.8.7 Small Arms and Ammunition Issuance to Embarked Force Protection Personnel- The Master is authorized to sub-custody small arms and ammunition to the OIC of the embarked FP Detachment for use as required. The OIC FP Detachment will be responsible for providing the signed report of survey for any weapons shortages or damages while in the detachment's sub-custody in accordance with OPNAVINST 5530.13 (Series) and COMSCINST 5530.3 (Series). The OIC will provide the signed report of survey to the Master at the time small arms custody is returned to the ship's Master for all assigned OIC Force Protection Equipment. The OIC will file an Ammunition Transaction Report (ATR) in accordance with NAVSUP P-724 Chapter 2 for all ammunition expended. Upon departure of the FP Detachment the OIC will transfer custody of weapons and ammunition back to the Master. The Master shall obtain a full report (including type of weapon, serial number, ammunition, quantity, survey and ATR reports as required) from the OIC of the FP Detachment prior to the OIC's departing the ship. The Master will file a full incident report with MSC (N3) and MARAD (MAR-612) within 6 hours of knowledge any weapons shortage while the weapons were in the possession of the OIC FP Detachment.

4.5.8 Ammunition Allowance. Ammunition will be provided in accordance with the ship's classified allowance listing. Ammunition allowance quantities will be consistent with type and quantity of weapons on board. Training ammunition will be provided as required and/or requested, if available. Ammunition requisitioning and transaction reporting are to be done in accordance with NAVSUP P-724 Chapter 2.

4.5.9 Security and Stowage. The Contractor shall maintain the security and stowage of the weapons and ammunition in accordance with OPNAVINST 5530.13 (Series) and COMSCINST 5530.3 (Series).

4.5.10 Small Arms Training. A minimum of five crewmembers are required to be small arms qualified. Mariners who are to bear small arms shall hold a valid certificate from a MSC approved small arms instruction and qualification provider. Coordinate training requirements through MAR-612.

4.9 Transients on Board

4.9.1 Transient Support. The Contractor shall stow all gear and equipment properly, and clean and prepare the ships to receive transients when notified in advance.

M303. Safety for Non-ship's crew. Vessel Masters shall enforce protective equipment on all stevedores including military personnel. Additionally, any personnel on the ship or lighters made fast to the ship are subject to the ship's safety requirements. If objections arise from military personnel, contact the immediate senior military officer and COTR.

4.9.1 Ship Tours and Training Visits. The Contractor may be required to have the senior Officer, or other suitable crew member, or Port Engineer, conduct tours of the ships. When ships are in ROS, requests are submitted to and approved by the MARAD COTR. If messing of these visitors is requested, the Contractor can charge for individual meals at the established Federal Travel Regulations (FTR) rate (for current location or lowest per diem amount while at sea.) Meal charges for US government personnel or visitors may be made if current ROS/FOS consumable funding levels cannot meet the increased demand. Coordination and approval by the COTR should be made to ensure adequate funding while the ship remains a model host. The Contractor shall maintain and present to the MARAD COTR a record containing the names, rank and unit/agency of all personnel messing aboard the ships. Berthing per day should not exceed $12.00. In no case will guests carried onboard exceed the number allowed by the USCG Certificate of Inspection.

M304. Contrary to some commercial operations, FOS crewmembers may not have unauthorized personnel visit/sail onboard without MAR-610's or SOMO's consent. This includes family members, relatives, and friends.

4.9.2 Control and Escort of Visitors. The Contractor shall inform the MARAD COTR of any official visitors expected onboard. The name, agency, date and time of arrival will be provided to the Gangway Watch. The following restrictions are applicable to ship visiting:

a. The ships are not open to general visiting.

b. The Gangway Watch, where applicable, shall log all visitors on/off

c. A sign placed at the foot of the brow shall notify visitors of the limited conditions under which the visitation is allowed, i.e., no political activities, solicitation, demonstration, or placard/banner displays, authorized personnel only

d. The Gangway Watch, where applicable, shall obtain the permission of the senior Deck Officer onboard for unexpected personnel to come onboard.

4.9.2.1 Inport (to include at anchor) Visitors. Reserved..

4.9.3 Transient Voyages. In conjunction with sea trials or other operational periods as authorized by MARAD, the Contractor may be required to carry guests of the Government. The Contractor shall provide personnel to guide and escort these guests. The Contractor's stewards department shall provide berthing and messing to such embarked visitors as appropriate to their rank: officers and senior enlisted (E-7 and above) in officers mess, and junior enlisted (E-6 and below) in unlicensed mess. Contractor will be reimbursed on a fixed rate, per person basis, as follows: Meals - $3.00 per meal, maximum $9.00 per day Berthing - $12.00 per day. In no case will the guests carried onboard exceed the number allowed by the USCG Certificate of Inspection.

4.9.3.1 Supercargo. Among those transients embarked may be members of the unit(s) that "own" the cargo. Their mission is to maintain the cargo during transit and to assist in readying the cargo for loading and discharging. Masters shall assist them in the accomplishment of their mission insofar as possible. The Government will provide the ship's Master with a list identifying the people who will be embarked. Such personnel shall observe all safety, navigational and operational requirements for the ship as imposed by the Master.

4.9.3.2 Security Teams. Personnel may embark for the purpose of augmenting the ship's force protection posture. Masters shall assist them in the accomplishment of their mission insofar as possible. The Government will provide the ship's Master with a list identifying the people who will be embarked. Such personnel shall observe all safety, navigational and operational requirements for the ship as imposed by the Master.

4.10 Provide General Administrative Support - General.

4.10.1 Submit Reports and Maintain Logs, Records, Publications, Instructions. The Contractor shall perform administrative functions related to deck operations, engineering and medical functions, which include, but are not limited to, submitting reports, maintaining logs, records, files, documents, certificates, charts, and publications in accordance with USCG Regulations, The Contractor shall make all other logs, records, files, documents, and certificates available for review by or submission to the

Government on request. These logs are the property of the U.S. Government and shall remain onboard the ship at termination of the contract.

4.10.1.1 Maintain Charts and Publications. Nautical Charts and Publications shall be maintained onboard by the Contractor and updated in accordance with U.S. Coast Guard Regulations.

4.10.2 Prohibited Substances. THE CONTRACT, ITS PERSONNEL, INCLUDING ALL CREW MEMBERS SHALL ABIDE BY ALL STATUTES OF THE UNITED STATES OF AMERICA CODE GOVERNING ALCOHOL, CONTROLLED SUBSTANCES, SMUGGLING, DANGEROUS WEAPONS, AND GAMBLING ONBOARD U.S. FLAG GOVERNMENT-OWNED VESSELS. The Contractor shall develop and implement effective policies regarding prohibited substances. The Contractor shall demonstrate implementation and enforcement of prohibited substance policies during the contract performance period.

4.10.2.1 Alcoholic Beverages. The introduction, possession, or use of alcoholic beverages by any person aboard these ships is prohibited except as authorized by Article 1162, U.S. Navy Regulations subject to the following restrictions.

a. Government personnel and civilian crewmembers assigned to these ships, are authorized to bring on board, for personal use ashore, not more than one U.S. gallon of alcoholic beverage during each return to CONUS from a foreign port.

b. Any person who brings alcoholic beverages aboard shall file with the Master a statement of the quantity and kind of alcoholic beverage brought onboard by him/her together with his/her certification that its importation will be in compliance with customs and internal revenue laws and regulations and applicable state or local laws at the places of debarkation.

c. Any person who brings alcoholic beverages on board shall waive all claims against the Government for loss or breakage.

d. Alcoholic beverages shall be delivered to the custody of the Master immediately upon embarkation, in sealed packages, securely packed and properly marked.

e. Alcoholic beverages shall be securely stowed throughout the voyage and returned to the individual owner(s) at the time of debarkation.

f. Alcoholic beverages possessed or used aboard these ships in violation of these provisions are subject to seizure and destruction by the Master. The Master may make further restrictions on alcoholic beverages as he sees fit.

4.10.2.2 Narcotics, Controlled Substances, and Marijuana. Reserved. The Master shall determine if there is evidence of alcohol or controlled substance involvement by persons directly involved in reportable marine casualties. Ultimate responsibility to determine whether an individual used alcohol or drugs most appropriately rests with the agency authorized to impose sanctions or penalties for such conduct (i.e., a Coast Guard administrative law judge, Coast Guard civil penalty hearing officer, or judge or Federal district court official). However, documentation of such "evidence" is the responsibility of the ship's Master and shall be provided by FORM CG-2692 and through entries in an official log book. Methods of obtaining such evidence are at the Master's option but may include personal observation and/or chemical testing.

The Master may conduct or order conducted searches for contraband. The completion of a search and results of it shall be entered into the official log. U.S. crews abide by Custom's duty regulations. Masters shall take every reasonable precaution onboard ship including, but not limited to, the following:

o Prohibiting merchants from conducting sales of any nature onboard ship.

o Inspecting packages brought onboard in foreign ports.

o Posting appropriate regulations in conspicuous locations.

o Conducting periodic surprise searches throughout the ship, especially after leaving a foreign port. Upon discovery or suspicion of narcotics abuse or marijuana use onboard ship, a message shall be sent to the COTR. All unauthorized narcotics, controlled substances, marijuana, and drug paraphernalia discovered onboard shall be confiscated, marked for proper identification by witnesses, and secured until turn over to proper authorities.

M305. Restriction of Liberty. If the crew is to be restricted to the ship, the Master shall post notice of this in a public location. This notice shall state the reason for restriction and the authority of government agency, which required it. Masters shall make an entry in

the vessel's log. If a vessel is not restricted, but no launch service is available, the Master shall post this notice and obtain from local authorities (or at the minimum the local agent) a letter stating that the ship was not restricted but that launch service was not available. Ship's lifeboats or rescue boat shall not be used for liberty or recreation.

4.10.3 Smoking Policy. Reserved. Under a performance based service contract, establishment of a smoking policy is the responsibility of the employer.

4.10.4 Gambling. Reserved..

4.10.5 Control of Fire Arms/Knives. Reserved.

4.10.6 Implement Damage Control Program Reserved.

4.10.7 Implement Safety Program. The Contractor shall develop a safety program and safety plan in accordance with ISM and USCG regulations. If asbestos is encountered, guidance provided by USCG NVIC No. 6-87, "Recommended Procedures for Control of Asbestos and other Respiratory Hazards Onboard Merchant Vessels, Outer Continental Shelf (OCS) Facilities and Deepwater Ports", should be considered.

M306. Hazardous cargo shall be handled and stowed in accordance with 49 CFR parts 171 through 176 and TE-1 Section 19

M307. Material Safety Data Sheets (MSDS) shall be obtained from the supplier for hazardous material used, handled, packaged and transported or disposed. Sponsor personnel shall provide the contractor an inventory of hazardous materials brought onboard and MSDS for each item of hazardous material. For hazardous waste removal requirements,.

4.10.7.1 Explosive Handling. Explosives/ammunition (including pyrotechnics) shall be stowed and handled in accordance with USCG regulation, 49 CFR parts 171 through 176, and applicable Navy requirements set forth in OPNAVINST 8023.2C, U.S. Navy Explosives Safety Policies, Requirements, and Procedures, NAVSEA OP 1810, Ordinance Equipment Handling and Shipping Instruction, OP 3347, U.S. Navy Ordinance Safety Precautions, and NAVSEA OP 3221, Loading and Stowage of Military Ammunition and Explosives Aboard Breakbulk Merchant Ships.

4.10.8 Sexual Harassment Policy. The Contractor shall develop and implement a policy for the prevention of sexual harassment.

M308. For any Voluntary Resignation of a Crewmember, pertinent statements from the Master/Department Heads shall be obtained and retained. The Master shall execute a Mutual Consent Release Form (CG-713A) with letter from crewmember attached.

4.11 Medical. Reserved.

M308a CBR-D medicinals. The contractor shall provide the following controlled substances on mission activations:
- 60 Diazepam Injectors (former Federal Supply System NSN 6505-01-274-0951)

And non-controlled substances as follows:
- 1) M291 Skin Decon. Kit (QTY 4 BX*) - NSN 6850-01-276-1905
- 2) Atropine Injector (QTY 165 EA) - NSN 6505-00-926-9083
- 3) Oxime (2 pam) Inj. (QTY 165 EA) - NSN 6505-01-125-3248
- 4) Ciprofloxacin Tablets (QTY 11 BT*) - NSN 6505-01-333-4154
- 5) Pyridostig. Bromide (QTY 6 PG**) - NSN 6505-01-178-7903
- *Each Box (BX) contains 20 EA
- **Each Bottle (BT) contains 500 Tablets
- ***Each Package (PG) contains 210 Tablets

4.11.1 Medical Costs. Reserved.

M309. Medical Claims - The Contractor shall continue to maintain P&I insurance and submit claims incurred until to Oct 1, 2008, through the Military Sealift Command. All medical claims incurred after MARAD assumes full administrative control of the contract, October 1, 2008, are processed in accordance with Attachment J-3 a and b. The Contractor shall provide on a quarterly basis a copy of the reports provided to P&I club during that quarter. As owners of the vessel, the Government is always subject to inclusion.

4.11.2 Designated Physician. Reserved.

M310. Medical On-call Service: In Phase O, provide shorebased services of a licensed physician on a 24/7 basis to provide comprehensive on-call health care services via ship's communications equipment. Provide to the ACO a cost comparison of this service for twelve (12) months vs. the cost of an individual activation. Follow ACO direction with regard to purchase. This is a reimbursable service.

M311. Medical Screening/Consultative Service. Provide the services of a third party medical invoice screening company to assist with the review and validation of invoices. Provide the CO a copy of the agreement.

M312. Medical Person In Charge: In accordance with best commercial practice, provide a qualified Medical Person In Charge (MPIC), responsible directly to the Master, to provide routine and emergency health care to the crew and all embarked personnel. The MPIC shall conduct and comply with all occupational and health inspections and maintain control of controlled substances.

M313. Notification to USCG. Advise the USCG, as part of its activation plan, that the Contractor is the designated operator for a specific RRF-like vessel(s) and that during the operation USCG medical emergency services may be required.

4. 14. 4 Medical Department Representative. Reserved.

4.11.5 Medical Supplies. At transfer of the vessels to MARAD's administrative control, MSC will remove any medical drugs onboard the vessels. The Contractor shall be responsible for providing medical outfitting and removal of expired or unused drugs via a commercial medical outfitting service during activation, FOS. The service should include removal of unused medications during deactivation to Phase M. This is a reimbursable.

4.11.5.1 Control of Medical Items. The Contractor shall establish and maintain adequate and reasonable controls and procedures for the custody and safekeeping of all medical supplies and equipment. Reserved.

4.11.6 Medical Readiness Inspection (MRI). Reserved.

4.11.7 Technical Assist Visit (TAV). MSC may request MARAD allow a TAV may be conducted when when there is a medical emergencies (e.g. infectious disease outbreaks). MARAD will advise the Contractor as necessary.

4.11.8 Tuberculosis (TB) Control Program. Reserved.

M314. Deactivation

M315. General. Deactivation is part of Phase M that occurs after redelivery of the vessel to MARAD from Phase O.

M316. Conduct the necessary planning and preparations to return the vessel to its assigned readiness status, capable of being re-activated and operated for 180 consecutive days, to include the following:

a) Accurately document all known equipment and system malfunctions and other material deficiencies.

b) Accomplish deactivation procedures, repairs, and regulatory requirements.

M317. Deactivation Plan. Develop and maintain a vessel-specific Deactivation Plan. Compliance with the Deactivation Plan, and any of its modifications, is considered a performance measurement under the QASP.

M318. In developing the Deactivation Plan, the Contractor may consult any of the Government's available procedures:

a) TE-1 Section 31 - Deactivation Procedures and Standard Lay-up Procedures for selected vessel's equipment and systems.

b) The MARAD NDRF Fleet manual available from MAR-612, provides information for vessels laid up in the NDRF.

M319. Execute the Deactivation Plan and associated specifications.

M320. Ensure that both ROS and non-ROS vessels are deactivated and laid up in a manner that prevents deterioration of the vessel, or vessel's equipment and outfitting.

M321. Provide all resources and support equipment required to accomplish all the necessary work of deactivating the vessel as authorized by Task Order.

M322. Deactivation Work Items (For ALL vessels)

M323. Provide a detailed deactivation cost estimate by ship work breakdown structure when requested by the COTR. (CDRL D-0001)

M324. Accept vessel tender from the operational commander on behalf of MARAD, if directed by the COTR.

M325. Supervise the discharge of final cargo and cleaning of vessel's spaces by military personnel. Attempt to obtain signatures when damage has been discovered or cleaning is unsatisfactory. Report damage and unsatisfactory cleaning to COTR. (CDRL D-0002)

M326. Box, inventory, secure with a MARAD seal all pilferable items. This includes items, which in aggregate have a high value: e.g., special tools, such as torque wrenches.

M327. Box charts (or chart CDs) for storage or disposal in accordance with direction from COTR.

M328. Return and verify all items in MARAD standard administrative yellow cabinet. Notify MAR-612 of missing materials.

M329. As authorized by TO, arrange for and coordinate all lay-up services with appropriate vendor (shipyard, tugs, pilots) or regulatory agency.

M330. As directed by TO, perform material condition surveys which may include: sea trials and, if directed by COTR diagnostic testing such as Thermography or vibration analysis. (CDRL D-0003)

M331. As directed by TO, accomplish all voyage repairs and outstanding classification and certification items via ROS crews or with industrial assistance in accordance with the annual business plan.

M332. Obtain guidance on the documentation and retention of weapons and ammunition from the MAR-612 for weapons and ammunition. Generally small arms and ammunition are retained on all ROS-crwed ships under the custody of the senior deck officer.

M333. Deactivation Work Items (ROS vessels)

M334. After 48 hours of redelivering the vessel to MARAD, the per diem rate will change from Phase O to Phase M.

M335. Accomplish the following:

a) Inventory, box, and secure pilferable items except those required by crew.

b) Voyage repairs, and outstanding class items as directed by task order.

c) Arrange for vessel to be properly moored at the outport location and connected to the required hotel/shoreside hookups (i.e., power, water, telephone, etc.)

d) Arrange for all lay-up systems (dehumidification, intrusion, fire, and flood alarms and hull protection) to be in place and activated as required in light of ROS crew requirements.

M336. Deactivation (RRF-10 day vessels)

a) Issue solicitation for deactivation in accordance with task order and award subcontract within thirty (30) days.

b) Identify in the business plan, the type by rating and number of personnel who will remain with the vessel for up to ten (10) days to conduct deactivation work. If authorized, MARAD will reimburse the cost of the designated crew wages.

c) Transfer vessel to location where voyage repairs, outstanding classification items, and/or lay-up work will be performed.

M337 The Contractor's Performance Goal is to effectively manage and control costs.

M338 Monitor the approved business plan, authorized funding, contract obligations, and actual expenditures to ensure the overall business plan is executed effectively and efficiently.

M339 Provide notification to MARAD on changes in funding requirements and ensure the government receives the best value of contracted goods and services.

M340 Support government reprogramming actions and timely closeout of TOs.

M341 Establish procedures, processes and systems to ensure accurate and timely management of expenditures and obligations.

M342 Ensure submission of invoices in government provided electronic invoicing system and encourage prompt submission of all invoices from subcontractors and vendors.

M344 Government Audit Support
Cooperate with and provide adequate Contractor support to on-site government auditors as reasonably required for them to accomplish their duties.

M345 Subcontractor Management

M346 Subcontracting Policies and Procedures - See Attachment J-2.

M347 Provide acquisition services compliant with FAR Part 44.

M348 Provide timely and accurate data concerning subcontract awards as required by FAR 19.7. (CDRL BUS-0001)

M349 Submit subcontract specifications/solicitations for review, obtain consent to subcontract, and provide advance notification in accordance with FAR 44.2 and the subcontracts clause of this contract. In addition, the CO may require review/consent of any individual action or invoke lower thresholds as deemed necessary irrespective of the above review requirements.

M350 Submit written commercial purchasing procedures for commercial purchasing system review (CPSR) and notify the CO (PCO and ACO) of any changes thereafter.

M351 Maintain and make available specific documentation for designated time periods in accordance with FAR 52.215-2 "Audit and Records -- Negotiation" and FAR Subpart 4.7 to satisfy contract negotiation, administration, and audit requirements of the contracting agencies and Comptroller General.

M352 Provide adequate staff support to process all claims and settlements. Develop and execute policies to effectively mitigate the Government's liability.

M353 Reporting and Analysis Support. Provide ADP support to ensure successful generation of all reports required under Reporting Requirements.

SECTION D -- PACKAGING AND MARKING

SECTION E -- INSPECTION AND ACCEPTANCE

SECTION F -- DELIVERIES OR PERFORMANCE

F.1

F-1 PERIOD OF PERFORMANCE.

F.1.1 Performance of the contract shall commence upon the delivery of the first ship to occur on or about 1 October 2005. The period of performance of this contract shall be for one (1) year firm and four (4) one (1) year option periods following delivery of the first ship on 1 October 2005, provided however,

i) That this period may be extended in accordance with Clause I-3, FAR clause 52.217-9, Option to Extend the Term of the Contract, or Clause I-2, FAR clause 52.217-8, Option to Extend Services.

ii) That any voyage in progress on the date of contract expiration shall be completed by the contractor;

iii) That the performance of Phase-Out services may be required beyond the scheduled termination date as stated in Clause I-1.1, FAR clause 52.237-3, Continuity of Services;

iv) That this period may be shortened through the effect of the provisions of C-1.8.3. The period of time required for performance of the joint inventory at the termination of the contract shall also be deemed to be within the contract performance period. If a vessel has a voyage in progress on the date of contract expiration, the applicable per diem rate for that vessel for the period beyond the expiration date shall be the per diem rate that is in effect on the last day of the contract; and,

v) Effective October 1, 2007, administration of this contract is transferred entirely to the U.S. Maritime Administration from the Department of the Navy, Military Sealift Command.

F.1.2. The Government reserves the right to change the composition of a Ship Group by adding or substituting ships between or within groups or by removing vessels from active RRF status subject to equitable adjustment. The contractor retains the right to accept or reject the addition or substitution of ships to the contract.

F.1.2.1. Additional or Substitute Vessels. If the contractor chooses to accept the additional or substitute vessels, the CO may request, and the contractor shall furnish, a cost proposal detailing the cost and schedule impacts (if any) of the changes and a request for equitable adjustment, should costs increase or decrease. A supplemental agreement to this contract shall be executed to incorporate any changes to the number and names of vessels managed by the Contractor, and to incorporate any resultant changes to the contract price. Acceptance of additional or substitute vessels by the contractor shall confirm the contractor's acceptance that all terms and conditions of this contract apply to the added vessel(s).

F.1.2.2. If the contractor elects to not accept substitute vessels, the Government reserves the right to terminate the contract.

F-2 PLACE AND DATE OF DELIVERY

(a) The eight (8) FSS vessels are currently under operation by one contractor. The Government shall deliver the eight (8) to the Contractor at an agreed upon site, which could be a present layberth or load-out port on the U. S. East or Gulf Coasts. The turnover/phase-in period is not-to-exceed ten calendar days per ship. No variation of delivery dates or delivery points shall affect the Contractor's duty to accept delivery of the ship for operation under this contract, nor shall any such variation be a basis for any adjustment to the Contract price. The Government shall provide actual layberths and scheduled dates of delivery of each ship by giving written notice to the Contractor not less than fifteen (15) days in advance of such anticipated delivery.

(b) Projected delivery dates and layberth sites of delivery, October 1, 2005:

SHIP	PROJECTED DELIVERY DATE	PROJECTED LAYBERTH
USNS ALGOL	TBD	Violet, LA
USNS ALTAIR	TBD	Marrero, LA

USNS ANTARES	TBD	Jacksonville, FL
USNS BELLATRIX	TBD	Marrero, LA
USNS CAPELLA	TBD	Jacksonville, FL
USNS DENEBOLA	TBD	Norfolk, VA
USNS POLLUX	TBD	Violet, LA
USNS REGULUS	TBD	Norfolk, VA

See TE-4 for current locations and readiness factors.

F-3 REDUCED OPERATIONAL STATUS (ROS) (MSC 5252.212-9801) (AUG 1990) ALTERNATE I (AUG 1990).

(a) At any time the Government may, at its option and upon notice to the Contractor in accordance with the provisions of subparagraph (d) below, place the vessel in Reduced Operational Status (ROS) for any duration.

(b) During such ROS periods, the Phase M rate contained in Section B will apply. In addition, the Government shall reimburse the Contractor for reasonable items contained in Attachment J-9 REIMBURSABLES.

(c) The Contractor shall exercise prudent judgment to minimize all such reimbursable expenses and shall request the Contracting Officer's prior approval of any action incurring such costs. Phase O per diem includes the Contractor's direct costs of his shoreside staff including travel. FOS crews are a reimbursable (see Attachment J-9)

(d).When MARAD is requested to activate a FSS to Phase O/FOS, MARAD shall give the Contractor telephone notice followed by an e-mail from the ACO confirming the change in per diem.

(e) Unless ordered otherwise, ships shall remain in a Reduced Operating Status. The Contractor shall maintain the ships during ROS in a degree of readiness which will enable the Contractor to achieve a transition from ROS to FOS in a period of time not to exceed 120 hours (5 days). Terminology covering this status is ROS-5.

F-4 Reserved.

F-5 Reserved.

F-6 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2) (FEB 1998)

http://www.acqnet.gov/far/

http://www.acq.osd.mil/dpap/dfars/index.htm

http://www.arnet.gov/far/

FAR Clause	Title
52.242-15	Stop Work Order (AUG 1989)

F.7 MINIMUM WORKING CAPITAL REQUIREMENTS

F.7.1 Irrevocable Line of Credit. The Contractor shall maintain an irrevocable line of credit of at least $250,000 per ship with a federally insured bank or financial institution. The form and substance of this line of credit shall:

a. be dedicated solely for the purpose of vessel activations under the Contractor contract;

b. remain in effect throughout the life of this contract, without change or alteration, without prior approval of the MARAD ACO;

c. as part of the provisions of this irrevocable line of credit, the bank or financial institution providing same shall notify the MARAD Office of Financial Approvals of any changes in the outstanding amount, form or substance of the line of credit. This may be accomplished by the bank providing copies of any statements, which are provided to the Contractor;

d. the bank or financial institution must be federally insured; and

e. the terms of all proposed irrevocable lines of credit should first be determined acceptable by the MARAD Office of Financial Approvals and Marine Insurance. The Contractor shall notify the ACO if there is any change in the status of their $250,000 line of credit per ship.

Alternative. Where a firm has sufficient financial resources to meet the $250,000 per ship financial requirements, and wishes to rely on those resources instead of obtaining a line of credit, MARAD will consider this alternative financing. To receive MARAD approval for this alternative, a firm must submit, with their proposal, a current audited financial statement of the firm or thhe parent, as appropriate, for MARAD's approval. In addition, firms receiving awards shall submit to the PCO, for MARAD's approval, an annual audited financial statement each year of the contract.

F.8 PLACE AND METHOD OF DELIVERY OF CONTRACT LINE ITEMS BY THE CONTRACTOR

F.8.1. Delivery of services and supplies shall be made F.O.B. Destination as defined in FAR 52.247-34.

F.8.2. All documentation and data required by OPCON during Phase O shall be delivered to the COMSC and a copy shall be sent to the cognizant MARAD COTR. If Phase O is under MARAD OPCON, not MSC, send reports to the appropriate MARAD COTR only.

F.8.3. Except where otherwise directed in the contract, all documentation and data, (other than (b) above), shall be delivered to the MARAD ACO, who shall be designated in Section G of the contract.

F.8.4. Deliverables, are the services and data required by this contract, and are listed separately in Attachment J-4.

e. The following addresses shall be used as the delivery locations for the items required in the contract.

MARAD ACO ("ACO") = Administrative Contracting Officer as named in block 16 of the SF-30.

MARAD COTR ("COTR") = Contracting Officer's Technical Representative as named in the contract award.

PCO = Procuring Contracting Officer as indicated in block #20 of the SF-26 or otherwise delegated

Maritime Administration
Office of Accounting (MAR-252)
W28-201 MD#5
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration
Office of Acquisition (MAR-380)
Ship Manager Program Team Leader
W28-201 MD#5
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration
Office of Financial Approvals and Marine Insurance (MAR-710)
W23-453 MD#2
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration
Director, Office of Ship Operations
(MAR-610, MAR- 600, MAR-610.3)
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration

Division of Maintenance and Repair (MAR-611)
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration
Division of Sealift Operations (MAR-612)
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Maritime Administration
Division of Logistics Support (MAR-614)
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001

MSC Commander, Military Sealift Command
Code PM5 Washington Navy Yard
Washington, DC 20390-5100

Maritime Administration
Division of Atlantic Operations (MAR-615)
7737 Hampton Boulevard
BLDG. 4D, Rm. 211
Norfolk, Virginia 23505
TEL: 757-441-6393
FAX: 757-441-0812

Maritime Administration
Division of Gulf Operations (MAR-616)
Hale Boggs Federal Building
501 Magazine Street, Suite 1223
New Orleans, LA 70130-3394
TEL: 504-589-6565
FAX: 504-589-6593

Maritime Administration
Division of Pacific Operations (MAR-617)
201 Mission Street, Room 1800
San Francisco, CA 94105-1905
TEL: 415-744-2562
FAX: 415-744-2591

F.9 CONDITION OF SHIPS AT TIME OF CONTRACT AWARD

F.9.1. The ships shall be, insofar as due diligence can make them so, seaworthy, tight, staunch and in every way suitable and adequately fitted, with all gear approved by regulatory bodies, and in all respects ready to receive and transport lawful cargo. Prior to transfer of contract administration to MARAD, the ship shall be in class according to ABS and USCG Standards. Upon transfer of contract administration to MARAD, the ship(s) shall be surveyed and inventory validated by the Contractor in accordance with TE-5 and witnessed by the Government to determine their condition and the type and amount of GFP onboard.

F.9.2. The ship(s) may have some outstanding ABS or USCG requirements and known deficiencies at the time of transfer of contract administration to MARAD. The COTR (via the ACO) will provide the Contractor with a list of such deficiencies. Correction of such deficiencies will be reimbursable at MARAD's direction.

F.10 REDELIVERY OF SHIPS

F.10.1. The ships shall be redelivered to the Government in the same good order and condition, including any enhancements or improvements, as when delivered hereunder except for ordinary wear and tear, other documented legitimate usage and ordinary depreciation, at a port designated by the Government.

F.10.2. In accordance with Section C, the ships shall be surveyed and inventoried by the Contractor and verified by the Government to determine their condition and the type of GFP on board, at no additional cost to the Government. Unless an exception is authorized by the ACO in writing, the Contractor shall be required to return all the Government furnished outfitting, tackle, apparel, supplies, stores, equipment and furnishing or shall be required to replace or reimburse the Government for such items in kind, reasonable wear and tear excepted in accordance with the clause in Section I, Government Property, FAR 52.245-2.

F.10.3c. A ship shall be deemed redelivered for the purpose of the contract (i) at such time when the Government accepts physical custody of the ship from the Contractor; or (ii) if lost, at noon of the day when last heard from; or (iii) from the time and when the ship is declared a Constructive Total Loss by the ACO.

F.10.4. In the event the contract period expires or the Government provides notice of its intent to cancel or terminate this contract in whole or in part as provided in any provision of this contract, the Contractor shall continue to perform and shall exercise due diligence to preserve the ship and all equipment until redelivery to the Government, and shall cooperate fully in the transfer of functions, possessions, and control of the ship to either the Government or the subsequent ship operator.

F.10.5. The Contractor shall cooperate in the transfer of all records, logs or other materials pertaining to the navigation and operation of the ship either to the Government or the subsequent ship operator. The spare parts, outfitting, technical information, maintenance manuals, drawings and other supplies and materials in the Contractor's possession which have been produced or acquired for the performance of this contract shall be provided to the Government or the subsequent ship operator.

F.11 REPAIR PERIODS DURING OPERATIONS

F.11.1. During Phase O, the Contractor may, at the Government's option, be placed in a repair period to undergo reimbursable repairs or alterations.

F.11.2. During such repair periods, the Government shall determine the number of crew members to be retained onboard for the repair period.

F.11.3. The Contractor shall arrange for changes in wages, to correspond to ROS status, if directed by MARAD, and for crew transportation. (In Phase O crew wages and transportation are reimbursable-see Attachment J-9.)

F.12 SUPERVISION

The Contractor shall provide at all times, the quantity and quality of supervision necessary for the effective and efficient management of the operation. All supervisors shall have an intimate knowledge of the various tasks, equipment and materials required, to be able to properly train and direct the workers in their individual tasks and to maintain and control an effective operation.

F.13 ENGLISH LANGUAGE REQUIREMENT OF ON-SITE SUPERINTENDENT

The Contractor's on-site personnel must be able to speak, read and write English for ease of communication with Government personnel.

F.14 STANDARDS OF EMPLOYEE CONDUCT

The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct and integrity, and shall be responsible for taking necessary disciplinary action with respect to its employees.

F.15 EMPLOYEE REMOVAL

If the government has any reason to be dissatisfied with the performance and conduct of any person employed by the Contractor, the Contractor shall, upon receiving particulars of the complaints, investigate the matter and take immediate corrective action, to include removal from all MARAD activities, when directed by the ACO. The Contractor shall immediately notify the ACO of any corrective actions taken.

SECTION G -- CONTRACT ADMINISTRATION DATA

G.1

Government forms may be obtained from the following:
http://www.gsa.gov/Portal/gsa/ep/formslibrary.do

TYPE OF CONTRACT

a. This is a Firm-Fixed-Price (FFP) service contract with cost reimbursable items and priced options subject to Economic Price Adjustment (EPA), Service Contract Act (SCA), and Fair Labor Standard Act (FLSA).

b. All items listed in Section B shall be Firm-Fixed-Priced except for those items identified as reimbursable items and identified options. (see also Attachment J-9, Reimbursables)

G-1 DESIGNATION OF PROCURING CONTRACTING OFFICER

Effective 22 Sept 08, the Procuring Contracting Officer (PCO) for this contract is:

Mr. Milton G. Spears
Division of Atlantic Operations (MAR-615)
7737 Hampton Boulevard
BLDG. 4D, Rm. 211
Norfolk, Virginia 23505
TEL: 757-441-6393
FAX: 757-441-0812
e-mail: Glen.Spears@dot.gov

b. MARAD personnel responsible for informing Contractors of alert notifications and providing activation authorization are:

MARAD HEADQUARTERS
Mr. William Cahill
Director, Office of Ship Operations
(MAR-610)
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001
Phone: 202-366- 1875
FAX for HQ: 202-366-3954

Mr. Kevin Tokarski
(MAR-600)
W-25-330 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001
Phone: 2020-366-2629
Cell phone: 202-366-8187

Mr. Paul Gilmour
Chief, Maintenance and Repair
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001
Phone: 202-366-8974

Mr. Gene Magee
Chief, Division of Sealift Operations
Phone: 202-366-5073
Cell: 202-309-0392
Mr. Mike Franklin
Phone: 202-366-2628
W-25-209/212 MD#1
1200 New Jersey Ave., SE
Washington, DC 20590-00001

Division of Atlantic Operations
Mr. Jeffrey McMahon
Mr. Norwood Bailey
Mr. Art Fritz
Mr. Fred Hoffman
Phone: 757-441-6393
FAX: 757-441-0812

Mr. William Ingram
MAR-615.31
Phone: 757-441-6393/3715

Mr. Vince Canepa
MAR-615.32
Phone: 757-441-6393/3258

Division of Gulf Operations
Mr. Deepack Varshney
Mr. Robert Babin
Mr. Billy Greer
Phone: 504-589-6565
FAX: 504-589-6593

Division of Pacific Operations
Mr. Hank Ryan
Mr. Charles "Chuck" Johnston
Mr. Simon Tao
Phone: 415-744-2562
FAX: 415-744-2576

c. Authorities

(1) Director/Deputy Director of Acquisition (MAR-380) appoints the PCO.

(2) The PCO retains the authority to solicit, award and modify the basic terms and conditions of the contract. The PCO shall delegate, in writing, specific authorities to the ACO.

(3) Chief of Contracting Office (COCO) is delegated the authority to appoint qualified ACOs and may perform all the duties of ACO.

(4) ACO has the authority to appoint COTRs and ACOTRs.

G-2 CONTRACTING OFFICER'S REPRESENTATIVE (MARAD COTR)

(a) Definition. "Contracting Officer's Technical Representative" means an individual assigned in accordance with the Federal Acquisition Regulation (FAR) and authorized in writing by the Contracting Officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a Contracting Officer's Technical Representative (MARAD COTR), the Contractor will receive a copy of the written designation. It will specify the extent of the MARAD COTR's authority to act on behalf of the Contracting Officer. The MARAD COTR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

G-3 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (MARAD COTR)

(a) Upon contract award, the Contracting Officer's Technical Representative (MARAD COTR) will be named in writing. As such, this individual will be responsible for monitoring the performance of the Contractor and the adherence to the requirements of the contract as defined in Section C.

(b) The COTR may request the appointment of Assistant Contracting Officer Technical Representatives (ACOTRs) by the ACO. Such written requests shall be made to the respective ACOs, or in the case of headquarters personnel, to the PCO. ACOTRs shall be appointed in writing by the PCO/ACO, and a copy of this appointment letter provided to each affected Contractor. The appointment letter shall specify the name, inclusive dates, and specific limits to the authority of that person appointed.

(c) The COTR is responsible for monitoring the assigned technical aspects of the contract and acts as the technical liaison with the Contractor. The COTR is also responsible for the final inspection and acceptance of all reports, and such other responsibilities as specified in their assignment letter. In the event of emergency situations, which threaten the safety of life, limb or property, the Contractor shall immediately take all necessary actions, to include expenditure of such funds as may be necessary to preclude such dangers. The Contractor shall notify the MARAD ACO and COTR of any such emergency expenditure as soon as possible. A proper TO will be issued at the earliest opportunity practicable.

(d) In no event, however, shall any understanding or agreement, modification, change order, or other matter deviating from the terms of the contract be authorized by the MARAD COTR, or any other Government personnel, unless formalized by the proper documents executed by the Contracting Officer.

(e) The PCO/ACO cannot authorize the COTR, or any other representative, to sign documents (i.e. contracts, contract modifications, etc.) that require the signature of a CO.

(f) When in the opinion of the Contractor, the MARAD COTR or any other Government personnel requests effort outside the existing scope of the contract, the Contractor will promptly notify the ACO or COCO immediately.. No action will be taken by the Contractor under such technical instruction unless the Contracting Officer authorizes the change.

(g) The COTR may be changed by the Government at any time, and notification of the change shall be provided in writing to the contractor by the ACO or PCO for headquarters personnel.

(h) The PCO will designate the Chief, Division of Ship Maintenance and Repair as a HQ COTR on all contracts. Contractors shall attempt to reach MARAD Area Division COTR/ACOTRs BEFORE contacting MAR-611.

G.4 TASK ORDERS - REIMBURSABLE

G.4.1. General

G.4.1.1. Any reimbursable supplies and services to be furnished by the Contractor under this contract shall be authorized by issuance of TOs.

G.4.1.2. All TOs are subject to the terms and conditions of this contract. In the event of conflict between a TO and this contract, the contract shall have precedence.

G.4.2. Issuance

G.4.2.1. The scope of TOs may vary greatly. The Contractor shall not commence work until they receive a TO executed by an authorized MARAD CO.

G.4.2.2. Prior to issuance of a TO, the Contractor shall submit a written specification, cost estimate and time estimate, for completion of the required work. The specification will be reviewed, approved or modified by MARAD prior to issuance of a TO. At a minimum, the cost estimate shall include the labor and material costs for each work item. (See PWS in Section C)

G.4.2.3. A TO is considered issued when posted electronically and notification is sent to the Contractor.

G.4.3. Acceptance of the Task Order

G.4.3.1. Implied Acceptance. Acceptance of the TO by the Contractor shall be implied if, after three (3) working days of receipt, the Contractor has not notified the ACO, either orally or in writing, of problems and/or disagreements with the TO.

G.4.3.2. After the commencement of performance under the TO, the Contractor shall notify the COTR in writing of the need for required revisions, or to request additional funds.

Task orders for Activations
(1) MAR-380 will set aside a block of Task Order Numbers in IDEAS-PD. Each ship will be assigned a specific Task order number which can be used for activation only.
(2) These specific-vessel numbers will be provided to the Contractor so that it may use them as part of the business plan.
(3) Upon activation notice, the Contracting Officer will provide verbal direction to the Contractor, within the parameters set by the FAR; that is, the CO will provide a Not To Exceed amount, definitization schedule, and estimated period of performance and a short description.
(4) The Contractor may then use the activation Task Order number to issue purchase orders, and invoice MARAD.
(5) The actual Task Order will be issued within three working days of the receipt of funding.

G-5 EXPENDITURE AND TRACKING OF REIMBURSABLE FUNDS

Upon receipt of the executed TO, the Contractor may proceed in accordance with procedures in Attachment J-2.

It is the Contractor's responsibility to track all funds expended under reimbursable TOs. The SM shall develop a system, which tracks funds obligated and funds available on each TO. Funds shall be further tracked to show the status of purchase order(s) (PO) issued, funds obligated and expended, and PO closed out. The system shall further track the PO to the deficiency(ies) covered by the TO. At times, a PO may cover several deficiency(ies). Alternatively, a deficiency(ies) DSN may require the use of several POs. The tracking system must be able to accommodate such possibilities. MARAD may request a copy of the tracking document on an "as needed" basis, or as often as monthly.

G-6 PURCHASING RESTRICTIONS

Interested or Related Company. Agreements or arrangements with any interested company to render any reimbursable service or to furnish any reimbursable stores, supplies, equipment, materials, repairs or facilities hereunder, shall be submitted to the ACO for approval. Unless and until such agreements or arrangements have been approved, compensation paid to any interested or related company shall be subject to review and readjustment by the ACO, who may deny payments, in whole or in part, if such compensation is deemed to be inappropriate or unreasonable.

The term "interested company" shall mean any person, firm, or corporation in whom the Contractor or related company of the Contractor, may own any substantial financial interest therein, either directly or indirectly.

An "interested company" shall also exist when any substantial financial interest in the company (either directly or indirectly) rests with:

1) immediate family members of the Contractor
2) any employee of the Contractor who is charged with executive or supervisory duties or
3) any member of the immediate family of any such officer, director, employee or
4) any officer or director of any related company of the Contractor or
5) any member of the immediate family of any officer or director of any related company of the Contractor.

The term "related Company" as used to indicate a relationship with the Contractor for the purpose of this Article only, shall include any person or concern that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with the Contractor. The term "control" (including the term "controlled by" or "under common control with") as used herein, means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Contractor (or related company) whether through ownership or control of voting securities, by contract or otherwise.

G-7 Reserved.

G-8 POST AWARD CONFERENCE (DFARS 252.242-7000) (DEC 1991)

The Contractor agrees to attend any post award conference convened by the contracting activity or contract administration office in accordance with Federal Acquisition Regulation Subpart 42.5.

G.9 TYPES OF INVOICES

G.9.1. All invoices shall be submitted for one of the following two (2) categories:
(a) Fixed Price CLIN.
(b) Reimbursable CLIN.

G.9.2. General. The Contractor shall submit invoices in accordance with Office of Management and Budget (OMB) Circular A-125, Prompt Payment, and FAR 52.232-25, Prompt Payment (Oct 2003), as described herein. All invoices shall be submitted electronically via the MARAD DOT Electronic Invoice Systems (EIS), at https://www.marad.dot.gov/EIS/.

G.9.3 Contractor shall submit invoices in accordance with instructions contained on the EIS website.

G.10 METHOD OF PAYMENTS

G.10.1. The Contractor shall forward the information required below, not later than fourteen (14) days after receipt of the notice of award. It is the Contractor's responsibility to furnish changes promptly to avoid payments to erroneous addresses or bank accounts. COTR or contracting officer will provide proper address.

G.10.2. Electronic Funds Transfer Payment Methods

G.10.2.1. Payments under this contract will be made by the Government either by check or electronic funds transfer (EFT) (through the Automated Clearing House (ACH)), at the option of the Government. Submit a completed SF 3881 (Attachment J-11) to the address above in (a). The SF 3881 designates a financial institution for receipt of EFT payments. See the clause in Section I, FAR 52.232-33, Payment by Electronic Funds Transfer - Central Contractor Registration (Oct 2003).

G.10.2.2 Consumer Price Index (CPI) for Escalation During Contract Performance.
G.10.2.2.1. In order to calculate inflation for contract option years, Contractor will utilize the CPI Inflation calculator at http://www.bls.gov/cpi/#tables.

G.10.2.2.2. The CPI inflation calculator uses the average CPI for a given calendar year. This data represents changes in prices of all goods and services purchased for consumption by urban households.

G.10.2.2.3. Contractors shall use the fixed price per diem rate from the previous contract year, minus crew wages, and utilizing the CPI Inflation Calculator, shall compute the adjustment for the next contract year. The contractor shall submit its CPI adjustment request in writing to the contracting officer within thirty (30) days of the start of the new option year.

G.11 MEDICAL INVOICE REVIEW SERVICES

Medical Invoice Review services shall be obtained by the Contractor from competent commercial sources. Contractors shall obtain the use of a third party to assist with reviewing and validating costs submitted on medical invoices. A copy of the service agreement shall be provided to the ACO within sixty (60) days of contract award. Contractors shall obtain a medical invoice review service, which operates on a percentage of savings basis. If it is impossible to obtain a percentage payment service, then the cost of this service is reimbursable.

G.12 TRAVEL REQUIREMENTS

G.12.1. Reimbursable travel performed by the Contractor, subcontractors and crew, in direct performance of this contract will be reimbursed on an actual, and allowable basis. Travel costs for subsistence and lodging shall not exceed the Federal Travel Regulations (FTR) at http://www.gsa.gov/, except as stated in FAR 31.205-46.

G.12.1.1. Vouchers are required when submitting travel claims.

G.12.1.2. Crew members may submit claims without itemized receipts for subsistence and lodging at the current rate set in labor agreements, if less than the FTR rate.

G.12.1.3. The Contractor shall use only coach or economy airfares while performing travel under this contract, unless otherwise authorized by the ACO. For travel performed on a cost reimbursable basis all cost documentation must accompany invoices for reimbursement except as identified above.

G.12.1.4. The Federal Travel directory will be used to verify current maximum allowable subsistence and lodging rates.

G.12.1.5. Requests for travel reimbursement shall be clearly identified and submitted on a SF 1012, Travel Voucher (Attachment J-18) or other form acceptable to the ACO. Requests for reimbursement of travel expenses, including supporting documentation thereof, shall not include commingled reimbursable and fixed price travel cost data.

SECTION H -- SPECIAL CONTRACT REQUIREMENTS

H.1

H.1 UNUSUAL EMERGENCY, NATURAL DISASTER, CONTINGENCY, MOBILIZATION AND/OR WAR

(a) The Contractor, his employees and/or agents agree to obey the lawful orders emanating from the Secretary of the Transportation, the Secretary of the Navy, Secretary of Defense, the U.S. Maritime Administrator, and/or President of the United States in all cases relating to unusual emergency, natural disaster, contingency, mobilization and/or war.

(b) The Government will reimburse the Contractor for its actual out-of-pocket expenses including all taxes with respect thereto for which the Contractor is responsible by reason of compliance with the legal orders of duly authorized agents of the Government for (i) any war risk bonuses, extra wages based on the areas to be traversed during, or the ports of call of, any voyage hereunder: (ii) any required payments to the officers or crew of the ship necessarily incurred by reason of orders or direction of the Government which require the Contractor to breach existing Articles of the crew or contracts with the officers; provided such Articles and contracts comply with the instructions of the Government. However, any war risk bonuses and/or extra wages based on the areas to be traversed or the ports of call of any voyage hereunder shall be paid in an amount not to exceed what would be payable under applicable laws and regulations to civilian mariners, in the employ of Military Sealift Command for service on a RRF-like vessel on a similar voyage.

H.2 RESERVED.

H.3 RESERVED.

H.4 EXCLUSION OF GENERAL AVERAGE

Neither the Contractor nor the Government shall claim for, or contribute in, General Average under this contract.

H.5 CLAIMS AND LITIGATION

The Contractor shall continue to process claims under its Protection and Indemnity Insurance where the cause of action occurs before 01 Oct 2008. (See H.5.1. below) Beginning 01 Oct 2007 the contractor shall provide MARAD a copy of any injury report from Oct 1, 2007 through Sep 30, 2008. Send reports to the ACO, COTR, MAR-782 (J. Myers) and MAR-610.3 (J. Barile). After 30 Sep 2008, the procedures in H.5.2 and H.5.5 shall apply. The Contractor owes the United States Government (MSC, MARAD, and DOJ) a duty of cooperation.

H.5.1. PROTECTION AND INDEMNITY (P&I) INSURANCE (THROUGH 30 SEPTEMBER 2008)

(a) During the period commencing with the delivery and terminating with the redelivery of each Vessel or September 30, 2008, whichever is earlier, the Contractor shall secure Protection and Indemnity (P&I) marine insurance coverage (including full four-fourths (4/4s) collision liability and pollution liability coverage), P&I War Risks, and Second Seamen's War Risk coverage on each vessel. The insurance shall cover all liabilities (other than liability for loss of or damage to Government cargo carried onboard the vessel, U.S. military and civilian employees of the Government) in an amount equal to the applicable P&I limit for the insurance provider (but in no event less than $100,000,000 per vessel per incident), and shall cover all liabilities for pollution from oil and hazardous substances in an amount equal to the applicable insurance provider limit (but in no event less than $1,000,000,000 per vessel per incident). War Risk Second Seamen's coverage shall be at least equal to coverage provided under the U. S. Department of Transportation, Maritime Administration Second Seamen's War Risk Policy (1955 Standard Form) including coverage of $200,000 per crewmember for loss of life. The Contractor's obligation to the United States to obtain Second Seamen's coverage shall not confer any third-party beneficial interest to crewmembers and is not a personal entitlement. Because these vessels are Government-owned and are not covered by a Hull & Machinery (H&M) policy, the Contractor is required to secure War Risk P&I coverage for the agreed or proper vessel value (normally covered by a H&M policy). To the extent that the insurance provider requires the Contractor to provide the notional value of the vessel, the value of each vessel subject to this contract is $30,000,000.

(b) All polices required by this section shall provide at least fourteen days prior written notice of cancellation for any reason including, but not limited to, nonpayment of premiums, commissions, club calls, advances or assessments shall be given to the Maritime

Administration, Division of Marine Insurance, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. The insurance provider shall give written notice at least fourteen days in advance in the event the war risk portion of the insurance is cancelled.

(c) Except as provided herein, the Contractor shall be responsible for the cost of such insurance, including deductibles, premiums, additional premiums, calls, commissions, advancements, assessments, and overspill claims where applicable.

(d) The Contractor must submit evidence of insurance to the Government that meets the requirements as set forth in this clause prior to contract award. The Contractor shall also provide copies of the insurance policies or certificate of entry, which ever is applicable upon renewal.

(e) The evidence of insurance MUST name the United States as an Assured under the insurance policies, and indicate the risks insured (including full four-fourths (4/4s) running down clause-collision liability coverage and fixed or floating objects coverage). The cover note must state the amount of coverage, insurance deductibles (if any), and exclusions (if any) for basic P&I, pollution coverage, War Risk, and Second Seamen's War Risk coverage.

(f) The evidence of insurance must also contain the following statement from the insurance provider: "The terms or conditions of insurance contained in this document shall govern and shall be controlling in the event that there are any inconsistent terms or conditions in the applicable insurance provider rules or insurance policy. Underwriters agree to waive any rights of subrogation against the United States in all cases, regardless of cause. The United States shall not be liable for (and there shall be no recourse against the United States for) deductibles, premiums, additional premiums, calls, commissions, advancements, assessments, or overspill claims. It is understood that the vessel(s) does not have Hull & Machinery insurance. It is understood that any disputes between the insurer and the United States will be governed by U.S. law, and will be adjudicated in a U.S. Federal Court. The United States has not consented to the arbitration (either domestic or foreign) of any disputes. It is understood that the insurer is not granted a lien on the covered vessel(s) under any circumstances."

(g) Upon commencement of contract performance, the Contractor shall provide the Contracting Officer with a current copy of all insurance cover notes, policies and binders, a current copy of the P&I Club rulebook if using a P&I Club or the equivalent from a fixed-premium provider, and such other documentation covering the vessel(s) as is necessary to establish that the required insurance coverage is in full force and effect. The Contractor shall provide the Contracting Officer with a timely copy of any revised or reissued cover notes, policies, or binders. Each year, the Contractor shall also provide the Contracting Officer with a copy of the annual P&I Club rulebook or the equivalent from a fixed-premium provider.

(h) The Government shall retain such risks of property loss or damage to the vessel(s) and associated fixtures, as would be covered by the latest American Institute Hull Clauses." The Government shall also retain the risk of property loss or damage to any Government cargo loaded on the vessel(s). The Contractor shall notify the Contracting Officer of all incidents within the scope of such coverage by the most expeditious means within six hours of the discovery of the incident, and shall provide amplifying information when required. The Contractor shall submit claims for reimbursement for repairs and other expenses, pursuant to the Government's undertakings, to the Contracting Officer in accordance with applicable billing instructions. Mark any such claim as an "Insurance Claim."

(i) As operators of public vessels of the United States, the Contractor may become involved in litigation maintainable against the United States under the Public Vessels Act, 46 U.S.C. App. §§ 781-790. Section 782 of the Act incorporates the "not inconsistent" provisions of the Suits in Admiralty Act, 46 App. U.S.C. §§ 741-752. It is understood that under this contract, and by law (28 U.S.C. §§ 501-530), the Attorney General of the United States and designated U.S. Department of Justice Attorneys have ultimate control over any resulting litigation on behalf of the United States.

(j) The Contractor shall not terminate the insurance without the Contracting Officer's prior written approval and shall promptly notify the Contracting Officer of any pending change or potential cancellation of the insurance.

(k) WAR RISK. Operating limits of the vessel shall be worldwide. THE CONTRACTOR SHALL IMMEDIATELY NOTIFY THE GOVERNMENT (i) whenever any sailing orders will result in the vessel(s) being sent beyond the limits of the American Institute Trade Warranties or of War Risk Trading Warranties of applicable policies; (ii) if there are any changes to the War Risk Trading Warranties of applicable policies (including changes to the exclusion zones) or changes to War Risk premiums, charges, or deductibles; or (iii) whenever additional premium charges or costs will be incurred as a direct result of compliance with any sailing orders issued by the Government under this contract. The contractor shall ensure that the insurers provide it relevant information in a timely manner. If the Contractor has given this required notice to the Government, the Government will reimburse the Contractor for the increase in costs (if any) of insurance premiums, charges, or deductibles which arise from the vessel(s) sailing beyond the applicable Trading Warranties (including changes to the war risk exclusion zones) when entry into any exclusion zone under such

insurance has been approved in advance by the Government. The issuance of sailing orders, by itself, does not constitute approval in advance by the Government. The Government may give the Contractor notice and instructions concerning suspension of commercial War Risk insurance coverage and substitution of Government indemnity or Government War Risk insurance as detailed in the clause entitled Government War Risk Insurance/Indemnity .

(l) The Government shall have the right to require the Contractor to secure additional marine insurance to cover different types of risks and / or increases in the amount of P&I coverage. In such event, the Contractor shall exercise its best efforts to obtain such additional insurance coverage at reasonable rates and in any event, the Contracting Officer's approval is required prior to final placement of the insurance. The cost of such additional risk coverage shall be for the Government's account.

(m) The attention of the Contractor is called to those portions of the Performance Work Statement, which require the use, training, transportation, and storage of firearms and explosives."

H.5.2 CESSATION OF INSURANCE COVERAGE - 01 OCTOBER 2008

Effective 01 October 2008, after the FSS vessels are transferred to the Ready Reserve Force under the jurisdiction of the Secretary of Transportation, the requirement in H.5.1 for P&I Insurance shall cease. The following applies in lieu of P&I insurance:

(a) The Contractor is considered the agent of the United States within the meaning of the Suits in Admiralty Act (SIAA), the Public Vessels Act, and the Admiralty Extension Act for all third party tort actions in admiralty cognizable under the Jones Act, General Maritime Law, or the Clarification Act, inclusive of claims for maintenance and cure. Such actions include, but are not limited to, claims for death or injury to crew members or invitees, claims for maintenance and cure, claims for illness to crew members, and claims for property damage to third parties.

(b) The above actions must be brought exclusively against the United States. See the Suits in Admiralty Act (SIAA), 46 U.S.C. §741, et seq., which makes the United States the exclusive defendant for all admiralty cases relating to the activities of its agents. The United States will defend the Contractor in these actions. Such defense will usually be provided through the United States Department of Justice. By entering into this contract, the Contractor hereby agrees to accept the representation of the United States in such legal proceedings. The United States will have the sole discretion to determine whether to settle such suits and the United States will control the conduct of the litigation. The Contractor may, at its own expense, retain legal counsel to work with the United States in defending any claim or suit.

(c) Except as set forth in Section H.5.5., Indemnification, the United States bears the sole financial risk for all actions covered by this Section H.5.2., for which the RRF vessel, the United States, or the Contractor is liable provided the liability arose out of the Contractor's performance of this contract and the Contractor was acting within the scope of this contract.

(d) The Contractor is not an agent of the United States under the Contract Disputes Act and nothing contained herein shall be deemed to extend to the Contractor the status of "agent of the United States" under any laws relating to contracts. (see Section H.5.3.) Neither is the Contractor an agent of the United States for non-admiralty actions, including, but not limited to, employer/employee disputes. (see Section H.5.4.)

H.5.3 SUBCONTRACTOR CONTRACT CLAIMS AND DISPUTES

(a) When the Contractor acquires products or services as a prime contractor from a subcontractor under the procedures set forth in Attachment J-2, the Contractor is not an agent of the United States. Under the Contract Disputes Act the subcontractor has no direct right to sue the United States or the Maritime Administration for claims and disputes arising under its contract with the Contractor since there is no privity of contract between such subcontractor and the Maritime Administration. Therefore, any contract disputes, claims or litigation between the Contractor and its subcontractor(s) shall be the responsibility of the Contractor consistent with Attachment J-2.

(b) The Contractor shall comply with the provisions in Attachment J-2 to ensure subcontractors and their agents and employees are properly notified that the vessel is a public vessel NOT subject to maritime liens. (Attachment J-20)

(c) This provision applies throughout contract performance.

H.5.4 THIRD PARTY ACTIONS NOT IN ADMIRALTY

(a) All liability for third party actions which do not lie in admiralty shall be the sole responsibility of the Contractor, not the United States, its agents, servants, and employees, nor the vessels owned by the United States. Such liability includes, but is not limited to, all costs of legal representation. Examples of third party actions which do not lie in admiralty include, but are not limited to:

(1) All employer/employee claims or suits brought by the seamen employed by the Contractor or by their union, either via arbitration or in court, i.e.:

i) allegations of discrimination, including sexual harassment. Discrimination claims include, but are not limited to, those claims arising under Title VII of the Civil Rights Act, as amended (42 U.S.C. sections 2000e et seq.), the Age Discrimination in Employment Act, as amended (29 U.S.C. sections 621 et seq.), and the Americans with Disabilities Act, as amended, (42 U.S.C. sections 12117 et seq.); or

ii) employment disputes like disciplinary action undertaken by the Contractor against its employee; or

iii) enforcement of the terms of the CBAs between the Contractor and its unions.

(2) Lawsuits or administrative proceedings brought by federal, state or local authorities alleging the Contractor violated federal, state or local laws or regulations; i.e., OSHA or environmental laws and regulations.

(b) This provision applies throughout contract performance.

H.5.5 INDEMNIFICATION

H.5.5.1. Notwithstanding anything in this contract to the contrary, particularly Section H.5.2., the Contractor agrees to indemnify and hold the United States, MARAD, and its employees and agents harmless from any damages, loss, or injury resulting either directly or indirectly from:

(a) acts of Gross Negligence, Willful Misconduct or Violations of Law or Regulations of the Senior Management of the Contractor; or

(b) acts of Gross Negligence, Willful Misconduct or Violations of Law or Regulations performed by employees, servants, contractors, subcontractors, suppliers or agents of the Contractor and which occurred with the Privity or Knowledge of Senior Management of the Contractor; or

(c) all third party actions covered by Section H.2.4.; or

(d) all maritime liens by third parties where the Contractor or its subcontractors or agents failed to notify a third party as required in Attachment J-2, that the vessel was a public vessel not subject to lien under the Maritime Lien Act; or

(e) damage caused by a subcontractor or its agents or employees during the performance of their work which is reimbursable by insurance, an indemnification clause or other similar provision.

H.5.5.2. Such indemnification shall be provided upon MARAD's request or, if necessary, the United States may bring a legal action, either directly or in a third party action, against the Contractor and/or individuals/subcontractors working for the Contractor, for damages, loss, or injury to the United States.

H.5.5.3. Definitions (for purposes of this section):

(a) Senior Management means those individuals responsible for senior management of the Contractor's organization with respect to major components of any of its operations relating to the NDRF or RRF vessels. Senior Management will include the chief executive officer, president, vice president(s), and head(s) of vessel operations for the Contractor.

(b) Privity or Knowledge means that the relevant individuals had either personal cognizance of the circumstances, which either caused or contributed to the claim or the means to obtain that knowledge of which such person should have availed itself.

(c) Gross Negligence means harm that is willfully inflicted or caused by a wanton disregard of a duty of care.

(d) Third Party means all persons who are not parties to this contract.

(e) Violation of Law or Regulation means instances where civil or criminal liability results from a violation of a law or regulation that falls on the vessel, the United States and/or the Contractor. A Violation of Law or Regulation will not be deemed to occur for purposes of this definition when liability occurs without fault on the part of Contractor.

(f) Willful Misconduct means conduct that is either intentional or committed under circumstances exhibiting a reckless disregard for the safety of others, such as a failure after knowledge of impending danger to exercise ordinary care or a failure to discover the dangers through recklessness or carelessness.

H.5.5.4 This provision applies after September 30, 2008.

H.5.6. NOTICE AND COOPERATION

(a) The Contractor shall provide the Government with immediate notice of any legal action, libel in admiralty, or claim of any nature whatsoever, which may be brought against the Government, the Vessel, the Contractor, or the Contractor's underwriters arising during the performance of and/or as a result of this contract. The Contractor shall also provide the Government with immediate notice of any legal action brought by the Contractor that arises from, or is related to the performance of this contract. Such notice shall include copies of any summons and complaint or of any notice to show cause, notice of motion, or notice of petition which may be brought, made, or filed in any District court of the United States or in any other court purporting to have jurisdiction thereof; and such notice shall be sent by the fastest mail service provided by the United States Postal Service to the below individuals:

Director, Torts Branch - Civil Division
Aviation & Admiralty Office
U.S. Department of Justice
P.O. Box 14271
Washington, D.C. 20044-4271

and:

U.S. Maritime Administration
Office of Chief Counsel
Division of Litigation and General Law
MAR-221 W24-303
1200 New Jersey Avenue SE,
Washington DC 20590-0001

(b) As soon as practicable after the occurrence of any claim or suit, or any loss or damage for which the Contractor believes the United States is at risk under this contract; the Contractor shall immediately furnish the assigned ACO, with a copy to the assigned COTR, detailed written notice of such claim, suit, loss, and/or damage as well as a copy of every demand, notice, summons, complaint, or other process received by the Contractor or its employees or representatives.

(c) The Contractor has a duty to fully cooperate in the defense of any claim or action (whether or not such claim or action is in admiralty) for which the United States bears a financial risk or a responsibility to defend. The Contractor will cooperate with the Government and, upon request, will assist in effecting settlements, securing and giving evidence, technical advice, and obtaining the attendance of witnesses for consultation, depositions, and trials. Such information, advice, evidence and documentation will be given by the Contractor to the United States in the manner and form the United States requires. The Contractor shall also ensure that its underwriters and its attorneys cooperate with Government counsel in maintaining the defense of any such action or application for relief.

H.5.7 CLAIMS AND REPORTS - AFTER TRANSFER TO RRF

H.5.7.1. Claims by crew members which arise after the FSS vessels are transferred to the RRF in 2008 shall be processed in accordance with the provisions listed in Attachment J-3, Supplement A, Seafarer's Personal Injury/Illness Claims.

H.5.7.2. Claims submitted by ROS crew members are subject to the same processing of Attachment J-3. However, since ROS seamen do not sign articles, they are not entitled to unearned wages.

H.5.7.3. Report of Injuries/Illness. The Contractor shall submit quarterly (Oct, Jan, Apr, Jun) reports of injuries/illness via email in addition to the information required in Attachment J-3, Supplement A, Section 5. Submissions for multiple ships or contracts may be combined, and shall be provided to the ACO, COTR, MAR-782(J. Myers) and MAR-610.3 (J. Barile).

H.5.7.4. On an annual basis (prior to the close of the fiscal year) the Contractor shall reconcile TO closeouts and notify the ACO/COTR of any excess funding deobligation on any TO which was issued in connection with Maintenance and Cure. The Contractor shall provide a revised estimate of anticipated obligations for the upcoming fiscal year. The Government will provide new funding with the next fiscal year allotments.

H.5.7.5. Upon reporting that a case is closed, Contractors shall advise the ACO so that TOs with any remaining reserve funding may be liquidated.

H.6 GOVERNMENT WAR RISK INSURANCE/INDEMNITY

(a) General - Upon receipt of notice and instruction from the Contracting Officer, as specified in Section H-5(k), with respect to any area excluded by the War Risk Trading Warranties under the Contractor's commercial War Risk coverage, the Contractor shall, as soon as practicable, contact its insurance brokers or underwriters and arrange for the suspension of its commercial War Risk insurance upon entry of the vessel into, or extension of stay of the vessel in such area(s), as the case may be, subject to resumption upon exiting such area(s). In such instances, the contractor shall accept the Government's indemnity or War Risk insurance, whichever is applicable, in lieu of such commercial War Risk insurance. The Contractor shall ensure that the suspension of its commercial War Risk coverage is coincidentent with the time that any Government indemnity or War Risk insurance becomes effective, and shall likewise ensure that its commercial War Risk insurance is resumed at the time when any Government indemnity or War Risk insurance becomes ineffective. The Contractor shall retain the same risks, such as deductibles (if any), that it has under its commercial insurance.

(b) Government War Risk Insurance - Under the authority of 46 U.S.C. App. § 1285, the United States Maritime Administration (MARAD), at the request of Commander, Military Sealift Command, MAY furnish the following war risk insurance coverage, which will be effective during each vessel's transit under this Contract in areas which are in war risk exclusion zones or otherwise excluded under the Contractor's commercial marine War Risk trading warranties or policy conditions, and which are designated by notice from the Contracting Officer to the Contractor.

(1) War Risk Protection and Indemnity insurance covering all liabilities up to an amount of $100,000,000;

(2) War Risk Second Seaman's coverage, the principal sum of which shall be $200,000.00 per Crew Member for loss of life.

(c) Government Indemnity - Under the authority of Public Law 85-804 (72 Stat. 972, August 28, 1958) and Executive Order 10789, as amended by Executive Order 11610, the Secretary of Defense or the Secretary of the Navy may authorize the Contracting Officer to indemnify the Contractor against loss from risks that would be covered by MARAD war risk coverage as set forth in subparagraph (b) above.

H.7 REMOVAL OF CONTRACTOR'S EMPLOYEES (DFARS 252.247-7006) (DEC 1991)

The Contractor agrees to use only experienced, responsible, and capable people to perform the work. The Contracting Officer may require that the Contractor remove from the job, employees who endanger persons or property, or whose continued employment under this contract is inconsistent with the interest of military security.

H.8 AWARD FEE

(a) An award fee may be dispensed based on Contractor's performance. The total possible award fee is $125,000 per year, per ship, and will reward superior performance for various aspects of contract performance. The award fee will be determined by evaluating: (1) Mission Readiness and Operational Performance, (2) Management and Reporting of Maintenance & Repair Costs and Reporting of other Reimbursable Costs, (3) Logistics Support and Property Management, (4) Personnel Management and (5) Contractor Communication. This award fee will be awarded solely at the discretion of the Contracting Officer at the end of each year of contract performance as described below. The purpose of providing for award fees is to encourage and reward superior quality performance to include effective management of reimbursable expenses.

(b) The operation of this clause shall be in accordance with an Award Fee Plan to be provided to the Contractor upon award for review and comment. Any changes to the Plan will be at the discretion of the Contracting Officer. Although this Plan will provide for

reclama procedures, determinations by the Contracting Officer with respect to the amount of the available award fee to be paid to the Contractor are final and shall not be subject to the "DISPUTES" clause of this Contract.

(c) The Contractor's overall performance hereunder shall be evaluated annually by a Performance Evaluation Board. The Contractor may be requested to present self-evaluation reports to the Board at scheduled annual meetings. The Board, after evaluation of contractor performance, will report findings and recommendations to the Fee Determination Office (FDO). This official will determine whether, and to what extent, the Contractor's performance for the preceding evaluation period warrants payment of the award fee available.

(d) Evaluation by the Performance Evaluation Board shall be consistent with the requirements of the contract. The Contracting Officer shall furnish the evaluation criteria and any additional pertinent information to the Contractor. The Contractor shall be notified of evaluation criteria changes, if any, prior to commencement of the evaluation period to which the criteria apply.

(e) The Performance Evaluation Board's report of findings and the Fee Determination Official's decision will be in writing and shall be furnished to the Contractor by the Contracting Officer. The report of findings shall set forth the Board's reasons for concluding to what degree the award fee was earned, and whatever substantiating evidence the Board may consider appropriate. This will enable the Contractor to know those areas of operation which are exemplary or which require improvement.

(f) If the FDO approves an award fee, the Contracting Officer will issue a modification to the contract authorizing payment of the award fee.

H.9 DATE CHANGE SPECIFICATION FOR THE YEAR 2000

(a) The Contractor guarantees that the hardware, software, and firmware which is acquired by the Contractor, directly or through any subcontract under this Contract, and which is used by the Contractor to perform work under this contract prior to, during, or after the calendar year 2000, shall include design and/or performance specifications to ensure that the Government shall not experience performance abnormalities associated with calculations for the year 2000. The design to ensure year 2000 compatibility shall include, but not be limited to, date/century recognition, calculations that accommodate same century and multi-century formulas and date values, and date data interface values that reflect an accurate and correct day, month, year, and century. In the manipulation of external data, the Contractor is responsible for ensuring that the system works accurately based on MARAD COTRrect data input. When a total system is contracted for, the Contractor is responsible for ensuring that calculations are accurate and successful in computations involving the year 2000. In addition, the Contractor guarantees that the year 2000 leap year calculations will be accommodated and will not result in hardware, firmware, software, and/or system failures. The prime Contractor is responsible for its subcontractor's products and services provided under this contract.

(b) Additionally, while the Government has instituted a Y2K compliance program in an attempt to avoid operational problems with Government furnished equipment on FSS vessels, except as otherwise may be legally required by any governing Federal Law, the Government makes NO WARRANTY to potential offerors that equipment or items onboard the FSS vessels at the time of delivery to the Contractor will experience no abnormalities associated with the change of date to the year 2000 (or thereafter.)

H.10 ECONOMIES OF SCALE. The Contractor is encouraged to employ economies of scale procedures in his purchasing operations to the maximum extent practicable.

H.11 RESERVED

H.12 WAIVER OF LIENS

(a) The Contractor agrees that nothing in or contemplated by this contract creates or shall be construed to create any right to assert a maritime lien on any vessel or to bring an action under the Public Vessels Act, 46 U.S.C. app. 981 et seq., or the Suits in Admiralty Act, 46 U.S.C. app. 941 et seq. Therefore, the Contractor agrees that it is not entitled to nor will it assert any type of lien, maritime or otherwise, on the vessel or any cargo transported by the Government under this contract. The Contractor further agrees that it will not take any action to seize, arrest, hold, or otherwise detain such vessel or cargo through any judicial process in the U.S. or any foreign country, and that it will insert this clause in all subcontracts at any tier and will expend any resources necessary to expeditiously enforce the provisions of this clause against such subcontractors.

(b) In addition to the foregoing waiver of liens, there shall be no liens, asserted or permitted on any monies due to or to become due from the Government under this contract, and the Contractor agrees to insert this clause in all subcontracts at any tier and to expend any resources necessary to expeditiously enforce the provisions of this clause against such subcontractors.

(c) The Contractor further understands and agrees that this contract shall create no privity between the Government and any subcontractor at any tier utilized or which may be utilized by the contractor to provide services and/or equipment to the Contractor hereunder, and that further any such subcontractor shall be relying solely on the credit of the Contractor in entering into any such subcontract. The Contractor further agrees to insert this clause, or similar alternate clause as may be provided by the Government, in all subcontracts at any tier and to expend any resources necessary to expeditiously enforce the provisions of this clause against such subcontractors.

H.13 MILITARY EXTRATERRITORIAL JURISDICTION ACT

Upon award of this contract, the Contractor shall immediately notify all contractor personnel, who are or who will be employed by, or who are or who will be accompanying, United States Naval Forces outside the continental United States (OCONUS), and who are not a host country national ordinarily resident in the host country, that such personnel, and any dependents residing with such personnel, who engage in conduct OCONUS that would constitute an offense punishable by imprisonment for more than one year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, may potentially be subject to the criminal jurisdiction of the United States as required by the Military Extraterritorial Jurisdiction Act of 2000, Pub. L. 106-523, 114 Stat. 2488, codified at 18 U.S.C. 3261 - 3267, as implemented by DoD Instruction 5525.11, "Criminal Jurisdiction over Civilians Employed by or accompanying the Armed Forces outside the United States."

H.14 ORGANIZATIONAL CONFLICT OF INTEREST

H.14.1. The Contractor warrants that, to the best of its knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, and that all such relevant information has been disclosed.

H.14.2. The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make a full disclosure in writing to the ACO. This disclosure shall include a description of actions the Contractor has taken or proposes to take, after consultation with the ACO, to avoid, mitigate, or neutralize the actual or potential conflict.

H.14.3. The Contractor is required to ensure adherence to this clause in its capacity as a manager of public vessels. Contractors, their parent companies or subsidiaries are prohibited from bidding on work for which they wrote the specifications unless specifically authorized by MARAD.

H.14.4. The Contractor further agrees to insert provisions, which shall conform substantially to the language of this clause, including this paragraph (d), in any subcontract or consultant agreement hereunder.

H.15 REFUNDS, REBATES, AND CREDITS

As described in FAR 52.216-7 Allowable Cost and Payment, the Contractor shall pay to the Government any funds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Contract closeout procedures shall include a signed statement by the Contractor that this was completed or is not applicable.

H.16 SHIP'S STORES AND MATERIALS

Pursuant to authority of the Defense Production Act of 1950, as amended, and provisions of the Business and Defense Service Administration Regulation No. 1, when instructed by the ACO, the priority rating DO-A3 shall be used to obtain ratable ships' stores and controlled ships' materials required under this contract.

H.17 OPERATING LIMITS

Operating limits shall be worldwide.

H.18 CERTIFICATION OF SEPARATE BUSINESS ENTITY

Requirement to be and remain a separate business entity and annual recertification to remain separate throughout the life of the contract.

H.19 PENSION PLAN WITHDRAWAL LIABILITY

H.19.1. MARAD's payment to the Contractor for crew salaries and benefits includes the contribution which the Contractor makes to any multi-employer union pension plan for: (a) pension contributions during the time of employment onboard NDRF or RRF vessels, (b) medical insurance plans, or (c) any other contribution required by the contract between the Contractor and the union representing the Master and members of the crew.

H.19.2. MARAD's payment to the Contractor for crew salaries is not to be construed as creating any responsibility or liability for payment of amounts which may be assessed by the trustees of a multi-employer pension plan against a Contractor for the complete or partial withdrawal by the Contractor from a multi-employer pension plan.

H.20 SUBCONTRACTING OF CONTRACTOR DUTIES

The Contractor shall comply with FAR 52.244-2, Subcontracts, contained in Section I of this contract, and obtain the PCO's written consent before placing any subcontract exceeding the stated thresholds for performance of Contractor duties throughout the life of this contract as described herein. The Contractor shall also obtain the PCO's written consent prior to altering its RRF organizational structure.

H.21 ACTIVATION/OPERATION PER DIEM

H.21.1. For No-Notice Activations: Contractor per diem and ROS crew wages change to Operations per diem/FOS reimbursable respectively, upon telephonic notification to the Contractor by any of the personnel authorized for "activation notification" in Section G.6.

H.21.2. Notice Activation. The Contractor shall remain in Phase M per diem until the date the official activation notice from DOD is received or five (5) days before the date the notice requires the vessel to be ready-for-sea and/or tendering to MSC operational control, which ever is later. On that date the per diem for the vessel changes to the Phase O rate. Non-ROS crewmembers will be paid FOS wages from the date they arrive on the vessels and their wages are a reimbursable cost. Current ROS crewmembers will transition to reimbursable FOS wages on the same date that the Phase O per diem rate applies.

H.21.3. Maintenance Activation: is scheduled in the Business Plan including phase O wages for the crew. Upon the arrival of the first non-ROS crewmember, crew wages transition from ROS to FOS for the entire crew. The Contractor per diem remains in Phase M throughout the maintenance activation. See CLIN for SM without ROS crew.

H.22 MARAD NATIONAL DEFENSE RESERVE FLEET SAFETY RULES FOR CONTRACT PERSONNEL

Contractor personnel shall abide by the General Safety Rules found in the NDRF Fleet Safety Manual (see technical library.) Contractors shall obtain a copy of the rules from the Fleet Program Manager before commencing any work.

H.23 NONDISCLOSURE OF DATA AND INFORMATION

H.23.1. The Contractor, and any of its subcontractors in the performance of this contract, may have need for access to and use of various types of data and information in the possession of the Government which the Government obtained under conditions which restrict the Government's right to use and disclose the data and information, or which may be of such a nature that its dissemination or use other than in the performance of this contract, would be adverse to the interests of the Government or other parties. Therefore, the Contractor and its subcontractors agree to abide by any restrictive use conditions on such data and not to:

(a) Knowingly disclose such data and information to others without written authorization from the CO, unless the Government has made the data and information available to the public; and

(b) Use for any purpose other than the performance of the contract that data which bears a restrictive marking or legend.

H.23.2. Except as the CO specifically authorizes in writing, upon completion of all work under this contract, the Contractor shall return all such data and information, including all copies, modifications, adaptations, or combinations thereof, to the CO. The Contractor shall further certify in writing to the CO that all copies, modifications, adaptations or combinations of such data or

information which cannot reasonably be returned to the CO, have been deleted from the Contractor's (and any subcontractor's) records.

H.23.3. These restrictions do not limit the Contractor's or subcontractor's right to use and disclose any data and information obtained from another source without restriction. As used herein, the term "data" has the meaning set forth in Department of Transportation Procurement Regulations, 48 CFR 1252.227-71, "Rights in Data - General", and includes, but is not limited to, computer software, as also defined in 48 CFR 1252.227-71.

H.24 TOWING

It is strongly recommended that all towing subcontracts be awarded to towing companies whose towing vessels have a safety management certification from an industry-recognized program*. Where international tows are concerned, towing contracts shall be awarded to towing companies that comply with the ISM Code. Where towing services are required as part of an RRF "no-notice" ship movement, or other similar emergency ship movement (e.g., hurricane evacuation), attempted compliance with this requirement shall not be an acceptable cause for delay.

* Such as the ISM Code, the American Waterways Operators (AWO) Responsible Carrier Program, or any other safety management system recognized by the USCG.

M354 EMPLOYMENT OF GOVERNMENT PERSONNEL

In performing this contract, the Ship Manager shall not use as a consultant or employ (on either a full or part-time basis) any active duty military personnel or Government civilian employees without the prior written approval of the ACO. Such approval may be given only in circumstances where it is clear that no laws or DOT, DOD or Service instructions, regulations, or policies might possibly be contravened and no appearance of a conflict of interest will result.

M355 PHYSICAL LOSS OR DAMAGE TO THE VESSEL OR OTHER GOVERNMENT PROPERTY DURING DRY DOCKING OR SHIPYARD AVAILABILITY (Oct 2007)

(a) Except as set forth in this clause or any guarantee or warranty provision in the contract, the Maritime Administration, part of the United States Department of Transportation, in its capacity as Owner of the vessel (hereinafter "Owner" or "MARAD"), assumes the risk of physical loss or damage to any part of the vessel, its machinery, equipment, stores, and other property, including cargo, if owned by the Government, during a dry docking or shipyard availability except to the extent that such loss or damage is caused by the negligence, fault, error, act or omission of the shipyard, its servants, agents, or employees ("Subcontractor"), or the Subcontractor's lower-tier Subcontractors, or the servants, agents, or employees of the lower-tier Subcontractors, all of which risks are assumed by the Subcontractor. The burden of proving freedom from responsibility under the foregoing sentence shall be borne by the Subcontractor.
(b) Limit of Liability - Except as set forth below, Subcontractor's liability under this clause shall not exceed $5,000,000 per incident per vessel.
(c) The Ship Manager and Owner do not assume any risk with respect to loss or damage compensated for by insurance or otherwise or resulting from risks with respect to which the Subcontractor has failed to maintain insurance as required by this contract.
(d) The Ship Manager and Owner do not assume the risk of and will not pay for any costs of the following:
(1) Inspection, repair, replacement, or renewal of any defects in the vessel or material and equipment due to-
(i) Defective workmanship performed by the Subcontractor or any lower-tier Subcontractor;
(ii) Defective materials or equipment furnished by the Subcontractor or any lower-tier Subcontractor; or
(iii) Workmanship, materials, or equipment that does not conform to the requirements of the contract, whether or not the defect is latent or whether or not the nonconformance is the result of negligence.
(2) Loss, damage, liability, or expense caused by, resulting from, or incurred as a consequence of gross negligence or willful misconduct of the Subcontractor.
(e) No party other than the Ship Manager shall have any right to proceed directly against the Owner or join the Owner as a codefendant in any action.
(f) In the event of loss of or damage to the vessel, material, or equipment which exceeds the limit of liability set forth in paragraph (2) above, the Subcontractor shall promptly notify the Ship Manager, both verbally and in writing, of the loss or damage and await direction from the Ship Manager.

SECTION I -- CONTRACT CLAUSES

SECTION J -- LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

J.1 ATTACHMENT J-2 - SHIP MANAGER SUBCONTRACTING PURCHASING POLICIES -

ATTACHMENT J-2

SHIP MANAGER (SM) SUBCONTRACT PURCHASING POLICIES
The purpose of this instruction is to establish policies and procedures for

1.0 review and approval of the commercial purchasing system (CPS);
2.0 consent to subcontract and review/advance notification of subcontracts; and
3.0 MARAD specific subcontract requirements,

in conjunction with Federal Acquisition Regulation (FAR) Part 44, Subcontracting Policies and Procedures.
1.0 COMMERCIAL PURCHASING SYSTEM (CPS)
1.1 SM DELIVERABLE
The SM is required to provide its CPS procedures to the Procuring Contracting Officer (PCO) within 90 days of NTP. However, the SM is encouraged to provide the deliverable early to enable the review process to be completed in a timely manner.
1.1.1 The CPS will be reviewed in accordance with FAR 44.303. In addition, special attention shall be given to:

1.1.1.1 "Best value" practices. In a "best value" practice, all aspects of ship's requirements and subcontractor's capabilities must be considered. In so doing, such enhanced performance factors as increased readiness, shortened repair period or prompt response may outweigh low price alone. The SM procedures shall be well defined and consistently applied and shall follow purchasing practices appropriate for the requirement and the dollar value of the purchase.

1.1.1.2 Methodology for the acquisition of quality products and services at fair and reasonable prices.

1.1.1.3 Minimization of acquisition lead-time and administrative costs of purchasing.

1.1.1.4 Use of self-assessment to support continuous improvements in purchasing.

1.1.1.5 Ability to segregate and track costs (Section 3.2).

1.1.1.6 Maintenance of complete subcontract documentation (Section 3.4).

1.1.1.7 Use of electronic commerce to the maximum extent practicable, for transmission, processing, invoicing and storing data associated with the SM contract.

1.1.1.8 Procedures to identify capable and reliable contractors who have successful past performance records and who can demonstrate a current ability to perform.

1.1.1.9 Procedures for inclusion of appropriate, current flow-down clauses, terms and conditions (Section 3.7).

SMs with CPSs previously approved by other Government agencies shall submit a copy of the documentation of the approval to the PCO in addition to a copy of its procedures for review.
1.2 MARAD REVIEW OF CPS
Review of the CPS may take upwards of 90 days. To ensure consistency in the CPS review and approval process, MARAD has retained the services of the Defense Contract Audit Agency (DCAA) to perform a review of the CPS deliverable. DCAA's review will consist of a combined audit of procurement and accounting procedures and may include an on-site audit at the SM's facility.

If deficiencies are found, the PCO will advise the SM of the deficiencies and recommend the necessary steps the SM must take to gain approval. In accordance with FAR 44.305-2, the SM shall be expected to reply within 15 days with a position regarding the recommendations.

Upon receipt of a favorable review, the PCO will issue notification of approval. Until such time as SM's CPS has been approved by MARAD under the current SM contract, subcontracts are subject to the approvals outlined in Section 2.2.1.2. MARAD CPS approval issued under a prior contract does not apply to the current SM contract.

1.3 MAINTENANCE OF CPS

The SM shall advise the PCO and Administrative Contracting Officer (ACO) of any change to its commercial procedures 14 calendar days prior to implementation throughout the performance period of the SMC.

The ACO will monitor the SM purchasing program in accordance with FAR 44.304. ACO review(s) may require on-site attendance at the SM's facility. The SM shall assist the ACO by providing space, administrative support, and access to records/reference documents during these inspections.

In accordance with FAR 44.302, once initial approval has been given, at least every 3 years, the ACO will determine whether a purchasing system review is necessary. The ACO will provide CPS re-certifications. MARAD will conduct annual cost incurred financial audits on SM records utilizing the services of DCAA. If warranted, interim cost-incurred audits will be ordered.

1.4 WITHDRAWAL OF CPS APPROVAL

During the performance period of the SMC, the ACO may lower the advance notification/consent thresholds, if there has been deterioration of the SM CPS or to protect the Government's interests. The ACO will issue a deficiency report to the SM, with a copy to the COCO and PCO. The SM shall immediately conform to the ACO's lower thresholds, and respond to the deficiency report within 15 days. Upon review of the response, the ACO may determine that the lower thresholds should continue or make a decision to withdraw approval of the CPS if it is determined that the SMC is deviating substantially from the approved CPS.

2.0 SUBCONTRACT REVIEWS

The SM shall provide subcontracts and documentation for review as follows:

2.1 ADVANCE NOTIFICATION

2.1.1 Notification to ACO prior to award, with copy of intended subcontract

Dollar Level	Type of Contract
Any	Other than Fixed Price

2.1.2 The PCO waives the requirement for advance notification of fixed price contracts.

2.2 CONSENT

2.2.1 Request for consent to subcontract to ACO

2.2.1.1 With Approved CPS

Dollar Level	Type of Contract
>$125K	Other than Fixed Price
>$1M	Fixed Price (sole source)
>$2.5	Fixed Price (competitive)

2.2.1.2 Without Approved CPS

Dollar Level	Type of Contract
>$25K	Other than Fixed Price (except T&M)
>$50K	Time-and-Materials
> $100K	Fixed Price

2.3 CONSENT TO SUBCONTRACT GUIDELINES

The request for consent to subcontract and supporting documentation shall be submitted to the ACO electronically at least 10 working days prior to intended subcontract award date. The ACO review will include the considerations listed in FAR 44.202-2 as well as consent limitations in 44.203. The SM request shall include all applicable informational elements listed in FAR 52.244-2, Subcontracts, subparagraph (f)(1). Additionally, the consent request shall include:

- A clear analysis of the award decision, including all factors considered
- Copy of proposals received and an abstract of proposals
- Copy of proposed subcontract, including any changes to terms and conditions
- Summary of negotiations, including explanation of variance between proposed and negotiated prices
- Separately priced bonds and insurance, if coverage exceed 3.7.4 requirements
- Specific funding required for the basic subcontract, supplemental growth, options, and projected SM administrative costs
- Milestone schedule

2.4 ADDITIONAL REVIEW REQUIREMENTS

2.4.1 COTR/ACOTR specification reviews are always required regardless of the level of subcontract review.

2.4.2 For any subcontract requiring formal consent, the associated solicitation shall be submitted to the ACO for pre-issuance review electronically at least 10 working days prior to intended issuance date. The solicitation package submitted shall include:

- Solicitation
- Documentation of specification review and approval by the COTR/ACOTR
- Source List
- Detailed estimate
- Basis for determination of liquidated damages, diversion/inter-port differentials, bonding, and insurance, if coverage exceeds 3.7.4 requirements

Thereafter, a copy of all changes or amendments to the solicitation will be provided to the ACO and COTR/ACOTR concurrent with issuance.

2.4.3 Notwithstanding the established review thresholds, the ACO or PCO may request a pre-award review of any complete subcontract, or part thereof (e.g., sole source, non-commercial items).

2.5 SPECIAL PROCEDURES FOR MISSION ESSENTIAL AND EMERGENCY REPAIRS

The SM shall only purchase supplies or services authorized by a Task Order (TO) or TO modification except for mission essential and emergency repairs described below:

2.5.1 Mission Essential and Emergency Repairs: Foreign and domestic

Mission essential repairs are defined as repairs necessary to support a No-Notice Activation, or repairs necessary to prevent or correct unanticipated change in a ship's readiness status to C-3 or C-4.

An emergency is any action that is needed to protect or prevent the loss of life, limb, or property.
2.5.2 Mission Essential Repair: General Policy

The SM shall notify the ACO and COTR/ACOTR as soon as possible, and at a minimum:

- Define the intended work in as much detail as possible.
- Develop an estimate of cost, and an initial not to exceed value.
- Make all attempts possible to obtain competition, given the circumstances.
- Obtain fixed price rates for subcontracted labor (to include straight time and overtime) fully burdened material, mutually acceptable terms and conditions.
- Recommend project start and completion dates.
- Obtain verbal authorization for no-notice activation from personnel designated in Section G.6. Obtain verbal authorization for other mission essential and emergency repairs from the ACO as soon as practical. The ACO will issue a written TO confirming verbal authorizations as soon as possible.

2.5.3 Mission Essential Repairs Inside the United States

2.5.3.1 The SM shall comply with the policies of Section 2.5.2 and all appropriate aspects of its approved CPS.

2.5.3.2 All appropriate flow-down clauses shall be used, inclusive of Service Contract Act FAR-52.222-41.

2.5.4 Mission Essential Repairs Outside the United States

MARAD has been granted authority to waive the flow-down clauses required by FAR Part 44 for all non-commercial subcontract repairs accomplished in foreign ports. There are no mandatory flow-down clauses for foreign commercial item repairs. The SM shall comply with the policies of Section 2.5.2 and all appropriate aspects of its approved CPS as closely as possible, given the circumstances.

2.5.5 Planned Repairs Outside the United States

Aside from the waived flow-down clauses of FAR Part 44 noted above, the SM shall conduct planned foreign repairs (e.g. pre-positioned vessels) in accordance with all other aspects of Section 2.5.2 and its approved CPS.

2.5.6 Emergency

The SM is authorized to take whatever action is deemed necessary to protect or prevent the loss of life, limb, or property.

3.0 MARAD SPECIFIC SUBCONTRACT REQUIREMENTS

3.1 SUBCONTRACT FUNDING

MARAD may obligate funding for subcontracts on the initial TO, or may elect to obligate funding at a later date via TO modification. The SM is expected to timely execute the approved business plan by soliciting services or supplies "subject to the availability of funds;" however, the SM shall not sign a contract with a subcontractor and shall not incur a legal obligation without a funded TO. A separate TO will be issued for each subcontract >$200K, and no other costs will be chargeable to this TO. For subcontracts <$200K, the SM may use funds from multiple TOs. However, the SM must be able to track funding back to those TO's, and the aggregate amount of subcontracts issued must not exceed the funding on the TOs.

3.2 SEGREGATION AND MONITORING OF FUNDS

The SM is responsible for performing the ordered work, by the required delivery date, and within the authorized funding levels for each CLIN of the TO. The SM shall segregate and monitor costs accordingly.

The SM must notify the ACO in writing when 75percent of the funds provided on the TO have been expended. SM are cautioned that this notification requirement applies to individual TOs even when multiple TOs are used on a project. Further, the SM shall notify the COTR/ACOTR and ACO at any point that it is determined that the ordered work cannot be accomplished within the required delivery and/or within the authorized funding.

The SM shall provide a tracking report in Excel spreadsheet format upon request. The spreadsheet shall include the following data elements, at a minimum:

- Vessel Name
- SM Contract number
- TO number
- CLIN number
- DSN number
- DSN funded amount
- DSN actual cost
- Short description of services/supplies
- Dollar Amount invoiced
- Subcontractor name
- Subcontractor invoice number
- Subcontract number

3.3 SUBCONTRACT SOCIOECONOMIC STATISTICAL REPORTING

All SM regardless of business size, shall report to each ACO by the 5th of each month, the total number and total dollar value of subcontracts awarded by the SM for that MARAD region as follows:

Type of Firm (U.S.)	Total # of subcontracts	Total Dollars

SDB Awards	_____	_____
Women Owned SB	_____	_____
SBA 8(a) SB Awards	_____	_____
HUBZone SB Awards	_____	_____
Veteran Owned SB Awards	_____	_____
Service Disabled Veteran Owned SB	_____	_____
Total Small Business Awards	_____	_____
Other U.S. Large Business Awards	_____	_____
Total U.S. Subcontract Awards	_____	_____
Total Foreign Subcontract Awards	_____	_____
Total Subcontract Awards	_____	_____

NOTE: Awards to small businesses must be counted in all appropriate categories. For example, an award to a Woman-owned, HUBZone certified firm would be included in both Woman-owned and HUBZone firm figures, but included only one time in Total Small Business Awards. In other words, the Total Small Business Awards will not necessarily equal the sum of all small business awards for the several types of small business firms.

SM certified as a large business shall monitor small and minority business awards in relation to the SM's subcontracting plan goals, accumulate data on all subcontract awards, including those less than $50,000 and submit a SF-294 (Exhibit I), Subcontracting Report for Individual Contracts and SF-295 (Exhibit II), Summary Subcontract Report to the ACO as required by FAR.

3.4 SUBCONTRACT DOCUMENTATION

For purposes of Government auditing, the SM shall establish and maintain an individual file for each subcontract, which may be in electronic format. The file shall be identified with a sequential number for tracking. The file shall be adequately documented to establish the propriety of the transaction and the price paid, and that the SM complied with its commercial purchasing procedures. The subcontract file shall contain the following, as a minimum:

- Copy of TO(s), with adequate funding authorized for this purpose
- Subcontract, including clearly defined requirements (see Section 3.7)
- Copy of all modifications to the subcontract
- Documentation of competition obtained for purchases >$2,500 or its absence properly justified
- Documentation of purchase decision, evidencing that the price paid was fair and reasonable and the subcontractor selected represented the best value to the government
- Documentation of negotiations (if conducted), including explanation of variance between proposed and negotiated subcontract prices
- Proper approvals, including SM internal approvals in accordance with commercial procedures and MARAD specification, solicitation, and award approvals
- Documentation of inspection and acceptance
- Documentation of payment in accordance with subcontract terms
- Copy of ACO direction to use Government source of supply (i.e., GSA) or approval of unique terms and conditions (i.e., insurance, bonds, demurrage, progress payment)
- Documentation of rationale for not using directed sources (i.e., fuel)
- Closeout documentation, including final invoice payment marked as such.

Documentation may be maintained in separate files/systems where logical (e.g., documentation of payment in electronic accounting system), provided that the individual subcontract file indicates where the documentation is located and it is available for Government review at the SMGR corporate facility.

3.5 SUBCONTRACTOR PAYMENTS

The SM shall encourage vendors to submit invoices promptly. Ideally, the SM should encourage the use of electronic invoicing from the subcontractor to achieve accurate, timely invoices for review and payment. Prompt submission of invoices can be a consideration for best value as it permits obligated funds to be liquidated and excess funds deobligated.

The SM is responsible to verify the validity and accuracy of all subcontractor invoices prior to forwarding them to MARAD for reimbursement. Repeated invoice inconsistencies and errors are a reflection of poor quality control processes and will impact the SM's performance assessment. MARAD will reclaim overpayments directly from SM. The SM shall submit invoices after receipt of supplies/services in accordance with Section G.14.

In the rare situation where commercial practice is for buyer financing of goods or services in excess of the SM stipulated minimum working capital requirements (Section G.10), the SM may request advance payment on a case-by-case basis. For purchases of commercial items, financing of the contract is normally the contractor's responsibility. However, in some markets the provision of financing by the buyer is a commercial practice. The amount of advance payment requested shall not exceed the amount to be actually paid in advance based on the best terms the SM is able to negotiate with the agent or service provider. SM shall submit their request for advance payment (i.e., payment in advance of receipt of supplies/services) to the ACO via e-mail with a copy to the COTR/ACOTR and FCO, in the following format. The e-mail should be marked as URGENT.

"Request advance payment in the amount of $_____ (insert amount) under Contract _____ (insert SM Contract #) / Task Order _____ (insert TO #, if applicable), for _____ (insert description of services/supplies). Documents to support the amount requested are attached (i.e., detailed estimate, pro forma invoice from the subcontractor). The scheduled pay date is _____ (insert date)."

The SM is to include a clear statement or rationale stating why advance payment is necessary and that the value exceeds their contract stipulated minimum working capital.
The ACO will evaluate and approve/disapprove the request via e-mail. If approved, the TO will also indicate that advance payment is authorized. The SM shall submit an invoice, indicating the date when payment is required in the certification statement block on the EIS invoice form and indicating in the description field on the supporting spreadsheet that this is an advance payment. MARAD will endeavor to meet the specified payment date, however, be advised that commercial advance payments are not subject to the interest penalty provisions of the Prompt Payment Act in accordance with FAR 32.9.

3.6 SUBCONTRACTOR

CLAIMS AND DISPUTES

Subcontracts are between the SM and the subcontractor, and the SM is responsible for resolving subcontract disputes. The SM shall advise the ACO and COTR/ACOTR of disputes, changes in status of disputes, and potential costs or delays in delivery or possible litigation. MARAD will not directly participate in disputes and/or settlement.
MARAD endorses and recommends the use of alternative disputes resolution (ADR) procedures. The SM is responsible for all administrative and legal costs associated with resolving such disputes, except when the government has authorized reimbursement by issuance of a TO. When private counsel has been authorized, the government will reimburse reasonable costs associated with such representation subject to the funding limitations of TO.
Payments of judgments or settlements resulting from this disputes resolution process are the responsibility of the SM, although the SM may request reimbursement provided that indemnification under Section G.7.4.1 does not apply. SM are cautioned to seek prior approval from the ACO of settlements, which the SM intends to submit for reimbursement, in order that a reserve of appropriated funds can be made for the claim. The liability of the United States under this clause is subject to the availability of appropriated funds.
If a dispute is not settled between the SM and the subcontractor and the matter advances to a formal claim in the Courts, Section G.7 Claims and Litigation will apply.
3.7 GENERAL SUBCONTRACT POLICIES

3.7.1 Subcontract Basic Content - SM subcontracts shall contain the following information, at a minimum:

- Identification number
- Date of Subcontract Award
- Description of supply/service
- Delivery/performance date
- Place of delivery/performance
- Packing or shipping instructions, if any
- Address to submit invoices

o Terms and Conditions

3.7.2 Flow Down Clauses - The SM shall incorporate appropriate flow-down clauses in subcontracts inclusive of the Service Contract Act (SCA). U.S. Department of Labor Wage Determinations can be found at http://www.wdol.gov/sca.aspx#0 . The Wage Determinations can be found under the following numbers:
Texas, Houston 2005-2515
Texas, Beaumont 2005-2505
Texas, Orange 2005-2505
Texas, Channelview (Harris County) 2005-2515
Texas, Port Arthur (Jefferson County) 2005-2505
Texas, Corpus Christi (Nueces County) 2005-2507
Virginia, Norfolk and Newport News 2005-2543
Massachusetts, Buzzards Bay (Barnstable County) 2005-2259
Massachusetts, Boston (Suffolk County) 2005-2255
Maine, Castine 2005-2247
Maryland, Baltimore 2005-2247
South Carolina, Charleston 2005-2473
Florida, Jacksonville 2005-2115
New York, New York 2005-2375
Florida, Tampa (Hillsborough County) 2005-2125
Alabama, Mobile 2005-2009
California, Alameda, Contra County 2005-2051
Washington, Pierce County 2005-2567

The Ship Manager is authorized to utilize the clause set forth in H.22, Physical Loss or Damage to the Vessel or Other Government Property during Dry Docking or Shipyard Availability (Oct 2007), to limit the shipyard's liability during the dry docking of RRF vessels. Under H.22, the Maritime Administration assumes the risk of physical loss or damage to any part of the vessel, its machinery, equipment, stores, and other property, including cargo, if owned by the Government, which occurs during a dry docking or shipyard availability, except to the extent the Ship Manager's Subcontractor (the shipyard) is liable under the following clause. The Ship Manager shall report all loss or damage to the vessel or other government property including, but not limited to, loss or damage for which the Subcontractor is liable under H.22. If such loss or damage exceeds the limit of liability set forth in H.22, the Ship Manager shall promptly notify the ACO, both verbally and in writing, of the loss or damage and await direction from ACO. By authorizing the Ship Manager to include H.22 in a subcontract with a shipyard the Maritime Administration agrees to release the Ship Manager from, and not to seek indemnification from the Ship Manager for, the risks assumed by the Maritime Administration under H.22, except when the indemnification provision of Clause G.7.4 of the Ship Manager Contract applies.
Flow-down clauses vary with the type of item, price, and place of purchase. The SM is responsible to select and apply the correct clauses to avoid unnecessary cost to the Government.

3.7.2.1 Commercial Items - In accordance with FAR 44.402, all commercial item purchases shall include the flow-down clauses listed in FAR 52.244-6, Subcontracts for Commercial Items, and SCA, except for subcontracts obtained outside the United States. Supplies/services ordered by MARAD are considered commercial items unless otherwise stated on the TO.

3.7.2.2 Non Commercial Items - Purchases for supplies and services that do not qualify as commercial items (as determined by the MARAD ACO) shall include all appropriate clauses that flow-down from the SM Contract, including SCA.

3.7.3 Subcontract terms - The subcontract shall not include any language implying or stating that it is an agent of the Federal Government, and the SM shall not sign as "agent" or 'SM for MARAD." The subcontract shall not include terms that bind the Government to the results of arbitration, judicial determination, or voluntary settlement between the prime contractor and subcontractor.

3.7.4 Insurance - The SM shall require insurance from subcontractors to protect Government property in an amount appropriate to the subcontract, which shall be determined on a case-by-case basis. Typically, when a vessel is transported to a shipyard facility for a repair availability, MARAD requires the following types of insurance and minimum coverage during the entire performance of the subcontract:

(a) Workmen's Compensation, including Longshoremen & Harbor Worker's Act coverage - no minimum.

(b) Employers Liability - $5 million bodily injury by accident, each accident - $5 million bodily injury by disease each accident - $5 million bodily injury by disease in the aggregate.

(c) Maritime Employers Liability (Jones Act) - $5 million for each person per occurrence and $5 million in the aggregate.

(d) Comprehensive General Liability - $5 million combined single per occurrence limit for bodily injury and property damage and $5 million in the aggregate.

(e) Ship Repairers Legal Liability - $5 million per vessel, per occurrence.

(f) Pollution Liability - $5 Million per occurrence.

The SM shall ensure that indemnification extends to MARAD, and the insurance certificate shall name the United States of America as a secondary source certificate holder as owner, along with the SM as vessel operator. Such policies shall contain a statement that there is no recourse against the USA for payment of premium. The SM shall stipulate that upon request the subcontractor shall provide a copy of all original insurance policies within 5 calendar days. The SM shall ensure that the coverage does not contain exclusions that would effectively negate coverage for all but third party liabilities. All such insurance will contain 30 calendar days advance notice of cancellation or of any non-renewal which is the option of the insurer be provided in writing to the U.S. Department of Transportation, Division of Marine Insurance , MAR-780, W23-453, 1200 New Jersey Ave., SE, Washington, DC 20590.

The SM shall obtain and review proof of insurance coverage (i.e., certificate of insurance, policy). The ACO may request that the SM send the subcontractor insurance to the MARAD Division of Marine Insurance for review.

3.7.5 Supplemental Material/Lower Tier Subcontract Markup - The SM shall not include a percentage markup (i.e., material handling charge, burden rate) in its subcontracts for supplemental material or lower tier subcontracts. This type of arrangement is considered a Cost-Plus-A-Percentage-Of-Cost type contract, which is prohibited by FAR.

3.7.6 Subcontractor Screening

3.7.6.1 The SM shall verify that no apparent conflict of interest/improper affiliations exist between the SM and subcontractors.

3.7.6.2 The SM shall verify that proposed subcontractors are not suspended and/or debarred by consulting the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-procurement Programs, website at http://epls.arnet.gov. If the SM intends to subcontract with a party that is debarred, suspended, or proposed for debarment, notification to the ACO is required in accordance with FAR 9.405-2.

3.7.6.3 SM shall evaluate subcontractor performance to establish qualified sources, and to be used as part of the evaluation of best value. The SM is expected to factor subcontractor past performance into its decision on award. The SM must support decisions not to award based on past performance.

J.2 ATTACHMENT J-9 - LIST OF REIMBURSABLES BY TOPIC AREA - MARAD

ATTACHMENT J-9
LIST OF REIMBURSABLES BY TOPIC AREA - MARAD

Reimbursables except for actions to preserve life, limb or property (emergencies) require MARAD approval before funds are expended.
Items may be reimbursable without being referred to in Section C.

NoteBene: The same list of Reimbursable is being used for both Ship Manager Contracts and the Navy FSS contract. FSS contract items will be so noted.

1. Accident Testing IAW USCG regulations

2. ACO-issued task orders

3. Action to correct C-3 or C-4 deficiency

4. Activation and Deactivation costs (for example - transfer of vessel to deactivation site, transfer of vessel to berth location, crew transportation costs - not listed elsewhere

5. Additional crew (or overtime for ROS crew) to assist with cargo handling training on weekends

6. Additional FOS crew (wages, transportation cost to/from ship to join it)

7. Additional Premiums for Second Seaman's War Risk Insurance

8. Ad Valorem for foreign repairs, if promptly reported

9. Agents in foreign ports and domestic agent fees to the extent not otherwise reimbursed elsewhere

10. All corrective maintenance and repairs not performed by ROS crewmembers to vessel IAW Business Plan

11. Alternative Compliance Program preparation and enrollment and continuation

12. Ambient air testing

13. Associated changes due to shift in layberth

14. Attendance at another ROS maintenance activation - travel, subsistence, IAW FTR

15. Berth - 3 phone lines; all connections/disconnections

16. Berthing and Shore Services (GF or reimbursable) includes: portable water, feed water, shore electrical power, shore steam, trash, and garbage removal, oily waste, removal, sewage removal, and line handlers

17. Boiler water (rainmaker services)

18. Bunkering (GF through Defense Energy Supply Center or reimbursable) Sections C.3.3.5 and C.3.3.6

19. Cadet wages (IAW 46 CFR 310) subsistence, and lodging - if required, and Cadet transportation IAW FTR - for both Phase M and Phase O. Advise MAR-612 any time a cadet is scheduled to be onboard an RRF vessel. Advance notification to MAR-612 is required.

20. Canal Fees (either GF or reimbursable)

21. Charts and Nautical Publications (GF or reimbursable) electronic or hard copy

22. Communications in Phase O including phone bill for authorized calls in support of the vessel. Personal calls are not authorized or reimbursable.

23. Conditioning Monitoring Program for Critical Fluids - feedwater, condensate, boiler water, diesel engine primary cooling water, lubricating oils, hydraulic oils, and fuel oils (GF under separate Govt.-provided contracts) consumables

24. Consumable & Expendable (excluded consumables/expendables for Preventative Maintenance which are fixed price) for Phase O

25. Containment boom deployment, adjusting, maintenance or removal and storage (reimbursable)

26. Cost of crew transportation for Govt directed actions such as activation, deactivation or travel to/from repair availability

27. Cost of obtaining a Ship Manager Certificate (or interim) under ISM and the cost of maintaining this certificate including any item identified in the Safety Management System to maintain the Ship Management Certificate

28. Cost of crew transportation if FFD crewmember is unable to meet DOD operations specific inoculation requirements

29. Costs associated with testing of unknown materials to determine MSDS or disposal methodologies

30. Crew lodging and subsistence until vessel is ready for habitability in any Phase.

31. Crew overtime for the operation of ship's equipment during loading/discharge

32. Crew Rotation on An Extended Voyage anticipated to be in excess of 180 days (phased crew rotation between 90 -120 days; use date of Activation notice as day zero)

33. Deactivation - travel, subsistence, and lodging in connection with return from deactivation

34. Deviation - for rescue at sea

35. Diagnostic tests prior to lay up

36. Disposal costs of hazardous waste if not included in corrective maintenance (repair) contract

37. Disposal of oily slops, gray water, sewage, or sewage sludge in any Phase

38. Dock Trial (as approved for business plan)

39. DOD-required inoculations

40. Drug Testing kits for shipboard use

41. Equipment used during Emergency, Fire, Steering Gear, and Abandon Ship Drills

42. Expendables - see TE-1 Section 2

43. Foreign customs fees

44. Attachment J-3 pg 61 Fines and penalties to foreign nationals under 20K

45. FOS crew wages during ship repairs

46. FOS Crew wages during Phase O

47. Gas freeing tanks

48. Government directed attendance at orientations, conferences, or meetings for shipboard and/or shorebased personnel (travel, lodging, and subsistence, associated with such events will be reimbursed IAW FTRs.

49. Government directed training (wages including overtime if course exceeds a 40 hour week or unless wages are covered elsewhere in the contract; tuition and materials, subsistence, lodging and travel IAW FTR) This includes all courses listed in Attachment J-13, STCW refresher courses, upgrades, newly established STCW required courses, as well as any course approved by the COTR. If any element, such as books, are covered by union contributions these should be subtracted.

50. Government directed special inventory (beyond normal controlled equipage inventory)

51. Group demonstration of booming techniques in connection with HAZWOPER advance course

52. Heightened security services as directed by task order

53. Hydraulic and Lube Oil Analysis Program - GF with JOAP or reimbursable if SM uses own service

54. Imminent Danger Pay IAW that provided by DOD regulations and guidance

55. Industrial assistance including sea trial if required

56. Industrial assistance - Transfer of vessel to activation facility

57. Industrial assistance - Transfer of vessel to deactivation facility

58. ISM - Ship Management Certificate. Govt will reimburse all ABS audits and associated maintenance with obtaining and maintaining RRF vessel SMCs.

59. RESERVED

60. Lawful disposal of HAZMAT

61. Legal services when requested via a Task Order

62. Lifeboats/life rafts associated equipment

63. Line Throwing Equipment

64. Mail including FEDEX type services (GF or reimbursable) in Phase O

65. Maintenance Activations

66. Maintenance Activation debriefings

67. Maintenance of lifeboats, life rafts and associated equipment

68. MARAD Authorized Overtime

69. (a) For ships redelivered to Phase M in RRF-10 status: i) FOS wages for non-essential crewmembers for up to 48 hours immediately after redelivery and ii) if MARAD has approved retention of crewmembers as essential to deactivation of a vessel either in the business plan or after a written request from the ship manager, then crew wages at FOS rates for that crew for ten (10) days immediately following redelivery. (b) For ships redelivered to Phase M with ROS crew: i) crew wages at the FOS rate for all ROS crew members for 48 hours following redelivery, (ii) crew wages at the FOS rate for remaining non-ROS crew members for up to 48 hours following redelivery, and iii) if MARAD has approved retention of crewmembers in addition to the standard ROS crew as essential to deactivation of a vessel either in the business plan or after a written request from the ship manager, then crew wages at ROS rates for up to an additional eight (8) days after the first 48 hours following redelivery.

70. MARAD directed vessel repairs

71. Materials for drills

72. Medical On-call (also known as consulting or, advisory, or physician) Services

73. Medical evacuation, repatriation, unearned wages, treatment, transportation Attachment J-3 pg 19

74. Mission, notice and no-notice activations for all sub-elements not covered elsewhere on the reimbursable list

75. Medical Expenses including Hospital stay, burial expense; some excess baggage Attachment J-3 pg 20

76. Medical Supplies

77. Medical Treatment/transportation for Embarked Personnel (non-crew)

78. Modifications and upgrades IAW Business Plan

79. Non-Government directed training - 2 days of subsistence, travel, and lodging IAW FTR, and wages (unless already covered by fringe benefits)

80. Non-expendables - see TE-1 Section 2

81. Non-P4P ROS consumables

82. Oil Spill Prevention Kits and their replacement parts (GF or reimbursable)

83. Operation of Ship's Gear by Crew

84. Outfitting of vessel(s)

85. Overtime, approved or compensatory time for attending in severe weather plus any required subsistence, travel or hotel IAW FTR

86. Overtime: as specified in a task order for any Phase

87. Overtime: for emergencies (preservation of life, limb or property) until MARAD is notified and can establish normal business practices.

88. Overtime: if included in the MARAD approved business plan for current FY

89. PE transportation, lodging and subsistence, if activation site is more than 50 miles from berth site.

90. Physicals: not to exceed 1 per year per ROS crewmember; any ordered by Master; any in connection with Maintenance and Cure, Attachment J-3

91. Pilots (GF or reimbursable)

92. Port Services

93. Pre-employment physicals for FOS crew

94. Pre-employment service and casualty report

95. Pre-Fuel Testing (GF or Reimbursable)

96. Provide food service, laundry, and subsistence to embarked personnel

97. Provide support during claims

98. Provisioning for Phase O

99. Regulatory compliance inspections and tests during Phase M

100. Regulatory fees

101. RMS - bridging of RMS's ADP interface to Ship Manager system. MARAD will reimburse only the initial RMS interface with Ship Manager systems such as billing and accounting systems and any future Government generated requirement requiring an interface. MARAD will not reimburse SM upgrades or SM interface requirements.

102. Scheduled Launch Services IAW USCG regulations - when liberty is authorized.
103. Sea Trials

104. RESERVED

105. Security equipment

106. Services of regulatory agencies

107. Shifting a vessel within port or adjacent port includes: tugs, linehandlers, harbor pilot, disconnect and hook-up port charges. All other potential reimbursables must be approved by the PCO ahead of time.

108. Shipboard computers (GF or reimbursable)

109. Spare/Repair parts including their transportation

110. Stevedore Services (GF or reimbursable)

111. Subsistence, medical services, laundry, not covered elsewhere under reimbursables, for embarked military personnel

112. Subsistence and Lodging in Phase M and Phase O if hotel services fail.

113. Subsistence/provisioning for and during Phase O

114. Subsistence, medical services, laundry, not covered elsewhere under reimbursables, for embarked military personnel

115. RESERVED

116. T-AVB victuals and stores - Either GF or reimbursable if ordered by COTR

117. Temporary lodging and subsistence IAW FTR and transportation IAW FTR during repair periods, or transfer between ships

118. Terminal Services (GF or reimbursable)

119. Testing in connection with event involving accident, injury or death

120. Training on RMS - reimbursable or GF at the Govt's option

121. Transfer of vessel to berth site

122. Transportation for disciplinary discharge for crewmember who was under articles (subject to reimbursement by crewmember if warranted)

123. Transportation for the permanent crewmembers, including replacements, IAW FTR. Transportation is considered one trip to join the vessel and one to depart its service provided that the port of engagement/disengagement is different from the individual's home of record.

124. Transportation with completed articles

125. Travel, wages, subsistence, and lodging IAW FTR for MLSS training

126. Travel to regional warehouses to check serviceability of parts

127. Travel to attend any OPDS exercise or NAVSEA MRA to generate shortage list

128. Travel, subsistence, and lodging IAW FTR for SM designated staff member to attend MARAD occupational health and safety meetings, as required by MAR-611

129. Travel, (subsistence and lodging - if required) and wages for temporary replacement of ROS crewmembers upon request of COTR

130. Travel to receive DOD-required inoculations

131. Travel, subsistence, and lodging IAW FTR for SM staff (e.g. PE) to attend vessel yard availabilities

132. Travel, subsistence, and lodging IAW FTR for SM staff (e.g. PE) to conduct pre-award surveys

133. Tugboats (GF or reimbursable)

134. Turbo activations

135. Vendors/specialized services

136. Vessel Communications in FOS

137. War Risk Insurance (aka Second Seaman's War Risk Insurance) additional premiums for exclusion areas only. Basic premium is fixed price.

138. War Risk Bonsus as determined by the DOD

139. Security Awareness Training for Ship Security Officer as required by USCG

140. Reimbursement of up to one month's wages for crewmembers who depart the vessel because they are medically ineligible to receive required inoculations and meet the conditions of Section C.5.5.1.3.2.

141. Reimbursement (transportation, subsistence and lodging) for MARAD called ISM meetings on either an annual or semi-annual basis. See Section C.4.1.1.4.

142. Guard Service for either ROS or outported RRF-10 vessels

143. Any PCO/ACO task issued under a reimbursable CLIN on a task order and considered within the scope of the contract

144. All NDRF fleet service charges

145. Relief/Turnover. One day of wages in connection with FOS relief or turnover of senior officer: Master, Chief Mate, Chief Engineer or 1st Assistant Engineer.

146. Night relief officers for vessels in U.S. ports. MAR-611 is the authorized official to approve this reimbursable and should be contacted prior to incurring any cost.

147. Cadet or USDOL approved apprentice program Training. The MARAD fosters cadet training. Cooordinate with USMMA and State Academies to offer available training billets for cadets in both ROS and FOS.

148. Provide Cadet or USDOL approved apprentice program subsistence, quarters, and training as required by the cognizant school. See also #19 of this section.

149. Cadet or USDOL approved apprentice program transportation is reimbursable in accordance with Federal Travel Regulations (FTR).

150. FSS Only - TRANSITION REIMBURSABLES

o Starting Oct 1, 2007, one (1) Storekeeper per ship up to six months.

o Starting Oct 1 and ending Oct 31st one (1) Master per ship.

151. Vessel Communications in FOS - Sea Wave when used for official ship's business.
Ship Managers must validate all satellite communication charges. Sea Wave Manager of Sales is Mr. Tim Green (tgreen@seawave.com) or 401-846-8403 (ext 124).

J.3 ATTACHMENT J-21 - PROJECT, BUSINESS PLANS AND BUDGETS IN RMS - MA

ATTACHMENT J-21

Project, Business Plans and Budgets in RMS - MARAD

J-21 PROJECTS, BUSINESS PLANS AND BUDGETS IN RMS

Introduction

Ship Managers are responsible for the business plans of their contracted ships. Business plan budgets, a component of the business plans, are created using projects in RMS. Ship Managers are responsible for creating all of the projects for fixed price and reimbursable expenses under their contract.

There is a need to have a consistent and reliable relationship between the projects, the budget categories in RMS and the accounts in the MARAD accounting system for ease of reconciliation. Consistent use of projects is also required to produce accurate and reliable reports in support of the RRF Program. Therefore Ship Managers need to follow the procedures outlined below and use the project titles and template text in the creation of projects.

Section 1
Budgets and Business Plans

Projects in NS5 are used to manage work from a program/financial viewpoint. Projects are used for long term and short term budgeting and planning as well as execution of the budgets and plans. To the extent possible budgeting is based on a "bottom up" process where projects contain known work items that are fully detailed. A "top down" process is used where the general scope of work is defined but the full details are not known. Projects that are created "bottom up" are called specific projects and projects that are created "top down" are called general projects.

The long term (POM) and short term business plan budgets are based upon sets of projects which support functional areas with greater detail in the current year and the year just ahead and less in the out years.

Projects are created for BUDGET or EMERGENT WORK. BUDGET projects are requests for consideration in future years and EMERGENT WORK projects are requests for a change to the current year approved business plan.

Project titles and definitions are listed in Attachment A. Projects and their associated budget categories are listed in Attachment B. Project text that corresponds to the project menu listing is in Attachment C. A step-by-step instruction for creation of projects is in Attachment D. Titles for projects should be taken from the list (menu) of project titles and the text describing the requirement should come from the standard project text. The project titles correspond to RMS account categories and there is template text to describe the purpose of each project. Consistency of use among all ship managers and MARAD is encouraged by the use of the menu selections and template text.

Ship Managers are responsible for the contents of M&R, Operations, and Claims projects for their ships. The general projects need to have a value based on analysis of the requirements and historic cost information. The specific projects also need to have the associated service and materials requisitions included to support the overall project scope and value. Ship managers create a report for each ship's projects for the year and that is the business plan budget. The business plan budget and other elements of each ship's business plan are attached to a Deliverables Work order in NS5 and that is the Ship Managers proposed plan.

The Ship Manager is notified by MARAD of the approved business plan budget and is advised to revise projects to comply with the approved funding levels. Changes are made in consultation with MARAD based on the Ship Manager's knowledge of the ship and work required to maintain readiness and the revised projects collectively become the baseline business plan budget.

Section 2
Funding and Task Orders

When funds become available, the Ship Managers are informed of the level of available funding and, after discussions with MARAD, SMs create new projects that are related to the baseline projects in the approved business plan based on their priority needs. The related projects have R1, R2, R3, etc. added to the project title to show the relationship to the baseline project and are for a portion of the work in the baseline project. The related projects have a value based on the funding availability and the specific projects contain the service requisitions associated with the project funding. The value of baseline projects is reduced by the funding amount added to the related projects and the associated service requisitions added to the related project no longer are associated with the baseline project. The related projects contain funding and work items that will be used in the creation of procurement requests and the baseline projects contain the remainder of funding and work to complete the fiscal year.

Once the Ship Manager completes the related projects as a funding request, the MARAD COTR reviews the request, approves the project and uses the project data with other appropriate information to create an IDEAS procurement request and a MARAD Contracting Officer issues a Task Order.

Emergent work projects that are approved by MARAD result in a change to the ship's baseline business plan budget. The ship manager may create a related project as a proposal to do the additional work and this may result in a new or modified Task Order.

Baseline projects do not get approved; only related projects get approved.

Section 3
Budget Execution and Management

Even before receiving a Task Order the Ship Manager can process requisitions up to the point of creating, but not issuing the purchase orders. When the Task Order is received the Ship Manager can issue purchase orders. For specific projects the requisitions are already associated with the approved project and for general projects requisitions can be added to the approved project.

RMS has a safeguard to prevent improper issuing of Ship Manager purchase orders. A purchase order may not be approved if its project is unapproved, 100% committed/expensed or has been closed. A warning signal appears when the approval of the Purchase Order results in commitment/expense exceeding 75% of the project. This warning is a tool for the SMs to use and should cause a review of remaining work in the project. It does not relieve the SMs of the regulatory requirement to monitor expenditures and notify MARAD when the threshold has been reached. One person and an alternate in each ship manager company have special override authority to approve Purchase Orders for unapproved projects or that would result in overspending projects, but not closed projects.

This authority can be exercised only after verbal notification from a MARAD official designated in the ship manager contract for no-notice activations and emergencies.

Once a purchase order has been issued to a sub-contractor, the crew on the ship will see the document and will know that a contractor will be on the ship to perform services or that materials will be delivered. Ship staff makes an entry into RMS when the service work has been completed satisfactorily or the materials have been delivered. The material delivery entry will automatically create an inventory transaction and the completion of service work will be a part of the maintenance history.

When subcontractor invoices are received by the Ship Manager they are matched to the purchase order document and completion or delivery record from the ship. If satisfactory, the invoices are sent to the ship manager's accounting system for payment.

Financial management of projects is accomplished using the Project Cost Analysis Report. The report shows the overall budget for the project and lists all requisitions, purchase orders and invoices as line items and for each line the estimated, committed and actual amounts, the totals, remaining balance of budget and percent spent.

When the Project Cost Analysis report shows that all of the work has been invoiced, the Task Order closeout process can be started. Access to all of the underlying documents will also assist in the closeout process.

Attachment A
Project Menu Listing

Following is the menu listing for projects in maintenance phase and operations phase. Projects are grouped into categories.
PROJECTS FOR MAINTENANCE PHASE

General - Project scope defined at time of approval, but work items (requisitions) not yet defined in detail. Ship Manager, typically Port Engineer, can add requisitions to approved project.

1. M&R Regulatory Fees & Support
   - o ABS Fees
   - o Sub-Contractor support

2. M&R Seatrials/Docktrials
   - o ROS
   - o RRF

3. M&R Ship Support
   - o Emergent M&R
   - o ROS/RRF Services other than M&R
   - o Reimbursable supplies

4. Admin RGN ROS Claims

Specific - Project contains reviewed requisitions that are part of an approved business plan. One or many requisitions can be in one project.

1. M&R Repairs

2. M&R Approved Improvements/Replacements
   - o Analysis of the improvement/replacement
   - o Configuration and/or Allowance Change forms attached

3. M&R Drydock
   - o Services
   - o Hull Maintenance
   - o Anchors & Chains
   - o Sea Valves
   - o Propeller

- o Tailshaft
- o Rudder
- o Tech Reps, Admin, Ship Transit
- o Other associated items as appropriate

Fixed Price - Fixed Price Line Item from SM Contract

1. Maintenance Phase ROS or RRF Fixed Fees

Budget Only - M&R Supplemental/Emergent Repairs

PROJECTS FOR OPERATIONS PHASE

All operations phase projects except fixed fees are General. The scope is defined at the time of approval but the individual work items are not yet defined.

General

1. OPER Operating Costs
- o Crew Costs
- o Consumables
- o M&R/Spares
- o SM Admin
- o Voyage Costs

2. OPER Port Costs
3. OPER Security
4. OPER Canal Fees
5. OPER Fuel

Fixed Price

1. OPER SM Fixed Fees

Attachment B

Account Description	Account Category	Used By		Project Type	Project Description	
Repairs	M&R	SM	RGN	Specific	M&R Repairs	
Supplemental/Emergent Work	M&R	SM	RGN	Budget Only	M&R Supplemental/Emergent Work	
PM Regulatory Fees & Support	M&R	SM	RGN	General	M&R Regulatory Fees & Support	
ROS Crews / Fixed Fees	M&R	SM	RGN	Fixed Price	M&R ROS Crews/Fixed Fees	
Seatrials / Docktrials	M&R	SM	RGN	General	M&R Seatrials/Docktrials	
Ship Support	M&R	SM	RGN	General	M&R Ship Support	
Drydocks	M&R	SM	RGN	Specific	M&R Drydocks	
Approved Improvements / Replacements	M&R	SM	RGN	Specific	M&R Approved Improvements/Replacements	
Activation	OPER	SM	RGN	General	OPER Activation	
Per Diem (DOD approved rate)	OPER	SM	RGN	General	OPER Operating Costs*	Note*
SM Fixed Fees	OPER	SM	RGN	Fixed Price	OPER SM Fixed Fees	Multiple Accounts on One Project:
Fuel	OPER	SM	RGN	General	OPER Fuel	Crew Costs
Port Charges	OPER	SM	RGN	General	OPER Port Charges	Consumables
Canal Transit Costs	OPER	SM	RGN	General	OPER Canal Transit Charges	SM Admin

Security / miscelaneous	OPER	SM	RGN	General		OPER Security/Miscellaneous	Voyage Costs
Travel	OPER	SM	RGN	General		OPER Travel	
Repairs/Spares							
Deactivation	OPER	SM	RGN	General		OPER Deactivaton	
Other Reimbursables	OPER	HQ	RGN	General		OPER RGN Other Reimbursables	
Services	LOG	HQ					
Warehouse	LOG	HQ	RGN	Specific		LOG RGN Warehouse	
Spare Parts	LOG	HQ	RGN	Specific		LOG RGN Spare Parts	
Per Diem (berthing)	OUT	HQ	RGN	Specific		OUT RGN Per Diem (Berthing)	
Utilities	OUT	HQ					
Facilities Upgrades	OUT	HQ					
Fleet Operating Supplies /							
Services	FAC/NDRF		HQ				
Facilities improvements	FAC/NDRF		HQ				
Utilities	FAC/NDRF		HQ				
Leases	FAC/NDRF		HQ				
Travel	ADMIN		HQ	RGN	Admin	ADMIN RGN Travel	
Salaries	ADMIN		HQ				
Training ADMIN HQ							
Overhead Payments to O&T	ADMIN		HQ				
Claims	ADMIN		HQ	RGN	General	ADMIN RGN ROS Claims	
Miscellaneous	ADMIN		HQ	RGN	General	ADMIN RGN Miscellaneous	
\up0							
Oil analysis	SUPPORT		HQ				
Water Chemistry	SUPPORT		HQ				
Oil spill insurance	SUPPORT		HQ				
Safety program	SUPPORT		HQ				
Security Program	SUPPORT		HQ	RGN	Specific	SUPPORT RGN Security	
New programs / IT LOE	IT		HQ				
Maintenance of existing systems	IT		HQ	RGN	Specific		
Hardware	IT		HQ	RGN	Specific		
Program Sponsor required	UPGRADE		HQ				
Recapitalization / SLEP	UPGRADE		HQ				
Acquisitions	UPGRADE		HQ				

Attachment C
Project Text Templates

MAINTENANCE PHASE PROJECT TEXT TEMPLATES

FY(XX) M&R REPAIRS

The purpose of this project is to accomplish marad approved specific work items on the ship's approved business plan, as identified below. All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(Work Item List)

(Each work item in the list must have a descriptive title and a summary paragraph description of the requirement.)

FY(XX) M&R IMPROVEMENTS/REPLACEMENTS

The purpose of this project is to accomplish MARAD approved specific work items for improvements, upgrades and equipment replacements on the approved ship's business plan, as identified below:

The work to be completed under this funding item includes replacement of any equipment contained in the vessel's equipment configuration listing or the modification of any structure or system requiring regulatory approval. Each work item has a Configuration or Allowance Change Request attached. All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(Work Item List)

FY(XX) M&R DRYDOCK

The purpose of this project is to accomplish all work related to a drydocking or large project on the approved ship's business plan. All general services and work items required to be done in drydock, such as inspection and maintenance of hull, sea valves, propeller, tailshaft, rudder, anchors and chains are included. All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(Work Item List to contain a descriptive title and summary description of the requirement similar to repairs)

FY(XX) M&R SEA TRIAL/DOCK TRIAL

The purpose of this project is to accomplish a maintenance activation, sea trial (length to be determined by marad), and deactivation. This activation, trial period and deactivation shall be accomplished in accordance with the MARAD approved ship manager contract activation, operation and deactivation plans.

The work allowed to be completed under this project includes crew wages, transportation and overtime; vessel support services including material handling, boiler water, donkey boiler, crane service, oil boom deployment, etc.; technical representatives and services including, thermography, vibration analysis, automation, engine diagnostics, communications, navigation, performance testing, etc.; agent fees; stores for steward, engine and deck department; tug assist, pilots and line handlers; laundry and cleaning services, waste disposal; and minor repairs required to activate, operate and deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(Activation Plan Summary)

FY(XX) M&R REGULATORY FEES & SUPPORT

The purpose of this project is to provide for all necessary, mandatory and essential phase M regulatory inspections, associated regulatory fees, subcontractor support, corrective actions and materials directly related to regulatory inspections. Minor repairs that are required to be immediately to complete the regulatory inspection are included; recommendations for repairs that are deferred to a future date should be added to a REPAIRS Project.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(List of Surveys and Inspections)

FY(XX) M&R SHIP SUPPORT

The purpose of this project is to provide ship support services during maintenance phase. This project provides for the following:

Services other than those included in specific repair or improvements projects. These services include hazardous waste disposal, trash disposal (not covered in marad outporting contract), warehousing support activities, material handling, crew support activities

(including marad approved training, transportation, medical, etc.), crew overtime approved by marad, oil boom deployment and maintenance, pest control, etc.

Reimbursable supplies - as identified in the ship manager contract.

Repair work considered necessary, mandatory or essential to the safety of shipboard personnel, the safe operation of the vessel or affecting the readiness of the vessel, i.e. work or repairs that cannot be safely or practically deferred to the next funding cycle.

FY(XX) ADMIN RGN ROS CLAIMS

The purpose of this project is to provide for the support of maintenance and cure claims for the ship manager's ROS crew members. Individual claims will be listed separately and expenditures will be reconciled quarterly.

FY(XX) M&R SM FIXED FEES

The purpose of this project is to provide for maintenance phase fixed fees for the period xx/xx/xxxx to xx/xx/xxxx.

FY(XX) M&R SUPPLEMENTAL/EMERGENT WORK

The purpose of this project is to provide for mandatory and necessary repairs that need to be accomplished quickly to maintain readiness status. This project is for budgeting purposes only. Funds will be transferred from this project to other projects containing defined work requirements as the need arises.

Note: This project is for budget purposes only. It is not intended to be used as input to an IDEAS PR.

OPERATIONS PHASE PROJECT TEXT

OPER Activation

The purpose of this project is to provide for the activation of the vessel as a no-notice test activation or to prepare for operation in support of an exercise or mission.

The work allowed to be completed under this project includes crew wages, transportation and overtime; vessel support services including material handling, boiler water, donkey boiler, crane service, oil boom deployment, etc.; technical representatives and services including, thermography, vibration analysis, automation, engine diagnostics, communications, navigation, performance testing, etc.; agent fees; stores for steward, engine and deck department; tug assist, pilots and line handlers; laundry and cleaning services, waste disposal; and minor repairs required to activate, operate and deactivate the vessel.

If there is an operational period under MSC OPCON following activation, there will be additional projects for the operational period. Upon turnover/ acceptance of the vessel back to marad, the deactivation activities are included in this project.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

OPER Operating Costs*

The purpose of this project is to provide for labor, materials, and services to operate the vessel for exercise/mission _____, in accordance with the marad approved ship manager contract operation plans.

The work covered under this project includes crew wages, transportation and overtime; vessel support services; technical representatives and services; stores for steward, engine and deck department; and voyage repairs required to operate the vessel.

* Separate tracking of crew costs, consumables, M&R, parts, SM admin and voyage costs by Requisition/PO is required.

OPER SM Fixed Fees

The purpose of this project is to provide for Ship Manager fixed fees in accordance with the ship manager contract for exercise/mission _____, for the dates _____ to _____ .

OPER Fuel

The purpose of this project is to provide fuel for the vessel in support of operations for exercise/mission _____ .

OPER Port Charges

The purpose of this project is to provide for port charges for operation of the vessel in support of exercise/mission _____ .

OPER Canal Transit Charges

The purpose of this project is to provide for canal transit charges for the operation of the vessel in support of exercise/mission _____ .

OPER Security/Miscellaneous

The purpose of this project is to provide for security and miscellaneous vessel support for the operation of the vessel in support of exercise/mission _____ .

OPER Travel

The purpose of this project is to provide for crew travel for the operation of the vessel in support of exercise/mission _____ .

OPER Deactivaton

The purpose of this project is top provide for deactivation at the completion of operations at the conclusion of exercise/mission _____ .

OPER RGN Other Reimbursables

The purpose of this project is to provide for other reimbursables per the ship manager's contract in support of exercise/mission _____ .

Attachment D

To create a New Project in NS5:

1) From the Menu Bar at the top - click on File or click the ship icon on the Toolbar.
2) Scroll through the menu to find the desired ship.
3) Highlight the ship and click the Select button or double-click the ship.
4) From the Menu Bar at the top - click on Lists.
5) Select Projects to be Approved from the drop down menu.
6) From the Menu Bar at the top - click on File or click the New icon (looks like a blank sheet of paper) on the Toolbar.
7) The Project - New window will open. Enter the Project Number according to the following convention:

a. Ship Manger three letter abbreviation followed by a dash, i.e. KEY- for Keystone, CLS- for Crowley, IAS- for Interocean, MTL- for Marine Transport, etc.
b. Three letter ship code from the task order accounting string Program Element followed by a dash (the program element looks like 40RAC0, 22 FLK0), i.e. RAC- for Cape Race, DIA- for Cape Diamond, etc.
c. A sequential four digit number. This will have to be done manually for the time being. A later version of the software will automate this process.
d. A complete project number should look like KEY-RAY-0001.
8) Click the Account Button to the right of the Account field. The Available Accounts window will open. Scroll through the menu to find the desired account.
9) Highlight the desired account and click the Select button or double-click the account.
10) The account data will appear in the Account field. Highlight the data, right-click and copy the account data.
11) Paste the previously copied account data into the Description field. For purposes of clarity, enter FY in the description filed in front of the account data (i.e. copy/paste PM ROS Crews / Fixed Fees, then type in FY , resulting in FYXX PM ROS Crews / Fixed Fees).
12) Click the Project Index button to the right of the Project Index field. The Project Index window will open. Expand the ship manager folder by clicking the "+" next to the desired ship manager. Highlight the Budget or Emergent item as appropriate. Click the Check Mark on the toolbar to select.
a. A Budget item is one that is entered as part of the budget request for a given fiscal year.
b. An Emergent item is one that is entered during the fiscal year, as the need for a repair becomes apparent.
13) Click the Calendar button to the right of the Task Order Date field. Select a date by highlighting the desired date followed by clicking the Check Mark on the toolbar.
14) Click on the Remarks Tab at the bottom of the Project - New window. The Remarks text field will open. Shift to the Maintenance Phase Project Text document. Copy the appropriate text. Shift back to NS5. Click in the Remarks text field. Paste the previously copied text into the Remarks text field. Edit the text as necessary.
a. The Maintenance Phase Project Text document contains standard templates to be used in the Remarks text field. It is supplied as a separate MS Word document.
b. Suggestion - keep the Maintenance Phase Project Text open and minimized. This will make shifting between NS5 and the MS Word document easy by clicking on the appropriate icon in the Task Bar at the bottom of the screen.

15) Save the project. From the Menu Bar at the top - click on File, then click on Save or click the diskette icon on the Toolbar.

J.4 ATTACHMENT J-4 - DELIVERABLES - MARAD

J-4 Deliverables Attached

J.5 TE-04 VESSEL LOCATION

J.36 TE-04 VESSEL LOCATION

Gp	Design	Vessel	Location	FY09	FY10	ACP	ABS
22							
	RO/RO-LO/LO	USNS DENEBOLA	Baltimore, MD	ROS-5	ROS-5	Yes	7318323
	RO/RO-LO/LO	USNS REGULUS	Philadelphia, PA	ROS-5	ROS-5	Yes	7302087
	RO/RO-LO/LO	USNS ANTARES	Baltimore, MD	ROS-5	ROS-5	Yes	7207401
	RO/RO-LO/LO	USNS CAPELLA	To Be moved to Alameda, CA		ROS-5	ROS-5	Yes 7211866
	RO/RO-LO/LO	USNS ALGOL	Alameda, CA	ROS-5	ROS-5	Yes	7307227
	RO/RO-LO/LO	USNS BELLATRIX	Marrero, LA	ROS-5	ROS-5	Yes	7303134
	RO/RO-LO/LO	USNS ALTAIR	Marrero, LA	ROS-5	ROS-5	Yes	7308134

RO/RO-LO/LO USNS POLLUX Philadelphia, PA ROS-5 ROS-5 Yes 7309538

J.6 TE-02 QUALITY ASSURANCE SURVEILLANCE PLAN

Ship Manager Contract DTMA8C05001 - 021

Technical Exhibit – 2 (TE-2)
Quality Assurance Surveillance Plan

Ready Reserve Force (RRF)
Ship Manager Services

Maritime Administration

Revision issued by Administrative Modification

NOTE: This revision becomes effective with commencement ofPerformance Appraisal Period 05 on April 28, 2008
Introduction:
One of the required sections of Performance Based Service Contracting is a Performance Assessment Plan (PAP) also called a Quality Assurance Surveillance Plan (QASP). Note: the terminology Quality Assurance Surveillance Plan (QASP) is interchangeable with Performance Assessment Plan (PAP). From FAR 37.602-2 Quality Assurance, Agencies shall develop QASP when acquiring services (see 46.103 and 46.401(a)). These plans shall recognize the responsibility of the contractor (see 46.105) to carry out its quality control obligations and shall contain measurable inspection and acceptance criteria corresponding to the performance standards contained in the statement of work. The QASPs shall focus on the level of performance required by the statement of work, rather than the methodology used by the contractor to achieve that level of performance.
The QASP Performance Element defines the performance measurements and methods that Maritime Administration Reviewing Officials will use to assess the Contractor's ability to meet the requirements and objectives of the RRF Ship Manager Services contract. The remainder of this document will define the performance elements in terms of goals and objectives, standards, acceptable quality levels and method/frequency of inspection that will be used by the Government to fairly and consistently judge the Contractor's performance of the RFP Ship Manager Services Statement of Work.
QASP PERFORMANCE ELEMENTS:
Each QASP Performance Element consists of the (A) Performance Worksheet and (B) Evaluation Check-off Sheet:
A. Performance Worksheet: Defines criteria of performance element:
1 PERFORMANCE GOAL: goal is clearly stated at the top of the page.
2 PERFORMANCE ELEMENT: each Performance Goal may have one or more "performance elements" which will be evaluated on an individual basis to determine performance. Performance Elements are usually limited to a single topic.
3 OBJECTIVE: explanatory text involving or deriving from the Performance Element.
4 STANDARD: measurable factors.

GENERAL STANDARDS
Rates – such as, cost per lb
Limits – not more than, not less than
Criteria – such as Power, Weight, Volume, life cycle, accuracy
Systematic – such as regulations issued by an organization
Quantity – Was the service too much? Too little?
Quality – Was the SM's quality plan adhered to? Should the SM QA Plan have addressed it?
• Timeliness – Was the service performed early? On time? Late? If early or late was there a cost impact to MARAD?
GOVERNMENT SPECIFIC STANDARDS
U.S. Code of Federal Regulations (mandated by law)
MARAD Operational Management Manual

MARAD Logistics Management Manual
Engineering Operating Manuals (per ship)
Deck Operating Manuals (per ship)
The contract itself
National Defense Reserve Fleet (NDRF) Severe Weather Plan
MOORING PLAN for Outported vessels
MSC SOP (electronic version - provided at activation)
Navy, MSC, and Area Command SOPs (electronic versions provided as needed)
Rules and Regulations of the FCC
COMSC Communications Policies and Procedures Manual
U.S. Public Health Service Regulations - to maximum extent possible

- Carriage of HAZARDOUS or Explosive CARGOES: USCG regulations, Occupational Safety and Health Act of 1970 (29 USC 655, et. seq.,); regulations prescribed by the Dept of Labor for longshoremen; and COMSC instruction 9023.1 Subject: Safety Regulations Governing Handling and Transportation of Ammunition and Other Hazardous Cargoes.

NON-CONSENSUS STANDARDS*
SM Quality Plan
Manufacturer's Equipment Operating Manuals (per ship)
SM developed Commercial Procurement Procedures
SM developed Predictive Maintenance Plan
SM developed Activation Plan
SM developed Operational Plan
SM developed Deactivation plan
SM developed specifications and drawings for repairs or upgrades

*"Non-consensus standards," "Industry standards," "Company standards," or "de facto standards," are defined as standards which are developed in the private sector but not in the full consensus process.

VOLUNTARY CONSENSUS STANDARDS
International Safety Management (ISM) Code
Generally Accepted Accounting Principles (GAAP) U.S., as established by the Finance Accounting Standards Board
International Convention for Safety of Life at Sea (SOLAS)
ABS Rules for Steel Vessels
Code of International Ship Management
Standards of Training, Certification & Watch-keeping (STCW-95) or current agreement
Current ITU Radio Regulations
Bridge to Bridge Radio Telephone Act
International Maritime Satellite (INMARSAT) and MF/HF, UHF, and VHF procedures for communication
International Regulations for Preventing Collisions at Sea
U.S. Inland Rules of the Road
International Organization for Standardization (ISO) 9000 (series) - refers to all those features of a product (or service) which are required by the customer. "Quality management" means what the organization does to ensure that its products conform to the customer's requirements.
ISO 14000 (series) to minimize harmful effects on the environment caused by its activities
ISO/OHSAS 18000 (series) OCCUPATIONAL HEALTH AND SAFETYMANAGEMENT SYSTEMS

1 ACCEPTABLE QUALITY LEVEL (AQL): provides 3 or more levels of performance required to be met, or any acceptable deviation from the standard that may be allowed. The AQL is not a threshold at which official notification actions must be taken.

6. OBJECTIVE QUALITY EVIDENCE - (OQE): Any record, information, or statement of fact, quantitative or qualitative, pertaining to the quality of a product or service, including safety, based on observations, measurements, or tests which can be verified. OQE will be expressed in terms of specific quality requirements or characteristics. These characteristics are identified in drawings, specifications or other documents which describe the item, process, or procedure. The OQE is physical evidence that an auditor or reviewer, when

reviewing an audit report or check off sheet, can inspect and evaluate for themselves. It provides compelling evidence that the findings support the quality level given.

2 INITIATING OFFICIAL: Functional title of MARAD official or officials who initiate QASP evaluations. For several elements this may include more than one official.

3 METHOD OF INSPECTION: Acceptable methods of inspection include, but are not limited to:

o100% INSPECTION/SURVEILLANCE: (FAR) is the most appropriate method for infrequent tasks or tasks with stringent performance requirements, such as safety or health concerns, or activations for national mobilizations. With this method, performance is inspected/evaluated at each occurrence.

o RANDOM SAMPLING: (FAR) is a statistically based method that assumes receipt of acceptable performance if a given percentage or number of scheduled assessments is found to be acceptable. Random sampling is the most suitable method for frequently reoccurring tasks such as maintenance or contract records administration. It works best when the number of instances is very large and a statistically valid sample can be obtained. There is no set percentage or minimum/maximum number of assessments conducted in Random Sampling. The quantity of assessments will be based on findings and performance.

o PERIODIC INSPECTION: is planned at specific intervals or dates that are directly applicable to tasks that occur infrequently such as activations, operations, major ship repair, the annual contract administrative review; or COTR ship visit. These inspections may be conducted by any MARAD personnel acting in accordance with his/her position.

o UNSCHEDULED INSPECTIONS: An unplanned inspection usually carried out in conjunction with inspections of other requirements or in an impromptu fashion on the way to or from another commitment. For example, a COTR may be monitoring preventative maintenance operations. Incident to that inspection, he/she may notice and document another service that fails to meet specific performance standards. This constitutes an unscheduled inspection. It is seldom used as a primary method of surveillance. Decisions on what to inspect are usually arbitrary; they are made simply "because you are there," but may include obvious safety violations or unsafe practices. Consider Unscheduled Inspections as a supplement to other methods. A Quality Deficiency Report (QDR) may be issued for the non-conformance.

o TREND ANALYSIS: Uses a database of information, such as the MARAD Ready Reserve Force Management System (RMS) which consists of NS5, Readiness Reporting, PMARS, SM-PEAS, and/or electronic invoicing to show trends over a period of time. Trend analysis should be used regularly and continually to access the contractor's ongoing performance over time. Contractor-managed metrics may provide additional information needed for analysis.

OCONTRACTOR METRICS: are Metrics defined and maintained per the ShipManager Quality Plan.

o THIRD PARTY AUDITS: Defense Contract Audit Agency; authorized ISM organizations, or any 3rd party agency or organization requested by MARAD to perform inspections. A third party is an organization that is independent of the government and the contractor. All documentation supplied to, and produced by the third party should be made available to both the government and the contractor.

o NON-CONFORMITY: A Non Conformity occurs when the Ship Manager does not fulfill any specified requirement in the Ship Manager Contract(SMC) - including but not limited to contract clauses, Performance Work Statement, SMC Technical Exhibits, Ship Manager Contract guidance issued by MARAD, Ship Manager's contract deliverables approved by MARAD, and any other Ship Manager Plans and Procedures approved or accepted by MARAD.

o Examples of non-conformities include, but are not limited to:

Any deviation from standard;

Lack of Ship Manager's full compliance with any Ship Manager Contract requirement;

Conditions jeopardizing the ability to fulfill contractual requirements or jeopardizing the readiness or reliability of the vessel or the delivery of quality ship management service IAW the SMC;

Vessel Causalities;

Injury or Death; Property, Environmental or Cargo Damage;

Hazardous Situations;

Customer Complaints;

Failure of equipment due to non performance of vessel procedures approved by Ship Manager;

Non-compliance with Specific Operating Procedure or instructions issued by MARAD;

Non-compliance with Specific Operating Procedure or instructions issued by Ship Manager; and/or

Unsafe Operations or incorrect processes.

ONote: Any internal observations, internal recommendations and near-misses identified by the Ship Manager during his routine internal quality audits, reviews, Safety management System reviews, process improvement efforts, etc., shall be considered part of his routine internal quality control procedures and shall not be considered a Ship Manager Contract Non-Conformity for the purposes of evaluating the Ship Manager's performance in this QASP.

1 FREQUENCY OF INSPECTIONS: The COTR will advise the Ship Manager in advance of his/her schedule. Not all QASP Performance Elements will be evaluated on each scheduled inspection period.

2 STATEMENT OF WORK REFERENCE: This is the location within the contract, usually Section C, which refers to the performance requirement. It may be the numerical clause and its follow-on depending clauses, such as Sections C.2, C.2.1, C.2.2, C.2.2.1, etc.

3 OTHER APPLICABLE REFERENCES: References through the contract and other MARAD documents which apply to the performance requirement.

12. RATING:

12.1. Each Performance Element receives an individual rating.
12.2. Each performance element may be rated more than one time per performance rating period. For example, if the Frequency of Inspections is monthly, and the rating period is six months long, then there should be six (6) performance elements included in the final.
12.3. "Exceeds Standard': Sustained improvements that exceed the Meets Standard level during the inspection period or provide value-added services and products that exceed contractual requirements of this section. BZs should be considered as one of the criteria for any individual item leading to an exceeds standard rating.
12.4. Continuous Improvement : For the purpose of clarity in conducting evaluations, the following guidance is provided relative to the purpose and intended results arising out of the Ship manager's Continual Improvement program:
[Following definition was extracted from ABS Guide For Marine Health, Safety, Quality and Environmental Management:]
Continual Improvement – recurring process of enhancing the management system in order to achieve improvements in overall performance consistent with the Company's stated policies for safety, quality and pollution prevention, as applicable.
[Following Definition extracted directly from ISO Definitions Translated into plain English "ISO 9001 Definitions" @ www.praxiom.com/iso-definition.htm]
Continual Improvement is a set of activities that an organization routinely carries out in order to enhance its ability to meet requirements. Continual improvement can be achieved by carrying out internal audits, performing management reviews, analyzing data, and implementing corrective and preventative actions
Based on the above, QASP evaluators shall recognize that successful implementation of a Ship Manager's continual improvement program may not always result in measurable and demonstrable improvements (of a quantitative nature) in each rating period as compared to the previous period. The Government's evaluation in this area should be a verification that the SM effectively continued to implement an on-going and proactive process to identify and improve their business and operating processes and practices during the current rating period. Further, that the SM takes prudent action to improve in those areas where considered reasonable and appropriate through the process of corrective and preventative actions.
13 RATIONALE/COMMENTS: Individual COTR comments are found in this section of the worksheet. These summary comments support the performance element rating discussed above.
NOTE CONCERNING VALIDATED CUSTOMER COMPLAINTS: Customer Feedback/User Complaints: (FAR). Customer feedback/user complaint is a means of documenting certain kinds of service problems and successes. Any MARAD personnel acting in accordance with his/her position; members of USCG, MSC, USTRANSCOM, or other DOD components may issue a customer feedback/user complaint. The feedback/complaint is issued to the COTR. Feedback comments should have a time/date; narrative description; name of individual. To be a valid method, all such alleged defects must be examined by the COTR within a reasonable time (depends on nature of service) and determined to be a true defect. The COTR will add the date that feedback is verified or accepted.
B. EVALUATION CHECK OFF SHEET: A check off list used solely as a memory jogger and job aid to help the COTR in the field during his/her evaluation of the Ship Manager's performance. The Check-Off Sheet is not part of the Performance Element. The QASP evaluation is not solely dependent on the check off sheet. The Check-off sheet is only a summary of the evaluator's field notes and is considered privileged Government's official backup material.
This Government evaluator's back-up check off sheet is appended after each Performance Element in this QASP, entered into the Performance Evaluation and Appraisal System (PEAS), and provided to the Ship Manager solely as courtesy information. .
The Check-off sheet questions have been developed and numbered to match each of the corresponding standards listed under the "Meets Standards" section of the applicable Performance Element in this QASP. Sub–questions have been developed under each Check-off list question to list items which are recommended for COTR consideration during his/her evaluation of the Ship Manager's performance for the applicable Performance Element Standard. COTRs should answer all lettered sub-questions listed below each numbered question before answering the applicable numbered question.
All check-off list questions and sub-questions have been designed to enhance clarity, eliminate any double negatives, and always result in a "Yes" answer to indicate positive Ship Manager performance. Notes have been added to sub-questions as necessary to enable the COTR to readily identify and record any instances where Ship Manager's performance meets the "Exceeds Standards" AQLs.
A new column "N/A or N/O" has been added after "Yes" and the "No" columns in the check-off sheets. The COTR should mark this column if any question or sub-question is "Not Applicable" or was "Not Observed" during the rating period. [Note: This N/A column will only be available in SM-PEAS when the next enhanced SM-PEAS version is released]
It is recommended that COTRs complete the entire check-off sheet and answer all questions and sub-questions before completing his/her rating of the SM performance. COTR's are expected to use and complete check-off sheets and to save them as documentation supporting their ratings. However, this is not a contract requirement.
Conclusions
Upon the conclusion of a six month evaluation rating period (after first rating period which is 9 months after NTP), a formal copy of the evaluation will be sent by the ACO to the Ship Manager. In accordance with FAR 42.1503(b), the Ship Manager has the right to submit comments to the ACO within 30 days of receipt of the semi-annual past performance evaluation. Comments submitted will be reviewed one level above the ACO and remain part of the record to be presented to the Incentive Awards Committee. See Award

Term Incentive Option Plan (ATIOP), Attachment J-12 to the RRF Ship Manager Contract. Ship Manager's comments will not change an evaluation, but may in the view of the Incentive Awards Committee mitigate it. The ultimate conclusion on the performance evaluation is a decision of the contracting agency. Copies of the evaluation, contractor response, and review comments, if any, shall be retained as part of the evaluation.
Performance Goal 1: Responsive and High-Quality Completion of Fleet Maintenance Requirements
Performance Element 1-1: Preventative Maintenance Plan (PMP) Execution and Update

Performance Objective: Ship Manager is effectively and efficiently executing the PMP in both Phase M and Phase O to successfully achieve readiness, activation and operational requirements.
Standards (must meet one of the following in addition to achieving "Meets Standard") Quality Levels
Exceeds Standard Exceeds Acceptable Quality Levels
1. All maintenance actions for non-critical equipment are accomplished 1. No more than two omissions per vessel per month
2. PM actions are updated to improve the effectiveness of the PMP 2. Objective Quality Evidence (OQE) – The SM clearly demonstrates a program of continuous improvement and/or they have previously achieved Exceeds Standards and continued to maintain that level during current inspection period.
3. NS5 is updated to reflect any anomalies or additional maintenance conducted in the process of executing PM actions 3. No more than two omissions on non-critical equipments per vessel per six month Performance Appraisal Period.
Meets Standard (must meet all of the following) Acceptable Quality Level
1. All maintenance actions are completed on "critical equipments" 1. No omissions
2. All maintenance actions for non-critical equipment are accomplished 2. No more than five omissions per vessel per month AND The same incomplete action was properly completed in the previous maintenance cycle.
3. The PMP is updated to reflect equipment additions, change-outs and removals 3. Zero omissions
4. NS5 is updated to reflect any completed PM and anomalies or additional maintenance conducted in the process of executing PM actions 4. Zero omissions on Critical Equipment; AND No more than six omissions on non-critical equipments per vessel per six month Performance Appraisal Period
Unsatisfactory (meets any of the following or does not meet any "Meet Standard" AQL) Unsatisfactory Quality Level
1. All maintenance actions are completed on "critical equipments" 1. One action is not complleted
2. All maintenance actions for non-critical equipment are accomplished 2. Six omissions per vessel per month OR Any of the current incomplete actions was not completed in the previous maintenance cycle.

3. The PMP is updated to reflect equipment additions, change-outs and removals 3. One omission
4. NS5 is updated to reflect any anomalies or additional maintenance conducted in the process of executing PM actions 4. One omission on Critical Equipment; OR Seven omissions on non-critical equipments per vessel per six month Performance Appraisal Period
Critical Equipment to be defined as "Equipment included in the PM Plan that is essential to successful activation and/or successful sustained operation for 180 days." Non-critical Equipment to be defined as "Equipment included in the PM Plan not deemed critical as defined above."
Initiating Official: COTR
Method of Inspection: COTR review of NS5 and/or on-board maintenance records Visual inspection of equipment and systems during ship visits by COTR Light-offs, Dock and Sea Trials ABS Surveys USCG Inspections
Frequency of Inspection: Continuous review of maintenance history database, minimum monthly. Periodic COTR vessel visits. (note: COTR shall inspect each vessel at least monthly for vessels in Phase M and annually for vessels in Phase O)
Statement of Work Reference: C.2.3.1.1 Applicable References: NS5, other applicable vessel maintenance records, Ship Technical Manuals; Ship Operating Manuals; Applicable Regulatory Rules, Regulations and MOUs, SM Business Plan, Ship Manager's Quality Assurance Procedures
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 1-1 PMP Execution Frequency: Monthly
Inspection of Ship's Equipment and Material Condition - Check List (Job Aid only for COTR) Yes No N/A or N/O Remarks
1) All maintenance actions are completed on "critical equipments"?
a) Did the Ship Manager implement his Phase M maintenance plan? (Check Monthly only in Phase M)
b) Did the Ship Manager implement his Phase O maintenance plan if operational for greater than 30 days? (Check Monthly only in Phase O)
c) Were all PM actions on critical equipment completed by SM in accordance with the applicable Phase M or Phase O maintenance plan?

2) All maintenance actions for non-critical equipment are accomplished?
a) Were all items that were not completed as required during the current inspection period properly completed by SM in the previous maintenance cycle?
b) Are five or less maintenance actions on non-critical equipment per vessel per month incomplete? (Meets Standard) If two or less maintenance actions on non-critical equipment per vessel per month are incomplete, note under remarks here and explain under Evaluator's Summary Assessment on the PIR. (Exceeds Standard)
c) Did the COTR's witnessing the execution of at least 2 PM actions disclose that all applicable written procedures were followed?

d) Did the COTR's random inspection of a minimum 5% sampling of PMP actions, which were recorded as completed by SM during COTR's absence, disclose indications that the inspected PM actions were accomplished in accordance with the written procedures?
Review of PMP
3) The PMP is updated to reflect equipment additions, change-outs and removals?
a) Did SM update the PMP to reflect equipment change outs, additions, and/or removals? (Check only as necessary upon ship configuration changes)
b) Did the SM improve the effectiveness of the PMP as necessary to improve the quality of a specific maintenance action (enhanced procedure, adjusted frequency, etc.)? If the SM clearly demonstrates a program of continuous improvement and/or they have previously achieved Exceeds Standards and continued to maintain that level during current inspection period, note under remarks here and explain under Evaluator's Summary Assessment on the PIR. (Exceeds Standard)

Review of NS5 Database - Compare data entries against scheduled and completed actions
4) NS5 is updated to reflect any completed PM and anomalies or additional maintenance conducted in the process of executing PM actions?
a) Did SM update NS5 to reflect completion of the scheduled maintenance actions?
b) Has the SM identified and documented any additional unscheduled work accomplished during the execution of PM actions into NS5?
c) If any PM action discloses need for future maintenance & repairs, did SM enter required repairs as a Service Request in NS5 including resources and cost estimate?
d) Did SM make entries in accordance with NS5 PM Guidance?
e) Did SM's update of NS5 have zero omissions regarding Critical Equipment PM actions?
f) Did SM's update of NS5 have total of six or less omissions per vessel in current six month Performance Appraisal Period regarding Non-Critical Equipment PM actions? (Meets Standards) Note: COTR to put running total for current six-month PAP under Remarks. If SM's update of NS5 had a total of two or less omissions per vessel in current six month Performance Appraisal Period regarding Non-Critical Equipment PM actions, note under remarks here and explain under Evaluator's Summary Assessment on the PIR. (Exceeds Standard)
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 1-2: Regulatory Body Classification/Certification

Performance Objective: Regulatory body surveys and inspections are compliant and current. Outstanding non-conformities levied by regulatory bodies are being resolved in a timely manner.

Standards	Quality Levels
Exceeds Standards (must meet 5 of the following in addition to achieving "Meets Standard")	Exceeds Acceptable Quality Levels
1. All onboard documents are current and maintained in the appropriate locations	1. No unaccounted non-conformities
2. Complete all ABS and USCG Annual Regulatory inspections within the annual survey window.	2. No ABS survey or USCG inspection remains unscheduled past the first 30 days of ABS Survey 90 day window And ABS Surveys and USCG inspections are completed on or before the due date.
3. No ABS outstanding issued per inspection cycle	3. No ABS outstanding recommendations except for MARAD (610) Allowed items which can only be cleared during activation.
4. No USCG 835s issued during an inspection period	4. No USCG 835s except for any MARAD (610) Allowed 835s (e.g., fire and boat drill) items which can only be cleared during activation
5. Vessel is fully prepared and pre-checks conducted prior to regulatory body inspection or survey	5. No noted discrepancies or required revisits (re-perform scheduled test) by ABS and USCG
6. Ship Managers monitor changes to regulatory body requirements and implement changes to achieve compliance.	6. Objective Quality Evidence (OQE) – Proactive notification to MARAD, crew training, and identify necessary changes to business plan
Meets Standards (must meet all of the following)	Acceptable Quality Level

1. All onboard documents are current and maintained in the appropriate locations 1. No more than one non-conformity noted
2. Complete all ABS and USCG Annual Regulatory inspections within the annual survey window. 2. No non-conformities .
3. No ABS outstanding issued per inspection cycle 3. No more than five ABS outstandings that do not impact readiness, except for MARAD (610) Allowed items which can only be cleared during activation
4. All ABS outstanding items are cleared before due date 4. No non-conformities
5. No USCG 835s issued during an inspection period. (THIS ITEM EXCLUDES SECURITY RELATED NON-CONFORMITIES) 5. No more than five USCG 835s that do not impact readiness except for any MARAD (610) Allowed 835s (e.g., fire and boat drill) items which can only be cleared during activation
6. All 835s and work lists are cleared by due date 6. No non-conformities

7. Vessel is fully prepared and pre-checks conducted prior to regulatory body inspection or survey 7. No more than two discrepancies identified by regulators that were cleared in a single revisit
8. The NS5 database is updated to reflect current regulatory body requirements 8. No non-conformities
9. Ship Managers monitor changes to regulatory body requirements and implement changes to achieve compliance 9. Vessels remain in compliance

Unsatisfactory (meets any of the following or does not meet any "Meet Standard" AQL) Unsatisfactory Quality Level

1. All onboard documents are current and maintained in the appropriate locations 1. More than one non-conformity noted
2. Complete all ABS and USCG Annual Regulatory inspections within the annual survey window. 2. Non-conformities observed.
3. No ABS outstanding issued per inspection cycle 3. More than five ABS outstandings that do not impact readiness, except for MARAD (610) Allowed items which can only be cleared during activation
4. All ABS outstanding items are cleared before due date 4. Non-conformities noted
5. No USCG 835s issued during an inspection period 5. More than five USCG 835s that do not impact readiness except for any MARAD (610) Allowed 835s (e.g., fire and boat drill) items which can only be cleared during activation
6. All USCG 835s and work lists are cleared by due date 6. Non-conformities noted
7. Vessel is fully prepared and pre-checks conducted prior to regulatory body inspection or survey 7. More than two noted non-conformities that were cleared in a single revisit OR Clearing of non-conformities required more than one revisit
8. The NS5 database is updated to reflect current regulatory body requirements 8. Non-conformities noted
9. Ship Manager monitors changes to regulatory body requirements and implements changes to achieve compliance. 9. Vessel is cited for noncompliance .

Note: It is recognized that some USCG 835s or ABS Outstanding non-conformities will be issued due to the vessel's limited availability. These non-conformities will not impact the SM's performance assessment unless the SM is unable to clear the non-conformity when the opportunity is available

Initiating Official: • COTR

Method of Inspection: • NS5 Review • ABS Safenet Review •Vessel inspection and attendance during surveys

Frequency of Inspection:

•COTR discretion but at least monthly. •COTR attendance during regulatory body inspections.

Statement of Work Reference: • C.2.1

Other Applicable References: •Vessel's "Blue Book" with associated vessel regulatory documents • ABS SAFENET • NS5 •USCG Bridge Record Card •Ship Manager's Quality Assurance Plan

Rating: 0 2 3 Unsat Meets Exceeds Standard Standard

Rationale/Comments required for all rating levels:

If ABS identified any non-conformities during the inspection period (except for MARAD 610 allowed items that can only be cleared during activation), summarize specifics under Remarks and explain under Evaluator's Summary Assessment.

a) Did COTR confirm that none of the ABS identified non-conformities (except for MARAD 610 allowed items required during activation) resulted in an impact on readiness? (if no, explain in Remarks)

b) Were five or less ABS outstandings (that do not impact readiness), except for MARAD 610 Allowed Items which can only be cleared during activation, issued during inspection period? (Meets Standard) If zero ABS outstanding recommendations were issued (except for MARAD 610 Allowed Items required during activation), note so under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard)

4) All ABS outstanding items are cleared before due date?

a) Has SM scheduled corrective action for all ABS non-conformities in a reasonable and acceptable timeframe?

5) No USCG 835s issued during the inspection period (except for MARAD 610 Allowed Items required during activation)? (THIS ITEM EXCLUDES SECURITY RELATED NON-CONFORMITIES)

a) Were zero "No Sail" non-conformities (except for MARAD 610 Allowed Items which can only be cleared during activation) issued since last performance report? If any No Sail non-conformities were issued, answer No and summarize under Remarks and explain under Evaluator's Summary Assessment in PIR.

b) Did SM promptly notify COTR regarding any identified "No Sail" non-conformities?

c) Were five or less USCG 835s (that do not impact readiness) issued during inspection period - excluding any MARAD 610 Allowed Items (e.g., fire and boat drill) which can only be cleared during activation? (Meets Standard) If zero USCG 835s were issued (except for MARAD 610 Allowed Items which can only be cleared during activation), note so under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard).

6) All 835s and work lists are cleared by due date (except for MARAD 610 Allowed Items which can only be cleared during activation)? (THIS ITEM EXCLUDES SECURITY RELATED NON-CONFORMITIES)

a) Can all "No Sail" non-conformities be corrected by SM during the assigned readiness period?

b) Has SM scheduled corrective action for all USCG identified non-conformities (except for MARAD 610 Allowed Items that can only be cleared during

activation) in a reasonable and acceptable timeframe?

7) Vessel is fully prepared and pre-checks conducted prior to regulatory body inspection or survey?

a) Was each vessel fully prepared for the accomplishment of the survey and/or inspection i.e., did SM pretest equipment and has adequate resources available to support the survey/inspection?

b) Were additional resources identified and scheduled by SM for the proper conduct of the survey and/or inspection valid and reasonable?

c) Did each scheduled inspection or survey visit result in no more than two non-conformities that were cleared in a single revisit? (Meets Standard) If USCG/ABS noted zero non-conformities on all visits and required zero revisits (to re-perform previously conducted inspection /survey), note so under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard)

Review of NS5 Database

8) The NS5 database is updated to reflect current regulatory body requirements?

a) Did SM update all the key Regulatory Body inspections, surveys, and due dates in the NS5 database upon completion?

b) Did SM accurately document and maintain all PM/CM actions completed within inspection period within NS5 for presentation to Regulatory Body surveyors?

Monitoring & Implementing Regulatory Changes

9) Ship Manager monitors changes to regulatory body requirements and implements changes to achieve compliance? If there were no regulatory changes since the last Performance Inspection Report, mark #9, #9a, #9b & #9c as N/A.

a) Did SM ensure that vessels remain in compliance with the new regulatory changes? (Meets Standard)

b) Did the ship manager proactively notify MARAD of any new regulations issued during the inspection period and make recommendations for changes in the BP to satisfy compliance? (Exceeds Standard)

c) Did the Ship Manager proactively train vessel crews in the new requirements? (Exceeds Standard)

COTR Feedback to SM

Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 1-3: Vessel Readiness & Reliability Performance Objective: The vessel is capable of being activated within its assigned readiness period and can reliably sustain 180-days Fully Mission Capable (FMC) operations.

Standards	Quality Levels
Exceeds Standards (must meet one of the following in addition to achieving "Meets Standard")	Exceeds Acceptable Quality Levels
1. During Phase M, Ship Manager maintains vessel in C1/C2 readiness status unless a C3 or C5 period is scheduled in the approved Business Plan and/or pre-approved by MARAD	1. Zero unscheduled C3 or C4 periods per vessel during inspection period
2. If operational, Ship Manager operates vessel in Phase O in a reliable FMC condition for up to 180 days	2. Minimum 98% FMC sustained per vessel for each month of operation And Minimum 98% FMC for the overall operation period greater than 30 days (up to 6 months vessel operating period). (Note: All planned, scheduled and pre-approved C5 repair periods are considered FMC)
Meets Standards (must meet all of the following)	Acceptable Quality Level
1. During Phase M, Ship Manager maintains vessel in C1/C2 readiness status unless a C3 or C5 period is scheduled in the approved Business Plan and/or pre-approved by MARAD	1. Nine days of unscheduled C3 or C4 periods per vessel during each 180 day Phase M Period. Note: The number of allowable unscheduled Out-of-Readiness days will be prorated to = 9 x Actual Days in Phase M / 180.

2. If operational, Ship Manager operates vessel in Phase O in an FMC condition for up to 180 days 2. Minimum 95% FMC sustained per vessel for each month of operation And Minimum 95% FMC for the overall operation period greater than 30 days (up to 6 months vessel operating period). (Note: All planned, scheduled and pre-approved C5 repair periods are considered FMC)
3. The Ship Manager accurately reports vessel readiness 3. Zero instances of the SM failing to accurately report vessel readiness condition
4. The Ship Manager promptly reports unscheduled readiness changes within 24 hours of identification 4. Zero non-conformities.
Unsatisfactory (meets any of the following or does not meet any "Meets Standard" AQL) Unsatisfactory Quality Level
1. Ship Manager maintains vessel in C1/C2 readiness status unless a C3 or C5 period is scheduled in the approved 1. More than Nine days of unscheduled C3 or C4 periods per vessel during each 180 day Phase M Period.

Business Plan Note: The number of allowable unscheduled Out-of-Readiness days will be prorated to = 9 x Actual Days in Phase M / 180.
2. If operational, Ship Manager operates vessel in Phase O in an FMC condition for up to 180 days 2. Less than 95% FMC sustained per vessel for each month of operation OR Less than 95% FMC for the overall operation period greater than 30 days (up to 6 months vessel operating period). (Note: All planned, scheduled and pre-approved C5 repair periods are considered FMC)
3. The Ship Manager accurately reports vessel readiness 3. One instance of the SM failing to accurately report vessel readiness condition.
4. The Ship Manager promptly reports unscheduled readiness changes within 24 hours of identification 4. One non-conformity
Initiating Official: COTR
Method of Inspection: Review of Ship Manager's After-Action and Incident Reports Review of Casualty Reports Visual inspection of ship by MARAD Operational Message Traffic and SITREPs
Frequency of Inspection: Monthly or more frequent if inconsistencies or non-conformities are found.
Statement of Work Reference: C.2.2.4, 2.2.5.1, C3.3.1
Other Applicable References: •Weekly NS5 reports and weekly Status Reports on readiness and RSTARS •ABS Rules for Building and Classing Steel Vessels •Ship Manager Quality Plan •SM Operations Plan
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 1-3: Vessel Readiness & Reliability - Check List (Job Aid only for COTR)
Frequency: Monthly
Phase M Readiness Yes No N/A or N/O Remarks
1) Ship Manager maintains vessel in C1/C2 unless a C3 or C5 period is scheduled in the approved Business Plan and/or pre-approved by MARAD?
a) Did SM satisfactorily project all out-of-readiness periods (during this inspection period) in the Annual Business Plan and/or periodic updates?
b) Did SM notify and obtain pre-approval from COTR before commencing all scheduled out-of-readiness periods during this inspection period?
c) Did each vessel have nine days or less of unscheduled C3 or C4 periods during the current six-month Performance Appraisal Period.? (Meets Standard) Note: The number of allowable unscheduled Out-of-Readiness days will be prorated to = 9 x Actual Days in Phase M / 180. Enter actual days in Phase M and calculated allowable Out-of-Readiness days under Remarks.

d) Did each vessel have zero unscheduled C3 or C4 periods per vessel during this inspection period? Summarize under Remarks and Explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard)
Phase O Reliability
2) If operational, Ship Manager operates vessel in Phase O in an FMC condition for up to 180 days? If there was no Phase O period during this inspection period, mark #2, #2a, #2b, #2c, #2d, #2d, #2e and #2f as N/A
a) Did each operating vessel sustain operational reliability of 95% FMC or higher for each month of operation?

b) Did each operating vessel sustain operational reliability of 95% FMC or higher for the overall operation period greater than 30 days (up to 6 months vessel operating period)? Note: All planned, scheduled and pre-approved C5 repair periods are considered FMC. (Meets Standard) Calculate and Enter in remarks: Operational Reliability = x days FMC / y days operational* 100 % If each operating vessel sustained operational reliability

of 98% or higher for the entire applicable operational period during the current six-month Performance Appraisal Period, note so under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard)
c) Did the ship manager notify the COTR within 24 hours of any unscheduled non-FMC events or any C-3 or C-4 CASREPs?

d) Were all non-FMC periods beyond the control of the Ship Manager, including crew? Explain under Remarks.

e) Was the ship manager proactive in minimizing non-FMC periods?
f) Non-FMC periods did NOT result in a late arrival and/or mission impact?
Readiness Reporting Accuracy
3) The Ship Manager accurately reports vessel readiness?
a) Did the ship manager accurately report readiness (including considering the collective total of all non-conformities that could impact activation or 180-day FMC operations) during this inspection period?
b) Were there Zero instances of the SM failing to accurately report vessel readiness condition?
Readiness Reporting Timeliness
4) The Ship Manager promptly reports unscheduled readiness changes within 24 hours of identification?
a) Did the ship manager notify the COTR within 24 hours of all unscheduled readiness status changes? (if No, summarize under Remarks here and explain under Evaluator's Summary Assessment in PIR)
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 1-4: Quality and Completeness of Vessel Business Plan (M&R Work Plan).

Performance Objective: The Business Plan encompasses the accurate and responsive actions including but not limited to performing preventative maintenance, maintaining regulatory compliance, correction of known and emergent deficiencies, as required to maintain the vessel in C1 or C2 status.

Standards	Quality Levels
Exceeds Standards (must meet three of the following in addition to achieving "Meets Standard")	Exceeds Acceptable Quality Levels
1. The Ship Manager demonstrates application of adequate Risk Management of M&R performance/cost/schedule/readiness etc. in the development of their Business Plan	1. Zero major activities and 3% of minor activities demonstrate inadequate risk management by SM.
2. Initial Business Plan's comprehensiveness, accuracy and quality are adequate.	2. No more than one minor re-write required
3. The final Business Plan's comprehensiveness, accuracy and quality are adequate.	3. No changes required
4. The initial and final business plans are submitted timely in accordance with the MARAD directed schedule and guidance	4. Received at least 3 business days before scheduled due dates
5. The initial and final business plans as submitted comply with the MARAD BP preparation guidance	5. Zero major non-conformity and 2 or less minor non-conformities in Initial Business Plan AND Zero major non-conformity and zero minor non-conformity in Final Business Plan
6. SM demonstrates innovation in identifying new and modern components, systems, and processes which can enhance vessel capabilities.	6. OQE.
Meets Standards (must meet all of the following)	Acceptable Quality Level
1. The Ship Manager demonstrates application of adequate Risk Management of M&R performance/cost/schedule/readiness etc. in the development of their Business Plan	1. Zero major activities and 10% or less of minor activities demonstrate inadequate risk management by SM.
2. Initial Business Plan's comprehensiveness, accuracy and quality are adequate.	2. No more than one major re-write required
3. The final Business Plan's comprehensiveness, accuracy and quality are adequate.	3. No more than one minor re-write required
4. The initial and final business plans are submitted timely in accordance with the MARAD directed schedule	4. No more than 3 business days after scheduled due date
5. The initial and final business plans as submitted comply with the MARAD BP preparation guidance	5. No more than one major non-conformity and five minor non-conformities in Initial Business Plan AND Zero major non-conformities and two or less minor non-conformities in Final Business Plan
6. Any minor changes to the final Business Plan are accomplished promptly.	6. Final revision received no more than 5 business days after receipt of comments from MARAD.
Unsatisfactory (meets any of the following or does not meet any of the "Meets Standards" AQLs.)	Unsatisfactory Quality Level
1. The Ship Manager demonstrates application of adequate Risk Management of M&R performance/cost/schedule/readines s etc. in the development of their Business Plan	1. One or more major activities and greater than 10% or more of minor activities demonstrate inadequate risk management by SM.
2. Initial Business Plan comprehensiveness, accuracy and quality are adequate.	2. Two or more major re-writes required

3. The final Business Plan's comprehensiveness, accuracy and quality are adequate. 3. Two or more minor re-writes required OR One major rewrite required.
4. The initial and final business plans are submitted timely in accordance with the MARAD directed schedule and guidance
4. Business Plan submissions are received 4 or more days after due date
5. The initial and final business plans as submitted comply with the MARAD BP preparation guidance 5. Two major non-conformities or six minor non-conformities in Initial Business Plan OR One major non-conformity or two minor non-conformities in Final Business Plan
6. Any minor changes to the final Business Plan are accomplished promptly. 6. Final revision received 6 or more business days after receipt of MARAD comments.
NOTES: a. If the Business Plan requires modifications due to MARAD imposed requirements after the initial submission, SMs performance should be reflected in PE 1-5, Responsiveness to changes in the BP. b. A major activity is defined as a project or individual work item that has a dollar value of $500,000 or more, or applies to a piece of critical equipment, or is an activity which impacts vessel readiness. c. A minor activity is defined as a project or individual work item that has a dollar value of less than $500,000, applies to non- critical equipment, or is an activity which does not impact vessel readiness. d. e. A minor re-write is defined as the SM having to modify the BP because he omitted 5 or less known repair items or 10 or less known repair items were incomplete in respect to statement of work, applicable equipment, or reasonableness of cost estimate. A major re-write is defined as a significant change to the overall business plan schedule or cost due to the omission of a key element(s) such as a key regulatory requirement or known activation. The SM will be held accountable for a complete business plan if he is informed of all known activations. A major re-write may also be defined as the SM omitting more than five (5) known

repair items or more than 10 known repair items were incomplete in respect to statement of work, applicable equipment, or reasonableness of cost estimate.
Initiating Officials: • COTR • SMS • SOMO • SSR
Method of Inspection: •Review and assessment of the Business Plan as submitted under contract •Review of NS5
Frequency of Inspection: • Annual •Initial and Final submissions •When updates are submitted by the Ship Manager •When MARAD guidance dictates
Statement of Work Reference: C.2.1, C.2.2, C.2.3, C.2.4, C.2.5 C.6.4, C.6.5 Attachment J-4 Applicable References: •MAR-611 Maintenance and Repair Planning Guidance (issued annually) •MAR-611 Fiscal Guidance (issued annually per USTC/Navy Planning Guidance) •SM Quality Assurance Plan
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

1-4 Quality and Completeness of Business Plan - Check List (Job Aid only for COTR) Frequency: Annual and as required upon receipt of updates
Cost/Performance/Schedule Risk Management in Business Plan Yes No N/A or N/O Remarks
1) The Ship Manager demonstrates application of adequate Risk Management of M&R performance/cost/schedule/readiness etc. in the development of their Business Plan?
a) Has the Ship Manager applied Risk Management in the identification of cost and performance risks and implemented mitigation solutions for both?
b) Did SM adequately identify replacements in lieu of repair of equipment when economically justifiable?
c) Are cost estimates developed that include SM attendance, reimbursable costs, travel, admin costs, tech reps, GFE?

d) Did the business plan anticipate and allot crew time for contingencies and emergent work?
e) Did SM conduct or plan to conduct preliminary surveys of spaces and equipment to accurately develop specifications?

f) Did SM establish reasonable estimates including growth estimates based on historical data and good marine practice?

g) Did the SM prioritize all known requirements to allow for MARAD initiated adjustments due to funding constraints?

h) Do Zero major activities demonstrate inadequate risk management by SM? (Meets Standard) Explain under Remarks. Note: A major activity is defined as a project or individual work item that has a dollar value of $500,000 or more, or applies to a piece of critical equipment, or is an activity which impacts vessel readiness.
i) Do 10% or less of minor activities demonstrate inadequate risk management by SM? (Meets Standard) Explain under Remarks. Note: A minor activity is defined as a project or individual work item that has a dollar value of less than $500,000, applies to non-critical equipment, or is an activity which does not impact vessel readiness. If only 3% or less of minor activities demonstrate inadequate risk management by SM, note so under Remarks here and explain under Evaluator's Summary

Assessment in PIR (Exceeds Standard)
Review of Business Plan and NS5
2) Initial Business Plan's comprehensiveness, accuracy and quality are adequate?
a) Initial submission has all known M & R deficiencies?
b) Are statements of work clear and concise?
c) Are cost estimates reasonable and justifiable?
d) Are M & R deficiencies and work items properly associated to the applicable equipment, system, and/or space within NS5?

e) Regulatory dates are included and surveys scheduled included any required industrial assistance?
f) Is the PMP harmonized with regulatory surveys and inspections, as appropriate and were regulatory inspections and surveys scheduled in an efficient manner within the Business Plan? (i.e. in conjunction with PMP actions, shipyard availabilities) (Check upon receipt of Annual Business Plan and upon receipt of any updates)
g) Preventative Maintenance is incorporated?
h) Provides proposed ROS and FOS crewing?
i) Incorporates training of mariners?
j) Identifies security requirements?
k) Includes Logistics procurements?
l) Includes known Phase O requirements?
m) Includes known Phase M training exercises?
n) Includes known maintenance activations?
o) Sea trial / Dock trial requirements included?
p) Diesel Engine Analysis, as applicable?
q) Vibration Testing?
r) Thermography Analysis?
s) Environmental and Safety compliances?
t) Include all known or planned equipment upgrades/vessel enhancements/ESL items?
u) Does NS5 accurately reflect schedule for all events including all C5 availabilities for current year?
v) Does scheduling include industrial/vendor's tech rep assistance?
w) Did MARAD's review of the Initial Business Plan submitted by SM require one major re-write or less? (Meets Standard). If only one minor re-write was required, note so under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standard) See Notes (d) & (e) under PE for definition of major and minor re-write.
3) The Final Business Plan's comprehensiveness, accuracy and quality are adequate?
a) Did the Final BP correct non-conformities identified by MARAD in the Initial Business Plan?
b) Did MARAD's review of the Final Business Plan submitted by SM require one minor re-writes? (Meets Standard).

Did MARAD's review of the Final Business Plan submitted by the SM require no re-write? (Exceeds Standard) (Exceeds Standard) See Notes (d) & (e) under PE for definition of major and minor re-write.
4) The initial and final business plans are submitted timely in accordance with the MARAD directed schedule?

a) Did the SM submit the Initial Business Plan no later than 3 days after the scheduled date? (Meets Standards)

b) Did the SM submit the Final Business Plan no later than 3 days after the scheduled date? (Meets Standards)

c) Did the SM submit both the Initial Business Plan AND the Final Business Plan at least 3 days before the scheduled date? (Exceeds Standards). Explain under Evaluator's Summary Assessment in PIR
5) The initial and final business plans as submitted comply with the MARAD BP preparation guidance?
a) Was BP submission in accordance with Attachment J4?
b) Has the SM incorporated MARAD directives and guidance? (i.e. reflects required readiness levels, inclusion of MARAD directed modifications/upgrades, etc.).
c) Has the SM incorporated MARAD provided ship specific guidance? (i.e. – specific scheduling requirements, planned activations, ship specific modifications/upgrades, etc.)
d) Did SM's Initial Business Plan have one or less major non-conformity and five or less minor non-conformities from previous MARAD guidance? AND Did SM's Final Business Plan have Zero major non-conformity and two or less minor non-conformities from previous MARAD guidance? (Meets Standards)
e) Did SM's Initial Business Plan have zero major non-conformity and two or less minor non-conformities from previous MARAD guidance? AND Did SM's Final Business Plan have Zero major non-conformity and zero minor non-conformities s from previous

MARAD guidance? Explain under Remarks and note under Evaluator's Summary Assessment in PIR (Exceeds Standards)

6) Any minor changes to the final Business Plan are accomplished promptly?
a) Did SM submit final revision no later than 5 business days after receipt of comments from MARAD?

Innovation
7) Did the SM demonstrate innovation in identifying new and modern components, systems, and processes which can enhance vessel capabilities? (Exceeds Standards)
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 1-5: Quality of Ship Manager's Execution of the Business Plan (M&R Work Plan)
Performance Objective: Ship Manager is effectively and efficiently executing the Business Plan.
Standards Quality Levels
Exceeds Standards (must meet 3 of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. Quality of completed M&R actions is excellent 1. No non-conformities noted by COTR – no rework is required
2. Actual Cost of Completed planned M&R actions is within business plan cost estimates 2. Actual costs of each of the following MARAD approved projects – Regulatory, Ship Support, M&R, Upgrades, ESL are within +5%/-15% of the approved BP estimate. Only projects completed within the inspection period will be evaluated.
3. Ship Manager is executing the BP in a manner consistent with successful completion of all work items within the approved BP schedule 3. Actual completion date of all Work planned to be completed during the inspection period is no more than 15 days later than scheduled completion date on the BP (which is updated Qtly) or Actions are started on or before schedule date
4. Ship Manager demonstrates innovative approaches in execution of Business plan 4. Objective Quality Evidence (OQE) regarding innovations related to BP planned work quality, cost and schedule
5. The SM effectively adjusted his business plan due to MARAD imposed changes or events beyond the SM control 5. Objective Quality Evidence (OQE)
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Quality of completed M&R actions is acceptable. 1. No non-conformities noted by COTR on any major item and no more than 5 minor non-conformities noted by COTR during the inspection period.
2. Actual Cost of Completed planned M&R actions is within business plan cost estimates 2. Actual costs of each of the following MARAD approved projects – Regulatory, Ship Support, M&R, Upgrades, ESL are within +10%/-20% of the approved BP estimate. Only projects completed within the inspection period will be evaluated
3. Ship Manager is executing the BP in a manner consistent with successful completion of all work items within the approved BP schedule 3. OQE by COTR (evaluated quarterly)
4. Specifications for BP Planned actions (over $100K) are submitted to COTR 4. Specifications are received by COTR
5. The SM effectively adjusted his business plan due to MARAD imposed changes or events beyond the SM control. 5. OQE

6. NS5 is maintained to reflect changes 6. Updated within 2 business days
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Quality of completed M&R actions is acceptable. 1. Any non-conformities noted by COTR on any major item and 6 or more minor non-conformities noted by COTR during the inspection period.
2. Actual Cost of Completed planned M&R actions is within business plan cost estimates 2. Actual costs of each of the following MARAD approved projects – Regulatory, Ship Support, M&R, Upgrades, ESL are not within +10%/-20% of the approved BP estimate. Only projects completed within the inspection period will be evaluated
3. Ship Manager is executing the BP in a manner consistent with successful completion of all work items within the approved BP schedule 3. OQE by COTR (evaluated quarterly)
4. Specifications for BP Planned actions (over $100K) are submitted to COTR 4. Specifications not received by COTR or have significant technical omissions or inaccuracies
5. The SM effectively adjusted his business plan due to MARAD imposed changes or events beyond the SM control. 5. OQE
6. NS5 is maintained to reflect work Not updated within 2 business days
NOTES: a) For this Performance Element M & R is defined to include all maintenance, repairs, upgrades and ESL items and emergent repairs. b) A major item is defined as an individual work item that has a dollar value greater than $100,000, applies to a piece of critical equipment, or is an activity which impacts vessel readiness. c) A minor item is any item that is not major.
Initiating Official: COTR
Method of Inspection: COTR review of NS5, including maintenance history, cost database and invoices Visual inspection of equipment and systems during ship visits by COTR

Frequency of Inspection: •Weekly reviews of NS5 and Periodic COTR vessel visits. •COTR shall conduct visual inspection of vessel at least monthly during Phase M, and during Phase O – at least Quarterly if deployed throughout the year, and at least once during every ship call to a contiguous US port. Report to be issued Quarterly
Statement of Work Reference: • C.6.4 Applicable References: NS5; MLSS; Ship Technical Manuals; Ship Operating Manuals; Applicable Regulatory Rules, Regulations and MOUs
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 1-5: Quality of Ship Manager's Execution of the Business Plan (M&R Work Plan) - Check List (Job Aid only for COTR) Frequency: Inspection – Monthly Report -Quarterly

Quality of M & R Actions	Yes	No	N/A or N/O	Remarks
1) The quality of completed M & R performed is acceptable?				
a) Are M & R actions completed in accordance with the specifications?				
b) Did the M & R actions pass operational or regulatory tests?				
Financial Control and Tracking				
2) Are actual costs of completed planned M&R actions within business plan cost estimates?				
a) Is SM monitoring and tracking approved business plan? Sec C, 7.1.1				
b) Were actual project costs within +10%/-20% of cost estimates? (note anomalies within remarks) (Meets Standards) If actual project costs are within +5%/-15% of the approved BP estimate, note under remarks here and explain in Evaluators Summary Assessment. (Exceeds Standards)				
c) Did SM accurately estimate the cost for emergent work?				
d) Does review of crew documentation under Phase "M" confirm that OT was authorized by the COTR, OT work actually completed, and hours worked match billings? Sec C, 5.8.5				
e) Does the SM effectively utilize crew overtime to accomplish repairs and emergent work in lieu of industrial assistance?				
f) Did SM document work and record in NS5?				
Business Plan Execution				
3) Is Ship Manager executing the BP in a manner consistent with successful completion of all work items within approved BP schedule?				
a) Is the Business Plan proceeding in accordance with the approved Business Plan schedule?				
b) Is the work being commenced on or before the target date?				
c) Is the work being completed within the estimated performance period?				
d) Were parts and material requirements met and on schedule?				
e) Actual crew leave schedule (vacations and training) had no significant negative impact on the BP execution? Explain "No" and extenuating circumstances in Remarks.				
f) Was work accomplished in anticipation of known				
operations and sea trials?				
g) Were identified equipment upgrades, equipment change-outs or vessel enhancements accomplished in accordance with the business plan?				
h) Did the ship manager effectively schedule industrial assistance or vendor's tech rep assistance?				
Specifications				
4) Are Specifications for BP planned actions over $100K submitted to COTR?				
Required Adjustments to Business Plan				
5) Did the Ship Manager effectively adjust his business plan due to MARAD imposed changes or events beyond his control?				
a) Did the Ship Manager adjust his business plan due to changes (MARAD imposed or other factors beyond the SM's control impacting BP execution)?				
b) Did the ship manager adjust his business plan due to changes he imposed upon himself?				
Recording in NS5				
6) Did SM document changes and record in NS5?				
COTR Feedback to SM				
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?				

Performance Element 1-6: Logistics

Performance Objective: Manage, maintain and replenish ship support material and property necessary to sustain RRF vessels for 180 days.

Standards Quality Levels

Exceeds Standards (must meet at least 7 of the following 13 standards OR meet at least three (3) of the four Property Categories (Repair Parts, Tech Manuals, Drawings and Accountable Property) of the following Exceeds Standards; in addition to achieving SAT on all 13 "Meets Standards.") Exceeds Acceptable Quality Levels

1. Repair part inventory accuracy is maintained. 1. 98% or greater accuracy
2. Technical manual accountability is maintained. 2. 98% or greater accountability
3. Drawing accountability is maintained. 3. 98% or greater accountability
4. SM has developed and implemented an effective repair part stock replenishment program, 4. Objective Quality Evidence (OQE) AND All outstanding requisitions over three months are reviewed
5. Storerooms are maintained in a neat and clean condition, and secured, if possible. 5. OQE
6. Padlocks are not used to secure repair parts locations, except in the case of ongoing repairs. 6. Padlocks used on zero locations (excluding locations where equipment supported have ongoing repairs) AND OQE
7. Vessel's configuration is maintained. 7. Zero major deficiencies AND All new equipments are procured with 180 days of spare parts support
8. Accountable Property inventories are reported accurately and timely. 8 Final, annotated Accountable Property inventory count sheets are on file in NS5 and available for review prior to August 3 in the case of the Annual Inventory and within three (3) working days after a deactivation. AND OQE
9. Reports of Survey for missing or damaged equipment are completed accurately and timely. 9. Survey Reports are fully descriptive and submitted within two days of occurrence/discovery
10. Accountable Property is maintained 10 Zero lost or stolen items
11. Pricing information in Purchase Orders for repair parts is being properly posted into NS5 in accordance with SMC Para. 6.6.6.1.3 11 85% of Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record
12. Ship Manager verifies parts are unavailable in SBS prior to commercial purchase 12 No more than 2% of repair part procurements are for items available in SBS
13. Ship Manager fully complies with other TE-5 requirements that are not covered by Standards #1-12 13 Zero major discrepancies

Meets Standards [Meets at least 7 of the following 13 standards AND SAT rating in at least one of two priced inventory (Accountable Property and Repair Parts) AND SAT rating in at least two of 4 inventories (Accountable Property, Repair Parts, Tech Manuals, Drawings)] Acceptable Quality Level

1. Repair part inventory accuracy is maintained. 1. 95.0% to 97.9% accuracy
2. Technical manual accountability is maintained. 2. 95.0% to 97.9% accountability
3. Drawing accountability is maintained. 3. 95.0% to 97.9% accountability
4. SM has developed and implemented an effective repair part stock replenishment program, 4. OQE AND All requisitions outstanding for more than 6 months are reviewed.
5. Storerooms are maintained in a neat and clean condition, and secured, if possible 5. Storerooms are neat, but dirty.
6. Padlocks are not used excessively to secure repair parts locations, except in the case of ongoing repairs. 6. Padlocks used on five or less locations (excluding locations where equipment supported have ongoing repairs)
7. Vessel's configuration is maintained. 7. One major discrepancy AND 5 minor discrepancies
8. Accountable Property inventories are reported accurately and timely. 8. No more than 5 days late
9. Reports of Survey for missing or damaged equipment are completed accurately and timely. 9. OQE and submitted within five (5) days of occurrence/discovery
10. Accountable Property is maintained 10. 100% Accountability
11. Pricing information in Purchase Orders for repair parts is being properly posted into NS5 in accordance with SMC Para. 6.6.6.1.3 11. At least 70% of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record
12. Ship Manager verifies parts are unavailable in SBS prior to commercial purchase 12. No more than 5% of repair parts procured commercially by SM are available in SBS
13. Ship Manager fully complies with other TE-5 requirements that are not covered by Standards #1-12 13. One major discrepancy

Unsatisfactory [UNSAT ratings in 7 of 13 standards OR UNSAT ratings in 2 priced inventories (Accountable Property and Repair Parts) OR UNSAT rating in three of 4 inventories (Accountable Property, Repair Parts, Tech Manuals, Drawings)] Unsatisfactory Quality Level

1. Repair part inventory accuracy is maintained. 6. 94.9% or less accuracy
2. Technical manual accountability is maintained. 7. 94.9% or less accountability
3. Drawing accountability is maintained. 8. 94.9% or less accountability

4. SM has developed and implemented an 9. OQE

effective repair part stock replenishment program, OR SM is not replenishing stock
5. Storerooms are maintained in a neat and clean condition, and secured, if possible. 5. Repair part storerooms are dirty and disheveled.
6. Padlocks are not used excessively to secure repair parts locations, except in the case of ongoing repairs. 6. Padlocks used on six locations (excluding locations where equipment supported have ongoing repairs)
7. Vessel's configuration is maintained. 7. Two major discrepancies in the vessel's configuration record
8. Accountable Property inventories are reported accurately and timely. 8. OQE; 6 or more days late
9. Reports of Survey for missing or damaged equipment are completed accurately and timely. 9. OQE; OR submitted six or more days after occurrence/discovery
10. Accountable Property is maintained 10. 99% or less Accountability
11. Pricing information in Purchase Orders for repair parts is being properly posted into NS5 in accordance with SMC Para. 6.6.6.1.3 11. 69% or less of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record
12. Ship Manager verifies parts are unavailable in SBS prior to commercial purchase 12. 6% of repair parts are procured by SM despite their availability in SBS
13. Ship Manager fully complies with other TE-5 requirements that are not covered by Standards #1-12 13. Two major discrepancies
Initiating Official: LMO, Headquarters (MAR-614); COTR
Method of Inspection: Random or scheduled inspections Review of NS5 Visual inspection of equipment, systems and documentation Review of CDRLs Random sampling
Frequency of Inspection: 1. Region LMO: Inspections no less than once every six months for ROS 4-5 day vessels and no less than once every two years for all other RRF vessels. Monthly or more, if inconsistencies are found. 2. Headquarters: Random inspections no less than once every two years for ROS 4-5 day vessels, and as necessary for all other RRF vessels.
Statement of Work Reference: C 3.1, TE-5 Applicable References: FAR 45.5; CFR 101-26.107
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 1-6 Logistics – Check List (Job Aid only for COTR) Frequency: ROS- 6 Months RRF- 2 yrs
Spare Parts Inventory Accuracy (Conduct a random sample of repair parts in OPEN repair part locations and bulk head mounted spares, a minimum of 20 locations and 300 line items.) Yes No N/A or N/O Remarks
1) Did the Ship Manager maintain each vessel's spare parts inventory accuracy at or above 95%? Note the current inventory accuracy. (Meets Standards) If accuracy is 98%or higher, note under Remarks and explain in Evaluator's Summary Assessment in PIR. (Exceeds Standards) Ref.: TE-5 8.2; FAR 45.5
Technical Manual Accountability (Conduct a complete inventory or a random sample of the ships technical manuals. The random sample will consist of at least 50 manuals).
2) Did the Ship Manager maintain each vessel's technical manuals inventory accountability at or above 95%? Note the number of unaccounted technical manuals and current technical manual inventory accuracy. (Meets Standards) If accuracy is 98%or higher, note under Remarks and explain in Evaluator's summary Assessment in PIR. (Exceeds Standards) Ref.: FAR 45.5
Vessel Drawings Accountability (Conduct a complete inventory or a random sample of the ships drawings. The random sample will consist of at least 50 drawings)
3) Did the Ship Manager maintain each vessel's drawings inventory accountability at or above 95%? Note the number of unaccounted technical manuals and current technical manual inventory accuracy. (Meets Standards) If accuracy is 98%or higher, note under Remarks and explain in Evaluator's summary Assessment in PIR. (Exceeds Standards) Ref.: FAR 45.5
Repair Parts Stock Replenishment (Review the Ship Manager's stock replenishment actions in NS5).
4) Is the SM actively reviewing and replenishing consumed spare parts stock in accordance with the SM Property Control manual? Ref.: TE-5, 6.4
a) Did review of stock issues and receipts (since the last inspection) by the vessel in NS5 and interview of the Chief Engineer demonstrate effective stock replenishment actions?
b) Did SM routinely review all requisitions

outstanding for more than 6 months? (Meets Standards) If SM routinely reviewed and properly addressed all requisitions outstanding for more than 3 months, summarize here and explain in Evaluator's Summary Assessment in PIR. (Exceeds Standards)

Storeroom Maintenance and Security (Inspect each vessel's storerooms)
5) Did SM maintain the storerooms in neat and clean condition, and secured, when possible? Ref.: TE-5 4.2.9 & 4.2.10 a) Storerooms are maintained in a neat condition; but not thoroughly clean. Storerooms that can be locked are locked. (Meets Standards) If

Storerooms are maintained in a neat and thoroughly clean condition and Storerooms that can be locked are locked, summarize here and explain in Evaluator's Summary Assessment in PIR. (Exceeds Standards)
Padlock Usage
6) Are padlocks not being used, except in the case of ongoing repairs? Ref.: TE-5, 4.2.9
a) Did SM use padlocks on five (5) or less locations (excluding locations where equipments supported have ongoing repairs)? (Meets Standard) If SM used padlocks on zero locations (excluding locations where equipment supported have ongoing repairs), summarize under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
Vessel Configuration (Review recent equipment installations and removals).
7) Did the SM update the vessel's configuration for all new equipment purchased or old equipment removed / replaced? Ref.: TE-5, 6.1
a) Did SM procure repair parts and technical manuals necessary to support the vessel for 180 days at the same time as the new equipment?
b) Did SM have one (1) or less major discrepancies AND five (5) or less minor discrepancies? (Meets Standards)

If SM had Zero (0) major discrepancies and all new equipments are procured with 180 days of repair parts support, note under Remarks and explain under Evaluator's Summary Assessment in PIR (Exceeds Standards)
Accountable Property (Inspect Ship Manager deliverables with respect to Accountable Property, and associated source documentation, if available. Review Accountable Property activity in NS5. Review copies of Survey documents, if any, submitted by the Ship Manager. Optional: Conduct an inventory of Accountable Property.)
8) Did the Ship Manager report Accountable Property inventories accurately and timely? Ref.: TE-5, 5.3
a) Is the Ship Manager conducting a physical inventory of all Accountable Property at times designated in TE-5?

b) Were required deliverables received by MARAD on time?
c) No more than five (5) days late? (Meets Standards) If Final, annotated, Accountable Property inventory count sheets are on file in NS5 and available for review prior to August 3 in case of the Annual Inventory and within three (3) working days after a deactivation, note under Remarks and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
9) Is the Ship Manager accurately completing and timely submitting Reports of Survey documents for missing, lost or damaged property? Ref.: TE-5, 5.3; FAR 45.5
a) Were all Reports submitted within 5 days of occurrence/discovery? (Meets Standard) If SM submitted all Reports of Survey within 2 days of occurrence/discovery, summarize under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
10) Did the SM account for all items of Accountable Property? Ref.: FAR 4.5, TE-5 5.1
a) Are 100% items of Accountable Property accounted for? (Meets Standard) If there were zero missing or stolen accountable property items, summarize

under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
Spare Parts Pricing Information (Randomly select a minimum of 20 ship manager purchase orders. Inspect the purchase orders and compare them to data entered into NS5.)
11) Is the Ship Manager entering pricing information into NS5 IAW TE-5? Ref.: TE-5, 4.6.2; FAR 45.5; SMC 6.6.6.1.3

a) Did at least 70% of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record? (Meets Standard) If at least 85% of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record, summarize under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
Shore Based Spares Utilization Review the Ship Manager's commercial stock purchases (20 or more is preferred).

12) Ship Manager verifies parts are unavailable in SBS prior to commercial purchase? Ref.: TE-5 4.5.2; CFR 101-26.107

a) Did the Ship Manager use SBS assets when they were available? Note under remarks the number of items purchased by the ship manager that were available in SBS.
b) No more than 5% of repair parts procured commercially by SM are available in SBS. (Meets Standard) If 2% or less of repair parts procured commercially by SM is available in SBS, summarize under Remarks here and explain under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
Review the Ship Manager's overall compliance with TE-5.
13) Did the SM comply fully with otherTE-5 requirements not listed above? Ref.: TE-5; FAR 45.5

a) Are there 1 or less major violations of RRF logistics policy or property control procedures in TE-5, which are not covered above in Questions #1-12? (Meets Standard) If there were zero major discrepancies, summarize under Remarks here and explain

under Evaluator's Summary Assessment in PIR. (Exceeds Standards)
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Goal 2: Successfully Perform and Support Core RRF Requirements (Activation/ Operation/ Deactivation)
Performance Element 2-1: Quality of Vessel Activation and Deactivation

Performance Objective: •The vessel activates on time and within budget in accordance with mission requirements. •The vessel is deactivated to its normal R-Status and a plan is developed for the correction of all voyage repairs. (Note – This PE applies to all activations including no-notice and maintenance activations)
Standards Quality Levels
Exceeds Standards (must meet two out four from Standards 1-4 and Standard 5 of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. Successfully implements contingency plans for simultaneous activation of multiple vessels (three or more vessels, regardless of groups and locations) 1. Objective Quality Evidence (OQE)
2. Prepares vessel successfully during activation for unusual mission requirements 2. OQE
3. Unanticipated non-conformities are promptly and cost-effectively managed during activation 3. OQE
4. Deactivation demonstrates outstanding quality; or outstanding planning, scheduling and completion ahead of schedule; or outstanding cost-effective innovation. 4. OQE
5. Costs maintained within approved budget for each activation, each deactivation and voyage repairs. 5. Actual cost of each activation OR each deactivation AND voyage repairs is 90% or less of the approved estimate for the evolution (and all required items are properly completed)
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Ready for Sea within activation timeframe 1. FMC on time
2. Activation Plan adhered to, or adjusted to suit unique requirements 2. OQE
3. Deactivation Plan adhered to - inclusive of planning correction of voyage repairs 3. OQE
4. All required reports are submitted on time 4. OQE
5. Costs maintained within approved budget 5. Does not exceed approved activation or deactivation estimate (as applicable)
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Ready for Sea within activation timeframe 1. Failed to activate on time and be FMC
2. Activation Plan adhered to, or adjusted to suit unique mission requirements 2. Failed to adhere to plan or adjust for mission requirements
3. Deactivation Plan adhered to - inclusive of planning correction of voyage repairs 3. Failed to adhere to plan or omitted voyage repairs
4. All required reports are submitted 4. One or more significant non-conformity

5. Costs maintained within approved budget 5. Exceeds approved activation or deactivation estimate (as applicable)
Initiating Officials: COTR, SMS
Method of Inspection: COTR review and assessment of the Activation Plans against actual execution. Receipt and review of reports and SITREPS On board monitoring and inspection
Frequency of Inspection: As required upon completion of each activation and completion of each deactivation. Only one report is required if both activation/deactivation are completed within the same month.
Statement of Work Reference: C.3.2 C.3.4.2 Applicable References: • Manufacturers' Manuals for safe operation of machinery •Deck Operating Manual • Engineering Operating Manual •Ship Manager's Activation Plan •Ship Manager's Activation Specification •Ship Manager's Deactivation Plan •Ship Manager's Deactivation Specification • Activation Message •Ship Manager Quality Assurance Plan
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 2-1: Quality of Vessel Activation and Deactivation -Check List (Job Aid only for COTR)
Frequency; As required

Activation Results 1) Ready for Sea within activation timeframe? a) Did the Ship Manager activate the vessel within the required R-status? Yes No N/A or N/O Remarks
b) There were NO casualties or anomalies after declaration of FMC which should have been identified and/or addressed during the activation?
c) Did the Ship Manager correct all mission impacting M&R non-conformities at activation?
d) If this was a "mass activation", did the Ship Manager successfully implement his contingency plans for simultaneous activation of their multiple vessels (three or more vessels under same SM, regardless of groups and locations)? Note under remarks here and explain under Evaluator's Summary Assessment in PIR (Exceeds Standards)
Adherence to Activation Plan
2) Activation Plan adhered to or adjusted to suit unique requirements?
a) Did the Ship Manager comply with his approved activation plan?
b) Did the SM reasonably correct all C-2 M&R deficiencies that might impact 180-day vessel operations, if funding had been provided to SM?
c) Did the Ship Manager verify all regulatory items are up to date or will be current for intended voyage?
d) Did the Ship Manager identify bunkering and lube oil requirements at time of notice to activate?
e) Did the Ship Manager adequately brief the vessel's key personnel to ensure they understood MARAD and MSC chain of command and reporting requirements?
g) Did SM provide new crew adequate ship familiarization and safety training IAW STCW before ship departed the berth?

h) Did SM provide all officers & crew adequate rest periods IAW STCW before ship departed the berth?
i) Did SM successfully prepare vessel during activation for unusual mission requirements and was the Ship Manager able to adjust their activation plan to allow for inclusion of any unusual mission requirements beyond a normal activation? Note under remarks here and explain under Evaluator's Summary Assessment in PIR (Exceeds Standards)
j) Did SM promptly and cost-effectively manage unanticipated non-conformities during activation? Note under remarks here and explain under Evaluator's Summary Assessment in PIR (Exceeds Standards)
Deactivation
3) Deactivation Plan adhered to inclusive of planning correction

of voyage repairs?
a) Did the Ship Manager successfully deactivate the ship according to his approved deactivation plan?
b) Did SM complete and document all lay-up items IAW approved procedures?
c) Did the Ship Manager establish and implement an adequate plan for the correction of all voyage repairs?
d) Did deactivation demonstrate: ooutstanding quality; or ooutstanding planning, scheduling and completion ahead of schedule; or ooutstanding cost-effective innovation. Note under remarks here and explain under Evaluator's Summary Assessment in PIR (Exceeds Standards)
Activation & Deactivation Reporting
4) All required reports are submitted on time?
a) Were all activation SITREPs submitted on time and accurately?
b) Were deactivation status reports during the deactivation submitted on time and accurately?
c) SM demonstrated zero significant non-conformity in activation and/or deactivation (as applicable) status reporting? Note: After Action Reports and Lessons Learned Report are not covered here but are covered under PE 5-4 Deliverables

Activation & Deactivation Cost
5) Costs maintained within approved budget?
a) Did the Ship Manager verify activation and operations estimates are accurate for intended mission and were adjustments made, as necessary, for unique requirements (i.e. carriage of hazardous cargo, additional manning requirements, barge removal, etc.)?

b) Did the Ship Manager complete all required items and remain within his approved budget estimates for deactivation of the ship (excluding voyage repairs)? (Meets Standard) Note under remarks here and explain under Evaluator's Summary Assessment in PIR if actual deactivation cost was 90% or less of the approved budget estimate. (Exceeds Standard)
c) Did the Ship Manager complete all required items within his approved budget estimates for voyage repairs? (Meets Standard) Note under remarks here and explain under Evaluator's Summary Assessment in PIR if actual voyage repairs cost was 90% or less of the approved budget estimate. (Exceeds Standard)
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 2-2: Quality of Ship Operations

Performance Objective: Ship Manager effectively and efficiently sustains continuous operations in accordance with all mission requirements.

Standards	Quality Levels
Exceeds Standards (must meet all of the following in addition to achieving "Meets Standard")	Exceeds Acceptable Quality Levels
1. Performs operations in accordance with Ship Managers Operations Plan	1. No major non-conformities and 1 minor non-conformity per ship per 90 day operational period
2. Submits MSC and MARAD standard reports	2. No more than 1 non-conformity per ship per 90 day period with no recurrence of the same non-conformity through the entire operational period
3. Submits CASREPS, CASCORS, and CASCANs in accordance with MSC reporting requirements	3. No more than 1 minor non-conformity per month
4. Effectively manages Phase O costs	4. At or under Phase O budget
5. Effectively manages crew overtime	5. Does not exceed approved discretionary overtime amount
Meets Standards (must meet all of the following)	Acceptable Quality Level
1. Performs operations in accordance with Ship Managers Operations Plan	1. No major non-conformities and no more than 3 minor non-conformities per ship per 30 day operational period and no recurrence of the same non-conformity through the entire operational period
2. Effectively and efficiently conducts cargo operations	2. No non conformities that together delay cargo ops by more than 12 hours per month
3. Maintains NS5 including all voyage repairs	3. No major non-conformities and no more than 3 minor non conformities per month
4. Monitors regulatory requirements while in Phase O to ensure vessels remains in compliance	4. Notifies MARAD of any requirement due within 180 days
5. Submits MSC and MARAD standard reports	5. No more than 3 non-conformities per ship per 30 day period with no recurrence of the same non-conformity through the entire operational period
6. Issues CASREPS, CASCORS, and CASCANs in accordance with MSC reporting requirements	6. No more than 1 non-conformity per ship through entire operational period
7. Effectively manages Phase O costs	7. Does not exceed approved budget by more than 10%
8. Effectively manages crew overtime	8. Does not exceed 110% of approved amount
9. Supports embarked supercargoes and military personnel	9. Objective Quality Evidence (OQE)
10. Effectively and efficiently conducts repairs in overseas ports	10. All work is justified as emergency or mission critical, satisfactorily completed at acceptable cost, and properly documents work completed
Unsatisfactory (meets any of the following or does not meet any "Meets Standard" AQLs)	Unsatisfactory Quality Level
1. Performs operations in accordance with Ship Managers Operations Plan	1. One Major non-conformity or more than 3 Minor non-conformities per ship per 30 day operational period or the recurrence of the same non-conformity through the entire operational period
2. Effectively and efficiently conducts cargo operations	2. Any non conformity that delays cargo ops by more than 12 hours per month
3. Maintains NS5 including all voyage repairs	3. One major or more than 3 minor non conformities per month
4. Monitors regulatory requirements while in Phase O to ensure vessel remains in compliance	4. Failure to notify MARAD of any requirement due within 180 days
5. Submits MSC and MARAD standard reports	5. More than 3 non conformities per ship per 30 day period or the recurrence of the same non-conformity through the entire operational period
6. Issues CASREPS, CASCORS, and CASCANs in accordance with MSC reporting requirements	6. More than 1 major non conformity and five minor non conformities per ship through entire operational period
7. Effectively manages Phase O budget	7. More than 10% over the approved budget estimate
8. Effectively manages crew overtime	8. More than 10% over the amount agreed upon for discretionary overtime
9. Supports embarked supercargoes and military personnel	9. More than 1 Validated significant adverse report or more than 3 minor adverse reports from command sponsors during the month
10. Effectively and efficiently conducts repairs in overseas ports	10. Work is not justified as emergency or mission critical, not satisfactorily completed or at unacceptable cost, or does not properly document work completed

Definitions: A major non-conformity consists of a failure to comply with applicable processes and procedures that are defined in the Ship Manager's Operational Plan that results in measurable loss to the Government in terms of resources, mission readiness, operational performance, and/or compromising the safety or security of property or personnel. A minor non-conformity is one that is correctable without measurable loss to the Government in terms of resources, mission readiness, operational performance and/or compromising the safety or security of property or personnel.

Initiating Officials: COTR, SMS, SSR Method of Inspection: COTR review of NS5, daily reports, casualty reporting, customer feedback

Frequency of Inspection: When vessel is operating, monthly QASP comments unless events require immediate action. Onsite inspections at least every four months and at every CONUS trip.
Statement of Work Reference: C.2.6, C.3.3, TE-1, TE-7 Applicable References: • Regulatory Requirements •MARAD Operations Plan •Navy, MSC, MSC area commands Standard Operating Instructions •Activation Message and SAILORDs •Deck Operating Manual • Engineering Operating Manual •Ship Manager developed Operations Plan •Ship Manager Quality Assurance Plan
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 2-2: Quality of Ship Operations -Check List (Job Aid only for COTR)
Frequency: Monthly
Ship and Crew Operations Yes No N/A or N/O Remarks
1) Did the Ship Manager conduct operations in accordance with the Operations Plan?
a) Did Ship Manager have zero major non-conformities and 3 or less minor non-conformities per ship per 30 day operational period, and no recurrence of the same non-conformity through the entire operational period? (Meets Standard) If there were zero major non-conformity and 1 or less minor non-conformity per ship per 90 day operational period, Note under remarks here and explain under Evaluator's Summary Assessment in PIR (Exceeds Standard)
b) Did the vessel successfully conduct any unique operations or take extraordinary measures during the Phase O period? Note under remarks here and explain under Evaluator's Summary Assessment in PIR if the Ship Manager provided OQE (Exceeds Standard)

2) Did the Ship Manager and crew demonstrate knowledge of ship specific characteristics and cargo handling requirements to support cargo operations?
a) Ship Manager did not have any non conformities that delay cargo ops by less than 12 hours per month?
3) Did the Ship Manager identify all voyage repairs within the NS5 database?
4) Did the Ship Manager monitor regulatory requirements and due dates to ensure vessel stays in compliance?

5) Did the Ship Manager submit all standard reports including SITREPs and Noon Reports according to MARAD and MSC reporting requirements? a) No more than 3 non-conformities per ship per 30 day period with no recurrence of the same non-conformity through the entire operational period (Meets Standard) Note under remarks here and explain under Evaluator's Summary Assessment in PIR if there was no more than 1 non-conformity per ship per 90 day period with no recurrence of the same non-conformity through the entire operational period (Exceeds Standard)
6) Did the Ship Manager submit CASREPs, CASCORs and CASCANs according to MSC reporting requirements?

a) No more than 1 non-conformity per ship through entire operational period (Meets Standard) Note under remarks here and explain under Evaluator's Summary Assessment in PIR if there was no more than 1 minor non-conformity per month (Exceeds Standard) 7) Did the Ship manager effectively manage Phase O costs? a) Ship Manager did not exceed approved budget by more than 10% (Meets Standards)

Note under remarks here and explain under Evaluator's Summary Assessment in PIR if Phase O costs were held to or under Phase O budget (Exceeds Standard)
8) Did the Ship Manager demonstrate efficient and effective crew management?
a) Did the Ship Manager remain within 110% of approved amount? (Meets Standard) Note under remarks here and explain under Evaluator's Summary Assessment in PIR if overtime did not exceed approved discretionary overtime amount (Exceeds Standard)

b) Did the Ship Manager comply with guidance on discretionary and non-discretionary overtime authorized via task order during Phase O? Sec C., 5.11.1.1
9) Did the vessel support supercargoes, embarked military personnel, and Force Protection teams inclusive of maintaining open communications and chain of command?
Foreign Maintenance and Repairs
10) Did the Ship Manager effectively and efficiently conduct repairs in overseas ports? If no, answer N/A or N/O. If answer is marked N/O or N/A to #10 a, b, c, d, e, and f.
a) Did the Ship Manager complete foreign maintenance and repairs? I
b) If foreign maintenance and repairs were accomplished, were they emergency or mission essential?

c) If foreign maintenance and repairs were accomplished, did the Ship Manager provide adequate oversight of the work?

d) If foreign maintenance and repairs were accomplished, was the work accomplished in a cost effective manner?

e) If foreign maintenance and repair were accomplished, was GFM delivered on time?
f) If foreign maintenance and repairs were accomplished, did the Ship Manager accurately write-up Service Request's for Customs Purposes and prepare US Customs documentation to minimize Ad-Valorem assessments?
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Goal 3: Adhere to Sound Safety, Security and Environmental Standards and Practices with No Adverse Impact on Personnel, Environment and Property
Performance Element 3-1: Environmental

Performance Objectives: •Zero pollution incidents •Maintain control of all on-board hazardous materials and proper disposal of hazardous waste generated. •Proactive training and awareness to pollution and hazardous waste regulations and response requirements. •Effective and efficient response to any pollution incident. •Effective Shipboard Waste Management control
Standards Quality Levels
Exceeds Standards (must meet no.1 and any other 2 of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. There were No Pollution Incidents by fault of SM personnel or that could have been prevented by SM personnel 1. Zero Polution Incidents
2. Performs various realistic and applicable training and drills 2. Objective Quality Evidence (OQE)
3. Hazardous Waste is properly disposed of utilizing efficient and cost effective solutions 3. OQE
4. Innovative methods and efforts to reduce the shipboard waste stream 4. OQE
5. MSDS booklet is maintained (minimum 20 samples inspected) 5. <95% Compliance
6. HAZMAT INVENTORY is accurate and properly controlled and documented (minimum 20 samples inspected). 6. 100% Compliance
Meets Standards (must meet all of the following) Acceptable Quality Level
1. In the event of a pollution incident, regardless of cause, SM personnel follow all response plans for mitigating damage. (100% conformity required) 1. 100% Conformity
2. Staff and crew are trained to current standards and drills are conducted 2. Demonstrates 100% Compliance
3. Current MARAD Response Plan is onboard 3. Zero Non-conformities
4. Waste Plan is current, detailed and executed in accordance with local, State and Federal regulations 4. Zero Citations
5. MSDS booklet is maintained (minimum 20 samples inspected) 5. >90% Compliance
6. HAZMAT is accurate, properly controlled and documented (minimum 20 samples inspected) 6. 90% Accuracy
7. Hazardous Waste is properly disposed of and documented 7. 100% Compliance

8. Oil transfer log must be current and updated 8. 100% Compliance
9. USCG ballast water requirements are implemented including log 9. 100% Compliance and Accuracy
Unsatisfactory (meets any of the following or does not meet any Meets Standards AQL) Unsatisfactory Quality Level
1. A preventable pollution incident 1. >0 Incidents
2. Failure to make a required third party notification of an incident 2. >0 Incidents
3. Failure to meet any of the "Meets Standard" items 3. >0 Observations
Initiating Officials: COTR, Region Environmental Specialists, Region QI, 613 Method of Inspection: Check off list Vessel Response Plan/SOPEP (Government documents provided to SM) COMINST 5090.1B and 5090.5CH-1 and 5090.6 CH-1 COTR on-board inspection Review of relevant logs and records ISO 14000 (series)
Frequency of Inspection: Continuous monitoring and inspection All items to be reviewed quarterly. Sampling may be concurrent with SM self-inspection or external ISM audits.
Statement of Work Reference: • C. 4.2 •TE-1, Section 19 Other Applicable References: •U.S. Code of Federal Regulations •State and Local Environmental regulations •MARPOL Annex V, Section 73/78 •ISO 14000 (series) •SM Quality Plan •Vessel Response Plan or Shipboard Oil Pollution Emergency Plan • HAZWOPER training •MSDS Sheets
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

1) Did the ship manager have zero preventable pollution incidents? (Exceeds Standards)
If the answer is no mark sub-elements 1a,1b, 1c, 1d, 1e and 1f N/A a) If an incident occurred, did the SM follow the response plans and procedures? b) Did the SM provide immediate assistance to MARAD to mitigate and control the incident with minimal impact to the environment? c) Was the incident reported to USCG and MARAD in accordance to the VRP or SOPEP?
d) Did the crew and/or SM personnel respond to and assist in the control of an incident that was most likely not their responsibility?
e) Did the SM and/or ship have zero citations for any failures tocomply with federal, state, and/or local regulations? (Section C, 4.2.1)f) If there was an incident, did regulatory body and /or MARAD investigation determine that the ship and ship's force had nocontrol and could not prevent the incident from occurring?

2) Is HAZMAT properly stored and secured? a) Is an accurate and properly controlled inventory maintained of all HAZMATs?
b) Did a spot inspection of the HAZMAT inventory (excluding consumables) indicate 90% accuracy? (minimum of 20 samples over the reporting period) (Meets Standard)
Did a spot inspection of the HAZMAT inventory (excluding consumables) indicate 100% accuracy? (minimum of 20 samples over the reporting period) (Exceeds Standard)
c) Are HAZMATs clearly labeled and in proper non-damaged containers? d) Are appropriate placards/posters placed on the vessel in the appropriate location?

3) Are hazardous waste materials properly disposed and are disposal records properly maintained??
a) Did a spot inspection of the disposal records indicate 100% accuracy and completeness? b) Do repair specifications reflect proper disposal of hazardous materials?
c) Does the SM properly monitor activities of subcontractors in the handling and disposal of hazardous waste?

4) Has the SM acquired MSDS for HAZMAT on board the vessel, and maintained them in a right-to-know folder or yellow folder labeled "Ships Name – Inventory of HAZMAT aboard?" (Ref TE-1 Section 19.2.3.1).
a) Did a spot inspection of the MSDS folder indicate a minimum of 95% accuracy and currency? (minimum of 20 samples over the reporting period) Exceeds Standard
b) Did a spot inspection of the MSDS folder indicate a minimum of 90% accuracy and currency? (minimum of 20 samples over the reporting period) Meets Standard
Staff and crew are trained and environmental drills are conducted
5) Has SM conducted environmental training for staff and crew?
a) Is the training above the minimum required
b) Is the SM performing drills?
c) Is the SM being innovative in the type of drills he is conducting? (i.e. - are the incidents varying in nature, location, response?) (Exceeds Standard)
d) Does the SM promote awareness to new and/or anticipated Environmental regulations? (may be validated through crew safety meeting minutes, memorandums to employees, etc.)
e) Does the SM promote Environmental Awareness through crew incentive programs?
f) Does the SM modify his environmental policies and procedures based on events and lessons learned from other incidents or near misses and has he promulgated these lessons learned to MARAD?

Response Plans are current and detailed.
6) Has the SM identified necessary changes and updates to the VRP or SOPEP and or inserted the latest MARAD provided change? (Section 4.2.3.1)

Waste Plan is current, detailed and executed in accordance with local, State and Federal regulations.
7) Does the SM implement a Waste Management Plan? (Section 4.2.11)
a) Are there any successful and innovative efforts to reduce shipboard waste streams? (Exceeds Standard)
Oil transfer log must be current and updated.
8) Does the Crew accurately maintain the Oil Transfer Log?
Ballast Water transfer log must be current and updated.
9) Does the Crew accurately maintain the ballast Transfer Log?

COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 3-2: Safety

Performance Objective: Ship Manager is effectively and efficiently executing their Safety Management Plan in accordance with MARAD direction that results in no adverse impact on personnel or the vessel.

Standards Quality Levels

Exceeds Standards (must meet three of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels

1. Exceeds ISM standards and receives no Major non-conformities 1. No non-conformities and Observed Quality Evidence (OQE)

2. Promptly addresses and corrects all non-conformities 2. 100% Compliance

3. Actively encourages participation from all Company and Shipboard personnel in the Safety Program, including providing innovative content into monthly Safety Meeting that are held onboard RRF vessels for which the Ship manager is responsible 3. OQE

4. Initiates valid safety improvements 4. OQE

5. Perform safe, realistic, and applicable emergency drills that exceed regulatory and contractual requirements 5. OQE

6. Consistently provides Root Cause analyses of incidents that are clear, concise and timely 6. OQE

7. Outstanding Risk Management Program 7. OQE of reduced frequency and costs of incidents from prior year (zero lost time incident is automatically considered to be an outstanding program)

8. No Lost Time Incident during FOS, absent any extenuating circumstances. 8. Zero Lost Time Incidents during FOS.

9. No Lost Time Incident during ROS, absent any extenuating circumstances 9. Zero Lost Time Incidents per ship group during ROS each six-month Performance Period.

Meets Standards (must meet all of the following) Acceptable Quality Level

1. Meets ISM standards 1. No more than one major non-conformity and no more than 3 minor non-conformities

2. Root cause analysis conducted as appropriate and completed with sufficient information 2. 100% Conformity

3. Implements a program of continuous safety improvement 3. OQE

4. Addresses and corrects nonconformities 4. 100% Conformity

5. Communications to all concerned parties regarding Safety issues are communicated without unreasonable delay and are sufficiently understandable 5. OQE

6. Acceptable Risk Management Program 6. OQE Approved by a recognized body, such as the Ship Manager's Insurance Carrier or the ISM/ISO9000 certifying Classification Society

7. Does the Ship Manager accomplishes the following tasks on a routine basis: 7.

a. Tracks and publicizes safety metrics a. OQE

b. Complies with all regulatory requirements b. OQE

c. Complies with all contract requirements c. OQE

d. Promptly submits reports, SITREPs, incident reports, and lessons learned for all reportable incidents to MARAD d. OQE

8. Lost time incidents are minimized during FOS, absent any extenuating circumstances 8. Lost Time Incidents during FOS do not exceed one (1) LTI for every 365/(crew size * 0.19) Days in FOS. Notes: a. This standard will not be evaluated in any PAP when the Total number of FOS days during the PAP for all vessels in the ship group is less than the calculated number of days from the above formula. b. FOS and ROS data shall be kept separate for evaluation

9. Lost time incidents are minimized during ROS, absent any extenuating circumstances (excludes RRF-10 vessels without crew) 9. No more than one (1) Lost Time Incident per ship group for each 360 Total Group ROS Ship Days/Performance Appraisal Period. Notes: a. Total Group ROS Ship Days/ Performance Appraisal Period = Sum of total ROS days for each ship in group during the current six-month PAP (# of total ROS days for Ship #1 during the current six-month PAP + # of total ROS days for Ship #2 during the current six-month PAP + # of total ROS days for Ship #3 during the current six-month PAP + # of total ROS days for Ship #4 during the current six-month PAP + etc) b. This standard will not be evaluated in any PAP when the Total Group ROS Ship Days/ Appraisal Period Performance is less than 360. c. FOS and ROS data shall be kept separate for evaluation purposes

10. Shipboard Fire Fighting Doctrine complies with the requirements stated in the Ship Manager contract 10. OQE

11. Conducts and documents monthly Safety Meetings 11. Monthly safety meetings conducted and documented in writing

Unsatisfactory (meets any of the following) Unsatisfactory Quality Level

1. Does not meet ISM standards 1. Two (2) or more major non-conformities, or 4 or more minor non-conformities or loss of SMC or loss of DOC

2. Root Cause analyses of incidents (when required) are DEFICIENT in one or more of the following elements without justifiable reason: 1) Incomplete Investigative Reports, 2) Poorly Written Reports (i.e. vague or unclear), or 3) Reports not submitted or not submitted in a timely manner 2. Deficient Root Cause Analyses

3. Recommended safety improvements are unjustifiably ignored, not accomplished, or are accomplished only sporadically 3. One or more non-conformity

4. Communications to all concerned parties regarding Safety Issues are not provided in a clear, concise and timely manner 4. One or more non-conformity
5. Required emergency drills are, without valid reason, not conducted 5. One or more non-conformity
6. Failed to conduct and document monthly Safety Meetings 6. Miss any monthly meeting
Initiating Official: COTR, HQ Safety Program Manager (MAR-613), Region Safety Program Manager
Method of Inspection: COTR review of NS5 Visual inspection of equipment and systems during ship visits by COTR Light-offs, Dock and Sea Trials ABS Surveys USCG Inspections ISM Audits by USCG approved Classification Society
Frequency of Inspection: Continuous review maintenance history database Periodic COTR vessel visits. (note: COTR shall inspect each vessel at least quarterly for vessels in Phase M and semi-annually for vessels in Phase O)
Statement of Work Reference: C.4.2 Applicable References: ISM/33CFR96, USCG, Ship Operating Manuals; Applicable Regulatory Rules, Regulations and MOUs SM Business Plan
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

1) Does the ship manager abide by the ISM Standards and perform the required audits/?
a) Does the Ship Manager have a Risk Management Program approved by a recognized entity such as the Ship Manager's Insurance Carrier or a recognized Classification Society?
b) Is the ISM Safety plan for the vessel current? Does the Ship manager ensure that the current ISM Safety plan is being followed?
c) The Ship Manager has not received any citations by the USCG, OSHA, or another Regulatory Body or their duly appointed designate, during the current rating period.?
d) Is there evidence the SM is actively tracking and reducing safety incidents and associated costs?
e) The Ship Manager did not receive any Major Non-Conformities issued under ISM or have the vessel's Safety Management Certificate suspended (if no, explain in Remarks).
d) Did the Ship Manager have no minor non-conformities or observations during the execution of internal and external audits?

2) Are the drills sufficiently realistic as to ensure that the ship's crew is adequately trained to respond to foreseeable shipboard emergencies and documented accordingly?

3) Does the ship managers company support and encourage active participation from all parties, both shipboard and shore side in the Safety Program? a) Is the SM conducting monthly safety meetings aboard each vessel the Ship Manager is responsible for and do they have relevant subject matter and are well documented with contain clear, concise written minutes?
b) Does the SM ensure that crewmembers are provided an orientation that includes general safety, shutdown locations, emergency procedures, and safe working conditions and procedures?
c) Does Company Management effectively communicates changes or modifications in Company or MARAD Safety Program to the crew and/or SM personnel, such as Port Engineers?
d) Does the Ship Manager have an established communication protocol for Safety Issues from Company management to employees, both Shoreside and shipboard?
e) Does the Ship Manager utilize Permit to Work procedures and maintain logs as required by SM Contract, including the following: 1) Lock Out/Tag Out, 2) Confined Space Entry?
f) Does the Shipboard Fire Fighting Doctrine comply with the requirements stated in the Ship Manager contract?

improvements
4) Does the ship manager actively address nonconformities and implements safety improvements?
a) Does the SM promptly ensure that all responsible parties (both ashore and afloat) are notified of non-conformities, observations, and emergent Safety Issues and corrective action is taken in a reasonable period of time (example: Manufacturer required/ recommended equipment changes or modifications)?
b) Does the Ship Manager, when tasked, consistently ensure that MARAD Safety Items or Improvements (i.e. Posters, Training Videos, and Safety Equipment etc.) are forwarded to or implemented on the designated vessels in a timely manner?

c) Did the Ship Manager have No lost time incidents aboard RRF vessels in this group due to one (1) or more of the following contributing factors: 1) Lack of proper supervision due to negligence, 2) Failure to utilize proper equipment (example: fall protection equipment, hardhat, etc.), 3) Failure to maintain appropriate Safety perimeter around work area, 4) Failure to comply with applicable established Safety Procedures, including but not limited established MARAD or Company policy?

d) Does the Ship Manager accomplish the following tasks on a routine basis? 1) Tracks and publicizes safety metrics, 2) Complies with all applicable regulatory requirements, 3) Complies with all applicable contract requirements, 4) Promptly submits reports, SITREPs, incident reports, and lessons learned for all reportable incidents to MARAD,
e) Lost time incidents do not exceed one (1) Lost Time accident for every 365 / (crew size * 0.19) Days in FOS, absent any extenuating circumstances. (Please comment if extenuating circumstances exist.)
f) Lost time incidents do not exceed one (1) Lost Time incident for every 360 Total Group Ship Days/Performance Appraisal Period, absent any extenuating circumstances. (Please comment if extenuating circumstances exist.)
Root cause analysis of incidents completed with sufficient information.
5) Does the Ship Manager conduct a Root Cause analysis (when applicable) following an incident to be sufficiently useful in correcting or mitigating future incidents?
COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 3-3: Security
Performance Objective: Provide resources, programs and procedures to ensure proper vessel security on all RRF vessels by following and revising, as necessary, the USCG approved Vessel Security Plan (VSP). NOTE: This performance Element does NOT apply to any RRF vessel without crew while the ship is both located at and is under the custody of a MARAD Reserve Fleet.
Standards Quality Levels
Exceeds Standards (must meet one of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. Demonstrates innovative methods or efforts to promote vessel security IAW the VSP requirements 1. Objective Quality Evidence (OQE)
2. Proposes and Implements cost-effective initiatives above the current VSP requirements 2. Objective Quality Evidence (OQE)
3. Implements and Complies with VSP (ROS/FOS ships) 3. No non-conformities/835s
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Implements and Complies with VSP (ROS/FOS ships) 1. No more than one non-conformity
2. Maintains, updates and audits VSP IAW Coast Guard Regulations (all RRF ships) 2. No more than one non-conformity
3. Maintains RRF security and FP training standards IAW RRF and MSC security training requirements to include Anti-Terrorism Officer (ATO), CBR-D Officer and 5-person Small Arms FP Team (ROS/FOS ships) 3. 100% Conformity
4. Maintains proper controls and accountability for small arms and submits annual Small Arms Verification List to MSC per instructions from MAR-612 (ROS/FOS) 4. 100% Conformity
5. Corrects outstanding Coast Guard non-conformities to the vessel's security (CG-835) within allotted time frame (all RRF ships) 5. 100% Conformity
6. Vessels performs and documents all security drills required by USCG approved VSP and MARAD 6. 100% Conformity
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Implements and Complies with VSP (ROS/FOS ships) 1. More than one non-conformity
2. Maintains, updates and audits VSP IAW Coast Guard Regulations (all RRF ships) 2. More than one non-conformity
3. Maintains RRF security and FP training standards IAW RRF and MSC security training requirements to include Anti-Terrorism Officer (ATO), CBR-D Officer 3. One or more non-conformity

and 5-person Small Arms FP Team (ROS/FOS ships)
4. Maintains proper controls and accountability for small arms and submits annual Small Arms Verification List to MSC per instructions from MAR-612 (ROS/FOS) 4. One or more non-conformity
5. Corrects outstanding Coast Guard non-conformities to the vessel's security (CG-835) within allotted time frame (all RRF ships) 5. One or more non-conformity
6. Vessels performs and documents all security drills required by USCG approved VSP and MARAD 6. One or more non - conformity
Initiating Official: COTR, MAR-613, Regional Designate
Method of Inspection: COTR review of NS5 Visual inspection of equipment and systems during ship visits by COTR USCG Inspections
Frequency of Inspection: Quarterly.
Statement of Work Reference: C.4. Applicable References: NS5, Ship Operating Manuals; Applicable Regulatory Rules, Regulations and MOUs SM Business Plan, Vessel Security Plan (VSP)
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 3-3 Security - Check List (Job Aid only for COTR) Frequency: Quarterly
Implements Security Plan 1) Implements and Complies with VSP (ROS/FOS ships)? a) Did Ship Manager have one or less non-conformities? (Meets Standards) Yes No N/A or N/O Remarks
b) Is SM maintaining visitor's log by logging all visitors and contractors on/off the vessel at a visible access control point?

c) Is SM implementing innovative methods or efforts to promote vessel security? (if yes, note under Remarks here and explain in Evaluators Summary Assessment in PIR) (Exceeds Standards)
d) The Ship Manager Proposes and Implements cost-effective initiatives above the current VSP requirements. (Exceeds Standards)

e) Implements and Complies with VSP (ROS/FOS ships) (Exceeds Standards)
Maintains and Updates Vessel Security Plan
2) Maintains updates and audits VSP IAW Coast Guard Regulations?
a) Has annual audit of VSP IAW Coast Guard Regulations been performed?
Force Protection
3) Maintains RRF security and FP training standards IAW RRF and MSC security training requirements to include Anti-Terrorism Officer (ATO), CBR-D Officer and 5-person Small Arms FP Team (ROS/FOS ships)?
a) Does the ship manager's vessel(s) in Phase "O" have the latest COMSC INST. 5530.3C "MSC Shipboard Antiterrorism / Force Protection (AT/FP) Program" (Revised) onboard?
b) Has Qualified Anti-Terrorism Officer (ATO) been established?
c) Has Qualified CBR-D Officer been established?
d) Has 5-person Small Arms Force Protection (FP) Team submitted annual Small Arms Verification List to MSC per MAR-613 (if applicable)?
e) Does the ship manager follow MSC Security Instructions while in Phase "O"?
Small Arms
4) Maintains proper controls and accountability for small arms and submits annual Small Arms Verification List to MSC per instructions from MAR-612 (ROS/FOS)?
USCG 835
5) Corrects outstanding Coast Guard non-conformities to the vessel's security (CG-835) within allotted time frame?

a) Did the Ship Manager have Zero security related CG-835's since the COTR's last PIR? (note any in Remarks)

b) Have all outstanding security related CG-835's have been corrected within allotted time frame?
Security Drills
6) Vessels perform and document all security drills required by USCG approved VSP and MARAD?

Performance Goal 4: Adequately Crew Vessels with Qualified Marine Personnel
Performance Element 4-1: Contract Manning Levels and Quality
Performance Objective: Provide for safe, efficient and economical operation of the vessel by employing qualified marine personnel.
NOTE: This performance Element does NOT apply to any RRF vessel without crew.
Standards Quality Levels
Exceeds Standards (must meet 2 of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. Crew members perform in a professional manner 1. No major or minor incidents during the inspection period
2. The crew is fully trained, qualified, and/or certified for operational requirements beyond what is required for J-13 2. OQE (i.e., at sea rotation of ROS crew, additional training)
3. The Ship Manager institutes training practices which gain efficiencies 3. OQE
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Provides ROS manning level in accordance with the Ship Manager's contract proposal 1. No non-conformities during the inspection period.
2. Provides FOS manning in accordance with operational requirements 2. No non-conformities during the inspection period
3. The crew is fully trained, qualified, and/or certified for operational requirements in accordance J-13 3. No non-conformities during the inspection period.
4. The crew is physically qualified and vetted according to operational requirements 4. No non-conformities during the inspection period.
5. Crew members perform in a professional manner 5. No more than 2 minor incidents during the inspection period and Zero major incidents
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level

1. Provides ROS manning level in accordance with the Ship Manager's contract proposal 1. One or more non-conformities during the inspection period.

2. Provides FOS manning in accordance with operational requirements 2. One or more non-conformities during the inspection period.
3. The crew is fully trained, qualified, and/or certified for operational requirements in accordance J-13 3. One or more non-conformities during the inspection period.
4. The crew is physically qualified and vetted according to operational requirements 4. One or more non-conformities during the inspection period.
5. Crew members perform in a professional manner 5. One major incident or more than two minor incidents during the inspection period
A major incident consists of an action or an event that result in measurable loss to the Government in terms of resources, mission readiness, operational performance, and/or compromising the safety or security of property or personnel. A major incident does require investigation by the Government or other third party. A minor incident is an action or event that results without measurable loss to the Government in terms of resources, mission readiness, and/or safety or security of property or personnel but can require ship manager investigation and corrective action.

Acceptable Quality Levels (AQLs): 100% of Crew has current USCG Mariner Documentation/STCW Certifications at activation and on a monthly basis during Phase O.
Initiating Official: COTR Method of Inspection: COTR random checks of crew lists and credentials
Frequency of Inspection: Monthly reviews NOTE: For RRF-10 vessels, this standard only applies when activated.
Statement of Work Reference: C.5.2 – 5.4 Applicable References: •STCW-95 or current document •USCG licensing or certification for billet occupied •US Public Health Regulations CFRs, STCW, J-13, IMO
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 4-1: Manning Levels and Quality - Check List (Job Aid only for COTR)
Frequency: Monthly
ROS manning level Yes No N/A or N/O Remarks
1) Provides ROS manning level in accordance with the Ship Manager's contract proposal?
a) Did the Ship Manager man the vessel during the current inspection period in accordance with the manning levels he proposed for ROS? C.5.7.3.1
b) Did the ROS manning level disclose zero non-conformities during the inspection period?
c) Were all noted non-conformities in ROS manning level due to excusable extenuating circumstances beyond the control of the Ship Manager? (Explain under remarks)
FOS Manning Level
2) Provides FOS manning in accordance with operational requirements?
a) Did the Ship Manager crew the vessel for FOS during the current inspection period to adequately to support FOS and all operational requirements? C.5.10
b) Did the FOS manning level disclose zero non-conformities during the inspection period?
c) Were all noted non-conformities in FOS manning level due to excusable extenuating circumstances beyond the control of the Ship Manager? (Explain under remarks)
d) Did the Ship Manager anticipate, plan, and execute crew vetting, replacements and rotations in an effective and efficient manner during the current inspection period?
e) Were any of the ROS crew rotated during the rating period to be afforded additional sea time experience? (if yes, summarize under Remarks -which ratings and for how long) Crew training, qualifications and licenses
3) The crew is fully trained, qualified, and/or certified for operational requirements in accordance J-13?
a) Did all crew members have the appropriate licenses and endorsements for the position they were employed in during the duration of the current inspection period? C.5.4.1
b) Did the ship manager provide qualified professional crews in both "ROS" and "FOS"?
c) Did the Ship Manager screen crew members for US citizenship requirements (100% Licensed and 75% Unlicensed)? C.5.4.2

d) Did the ship manager provide any training to the crew?
Did the Ship Manager provide any unique onboard training or institute other training practices during the current inspection period to achieve efficiencies? (Exceeds Standards) If yes, summarize under Remarks here explain in Evaluator's Summary Assessment in the PIR.
Did the Ship Manager offer training which is above and beyond the

minimum required in J-13 during the current inspection period? (Exceeds Standards) If yes, summarize under Remarks here explain in Evaluator's Summary Assessment in the PIR.
Crew physical fitness and vetting
4) The crew is physically qualified and vetted according to operational requirements?
a) Did the Ship Manager screen all new crew members who signed on during the current inspection period to ensure they do not have a history of medical claims or claiming not fit for duty? C.5.5.8 & J-3 1.3.1
b) Were all crew members who signed on during the current inspection period medically fit and have they received or are willing to receive all necessary inoculations and immunizations? C.5.2.2, C.5.4.1, C.5.5.1
c) Did the Ship Manager advise the crew they will be vetted and provide the required information to MAR-612? C.5.4.3

Crew professionalism
5) Crew members perform in a professional manner?
a) Did the crew's level of professionalism cause two or less minor incidents and Zero major incidents during the inspection period? (Meets Standards) If the crew's level of professionalism caused zero major and zero minor incidents during the inspection period, summarize under Remarks here and explain in Evaluator's Summary Assessment in the PIR? (Exceeds Standards)

6) Did the Ship Manager take appropriate action (investigate, penalize and/or dismiss) in response to all valid complaints regarding the performance or activities of the crew? C.5.4.4, C.5.4.5
COTR Feedback to Ship Manager
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Goal 5: Compliance with Government and Company Business Policies, Procedures and Practices
Performance Element 5-1: Quality Assurance
Performance Objective: Adherence to SM-developed Quality Assurance Plan, providing accurate and timely quality related data submissions, correcting non-conformities identified by inspections, and taking effective measures to preclude recurrence of non-conformities.

Standards	Quality Levels
Exceeds Standards (must meet 3 of the following in addition to achieving "Meets Standard")	Exceeds Acceptable Quality Levels
1. SM Adherence to SM-developed QA Plan	1. Zero major non-conformities and 2 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the annual office audit by Registrar for DOC AND Zero major non-conformities and 4 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during On-Board external QA audits by registrar during Onboard SMC audits.
2. . SM provides timely and accurate quality related data submissions	2. All internal audit findings are accurately posted in a timely manner (within 10 working days) to NS5
3. SM corrects non-conformities identified by audits in a timely manner	3. All CARs tracked, executed and closed in accordance with the registrar's approved completion schedule. AND SM timely corrects 100% of non-conformities (excluding observations) identified in internal or external audit reports within the schedule accepted by the Registrar.
4. SM takes effective measures to preclude recurrence of non-conformities.	4. SM completes implementation of all Lessons Learned within the schedule in the Ship Manager's implementation plan approved by MARAD OR SM implements customized training and programs for Health, Safety & Environment Quality Assurance (HSEQA) targeted to address Lessons Learned, near-misses or observations in internal or external audits. OR If there are no incidents or near-misses or observations, SM demonstrates a superior and cost-effective preventative action system. (OQE)

Meets Standards (must meet all of the following)	Acceptable Quality Level
1. SM Adherence to SM-developed QA Plan	1. Valid vessel SMC and company DOC AND Zero major non-conformities and 5 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the annual office audit by Registrar DOC AND Zero major non-conformities and 5 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during each Onboard external SMC audit by Registrar. . Notes: a. major and minor non-conformities as defined below. b. Non-conformities count shall exclude any "observations" in the audit reports.
2. SM provides timely and accurate quality related data submissions	2. All External audit reports are posted in a timely manner (within 10 working days) into NS5 by SM and are accurate and complete. Note: Audit reports may be redacted as necessary by SM to exclude proprietary information related to other owners/operators/ non-MARAD related entities.
3. SM Corrects non-conformities identified by audits in a timely manner	3. Corrective Action Plans for non-conformities identified in Registrar-issued CARs are submitted to Registrar within the schedule required by Registrar. AND SM corrects 90% of

non-conformities (excluding observations) identified in internal or external audit reports in a timely manner (within 10 working days) (IAW the schedule recommended by the Registrar or internal auditor, as applicable).
4. SM takes effective measures to preclude recurrence of non-conformities 4. SM conducts and submits Report of Investigation of each incident in 45 days or less after incident And SM submits "Lessons Learned" with recommendations to MARAD within 60 days after incident. AND SM submits to MARAD an effective plan to implement all Lessons Learned recommendations (that are under Ship Manager's control), AND commences implementation within 90 days after incident. OR If there are no incidents, SM demonstrates an

effective preventative action system. (OQE)
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Adherence to SM-developed QA Plan 1. Vessel SMC OR company DOC is not valid and current OR One major non-conformity or 6 or more minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the annual office audit by Registrar DOC OR One major non-conformity or 6 or more minor non-conformities as indicated by a Corrective Action Request (CAR) issued during On-board external QA audits by registrar during Onboard SMC audits Notes: a. major and minor non-conformities as defined by registrar. b. Non-conformities count shall exclude any "observations" in the audit reports.
2. SM provides timely and accurate quality related data submissions 2. All External audit reports are not posted in a timely manner (within 10 working days) into NS5 by SM OR are not accurate and complete
3. Ship Manager corrects deficiencies identified by audit 3. Corrective Action Plans for non-conformities identified in Registrar-issued CARs are NOT submitted to Registrar within the schedule required by Registrar. OR SM does not correct at least 80% of non-conformities identified in internal audit reports in a timely manner (IAW the schedule recommended by the internal auditor).
4. SM takes effective measures to preclude recurrence of deficiencies 4. SM does not conduct and submit Report of Investigation of each incident within 45 days or less after incident OR SM does not submit "Lessons Learned" with recommendations to MARAD within 60 days after incident. AND SM does not submit to MARAD an effective plan to implement all Lessons Learned recommendations (that are under Ship Manager's control) or does not commence implementation within 90 days after incident. OR SM does not demonstrate an effective preventative action system. (OQE)
A major non-conformity consists of a failure to

comply with QA Plan that results in measurable loss to the Government in terms of resources, mission readiness, and/or compromising the safety or security of property or personnel. A minor non-conformity is one that is correctable without measurable loss to the Government in terms of resources, mission readiness, and/or safety or security of property or personnel.
Initiating Officials: COTR Method of Inspection: Review of records to determine effectiveness of corrective action, internal audits, external audits, root cause analysis documents, and quality assurance testing.
Frequency of Inspection: Random, no less than semi-annual.
Statement of Work Reference: C.6.7.2.1 C.6.7.2.2 Other Applicable References: Federal Acquisition Regulations •Ship Manager developed Quality Assurance Plan •ISO 9000 (series) •Ship Manager's ISM and SMS Manuals •SM QASP Inspections
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 5-1: Quality Assurance - Check List (Job Aid only for COTR) Frequency : Six monthly
Adherence to QA Plan Yes No N/A or N/O Remarks
1) Did the Ship Manager adhere to the SM-developed QA Plan?
a) Did the SM have Zero major non-conformities and 5 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the annual office audit by Registrar? (Meets Standards) Did the SM have Zero major non-conformities and 2 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the annual office audit by Registrar for DOC, Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)

AND b) Did the SM have Zero major non-conformities and No more than 5 minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the On-board external SMC audit by registrar. (Meets Standard) Did the SM have Zero major non-conformities and 4 or less minor non-conformities as indicated by a Corrective Action Request (CAR) issued during the On-board external SMC audit by registrar, Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)
c) Did the Ship Manager demonstrate that he applied Risk Management in his processes?
d) Did the Ship Manager QA POC issue Quality Non-conformity Reports IAW QA Plan?
e) Was quality statistical data generated IAW QA Plan?
f) Were internal quality audits performed and documented IAW ISM/ISO/SM QA Plan?
g) Did the Ship Manager perform inspections on processes and/or services IAW QA procedures?

h) Did the Ship Manager maintain inspection status IAW QA Procedures?
Providing timely and accurate data submissions
2) Did SM provide timely and accurate quality-related data submissions?
a) All external audit reports were posted in a timely manner into NS5 and were accurate and complete? (Meets Standard)

b) All internal audits are accurately posted in a timely manner to NS5 Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)

c) Was the SM QA system documentation, as part of a continuous process improvement, reviewable by the COTR?

Correcting non-conformities identified by audits
3) SM Corrects non-conformities identified by audits in a timely manner?
a) Did the SM submit Corrective Action Plans for non-conformities identified in Registrar-issued CARs to Registrar within the schedule required by Registrar? (Meets Standard) If the SM track, executed and closed all CARs in accordance with the registrar's approved completion schedule Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)

AND b) Did the SM correct 90% of non-conformities identified in internal or external audit reports within the schedule accepted by the Registrar? (Meets Standard) If the SM corrected 100% of non-conformities identified in internal or external audit reports within the schedule accepted by the Registrar, Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)
Preventing Recurrence
4) SM takes effective measures to preclude recurrence of non-conformities?
a) Did SM conduct and submit Report of Investigation of each incident in 45 days or less after incident? (Meets Standard)

And b) Did SM submit "Lessons Learned" with recommendations to MARAD within 60 days after each incident? (Meets Standard)

AND c) Did SM submit to MARAD an effective plan to implement all Lessons Learned recommendations (that are under Ship Manager's control), AND commences implementation within 90 days after incident? (Meets Standard)
OR d) If there are no incidents, did SM demonstrate an effective preventative action system? (OQE) (Meets Standard)

e) Did SM complete implementation of all Lessons Learned within the schedule in the Ship Manager's implementation plan approved by MARAD? Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)

OR f) Did SM implement customized training and programs for Health, Safety & Environment Quality Assurance (HSEQA) targeted to address Lessons Learned, near-misses or observations in internal or external audits? Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)
OR g) If there are no incidents or near-misses or observations, did SM demonstrate a superior and cost-effective preventative action system? (OQE) Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standards)

COTR Feedback to Ship Manager
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 5-2: Acquisition Procedures

Performance Objective: Acquisition procedures are in compliance with applicable regulations and reflect good commercial procurement practice.

Standards	Quality Levels
Exceeds Standards	Exceeds Acceptable Quality Levels
1. Ship Manager exceeds the acceptable standard for acquisition procedures that are in compliance with applicable regulations and reflects good commercial procurement practice	1. >95% compliant on evaluated factors and no major non-conformities
Meets Standards (must meet all of the following)	Acceptable Quality Level

1. Ship Manager meets the acceptable standard for acquisition procedures that are in compliance with applicable regulations and reflects good commercial procurement practice 1. 90-95% compliant on evaluated factors and no major non-conformities Unsatisfactory Unsatisfactory Quality Level
1. Ship Manager is not meeting the acceptable standard for acquisition procedures that are in compliance with applicable regulations and reflects good commercial procurement practice 1. <90% compliant on evaluated factors or one or more major non-conformities
Notes: a) A major non-conformity consists of a failure to comply with applicable laws or procedures that results in measurable loss to the Government in terms of resources, mission readiness, and/or compromising the safety or security of property or personnel.
b) A minor non-conformity is one that is correctable without measurable loss to the Government in terms of resources, mission readiness, and/or safety or security of property or personnel.
Initiating Officials: CO Method of Inspection: Review and interviews by the ACO Periodic & random reviews of subcontract files.
Frequency of Inspection: Annually or more frequently as required
Statement of Work Reference: C.6.7 to 6.7.1.4 Attachment J-2 Other Applicable References: •Ship Manager Contract •Federal Acquisition Regulation •Ship Manager developed and MARAD approved Commercial Purchasing System Procedures
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 5-2: Acquisition Procedures -Check List (Job Aid Only for ACO)
Frequency: Annual
Acquisition Procedures Yes No N/A or N/O Remarks
1) Ship Manager meets the acceptable standard for acquisition procedures that are in compliance with applicable regulations and reflects good commercial procurement practice
a) J-2, Sec 1.1.1.2 – Does SM have a methodology for the acquisition of quality products and services at fair and reasonable prices?

b) J-2, Sec 1.1.1.3 – Does SM minimize acquisition lead-time of purchasing?
c) J-2, Sec 1.1.1.4 – Does SM use self-assessment to support continuous improvements in purchasing?
d) J-2, Sec 1.1.1.7 – Is there evidence that SM uses electronic commerce to the maximum extent practicable, for transmission, processing, invoicing and storing data associated with the SM contract?
e) J-2, Sec 1.1.1.8 – Does SM have procedures to identify capable and reliable contractors who have successful past performance records and who can demonstrate a current ability to perform?
f) J-2, Sec 1.3 – Did SM advise MARAD of any change to its commercial purchasing procedures 14 calendar days prior to implementation throughout the performance period of the SMC?
g) J-2, Sec 2.3 – Did SM submit requests for consent to subcontract to the ACO at least 10 working days prior to intended subcontract award date?
h) Do consent requests contain supporting documents as specified in Sec 2.3 of Attachment J-2?
i) J-2, Sec 2.4 – Did SM submit proper and sufficient documents associated with subcontracts requiring formal consent, to ACO for pre-issuance review at least 10 working days prior to intended issuance date?
j) J-2, Sec 3.2 - Did SM notify ACO in writing when 75% of the funds provided on the TO have been expended?

k) J-2, Sec 3.2 - Does SM maintain a tracking report on segregation and monitoring of funds?
l) J-2, Sec 3.3 - Does SM submit Subcontract Socioeconomic Statistical Reports to ACO by the 5th of each month?

m) J-2, Sec 3.3 - Does SM submit SF-294 and SF-295 on time?
n) J-2, Sec 3.6 – Did SM advise ACO and COTR/ACOTR of any disputes with its subcontractors, changes in status of disputes, and potential costs or delays in delivery or possible litigation?
o) Are there adequate separation of duties (Requisitioning/Procurement/Receiving/Accounting)?
p) Are there proper controls for use of credit cards for purchasing?
q) C, 7.5 Is SM maintaining records IAW FAR Subpart 4.7?
r) Was the Ship Manager advised of any inconsistencies or unsatisfactory conditions upon identification?
ACO Feedback to SM
Did the ACO advise the Ship Manager of any non-conformities,

Performance Element 5-3: Acquisition Operations

Performance Objective: Acquisition operations are in compliance with approved commercial purchasing system procedures.
Standards Quality Levels
Exceeds Standards Exceeds Acceptable Quality Levels

1. Ship Manager exceeds the acceptable standard for being in compliance with all applicable regulations and procedures 1. >95% compliant on evaluated factors and no major non-conformities
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Ship Manager meets the acceptable standard for being in compliance with all applicable regulations and procedures 1. 90-95% compliant on evaluated factors and no major non-conformities
Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Ship Manager is not meeting the acceptable standard for being in compliance with all applicable regulations and procedures
1. <90% compliant on evaluated factors or one or more major non-conformities
NOTES: a) A major non-conformity consists of a failure to comply with applicable laws or procedures that results in measurable loss to the Government in terms of resources, mission readiness, and/or compromising the safety or security of property or personnel.
b) A minor non-conformity is one that is correctable without measurable loss to the Government in terms of resources, mission readiness, and/or safety or security of property or personnel.
Initiating Officials: CO Method of Inspection: Contract Administrative Review of procurement documents. Periodic & random reviews of subcontract files.
Frequency of Inspection: Annual
Statement of Work Reference: C.6.7 to 6.7.1.4 Attachment J-2 Other Applicable References: •Ship Manager Contract •Federal Acquisition Regulation •Ship Manager developed and MARAD approved Commercial Purchasing System Procedures
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 5-3: Acquisition Operations -Check List (Job Aid Only for ACO)
Frequency: Annual
Acquisition Operations Yes No N/A or N/O Remarks
1) Ship Manager meets the acceptable standard for being in compliance with all applicable regulations and procedures

a) J-2, Sec 2.5.2 – Did SM follow the procedures for Mission Essential Repair as specified?
b) Are there improper trends in purchasing (i.e., splitting purchases to avoid competition or review thresholds and repeated awards to the same vendor)?
c) J-2, Sec 3.4 – Copy of TO(s), with adequate funding authorized for this purpose included?
d) J-2, Sec 3.4 – Are clearly defined requirements included?
e) J-2, Sec 3.4 – Copy of all modifications to the subcontract included?
f) J-2, Sec 3.4 – Documentation of competition obtained for purchases >$2,500 or its absence properly justified included?

g) J-2, Sec 3.4 – Documentation of purchase decision, evidencing that the price paid was fair and reasonable and the subcontractor selected represented the best value to the government included?
h) J-2, Sec 3.4 – Documentation of negotiations (if conducted), including explanation of variance between proposed and negotiated subcontract prices included?
i) J-2, Sec 3.4 – Proper approvals, including SM internal approvals in accordance with commercial procedures and MARAD specification, solicitation, and award approvals included?
j) J-2, Sec 3.4 – Is documentation of inspection and acceptance included?
k) J-2, Sec 3.4 – Is documentation of payment in accordance with subcontract terms included?
l) J-2, Sec. 3.4 – Closeout documentation, including final invoice payment marked as such included?
m) J-2, Sec 3.5 – Is there evidence that SM verifies the validity and accuracy of all subcontractor invoices prior to forwarding them to MARAD for reimbursement?
n) J-2, Sec 3.7.1 – Do SM subcontracts contain the basic content listed?
o) J-2, Sec 3.7.2 – Does SM incorporate appropriate flow-down clauses in subcontracts?
p) J-2, Sec 3.7.3 - Is there evidence that SM subcontracts do not include any language implying or stating that it is an agent of the Federal Government, and the SM shall not sign as “agent” or SM for MARAD?
q) Are files complete? (includes solicitation, specification review/approval by COTR/ACOTR, source list, detailed estimate)

r) Does file contain basis for determination of liquidated damages, diversion/inter-port differentials, bonding, and insurance for coverage in excess of MARAD contract requirement included?

s) J-2, Sec 3.7.3 - Is there evidence that SM subcontracts do not include terms that bind the Government to the results of arbitration, judicial determination, or voluntary settlement between the prime contractor and subcontractor?
t) J-2, Sec 3.7.4 - Is there evidence that SM ensures indemnification extends to MARAD, and the insurance certificate shall name the U.S.A. as a secondary source certificate holder as owner, along with the SM as vessel operator?

u) J-2, Sec 3.7.4 - Does subcontract file contain evidence of an insurance policy from its subcontractors to protect Government property?
v) J-2, Sec 3.7.6.2 - Is there evidence that SM verified proposed subcontractors are not suspended and/or debarred by consulting the GSA List of Parties Excluded from Federal Procurement and Non-procurement Programs?
w) J-2, Sec 3.7.6.3 - Is there evidence that SM evaluated subcontractor performance to establish qualified sources, and to be used as part of the evaluation of best value?
x) Did selected bidders verify recorded bid amounts?
y) Did file review verify that SM complied with approved commercial procedures?
z) Were negotiated prices obtained on supplemental growth delivery orders?
aa) Were material and subcontracted expenses included in growth work exclusive of any percentage markup?

bb) Was the Ship Manager advised of any inconsistencies or unsatisfactory conditions upon identification?
ACO Feedback to SM
Did the ACO advise the Ship Manager of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Element 5-4: Deliverables

Performance Objective: Timely and accurate submittal of deliverables (excluding the Business Plan Deliverable which is addressed under Performance Element 1-4)
Standards Quality Levels
Exceeds Standards Exceeds Acceptable Quality Levels
1. Initial and recurring Deliverables are delivered on-time and accurately 1. The following deliverables (including revisions or updates as required) must be delivered timely and accurately requiring no more than one minor revision: Activation Plan, Deactivation Plan, Operations Plan, Preventative Maintenance Plan, QA Plan Severe Weather Plan, and Solicitation Packages in excess of $2 million, Commercial Purchasing Procedures (CPSR). No more than two of the balance of Deliverables require minor revisions and are submitted on time
2. Initial and recurring Deliverables are of high quality 2. OQE (demonstrate innovation, cost efficiencies, and technical superiority)
Meets Standards (must meet all of the following) Acceptable Quality Level
1. Initial and recurring Deliverables are delivered on-time and accurately 1. All are submitted on time. Five or less require only minor revisions and zero major revisions. Deliverables requiring revision are accepted after one re-submittal and re-submitted within the allotted time period.

Unsatisfactory (meets any of the following) Unsatisfactory Quality Level
1. Initial and recurring Deliverables are late or inaccurate. 1. Any deliverable is late. More than five require minor revisions and one or more require major revisions. A deliverable requiring revision requires more than one resubmittal
A major revision is defined as a deliverable which was incomplete or inaccurate in meeting minimally acceptable contract requirements. A minor revision is defined as a deliverable which may have inadvertent omissions, inaccuracies, or typographical errors.
Initiating Officials: COTR Method of Inspection: 100% sample inspected on deliverables that require acceptance; sampling on deliverables that do not require acceptance
Frequency of Inspection: Quarterly
Statement of Work Reference: TE-3 and J4 Applicable References: Ship Manager Contract (Attachment J-4, TE3)
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 5-4: Deliverables -Check List (Job Aid only for COTR) Frequency Quarterly
Submittal of Deliverables Yes No N/A or N/O Remarks
Did the Ship manager deliver Initial and recurring Deliverables on-time and accurately?
a) Did the SM provide the deliverables on time in accordance with J-4 (justify in Remarks if any were early)?

b) Were the SM deliverables submitted accurately with five or less requiring only minor revisions and zero major revisions? Of those deliverables re-submitted with a minor revision, were all accepted? (Meets Standard) Identify in remarks any deliverable that required major revisions Were the following deliverables (including revisions or updates as required) delivered timely and accurately requiring no more than one minor revision: Activation Plan, Deactivation Plan, Operations Plan, Preventative Maintenance Plan, QA Plan Severe Weather Plan and Solicitation Packages in excess of $2 million, Commercial Purchasing Procedures (CPSR) and, Did no more

than two of the balance of Deliverables require minor revisions and were submitted on time. Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standard)
c) Were the deliverables of high quality? Note in remarks here and explain under evaluator's Summary assessment in PIR that by OQE, the Ship manager demonstrated cost effectiveness, innovation, and/or technical superiority) (Exceeds Standard)

COTR Feedback to SM
Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

Performance Goal 6: Effective Management and Control of Costs
Performance Element 6-1: Effective Management and Control of Costs
Performance Objective: Ship Manager effectively manages and controls costs by implementing business processes and practices that accurately, track, reconcile and close-out actions.
Standards Quality Levels
Exceeds Standards (must meet two of the following in addition to achieving "Meets Standard") Exceeds Acceptable Quality Levels
1. SM shall ensure accurate and timely management of expenditures and obligations 1. OQE (Demonstrates superior business processes in the expenditures and obligations of funds authorized by Task Order to reduce costs) OR 95% of Invoices are submitted promptly, within 60 days following completion of work on each subcontract AND 100% of subcontractor invoices are invoiced to MARAD within 14 days of receipt by Ship Manager AND 85% or more of all reimbursable funds, authorized by all task orders during the Fiscal Year are invoiced to MARAD by August 31st of the fiscal year (except for any TOs issued after May 1)
2. Invoices are free of errors and mistakes 2. An average of one or less invoices per vessel are returned for errors and mistakes in the 6-month rating period
3. SM notifies COTR/ACO following end of performance period to effect Task Order close-out 3. Notification is made for 85% of TOs within 3 months following end of period of performance
4. SM shall effectively mitigate the Government's liability for crew claims (related to injuries, maintenance & cure, sexual harassment, unfair labor practices, asbestos/hazmat exposure, etc.) 4. OQE (SM has implemented innovative, superior business processes to mitigate the Government's liability and reduce costs)
Meets Standards (must meet all of the following) Acceptable Quality Level
1. SM shall ensure accurate and timely management of expenditures and obligations 1. 90% of Invoices are submitted promptly, within 60 days following completion of work on each subcontract AND 100%of subcontractor invoices are invoiced to MARAD within 21 days of receipt by Ship Manager AND 75% of all reimbursable funds authorized by all task orders during the Fiscal Year are invoiced to MARAD by August 31st of the

fiscal year (except for any TOs issued after May 1)
2. Invoices are free of errors and mistakes 2. An average two or less invoices per vessel are returned for errors and mistakes in the 6-month rating period
3. SM notifies COTR/ACO following end of performance period to effect Task Order close-out 3. Notification is made for 100% of TOs within 6 months following end of period of TO performance
4. Expenditures are within Authorized Task Order amount 4. 100% of task orders
5. SM shall effectively mitigate the Government's liability for crew claims (related to injuries, maintenance & cure, sexual harassment, unfair labor practices, asbestos/hazmat exposure, etc.) 5. OQE (SM complies with J-3 100% of the time.)
Unsatisfactory (meets any of the following or does not meet any of the "Meets Standards" AQLs) Unsatisfactory Quality Level
1. SM shall ensure timely management of expenditures and obligation 1. Less than 90% of Invoices are submitted within 60 days following completion of work on each subcontract
2. Invoices are free of errors and mistakes 2. An average of greater than two invoices per vessel are returned for errors and mistakes in the 6-month rating period
3. SM notifies COTR/ACO following end of performance period to effect Task Order close-out 3. Notification is made for less than100% of TOs within 6 months following end of period of TO performance
4. Authorized task order amount is exceeded 4. 1 task order exceeded
5. SM shall effectively mitigate the Government's liability for insurance and claims 5. SM fails to comply with Attachment J-3 100% of the time
NOTE: Operational Task Orders may be exempted by MARAD on a case-by-case basis due to extenuating circumstances
Initiating Officials: FCO, ACO and COTR Method of Inspection: Review of NS5, EIS, SM financial documents, annual Contract Administration Review, onsite inspections as deemed necessary.
Frequency of Inspection: Semi-annual .
Statement of Work Reference: C.7, C.5.8.5, C.5.11.1.1 References: •Generally Accepted Accounting Principles (GAAP) US as established by the Finance Account Standards Board •Funded Task Orders under Ship Manager contract •52.215-2 "Audit and

Records -- Negotiation" and FAR Subpart 4.7 •Government provided procedures under SMC (Attachment J-2, EIS) •Ship Manager's Quality Control Plan and ISM Related Procedure, Plans, and Documents
Statement of Work Reference: • C. 4.2 •TE-1, Section 19 Other Applicable References: •U.S. Code of Federal Regulations •State and Local Environmental regulations •MARPOL Annex V, Section 73/78 •ISO 14000 (series)

•SM Quality Plan •Vessel Response Plan or Shipboard Oil Pollution Emergency Plan • HAZWOPER training •MSDS Sheets
Rating: 0 2 3 Unsat Meets Exceeds Standard Standard
Rationale/Comments required for all rating levels:

Performance Element 6-1: Effective Management and Control of Costs -Check List (Job Aid only for COTR)
Frequency : Semi-annual
Cost Control and Management Yes N o N/A or N/O Remarks
1) Did the Ship Manager ensure accurate and timely management of expenditures and obligations?
a) i) Were 90% of Invoices submitted promptly, within 60 days following completion of work on each subcontract AND ii) 100% of subcontractor invoices were invoiced to MARAD within 21 days of receipt by Ship Manager AND iii) 75% of all reimbursable funds authorized by all task orders during the Fiscal Year were invoiced to MARAD by August 31st of the fiscal year (except for any TOs issued after May 1)? Sec C.,7.2.2 (Meets Standard) Note actual % for each item under Remarks here. If Ship Manager submitted: iv) 95% of Invoices within 60 days following completion of work on each subcontract AND v) 100%of subcontractor invoices within 14 days of receipt by Ship Manager AND vi) 85% of all reimbursable funds authorized by all task orders during the Fiscal Year were invoiced to MARAD by August 31st of the fiscal year (except for any TOs issued after May 1)? Note under Remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standard)
b) Did the SM follow the SM designated processes/procedures?
c) Were processes in place ensuring that SM was recording/updating transactions accurately and in a timely manner? Sec C, 7.2.1

d) Did documentation support amount billed in EIS?
e) Did the SM have a process in place to effectively encourage prompt submission of all invoices from subcontractors and vendors? Sec C, 7.2.2
f) Did analysis of records reveal SM was effective in preventing duplicate charges? Sec C, 7.2.1
g) Did review of advance payments confirm reconciliation was performed within 60 days of payment, supporting documentation was adequate, and overpayments were returned to MARAD?
h) Did the Ship Manager provide OQE demonstrating superior business processes in the expenditure and obligation of funds authorized by Task Order to reduce costs? (Exceeds Standards)
2) Were Invoices free of errors and mistakes?
a) Did the average number/vessel of invoices returned by MARAD for

errors and mistakes during the 6-month rating period equal 2.00 or less? (Meets Standard) Enter under Remarks : Average = number of invoices returned/number of vessels in contract If the average number/vessel of invoices returned by MARAD for errors and mistakes during the 6-month rating period was 1.00 or less, Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standard)
3) Did the Ship Manager notify the COTR/ACO following end of performance period to effect Task Order close-out?

a) Did the Ship manager submit close-out notifications for 100% of TOs within 6 months following the end of the TO performance period? Sec C, 7.1.3 (Meets Standard) Enter calculation of actual % and notification period under Remarks here. If the Ship manager submitted close-out notifications for 85% of TOs within 3 months following end of period of performance, Note under Remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standard)
4) Were the expenditures within the Authorized Task Order amount?
a) Expenditures were within the Authorized Task Order amount for 100% of Task Orders?
b) Did the SM track contract obligations at the task order level? Sec C, 7.1.1
c) Did the SM ensure that actual expenditures were charged to the correct task order? Sec C, 7.1.1
d) Did the SM notify MARAD in a timely manner of changes in funding requirements? Sec C, 7.1.2

5) Did the Ship Manager effectively mitigate the Government's liability for crew claims (related to injuries, maintenance & cure, sexual harassment, unfair labor practices, asbestos/hazmat exposure, etc?)
a) Did the Ship Manager demonstrate OQE to substantiate that the SM had mitigated the Government's liability and reduced costs? (Meets Standard) Summarize details in Remarks here. If the SM implemented and/or sustained innovative, superior business processes to mitigate the Government's liability and reduce costs, Note in remarks here and explain under evaluator's Summary assessment in PIR. (Exceeds Standard)

b) Was there adequate staff support to process claims and settlements? Sec C, 7.4

c) Did the review of documentation for selected crew injury claims reveal that SM properly sought reimbursement? Sec C, 7.4

d) Did the Ship Manager screen all medical invoices through a third party service in accordance with J-3? C.5.5.3, C.5.5.4

e) Were records/support documentation available when requested by

MARAD? Sec C, 7.5

COTR Feedback to SM

Did the COTR advise the Ship Manager QA POC, Port Engineer, and/or ROS Chief Engineer of any non-conformities, inconsistencies or unsatisfactory conditions upon identification?

CATEGORY 1

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/Frequency	Submittal Medium Entry into RMS-Default	Deliver To
1	S	M2; M181; M189	Activation	Activation Plan	Within 60 days of NTP	As Required	File attachment to NS5 work order & NS5 message	COTR
2	S	TE-3 A0008	Activation	Lessons Learned	30--45 days Post Activation/Operation	As Required	File attachment to NS5 work order & NS5 message	COTR
3	S	M73	Business Management	Budget year business plan	Annual	July 1 annually	File attachment to NS5 work order & NS5 message	COTR
4	O	C6.7.1.4	Business Management	Commercial Purchasing Procedures	NTP	Continuous	Entry into company record	ACO
5	O	C1.12.1	Business Management	Provide copies of third party audits	As Necessary	As Required	Entry into company record	ACO
6	O	J-2	Business Management	Third Party Certification of SM Acquisition/ Procurement Procedures	One-Time		Entry into company record	ACO
7	S	E.6	Business Management	Receipt of audit summaries	Within 30 days of SM receipt of them	Continuous	File attachment to NS5 work order & NS5 message	ACO/COTR
8	S	M2	Business Management	Updating/Currency of SM Quality Assurance Plan	Annual	Upon Change	File attachment to NS5 work order & NS5 message	COTR
9	S	M69	Business Management	Quality Assurance Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR
10	S	M2	Deactivation	Deactivation Plan review and update	NLT Annually	Upon Change	File attachment to NS5 work order & NS5 message	COTR
11	S	M2; M317; M319	Deactivation	Deactivation Plan	Within 90 days of NTP	One Time	File attachment to NS5 work order & NS5 message	COTR
12	S	M2; M291	Environmental	Develop, maintain and use a Waste Mgt Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR
13	S	M291	Environmental	Develop/MaintainShipboard Recycling Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR
14	S	M292	Environmental	Copies of all documentation of work performed (during repair) as it relates to environmental regulations	As Necessary	As Required	File attachment to NS5 work order & NS5 message	COTR
15	O	M2; C1.9.2.a	Human Resources	A contingency plan	At NTP	Upon Change	Entry into company record	COTR
16	O	M20	Human Resources	Provide terms and conditions within CBA or other negotiated bargaining agreements	At NTP	Upon Change	Entry into company record	ACO

17	S	C1.9.3.1	Human Resources	provide vetting information	During Crewing	Upon Change	File attachment to NS5 work order & NS5 message	MAR-613
18	S	M311	Human Resources	medical screening service	Within 60 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	ACO
19	S	M133	Human Resources	list of crew training	Continuous	As Required	File attachment to NS5 work order & NS5 message	COTR
20	O	C2.8.17.2	Maintenance, Logistics	Written procedures that implement NAVSEA PMS 325 (OPDS Only)	Within 30 days of NTP	One Time	Entry into company record	COTR
21	O	M256	Maintenance, Logistics	Property Control System	60 days after NTP	Continuous	Entry into company record	MAR-614
22	S	C-2.8.9; C2.8.10	Maintenance, Logistics	INVENTORY OF ACCOUNTABLE PROPERTY UPON DEACTIVATION FROM PHASE “O”	WITHIN 30 DAYS OF DEACTIVATION FROM PHASE “O	Annual	File attachment to NS5 work order & NS5 message	COTR
23	S	C2.8.17.3	Maintenance, Logistics	Develop OPDS Shortage List	Within 30 days of the conclusion any exercise involving OPDS	As Required	File attachment to NS5 work order & NS5 message	COTR
24	S	M260	Maintenance, Logistics	ACCEPTANCE INVENTORY	Within 60 days of NTP	One Time	File attachment to NS5 work order & NS5 message	LMO/COTR
25	S	M5	Maintenance, Logistics	COMPLETION AND TERMINATION INVENTORIES	Within 45 days prior to termination of contract	One Time	File attachment to NS5 work order & NS5 message	LMO/COTR
26	S	M262	Maintenance, Logistics	ANNUAL INVENTORY OF ACCOUNTABLE PROPERTY	**Annually on/about July 27 - specific guidance on date by MAR-614**	Annual	File attachment to NS5 work order & NS5 message	LMO/COTR
27	S	M2	Maintenance, Logistics	Develop, implement, manage, and maintain including lessons learned all required plans	As Necessary	Continuously	File attachment to NS5 work order & NS5 message	COTR
28	S	M224	Maintenance, Logistics	Cost estimate for maintenance activations and/or sea trials	**As Necessary**	No less than annual review and update	File attachment to NS5 work order & NS5 message	NS5
29	S	M224	Maintenance, Logistics	Thermography and Vibration analysis services as directed	As Necessary	As Required	File attachment to NS5 work order & NS5 message	NS5
30	S	M2;M221-223; M225-228	Maintenance, Logistics	Ship-specific Preventative Maintenance Plan for both Phase M and O per vessel and associated Spreadsheet	**April 1, 1008**	Continuous	File attachment to NS5 work order & NS5 message	NS5
31				RESERVED				

32	S	C2.7.1	Maintenance, Logistics	Joint Material Condition report @ turnover	One time	Within 25 days of NTP	File attachment to NS5 work order & NS5 message	NS5
33	S	C2.7.2	Maintenance, Logistics	Joint Material Condition report @ contract conclusion	One time	45 days prior to conclusion of contract or as mutually agreed	File attachment to NS5 work order & NS5 message	NS5
34	S	C2.2.5	Maintenance, Logistics	Water Chemistry Logs	Monthly	Monthly	File attachment to NS5 work order & NS5 message	Water Chemistry Contractor
35	S	M2	Operations	SM Operational Plan and updates	Within 60 days of NTP	As Required	File attachment to NS5 work order & NS5 message	COTR
36	O	M64	Safety, Environmental, Security	Valid ISM DOC	During Evaluation	Any Change	Entry into company record	PCO
37	S	M66	Safety, Environmental, Security	Update ISM safety plan to incorporate characteristics of awarded vessels	Within 60 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	MAR-613 & COTR
38	S	M2	Safety, Environmental, Security	accept responsibility for Safety Plan content and enforcement	Continuous	As Required	File attachment to NS5 work order & NS5 message	Vessel
39	S	M65	Safety, Environmental, Security	Valid ISM Safety Management Certificate (SMC)	For vessels as designated by MARAD in TE-4	**Maintain for contract performance period or advise MARAD of change**	File attachment to NS5 work order & NS5 message	MAR-612 safety officer
40	S	C4.1.11--C4.1.11.3	Safety, Environmental, Security	Report of litigation and claims	Continuous	Quarterly	File attachment to NS5 work order & NS5 message	MAR-575/ MAR-610.3
41	S	C4.1.12.1	Safety, Environmental, Security	Submittal of SM Severe Weather Plan	Within 60 days of Award Within 60 Days of Transfer to Outport	One-Time	File attachment to NS5 work order & NS5 message	COTR
42	S	C1.5	Safety, Environmental, Security	Update/Currency of SM Vessel Severe Weather Plan	Annual	Upon Change	File attachment to NS5 work order & NS5 message	COTR
43	S	C4.1.13.1	Safety, Environmental, Security	Review of Vessel Outport Mooring Plan	Within 60 days of Award Within 60 Days of Transfer to Outport	One-Time	File attachment to NS5 work order & NS5 message	COTR

CATEGORY 1

44	S	M2	Safety, Environmental, Security	Update/Currency of SM Vessel Outport Mooring Plan	Annual -or mutually agreed to date prior to Hurricane Season	Upon Change	File attachment to NS5 work order & NS5 message	COTR
45	O	M48	Security	Identification of Company Security Officer	Within 15 days of NTP	Upon Change	Entry into company record	NS5 Company record
46	S	M2	Security	Ship ISPS Security Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
47	S	M48	Security	Identification of Ship Security Officer	Within 15 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
48	S	M49	Security	Security Risk Assessment	Within 30 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
49	S	M52	Security	Reports required by ISPS	As Necessary	as directed by ISPS Part A paragraph 12.2.8	File attachment to NS5 work order & NS5 message	COTR
		Category 1 Definition:						
		1. Entered into NS5 as an attachment plus an email notification within NS5.						
		2. RMS (NS5) tracked Deliverables: S: SHIP; O: CORPORATE OFFICE						
		S: SHIP: Standard jobs/Work Orders/attachments						
		O: CORPORATE OFFICE: Entry into Company record						

	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/Frequency	Submittal Medium Entry into RMS-Default	Deliver To	
1	M128	Activation	Update cost estimate for activation, operations, and deactivation provided as part of Business Plan	Within 48 hours of notice to activate	As Required; or if not activated then annually	Enter into NS5	NS 5 message to COTR	
2	M36	Activation	Scan Vessel Delivery certificates	As Necessary	As Required	Enter into NS5		
3	M183	Activation	Task Order Accounting for Activation	As Necessary	As Required	Enter into NS5		
4	M71;M103	Business Management	5 Year Business Plan of current FY plus 4 more FY	Annual	As required	Enter into NS5	NS 5 message to COTR	
5			RESERVED					
6	M101	Business Management	Enter data into RMS	NTP	Continuous	Enter into NS5		
7	**M71-100; M102, M103**	Business Management	Update of Business Plan	**RESERVED.**	**On/before 1 Jul annually as directed by MAR610**	As directed by COTR	enter data into RMS	
8	C7.1.2	Business Management	Provide timely information to MARAD on changes of funding requirements	Once Approved	Continuous	Enter into NS5	NS 5 message to COTR	
9	M242	Deactivation	Provide deactivation cost estimate for Business Plan	Within 30 days of NTP	One Time	Enter into NS5	NS 5 message to COTR	
10	M316	Deactivation	document malfunctions and material deficiencies	As Necessary	As Required	Enter into NS5		
11	C1.9.1.1	Human Resources	Personnel Data verification	Within 15 days of NTP	As Required	Enter into NS5		
12	C1.9.1.1	Human Resources	Emergency Contact Information	At NTP to COTR. Within 15 days of NTP into RMS	Upon Change	Enter into NS5		
13	M309	Human Resources	Medical Claims	IAW J3	Continuous	Enter into NS5	NS 5 message to COTR	
14	M272	Activations, Operations, Deactivation	Spare Parts Procurement Plan	Aug 1 of each year or as directed by COTR	Annually	Enter into NS5		
15	M254	Activations, Operations, Deactivation	Allowance Change Requests	Within 5 days of event	As Required	Enter into NS5	NS 5 message to COTR	
16	M257	Activations, Operations, Deactivation	Auditable Records	Continuous	As Required	Enter into NS5		

17	M2;M3;M4; M197; M201	Maintenance, Logistics	Integrate into the Annual Business Plan and Given Year Plan and Scheduling of Open/Inspect Requirements to support ACP and Continuous Machinery Survey/Class	As Necessary	As Required	Enter into NS5		
18	M2, M244; M197-201	Maintenance, Logistics	Submittal of Changes to Annual Business Plan for corrective actions to deficiencies uncovered during regulatory inspections	As Necessary	As Required	Enter into NS5	NS 5 message to COTR	
19	C1.5, C2.2.5.2	Maintenance, Logistics	Take action to correct C-3 or C-4 status; change Business plan	IAW Task Order	As Required	Enter into NS5	NS 5 message to COTR	
20	M219	Maintenance, Logistics	Identify C-5 period for regulatory inspections, upgrades, and major maintenance periods within the business plan	see C2.1.4 and C2.1.5	As Required	Enter into NS5		
21	M228	Maintenance, Logistics	Revisions to either Ship specific preventative maintenance plan	As Necessary	As Required	Enter into NS5	NS 5 message to COTR	
22	M206	Maintenance, Logistics	Maintain currency of regulatory body certificate dates	As Necessary	As Required	Enter into NS5		
23	M198	Maintenance, Logistics	Review existing regulatory schedules and develop plan and schedule any requirements due within the year of for the Business Plan NTP.	Within 45 days of NTP	One Time	Enter into NS5		
24	M202	Maintenance, Logistics	Identify changes to Regulatory requirements	Within one month of publication	As Required	Enter into NS5	NS 5 message to COTR	
25	M225; M130	Maintenance, Logistics	Utilize MARAD's Water Chemistry Program	As Necessary	As Required	Enter into NS5		
26	M224;M118 ;M129	Maintenance, Logistics	Utilize MARAD's Lube Oil Analysis Program	As Necessary	As Required	Enter into NS5		
27	M232	Maintenance, Logistics	Accomplish all corrective maintenance and repairs	As Identified in the Business Plan	Continuous	Enter into NS5		
28	M233	Maintenance, Logistics	Accomplish all modifications and upgrades via Task Order	As Identified in the Business Plan	As Required	Enter into NS5		
29	M235	Maintenance, Logistics	Deficiencies	Place into RMS	As Required	Enter into NS5		
30	M240-244; M71	Maintenance, Logistics	Five Year Business Plan w Annual Business plan and 4 subsequent years.	Annually	October 1st, annually	Enter into NS5		
31	M246	Maintenance, Logistics	Execute Current Year Business Plan	Continuously	As Required	Enter into NS5		
32	M247	Maintenance, Logistics	Maintain machinery history due to corrective maintenance	As Required	As Required	Enter into NS5		

33	M251	Maintenance, Logistics	Review business plan and maintenance methodology if there are changes in berth arrangements	As Required	As Required	Enter into NS5		
34	M36	Deactivation	Obtain redelivery form; scan into RMS	Upon transfer of vessel to MARAD	As Required	Enter into NS5		
35	C.6.7.1.3	Business Management	Submit specifications/solicitations/or SOW IAW FAR 44.2	NTP	Continuous	Enter into NS5	NS 5 message to COTR	
36	M323	Deactivation	Provide modification to cost estimate	Upon COTR Request	As Required	Enter into NS5	NS 5 message to COTR	
	Category 2 Definition:							
	Data entry into NS5.							

CATEGORY 3

	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/Frequency	Submittal Medium Entry into RMS-Default	Deliver To	
1	M171 through M176	Activation	Provide all resources; direct work of subcontractors; activate; bunker; load cargo	As Required by TE-4	As Required	Services	As required by contract	
2	Reserved	RESERVED	**RESERVED**	RESERVED	RESERVED	RESERVED	RESERVED	
3	M179	Activation	Conduct Maintenance activation	IAW Preventative Maintenance Management Plan for Phase M	As Required	Services	As required by contract	
4	M32	Activation	Daily Activation Status Report	Daily	As Required	Hard copy via Mail/E-Mail	As required by contract	
5	M33	Activation	Special Activation Status Report	When Requested	When requested by MAR-612; by COTR or crisis mgt team	Hard copy via Mail/E-Mail	As required by contract	
6	M34	Activation	MOVEREP	As Necessary	As Required	RMS/ OR via Classified message transmittal system - PPTS, as appropriate	As required by contract	
7	M184	Activation	Crew Questionnaires	As Necessary	As Required	Hard copy via Mail/E-Mail	As required by contract	
8	M185	Activation	Maintain property	During Activation Period	As Required		As required by contract	
9	M186	Activation	Report discrepancies	During Activation Period	As Required	Hard copy via Mail/E-Mail	As required by contract	
10	M187	Activation	update documentation before end of activation	During Activation Period	As Required	Services	As required by contract	
11	C1.9.1.1	Business Management	procedures to maximize retention of shoreside staff and ROS crew.	NTP	Continuous	internal policy - service	As required by contract	
12	C1.9.1.1	Business Management	communications	NTP	Continuous	Services	As required by contract	
13	C6.3--C6.3.1.3	Business Management	compliance documents for performance	NTP	Continuous		As required by contract	
14	C.6.7.1.1	Business Management	Provide acquisition services IAW FAR Part 44	NTP	Continuous	Services	As required by contract	

15	C.6.7.1.2	Business Management	Provide acquisition data IAW FAR 19.7	NTP	Continuous		As required by contract	
16	C1.12.1	Business Management	Permit MARAD to accompany third party audits	As Necessary	As Required	Letter Notify to MARAD	As required by contract	
17	C7.1.1	Business Management	Monitor approved Business Plan and execute it	Once Approved	Continuous	Services	As required by contract	
18	C7.1.3	Business Management	Support Government reprogramming actions and timely closeout of task orders	Once Approved	Continuous	Services	As required by contract	
19	C.7.2.1	Business Management	Establish procedures, processes and systems to ensure accurate and timely mgt of expenditures and obligations	NTP	Continuous	Services	As required by contract	
20	C7.2.2	Business Management	Ensure timely submission of invoices	NTP	Continuous		As required by contract	
21	C7.3	Business Management	Cooperate and provide support to on-site government auditors	NTP	Continuous	Services	As required by contract	
22	C7.4	Business Management	Provide support to process all claims and settlements and develop policies to mitigate Government's liability	NTP	Continuous	Services	As required by contract	
23			RESERVED					
24	C7.5	Business Management	Maintain records IAW 52.215-2	NTP	Continuous	Services	As required by contract	
25	M322	Deactivation	accomplish transition to ROS and RRF10	Within 48 hours of redelivery	As Required	Services	As required by contract	
26	M336	Deactivation	issue specification/award solicitation for RRF 10 day vessels	Within 30 days of redelivery	As Required	Hard Copy via Mail/E-Mail	As required by contract	
27	M336	Deactivation	Transfer vsl to NDRF site	Upon completion of deactivation	As Required	Services	As required by contract	
28	M335	Deactivation	Transfer vsl to outport site	Upon completion of deactivation	As Required	Services	As required by contract	
29	C3.4.14.2	Deactivation	arrange for and supervise lay up services	As Necessary	As Required	Services	As required by contract	
30	Navy CDRLs	Deactivation	Record fuel data, provide to MSC/MARAD	One Time	As Required	Hard Copy via Mail/E-Mail	As required by contract	
31	C3.3.12.2	Deactivation	complete transition on outstanding messages	As Necessary	As Required	Services	As required by contract	

32	M316	Deactivation	conduct planning and preparation	As Necessary	As Required	Services	As required by contract	
33	M316	Deactivation	accomplish deactivation procedures, repairs and regulatory requirements	As Necessary	As Required	Services	As required by contract	
34	M421	Deactivation	Provide all resources	As Necessary	As Required	Services	As required by contract	
35	M325	Deactivation	Report any damage to vessel caused by military or stevedores	Upon Discovery	As Required	Phone w/E-Mail Confirmation	As required by contract	
36	M328	Deactivation	notify MARAD of missing materials usually contained in standard administrative filing cabinet	During Deactivation	As Required	Hard Copy via Mail/E-Mail	As required by contract	
37	M277	Environmental	Provide personnel with environmental training	As Necessary	As Required	Services	As required by contract	
38	M278; M279	Environmental	develop policies, procedures, and programs to ensure execution of pollution prevention including incorporation of MARAD SOPEP and VRP into the above.	As Necessary	As Required	Hard Copy	As required by contract	
39	M283	Environmental	provide HAZMAT training	As Necessary	As Required	Services	As required by contract	
40	M285	Environmental	incorporate MARAD directives TE-1 Section 19 into programs, policies and procedures	As Necessary	As Required	Hard Copy	As required by contract	
41	M286	Environmental	use MSDS	As Necessary	As Required	Hard Copy	As required by contract	
42	M286; M287	Environmental	lawfully label, handle, and/or dispose of HAZMAT and retain records	As Necessary	As Required	Services	As required by contract	
43	C1.9.1	Human Resources	Provide all administrative support	As Needed	As Required	Services	As required by contract	
44	C5.1.2	Human Resources	Changes of personnel within 60 days	As Needed	As Required	PCO permission required	As required by contract	
45	M7	Human Resources	Provide Port Engineering services	NTP	Continuous	Services	As required by contract	
46	M8	Human Resources	office in support of Port Engineering team	Within 30 days of NTP	Continuous	Services	As required by contract	

47	M9	Human Resources	perform Port Engineering services during absence	As Required	As Required	Services	As required by contract	
48		Human Resources	FOS crew	As Necessary	As Required	Services	As required by contract	
49	C4.6.1.d	Human Resources	GMDSS operations	As Necessary	As Required	Services	As required by contract	
50	C1.9.2.10.c	Human Resources	crew shortage - report	As Necessary	As Required	CG 729	As required by contract	
51	C1.9.2.11	Human Resources	FOS orientation	As Necessary	As Required		As required by contract	
52	C1.9.2.11	Human Resources	develop and implement plans and procedures for FOS crew	As Necessary	As Required		As required by contract	
53	H6	Human Resources	second seamen's war risk insurance quotes	One Time	each activation for national defense mission or as instructed by COTR		As required by contract	
54	C5.10.8	Human Resources	imminent danger pay	As Required	each day when authorized by DOD		As required by contract	
55	M15	Human Resources	signed copies of Masters' instructions	As Necessary	As Required	Hard Copy via Mail/E-Mail	As required by contract	
56	C1.9.2.d	Human Resources	Provide medically, dental, and psychologically fit officers who meet STCW-95 or successor documents; and documented unlicensed.	On Demand	Continuous	Services	As required by contract	
57	C1.9.2	Human Resources	Mariner citizenship	As Necessary			As required by contract	
58	C5.4.4	Human Resources	investigate complaints made by MARAD	Upon Notification	As Required	Hard Copy via Mail/E-Mail	As required by contract	
59	M22	Human Resources	Abide by federal, state, local labor statutes and regulations regarding employment	NTP	Continuous	Services	As required by contract	
60	**C1.9.2.5 thru M28**	Human Resources	immunization of mariners	As required	As Required	Services	As required by contract	
61	C4.10.2 thru C4.10.2.2	Human Resources	prevention of substance abuse	Continuous	Continuous	Services	As required by contract	

62	M310	Human Resources	medical on-call physician services 24/7	Phase O	As Required	Services	As required by contract	
63	M312	Human Resources	medical person in charge	Phase O	As Required	Services	As required by contract	
64	M313	Human Resources	notification to USCG	within 60 days of NTP	Upon Change	Hard Copy via Mail/E-Mail	As required by contract	
65	M41	Human Resources	screening of mariners	Continuous	As Required	Services	As required by contract	
66	M134 to M138	Human Resources	Military Training	As Necessary	As Required	Services	As required by contract	
67	M139 to M143	Human Resources	Cadet Training	As Necessary	As Required	Services	As required by contract	
68	M300	Human Resources	Vessel orientation	prior to commencement of work	Continuous	Services	As required by contract	
69	M301; M302	Human Resources	Merchant Marine Preparedness	before assuming watch	each new mariner	Services	As required by contract	
70	J-13	Human Resources	training	As Necessary	As Required	Services	As required by contract	
71	C4.1.12	Human Resources	ROS crew onboard ROS-5 vsls	IAW Proposal	Continuous	Services	As required by contract	
72	M191	Human Resources	Support voluntary programs for benefit of industry	As Necessary	Continuous	Services	As required by contract	
73	M216	Maintenance, Logistics	Identify any deficiency which will place vessel into C-3 or C-4	Within 24 hours of discovery	Continuous	Phone w/E-Mail Confirmation	As required by contract	
74	M192	Maintenance, Logistics	ship-centric maintenance program	Continuously	Continuously		As required by contract	
75	M203	Maintenance, Logistics	Enroll and/or maintain ship in Alternate Compliance Program	Continuously	Continuous		As required by contract	
76	M202	Maintenance, Logistics	Notification that Regulatory Compliance cannot be maintained	Within 24 hours of discovery	As Required	Phone w/E-Mail Confirmation	As required by contract	
77	M209	Maintenance, Logistics	Report C-rating	Weekly	As Required	email or phone	As required by contract	
78	M214	Maintenance, Logistics	Maintain vessel in C1 or C2 both phases	Continuously	As Required	RMS Business Plan	As required by contract	
79	M216	Maintenance, Logistics	Report events which would place vessel in C-3 or C-4 status	Within 24 hours of discovery	As Required	Phone w/E-Mail Confirmation	As required by contract	
80	M215	Maintenance, Logistics	Report event(s) which affect readiness of vessel	Within 24 hours of discovery	As Required	Phone w/E-Mail Confirmation	As required by contract	

81	M144; M145; M146	Operations	Provide resources	NLT 180 Consecutive Days	As Required	Services	As required by contract	
82	M252	Operations	utilize US Customs form 226 at first US port of entry	As Necessary	As Required	Form 226 US Customs	As required by contract	
83	M153-155	Operations	utilize Casualty Reporting System	As Necessary	As Required	E-Mail/Message	As required by contract	
84	M148; M152	Operations	Notify MAR-612 or Hq Ops Center of significant events	As Necessary	As Required	Phone w/E-Mail Confirmation	As required by contract	
85	C4.1.7	Operations	Unable to comply with naval orders	Within 1 hour	As Required	Message/E-Mail	As required by contract	
86	C4.2.3 thru 4.2.6	Operations	Conduct Bunkering, Oil Testing, Hydraulic and Lube Oil Analysis	As Necessary	As Required	Services	As required by contract	
87	M160	Operations	list of those who saw video and reviewed checkoff list	semi-annually	semi-annually	electronic copy of list	As required by contract	
88	M161	Operations	inventory of oil spill kit	As Necessary	As Required	semi-annual	As required by contract	
89	C3.3.8.1--C.3.3.8.1.3	Operations	Crew and operate special mission ships	As Necessary	As Required	Services	As required by contract	
90	C4.1.1.1 thru M155	Operations	Operational Reports	As Necessary	As Required		As required by contract	
91	M148; M152	Operations	utilize MSC SOM copy MARAD on all msgs	As Necessary	As Required	Via Message/E-Mail	As required by contract	
92	M150	Operations	2 weapons reports	As Necessary	As Required	Hard copy via Mail/E-Mail	As required by contract	
93	M151	Operations	notify COTR immediately if fail to hear from vessel within 24 hours	As Necessary	As Required	Phone w/E-Mail Confirmation	As required by contract	
94	C4.1	Safety, Environmental, Security	Conflicts between OH&S Program and ISM	As Necessary	Any Change	Hard Copy via Mail/E-Mail	As required by contract	
95	C4.1.2	Safety, Environmental, Security	maintain log when crew is onboard	Continuous	As Required	Services	As required by contract	
96	J13	Safety, Environmental, Security	conduct pre-firefighting training, drills	Continuous	As Required	Services	As required by contract	

97	C4.1.4	Safety, Environmental, Security	post station bill	Continuous	As Required	Hard Copy	As required by contract	
98	C4.1.5	Safety, Environmental, Security	work with MARAD on OS&H program	Continuous	As Required	Services	As required by contract	
99	C4.1.6--C4.1.6.4	Safety, Environmental, Security	procedures to shipboard personnel on cargo handling	Continuous	As Required	Services	As required by contract	
100	M57; M58; M59	Safety, Environmental, Security	Instructions to Master	As Required	As Required	Services	As required by contract	
101	C4.1.2.4	Safety, Environmental, Security	obtain cargo stow plan	As Required	As Required	Services	As required by contract	
102	M60; M61	Security	cooperate with MARAD in providing a force protection team and vessel security	As Necessary	As Required	Services	As required by contract	
103	M62	Security	Obtain and maintain a DOD facility clearance	NLT 120 Days after Award	As Required	Hard Copy	As required by contract	
104	M62; M63	Security	Security Clearances for Master, Chief Mate, classified materials custodian and communications officer	routine complement of personnel requiring security clearance up to SECRET	Act/Ops	Hard Copy	As required by contract	
105	M45	Security	Provide internal security 24/7	24/7	Continuous	Services	As required by contract	
106	M53	Security	Conduct shoreside and waterside drills	As Necessary	as directed by ISPS Part A paragraph 13.4	Services	As required by contract	
107	M54	Security	incorporate MARAD directives on security into internal directives	As Necessary	As Required	Hard Copy	As required by contract	
108	M55	Security	comply with J-13 for security training	As Stated	As Required		As required by contract	
109	M56	Security	notify MARAD of any layberth deficiency	As Necessary	As Required	Hard Copy via Mail/E-Mail	As required by contract	
110	C1.9.1.1	Human Resources	President/Owner data	Within 30 days of NTP	As Required	MAR-610	As required by contract	

111	M264	Activations, Operations, Deactivation	Report Of Survey	As Required	As Necessary	DOT FORM 4410.1 . typed legibly	As required by contract	
112	M167	Safety, Environmental, Security	scheduled work periods	Continuous	Upon Change	RMS Business Plan	As required by contract	
113	M38. M39	Maintenance, Logistics	Crew List	As Necessary	As Required	Hard copy via E-Mail	As required by contract	
114	M104	Business Management	ADP interface with MARAD	NTP	Continuous	Services	As required by contract	
115	C6.6.7	Business Management	Develop reports	NTP	Continuous		As required by contract	
116	M2	Maintenance, Logistics	Create and Update Five Year Business Plan	Update to Five Year Business plan	Annually	As Required	Enter into NS5	NS 5 message to COTR
117	**J2.3.3**	Business Management	Subcontract Socioeconomic Statistical Reporting (P.O. logs)	Monthly	Monthly	5th of every month	E-mail	ACO
118	**J2.3.3**	Business Management	Submission of SF 294	Semi-annually	Semi-annually	1 Oct/1 Apr	E-mail	ACO
119	**J2.3.3**	Business Management	Submission of SF 295	Annually	Annually	October 1st	E-mail	ACO
120	**G8.3 & J3A#5**	Human Resources	Report of illness/injuries	Quarterly	Quarterly	Oct/Jan/April/June	E-mail	ACO, COTR, MAR-610.6, MAR-782
121	**Reserved**	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED
122	**TE1, Section 18.7**	Safety, Environmental, Security	Annual Safety Inspection	Annually	Annually		Email	612
123	**TE1, Section 16.10**	Safety, Environmental, Security	Pre-Fire Plans (Firefighting Doctrine)	Within 90 days of NTP	Within 90 days of NTP	Update change	Hard copy via mail and email electronically	COTR
124	**M225**	Maintenance, Logistics	Spreadsheet to be used with development of Preventative Maintenance Plan	as needed	**as needed**	**updated as needed for new equipment or spaces**	email	COTR

125	TE-1 Section 19.2.3.1	Environmental	HAZMAT Inventory	Annually		E-mail	COTR	
126	TE-1 Sec 19.4	Safety, Environmental, Security	Ozone Depleting Compound(s) Log	Quarterly		E-mail	COTR	
	Category 3 These deliverables are							
	work processes that are not entered into NS5							

DRAFT

RRF OPERATIONS MANAGEMENT MANUAL

TECHNICAL EXHIBIT 1 (TE1)

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TABLE OF CONTENTS

THE RRF OPERATIONS MANAGEMENT MANUAL CONTAINS THE FOLLOWING SECTIONS:

1. RRF MANAGEMENT MANUAL - OVERVIEW

1.1 GENERAL

The Ready Reserve Force (RRF) Operations Management Manual contains the Office of Ship Operations policy and procedures for maintenance and operation of the RRF vessels. This document contains several “RESERVED” sections to permit growth.

1.2 FOR SHIP MANAGER CONTRACTS:

The *RRF Operations Management Manual* is Technical Exhibit 1 (TE-1) of all Ship Manager contracts (SMC) resulting from DTMA8R04004. Changes to TE-1 will be made by contract modification. For purposes of Ship Manager contracts the terms *RRF Operations Management Manual, MARAD Ops Manual are* interchangeable with the term TE-1. All editions of this management manual associated with other contracts or RFPs are obsolete and should be destroyed.

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2. ACRONYMS, ABBREVIATIONS, and DEFINITIONS

The following acronyms, abbreviations and definitions are used throughout the contract and technical exhibits:

Side line – indicates new acronym or revised definition.

100% on-hand or on-order: For each line item, the number of items on board the vessel plus the number of items "on order" equals the vessel's authorized allowance in RMS.

ABS - American Bureau of Shipping.

Accountable Property – MARAD-owned Personal Property with an original purchase price of greater than $2,500 or as identified in TE – L1. Term interchangeable with any reference for Controlled Property. Controlled Property or Controlled Equippage is old terminology**.**

ACP – Alternative Compliance Program.

ADCON- Administrative Control.

Administrative Contracting Officer (ACO) - a warranted Contracting Officer (CO) in a MARAD Regional Contracting office, authorized by the Procuring Contracting Officer (PCO) to enforce and administer contracts, within specified guidelines set by MARAD.

AFFF - Aqueous Film Forming Foam.

agent - Is used to designate those people traditionally termed as agents in ports, example: chandlers, or transfer agents. It in no way signifies that the Ship Manager awarded this contract may transfer the authority or responsibilities of this contract to another entity.

Agent - The Ship Manager. The Ship Manager is an Agent of the Maritime Administration except when executing a repair work order as a prime.

Alcohol - Any form or derivative of ethyl alcohol (ethanol).

Alcohol Concentration - Either grams of alcohol per 100 milliliters of blood, or grams of alcohol per 210 liters of breath.

ALMSC - All MSC messages addressed to all MSC Commands, activities, units and elements.

Alterations - Planned changes to the configuration, location, type, or number of pieces of equipment or systems; changes in the arrangement and outfitting of ship's structure.

AMVER - Automated Mutual-Assistance Vessel Rescue (System).

Ancillary Equipment - Subordinate equipment. All references to an RRF vessel and its appurtenances shall be interpreted to include subordinate equipment and their appurtenances. Should a Ship Manager have any doubt with respect to a given piece of equipment, he should contact the marine surveyor who will determine whether or not the equipment is ancillary equipment.

Anniverary Date of NTP: Same calendar day as NTP one year later.

AOA - Amphibious Objective Area.

AOR - Area of Responsibility.

APF - Afloat Preposition Force.

APL - Allowance Parts List.

APO - Accountable Property Officer. Also military postal address for Army personnel stationed overseas. Needs to be read in context.

Articles - an agreement between the Master and a crewmember stipulating the basic terms and conditions of employment and wages for a specific voyage.

As Required (Fixed Price) - Is included in the fixed price.

As Required (Reimbursable) - A reimbursable contract item, requires the approval of the Administrative Contracting Officer.

Assistant Contracting Officer's Technical Representative (COTR) - a person who assists the Contracting Officer's Technical Representative (COTR). This position is delegated specific authority and responsibility by the PCO. Delegation by the PCO is usually via the ACO, but may be done directly by the PCO.

AT/FP - Anti Terrorism/Force Protection

Availability - A period of time assigned a ship for the accomplishment of inspections, maintenance, repairs, alterations, or drydocking. Industrial assistance is usually used in connection with an availability. Sometimes referred to as Repair Availability or RAV.

AWR-3 - Army Warfare Reserve -3.

BAC - Blood Alcohol Concentrate.

BAL - Builder's Allowance Lists.

BOA - Basic/Blanket Ordering Agreement.

BRF - Beaumont Reserve Fleet.

BUMEDINST - Bureau of Medicine Instruction. In this contract, an instruction issued by the Naval Bureau of Medince.

Bunker "C" - A residual fuel used in the marine industry to propel steam turbine vessels. Also referred to in the petroleum trade as #6 oil.

Business Plans - encompass all known facets of the maintenance, repair, manning, training, regulatory compliance, and operations (if planned) of the vessel. The Business Plans shall identify all estimated resources and scheduling for successful execution. Each vessel shall have three Business Plans associated with it: Current Year Business Plan; Budget Year Business Plan; FiveYear Business Plan

Current Year Business Plan – is the COTR approved work plan the ship manager executes during the current fiscal year.

Budget Year Business Plan - includes estimates, schedules, and projects work the ship manager will execute in the following fiscal year. The Budget Year Business Plan becomes the Current Year Business Plan in the following fiscal year.

Five Year Business Plan - Estimates, schedules, and projects work the ship manager will execute during the five fiscal years subsequent to the Budget Year Business Plan.

C-Rating - Used as part of Department of Navy casualty reporting system for RRF vessels when in full operating status (FOS) under DOD operational control (OPCON.) **C-1** fully capable, **C-2** minor equipment casualty which does not affect the day to day operation of vessel; **C-3** equipment failure which restricts the day to day operation of the vessel and **C-4** major equipment or system failure which prevents the vessel from performing its mission.

C-Status - Readiness status of RRF vessels when in Phase M maintenance:

- **C-1 No mission degrading deficiencies.** Describes a ship having no known deficiencies which impact its mission or activation within assigned R-Status.

- **C-2 Documented and correctable mission degrading deficiencies.** Describes a ship, which has mission degrading deficiencies, which can be corrected within the assigned R-Status.

- **C-3 Mission degrading deficiencies exist which cannot be corrected within the assigned readiness period.** Describes a ship which, can be activated within its prescribed R-Status but has deficiencies which cannot be corrected within the R-Status, and limits the full mission capability of the ship.

- **C-4 Major Deficiencies Prevent the Ship Activating or Performing its Primary Mission and cannot be corrected within the assigned R-Status:** Describes a ship which cannot be fully mission capable within the assigned R-Status, or a ship which has a COI which will either expire within 15 days or a COI that has expired. RRF-20/30 ships are excepted from C-status downgrade due to COI expiration C4 C-status applies to unscheduled or otherwise unplanned events that result in the vessel's downgrade in Readiness Status. Corrective action of C4 deficiencies does notmerit change in status to C5 (planned availability).

- **C-5 Scheduled Major Repairs in Progress,** unable to meet assigned R-Status: Describes a ship undergoing scheduled major repairs which prevent it from meeting its assigned R-Status.

CAS - Collision Avoidance System.

CASCAN - Casualty Canceled Report (Refer to COMSCINST 3121.9).

CASCOR - Casualty Correction Report (Refer to COMSCINST 3121.9).

CASREP - Casualty Report (Refer to COMSCINST 3121.9).

CBR-D - Chemical, Biological, and Radiological Defense.

CDR - Contract Discrepancy/Deficiency Report. Needs to be read in context.

CDRL – Contract Data Requirement list. TE-3.

CDS - Construction Differential Subsidy.

CFE -.Contractor Furnished Equipment.

CFM -.Contractor Furnished Material.

CFR - Code of Federal Regulations.

Chief of the Contracting Office (COCO) The individual(s) responsible for managing the contracting office within an operating administration or region. The COCO is a fully warranted contracting officer, awarded certain authority under the Department of Transportation Acquisition Regulations, and the Department of Transportation Manual.

Although certain authority is reserved to the PCO under Ship Manager contracts, the COCO may perform all the duties of an ACO.

Chemical Test - Means a test, which analyzes an individual's breath, blood, urine, saliva, and/or other bodily fluids or tissues for evidence of drug or alcohol use.

CHOP - Change of Operational Control.

CI - See “Commercial Item.”

CINCLANTFLT - Commander-In-Chief, U.S. Atlantic Fleet.

CINCPACFLT - Commander-in-Chief, US Pacific Fleet.

CINCUSNAVEUR - Commander-In-Chief, U.S. Naval Forces, Europe.

CINCUSTRANSCOM - Commander-In-Chief, U.S. Transportation Command.

CIVMAR - Civilian Mariner.

CLF - Combat Logistics Force.

CLIN - Contract Line Item Number.

CM - Configuration Management. Also Chief Mate. Needs to be read in context.

CMS – Continuous Mchinery Survey

CNO - Chief of Naval Operations.

COI - Certificate of Inspection.

COMGUARD - Communications guard.

Commitment - An administrative reservation of funds against a future obligation on a contract, such as the earmarking" of funds when the agency solicits offers.

Commercial Item - Any item, other than real property, customarily used for non-Governmental purposes that has been or is offered for sale, lease, or license to the general public. Also, any installation, maintenance, repair, training, or other service offered or sold to the general public competitively in the commercial marketplace based on established catalog or market prices for specific tasks performed under standard commercial terms and conditions. MARAD will define on Task Orders.

COMNAVSEASYSCOM - Commander, Naval Sea Systems Command.

COMSC - Commander, Military Sealift Command.

COMSCINST - Commander, Military Sealift Command Instruction.

CONREP - multiple acronym: Connected Replenishment or Construction Representative depending upon usage.

CONSOL - Consolidated Replenishment. Similar to UNREP except ship can only receive cargo, it cannot send to another ship.

Consumables - Consumables (supplies) are that part of the vessel's outfitting which when once used are not recoverable or have no further value. Examples of consumable items include: cleaning gear, paint, packaged petroleum products, and lubricants, rags, bulk lube oil, and general hardware.

Contracting Office - **(or Office of Acquisition)** Functional area within a MARAD regional office with specified mission for procurement support.

Contracting Officer - The warranted representative of the Government with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings.

Contracting Officer's Technical Representative (COTR) – Usually an employee in the Region's Operations Office acting with oversight from MARAD Hq, Office of Ship Operations, who is responsible for the programmatic aspects of the SM contract. COTR duties are two fold: (1) To oversee and monitor the Ship Manager's technical duties, ensure technical and programmatic input to the ACO; and (2) be responsible to the Office of Ship Operations regarding the readiness and operation of RRF ships. The designation does not include any authority to make any obligations or changes that affect price, qualify, and quantity, delivery, or other terms and conditions of the Ship Manager contract.

MARAD Personnel with limited or special authority - The SMC in section G defines MARAD personnel who have been granted limited or special authority by the PCO due to their functional responsibilities and duties. For example: G. 6b defines those persons permitted to direct a SM to activate a vessel.

Contractor Purchasing System Review (CPSR) - The complete evaluation of the SM purchasing system for material and services, subcontracting, and management of subcontractors from development of the requirement through the completion of subcontract performance (FAR 44.101).

Controlled Material - Controlled equipage and High Value Items are those items which are referred to as Controlled Material(s). Controlled Material are those items that are part of the vessel's outfitting which require special attention to ensure positive control over the inventory.

Controlled Substance - Has the same meaning assigned by 21 U.S.C. 812 and includes all substances listed on Schedules I through V as may be revised from time to time (21 CFR 1308).

CONUS - Continental United States (contiguous 48 states).

Corrective Maintenance - Maintenance to restore a piece of equipment or structure to proper functioning.

COSAL - Coordinated Shipboard Allowance List.

COTP - Captain of the Port (USCG).

CPM - Critical Path Method.

CPX - Command Post Exercise.

CR – Reserved.

CREWED ROS BILLET - ROS billets are crewed each day of the year (365 days). MARAD considers the billet "crewed" over non-duty hours such as a weekend period when the crewmember is away from the ship, and when a crewmember is on temporary duty at another location such as training, or on another RRF vessel, on sick leave, or on vacation. This definition is for purposes of determining whether a billet is crewed or gapped (see gapped) when a ROS crewmember is absent.

CSR - Continuous Synopsis Record - in connection with International Ship and Port Facility Security Code (ISPS).

DAO – Division of Atlantic Operations, headquartered in Norfolk, VA.

DC - Damage Control.

DCAA - Defense Contract Audit Agency. Upon request by MARAD, DCAA audit contracts.

DCASR - Defense Contract Administration Service Region.

DEA - Drug Enforcement Administration.

DEFCON - Defense Condition.

Deficiency - Any material defect or regulatory body requirement which requires RRF funding. Deficiencies are recorded in the the MARAD IT system.

DESC – Defense Energy Supply Center. New name for agency formerly called Defense Fuels Supply Center.

Designated Maritime Physician - Hospital, clinic, or individual (licensed physician) used by the Ship Manager to provide primary care, opinion, or emergency medical care.

DFM - Diesel Fuel Marine.

DFSC - Defense Fuel Supply Center. Now obsolete. Replaced by DESC.

DGO – Division of Gulf Operations, headquartered in New Orleans, LA.

Director/Deputy Director of Acquisition - Appoints PCO and all ACOs, a MARAD acquisition executive.

Diversion, Medical - Deviation of the ship from its assigned course/mission to transfer a sick or injured crew member to other medical facilities afloat/ashore.

Dock Trial - A period of tests for equipment and personnel usually held dockside/in port. May include various safety/damage control, engineering, deck drills, or training.

DOD - Department of Defense.

DON - Department of the Navy.

DOS - Disc Operating System.

DOT - Department of Transportation.

DPAS - Defense Priorities and Allocation System.

DPO – Division of Pacific Operations, headquartered in San Francisco. CA.

Drug - Means any substance (other than alcohol) that has known mind or function-altering effects on a person, specifically including any psychoactive substance, and including, but not limited to, controlled substances.

DTG - Date Time Group.

ECR - Equipment Configuration Records.

ECSMIS - Equipment Configuration and Spare Parts Management Information System.

EMCON - Emission Control. A readiness posture whereby electronic emissions (RADAR, Radio, Satellite or other transmissions) are limited to minimize detection.

Emergency Repair - In Phase O - Operations, a repair or repairs which must be accomplished immediately to maintain the seaworthiness, safety, and readiness (at the C1 or C2 level) of the ship.

Emergency Work - any action that is needed to protect or prevent loss of life, limb, or property. See Chapter 12 of J2 for further details.

Emergent Work - Work that is economically attractive to accomplish concurrently with other work being performed even though it is not necessarily essential to do so, and is not specified on the existing Task Order.

EMI - Electromagnetic Interference.

Employee Agreement - any agreement for services that makes the worker an employee of the Ship Manager, whether or not through collective bargaining.

EMR - Electromagnetic Radiation.

EOM - Engineering Operating Manual.

EPA - Environmental Protection Agency.

EPIRB - Emergency Position Indicating Radio Beacon.

ETR - Estimated Time of Repair.

Expendable - are part of the vessel's outfit which are used in the normal day to day operation and maintenance of a vessel. Such items are subject to gradual deterioration but cannot normally be repaired economically. Examples of expendable items include: hawsers, towing and mooring wire cables, certain low cost hand tools and certain portable power tools, certain inexpensive test equipment, shackles, slings, cargo securing gear, linens, silverware, crockery, draperies and curtains, desks and chairs.

FAR - Federal Acquisition Regulation.

FAS - Fueling At Sea.

FBI - Federal Bureau of Investigation

FCC - Federal Communications Commission.

FCO - Funds Control Officer, a MARAD employee.

FLTCINC - Fleet Commander-In-Chief.

FPM - Fleet Program Manager.

FOS - Full Operational Status, a Department of the Navy's (DON) phrase that is synonymous with Phase O Operation. Ship is manned, provisioned, all equipment operational, and performing its mission.

FOSC - Federal On-Scene Coordinator (USCG Oil Spill Rep)

FPG - Force Protection Gear

FPO - Fleet Post Office.

FSCM - Federal Supply Code for Manufacturers.

FWPCA - Federal Water Pollution Control Act.

FY - Fiscal Year.

GAA - General Agency Agreement.

GAO - General Accounting Office.

GAPPED BILLET - when an ROS crewmember permanently leaves the service of the vessel, is no longer being paid by the Ship Manager, but the replacement crewmember is not onboard, the billet is gapped.

General Agent - A vessel operating company which has been appointed by the Maritime Administration via a General Agency Agreement to be eligible to carry out specific duties and actions on behalf of the Maritime Administration.

GF - Government Furnished

GFE - Government Furnished Equipment.

GFI - Government Furnished Information.

GFM - Government Furnished Material.

GFP - Government Furnished Property. It may include any or all of the following:

> "Contractor-acquired property," means property acquired or otherwise provided by the contractor for performing a contract and to which the Government has title. See applicable GFP clause, FAR 52.245-2 or FAR 52.245-5, for explanation of title.
>
> "Government-furnished property," means property in the possession of or directly acquired by the Government and subsequently made available to the contractor.

"Government property" means all property owned by or leased to the Government or acquired by the Government under the terms of the contract. It includes both Government-furnished property and contractor-acquired property as defined in this contract. All such "Government property" are subject to the provisions of the applicable clause: FAR 52.245-2 or FAR 52.245-5.

GMDSS - Global Maritime Distress and Safety System.

Good Marine Practice - practices, actions, or prudent measures which business managers or operators would take to ensure safe and economic operation of a vessel and its equipment.

Government Standards – those standards issued by the US Government to which the Ship Manager shall comply.

GPS - Global Positioning System.

Growth - Growth is additional work required to be accomplished to complete the work, which was specified. Funding for Growth is not normally included or definitized on the original repair availability subcontract, unless it is included in the initial DSN estimate, or included in the Region availability Standard DSN under "Supplement".

GRT - Gross Registered Tons.

H, M & E - Hull, Mechanical and Electrical.

HF - High Frequency.

HM/HW - Hazardous Material/Hazardous Waste.

HAZMAT - Hazardous Material. The term "hazardous material", as used in this contract, is as defined for hazardous chemicals in 29 CFR 1910.1200, the U.S. Occupational Safety and Health Administration (OSHA) Hazard Communication Standard, and the Emergency Planning and Community's Right-To-Know Act. No RRF ship shall transfer (donate) hazardous materials or hazardous waste to any private sector, state or local/city agency

HAZWOPER - Hazardous Waste Operations Emergency Response (oil or other spill, OSHA)

HIV-AIDS – HIV (a type of virus)-Acquired Immune Deficiency Syndrome.

IAW - In Accordance With.

IC - Incident Commander (oil spill manger)

ICS - Incident Command System (oil spill or other emergency response)

IMO - International Maritime Organization.

Industrial Assistance - The use of the commercial segment of the maritime industry to provide services and/or materials.

INMARSAT - International Maritime Satellite.

Installed Equipment - Any equipment which is connected to the hull or is integral to the functioning of ship system with spare parts support.

International Ship and Port Facility Security Code (ISPS) – an amendment to the International Maritime Organization's 1974 Safety of Life at Sea Convention (SOLAS) Chapter XI Part A and B.

ISM – International Safety Management. Voluntary consensus by which an operating company has Safety policy and procedures including a Safety plan for the vessel. Required for international trade. There are two certificates: a. the International SafetyManagement (ISM) Document of Compliance (DOC), which pertains to the policy and plans of the company; and b. the Vessel Safety Management Certificate (SMC) which is specific to an individual vessel. The DOC is required before the SMC.Voluntary domestic compliance is in 33 CFR

Intoxicant - Means any form of alcohol, drug, or combination thereof.

Inventory Documentation – The count sheets used by the inventory team to inventory property.

IOPP - International Oil Pollution Prevention.

IPE - Industrial Protective Equipment (including CBRD)

ITOPF - International Convention for the Prevention of Pollution from Ships

JCS - Joint Chiefs of Staff.

JLOTS - Joint Logistics Over The Shore.

JRRF - James River Reserve Fleet.

JTR - Joint Travel Regulations. Under this contract JTR is interchangeable with Federal Travel Regulations (FTR).

KW - Kilowatt.

Label - To place a standard PC-SAL generated label as provided for in TE-L1.

LASH - Lighter Aboard Ship.

LLTM - Long Lead Time Materials.

LMO - Logistics Management Officer, MARAD employee.

LOA - Length Overall.

Logistics Management Manual - The RRF Logistics Management Manual. Provided by MARAD as part of the Ship Manager performance work statement (TE-5). This manual provides policy, procedures, and responsibilities relative to the RRF Logistics Support Program.

LOGREQ - Logistics Request.

LOTS - Logistics-Over-The-Shore.

LSS - Logistics Support System.

M&R - Maintenance and Repair.

MA-949 - "Supply, Equipment or Service Order/Contract" is the MARAD form used to obligate funding. MARAD provides specific instruction with respect to usage of this document, including issuance of Work Orders on a MA-949 in Section G of the contract.

Maintenance Activation - Scheduled activation included in the annual shippreventative maintenance and business plan. Primary purpose of a maintenance activation is to identify and document deficiencies, test and inspect vessel and provide training for crews. Specific guidance with respect to provisions ans stores will be provided by the COTR and IAW the Ship Manager-developed preventative maintenance plan. Dock trials, quarterly lite-offs are not considered maintenance activations. They are, however, separate maintenance functions which are addressed in the ship's preventative maintenance plan.An activation followed by a period of opertation either steaming to/from a drydock/major repair facility is an example of a maintenance activation, similarly an activation and operational period to prove out a major repair to critical components such as boiler/turbine/stren tube/ etc. may be considered a maintenance activation.

MAP - Maintenance Activation Program.

MAR-### A MARAD Headquarters office, division or branch. For example:

MAR-380 Office of Acquisitions.
MAR-782 Division of Marine Insurance.

MAR-610 Office of Ship Operations.
MAR-611 Division of Ship Maintenance and Repair.
MAR-612 Division of Reserve Fleet.
Reserved.
MAR-614 Division of Logistic Support.
MAR-615 Division of Atlantic Operations
MAR-616 Division of Gulf Operations
MAR-617 Division of Pacific Operations

MARAD - Maritime Administration.

MARAD OPCON - MARAD Operational Control.

MARPOL - International Convention for the Prevention of Pollution at Sea by Oil.

MARTS - Obsolete MARAD system. (acronym associated with former maintenance management program called RRF-MARTS). Taken off line. Language remains in some reference documents and will be up-dated as documents are revised. If there are questions, consult COTR.

MCDS - Modular Cargo Delivery Station.

MDR - Medical Department Representative.

MEDEVAC - Medical evacuation.

MEI - Master Equipment Index.

MHE - Material Handling Equipment.

MFDS - Modular Fuel Delivery System

MIS - Management Information System.

MISSION ACTIVATION – with or without previous notification to MARAD, DOD issues request for ship(s) in support of military actions. All aspects of vessel activation must be completed IAW with the designated activation timeframe. Vessel will be delivered to Commander, Military Sealift Command for OPCON.

MISSION ESSENTIAL REPAIR - repair(s) necessary to support a no-notice activation, or repairs necessary to prevent or correct an unanticipated change of a ship's readiness status to C3 or C4. See J-2 Part 8.

MLSS - MARAD Logistics Support System

MOA - Memorandum of Agreement.

MOU - Memorandum of Understanding.

MOVREP - Movement Report.

MPIC – Medical Person in Charge

MRA – NAVSEA Material Readiness Assessment

MSC - Military Sealift Command.

MSC Area Command - During Phase O the ships will be under the OPCON of one of the MSC Area Commands (SEALOGLANT, Norfolk, VA; SEALOGPAC, Pearl Harbor, HI; MSC Europe, Naples, Italy; or MSC Far East, Yokohama, Japan) depending upon where the ship is located. MSC website has organizational structure defined. The administrative task organization numbers described in *MSC SOM* chapter 1, Section 2 may be used by MSC Area Commanders in originating message traffic such as voyage sailing orders. For example, CTG FOUR EIGHT PT ONE (Commander Task Group Four Eight Point One/CTG 48.1) may be used by SEALOGLANT in lieu of his MSC administrative organization title (SEALOGLANT).

Following assumption of OPCON responsibilities, MSC Area Commands will enter each RRF ship into the Navy's Status of Resources and Training System (SORTS), which feeds the Navy Command and Control System/World Wide Military Command and Control System (WWMCCS). This system is used by the national command structure to obtain force operational readiness data

MSC OPCON - MSC Operational Control.

MSC SOM - Military Sealift Command Standard Operating Manual. COMSCINST 3121.9, Subj: MSC Standard Operating Manual (SOM) is the primary MSC operational reference for all ships operating under MSC OPCON, including RRF ships. The MSC SOM consolidates MSC policies and procedures pertaining to MSC Force operations and administration, and references other applicable directives. The MSC SOM is applicable to any person or activity connected with the operation or administration of MSC Force ships.

In the event of conflicts between the MSC SOM or COMSC instructions and Ship Manager contracts, **the provisions of Ship Manager contracts shall take precedence.**

MSCMR - Military Sealift Command Movement Report.

MSCO - Military Sealift Command Office.

MSD - Marine Sanitation Device.

MSDS - Material Safety Data Sheet. See 29 CFR 1910.120.

MSO - Marine Safety Office (USCG).

MTMC – formerly called Military Traffic Management Command; ***now see*** Surface Deployment and Distribution Center (SDDC)

N42 - Director, Strategic Sealift Division, OPNAV.

National Defense Waivers - COMSC obtains National Defense Waivers. National defense considerations may require that precedence be given to meeting ship mission deadlines over inspection and certification regulations. In such cases, Ship Managers shall notify the MARAD Surveyor of the need for a National Defense Waiver. This shall be passed to MARAD HQ and MARAD HQ will notify COMSC. Because of contractual and fiscal lines of responsibility, activation facility personnel and the on-site MARAD and Ship Manager representatives shall not take direction or accept requirements directly from any on-site MSC representative.

NAVAL OPCON as defined in the *MSC Standard Operating Manual* as "the authority delegated to a commander to direct forces (including ships) assigned in order to accomplish specific missions or tasks which are limited by function, time, or location; to deploy units concerned; and to retain or assign tactical control of those units." In respect to the OPCON of MSC Force ships, it is control for the purpose of routing, sailing, protecting, diverting, bunkering and operating ships including tactical and in-port operational control.

MSC, including all of its subordinate commands, activities and assigned ships (including RRF ships), is part of the Operating Forces of the U.S. Navy. COMSC is the administrative commander of MSC and a Navy Type Commander (TYCOM), and as such is responsible to the Chief of Naval Operations (CNO) for MSC Force readiness. An example of MSC functioning as a type commander of RRF ships is when MSC arranges for UNREP or small arms crew training.

Depending on Navy operational requirements, MSC Area Commanders may transfer OPCON of RRF ships to other Navy operational commanders. For example, OPCON of UNREP equipped dry cargo ships and tankers may be transferred to Navy Combat Logistics Force (CLF) Commanders. OPCON of RRF ships may also be transferred to Navy Amphibious Force Commanders responsible for deploying U.S. Marine Corps (USMC) forces. OPCON of T-ACS and OPDS tankers may also be transferred to Navy Amphibious Force Commanders within an AOA when supporting logistics-over-the-shore (LOTS) operations.

When RRF ships are under MSC Area Commander OPCON, Ship Managers shall conduct direct liaison with Area Command staffs as necessary to plan and coordinate

ship repairs, regulatory survey and inspection, and husbanding requirements which could impact in-port cargo operations or a ship's schedule.

A change of operational control (**CHOP)** occurs at a date and time (Greenwich mean time) when the responsibility for ship OPCON passes from one OPCON authority to another. This occurs when a ship passes from one Area Commander's AOR into that of another. Since RRF ship Masters are required to send various reports to their operational commander (OPCON authorities), it is important to remember that OPCON will change upon entering another MSC Area Commander's AOR.

NAVCHAPGRU - Naval Cargo Handling and Port Group.

NBC - Nuclear, Biological and Chemical.

NCS - Naval Control of Shipping.

NDRF - National Defense Reserve Fleet. MARAD maintains the NDRF as a reserve source of vessels for use in national emergencies.

NEURS - Naval Energy Usage Report System. See COMSC will provide directions in filling out this fuel usage report required by the Navy. Report is not required until MSC requests it.

NFAF - Naval Fleet Auxiliary Force.

NIS - Naval Investigative Service

NLS - Noxious Liquid Substance.

"**Non-consensus standards,"** "Industry standards," "Company standards," or "de facto standards," - are developed in the private sector but not in the full consensus process.

Non-expendables – Non-expendable supplies are those outfitting items required for the maintenance and operation of the vessel but are subject to economical repair when no longer serviceable, rather that disposed of and replaced. Examples of Non-expendables include: Chronometers, televisions, and sextants. Many of these items may also be considered Accountable Property.

Normal Operational Period - Vessel in Phase O, up to 180 days.

NOSC - Naval On-Scene Coordinator (oil spill when RRF under MSC OPCON).

Notice Activation - An activation request issued to MARAD by DOD with previous discussions held with respect to the activation scenario. In some cases activation time frames are stretched out and Ship Managers are given specific instructions, such as crew training or equipment preparation

Non-official visitors: must sign a Waiver of governmental Responsibility for injury/accidents/ or illness occurring while onboard the vessel. MARAD will provide the Ship Manager with the appropriate waiver form upon request. The Ship Manager shall retain the signed forms for two years. All costs associated with non-official visitors shall be borne by the Ship Manager. Non-official visitors are not authorized to remain overnight onboard an RRF vessel.

No-notice Activation: An activation request issued to MARAD by DOD without any advance discussion. Intended to test MARAD's complete response system. No –notice activations may stand alone or be followed by a military mission or humanitarian operations. Also called "Turbo-Activations."

NPFC - Naval Publications and Forms Center.

NRC - National Response Center. Also Nuclear Regulatory Commission. Needs to be read in context.

NSA - National Shipping Authority.

NSN – Navy Stock Number.

NSN - National Stock Number.

NTP - Naval Telecommunications Publication. Also Notice to Proceed. Needs to be read in context.

NTP - Notice to Proceed. The date designated by a contracting officer after contract award, via contract modification, as the start of work. Work performed before that date will not be subject to payment.

NTVRP – Non-tank vessel response plan. Now combined with SOPEP to form the NTVRP/SOPEP.

NWP - Naval Warfare Publication.

Obligation - A Government liability resulting from a contract, task order, or similar contractual document. A legal duty is incurred to pay the amount due. When a contractor has delivered the supplies or services and the Government has accepted them, the obligation is liquidated by payment to the contractor.

OCA - Operational Control Authority.

OCMI - Officer In Charge of Marine Inspection, USCG.

OFA - Office of Financial Approvals.

Official Visitor – are those personnel routinely expected to be associated with the vessel who are specifically authorized by MARAD. This includes: members of the ship's crew, Ship Manager personnel, Union personnel with union identification and business onboard the ship. MARAD personnel, vendors acting in their official capacity, Government personnel designated as supercargo during Phase O, USCG, and ABS inspectors. Official visitors do not include: spouses, friends/guests, children, or the general public unless a specific MARAD sponsored event is scheduled. See also non-official visitor.

OMA - Operational Maintenance Actions.

OPA 90 - Oil Pollution Act of 1990.

OPCON - Operational Control.

OPDS - Offshore Petroleum Discharge System.

OPCTR - Operations Center. Also abbreviated Ops Ctr. MARAD establishes centers during mission operations such as Desert Shield/Desert Storm, Enduring Freedom and Operation Iraqi Freedom. The mission of these centers is support senior MARAD management during the operation. The centers are staffed by Government civilians and reservists. MARAD regions may also establish operations centers. Ship Managers will be notified of the establishment of such a center during mission operations and provided directions for both classified and unclassified communications with the centers.

Operations Manual - The *RRF Operations Management Manual* (TE-1). Provided by MARAD as part of the Ship Manager contract. This manual provides policy, procedures, and responsibilities to support the RRF program. References to this manual are abbreviated "TE-1, SEC #."

OPNAV - Office of the Chief of Naval Operations.

OPNAVINST - Chief of Naval Operations Instruction.

OPSEC - Operational Security.

ORB - Oil Record Book.

OSC - On-Scene Coordinator.

OSHA - Occupational Safety and Health Administration.

OSRO - Oil Spill Response Organization

OTSR - Optimum Track Ship Routing.

OUB – OPDS Utility Boat

Outfit - Includes consumable, expendable, mission essential material, and all items required by regulatory authorities such as the U.S. Coast Guard and the American Bureau of Shipping, e.g., lifesaving, fire fighting, transfer at sea, communications, stewards, deck, navigation, and engineering items and equipment. MARAD vessels have allowance lists.

Outfitting – All Personal Property other than the vessel itself.

Outport Locations - Various berthing locations for RRF vessels remote from NDRF sites. Berths may be located on the U.S. east, west, and gulf coasts, Tsuneishi, Japan; at either commercial port facilities, repair facilities or U.S. Government-owned facilities. Vessel berths are GFP.

PAS - Project Administrative System. Also Pre-Award Survey. Needs to be read in context.

PBSC – Performance Based Service Contract.

P&I - Protection and Indemnity (Insurance).

P4P - Phase IV Maintenance Procedures. Old termonology.

PEAS – Performance Evaluation and Appraisal System. Interchangable with "SM-PEAS." An internal MARAD software program to enable MARAD to maintain a record of Ship Manager performance. PEAS supercedes Performance Evaluation and Tracking system (PETS) which was used in the 2000 SM Contracts.

Preventative Maintenance - is the process of inspecting, testing, and conditioning machinery, equipment, outfitting, and spaces (including structure, habitability areas, cargo areas, etc.) to ensure readiness and mission capability is sustained at the required readiness level (ROS 4, ROS 5, RRF 10, RRF 20, and RRF-30) and during any Phase O periods. Preventative maintenance includes all regulatory body inspections and tests for the vessel .

Procuring Contracting Officer (PCO) - A warranted contracting officer with the authority to issue the solicitation, negotiate, award and administer SM Contracts. In accordance with FAR 42.2, the PCO shall delegate specific duties to the ACO, in writing, at time of award. Such delegation shall be distributed to Ship Managers at notice to proceed. Without additional, specific written authority, only the PCO may modify the basic terms and conditions of a SM contract. The PCO may perform all the duties of the ACO.

PE - Port Engineer.

Phase(s) - The RRF Program is divided into phases. The Ship Manager will participate in some but not all phases, nor does each phase automatically have a per diem associated with it.

Physical Condition - The physical condition of an equipment item that considers cracks, chips, dents, abrasions, rust, corrosion, and general cleanliness.

Physical Inventory – The sighting, or the physical "hands on" counting of property.

PM/CM – Preventative Maintenance/Condition Monitoring.

PMS - Preventive Maintenance System - Those inspections, servicing procedures, and tests accomplished on equipment to prevent failure.

POA&M - Plan of Action and Milestones.

POSIT - Position Report.

PPE - Personnel Protective Equipment

PREREP - Prearrival Report.

Procurement Contracting Officer (PCO) - That MARAD individual with the assignment, authority, and responsibility to issue the Ship Manager solicitation, negotiate and award a Ship Manager contract. The PCO delegates authority for the administration of the contract to the ACO.

Program Phases

The RRF Program has five (5) phases. Phases I through III, (Acquisition, Upgrade and Initial Deactivation) deal with the acquisition of vessels new to the RRF and their preparation for RRF service. Since this process takes place before the assignment of a Ship Manager, these phases will not be discussed. Ships assigned to Ship Managers are in one of the following Phases; Phase M - Maintenance, or Phase O - Operation.

Phase M – Maintenance.

During this phase, the vessel is preserved, tested, repaired and maintained in its required state of readiness.

Phase O - Operation.

This Phase involves the operation of the vessel for a specific mission or exercise.

Property Custodian - Any person authorized to have public property in his custody or possession. The person having the property in his custody assumes a public trust that the property will be utilized for the purpose authorized by law or regulation. The property custodian must always be prepared to produce the property or evidence of its authorized disposal.

Provisioning - In Phase O and Phase M all provisioning is either GF or reimbursable unless specifically specified elsewhere in the contract as being fixed price (e.g ROS subsistence, Phase M Preventative Maintenance materials).

PRS - Performance Requirements Summary.

PTS - Personnel Tracking System.

PWS - Performance Work Statement. Section C and ALL Technical Exhibits.

QA - Quality Assurance.

QASP – Quality Assurance Surveillance Plan (TE-2). Developed by and used by the Government to monitor performance during the performance period.

QI - Qualified Individual. See documents on oil spill response.

Quality Control - Those actions taken by a Ship Manager to control the production of goods or services in the most efficient and effective manner.

RADHAZ - Radiation Hazard.

RAS - Replenishment At Sea.

RCHB - Reserve Cargo Handling Battalion.

Reasonable Cost - A cost is reasonable if, by its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business.

Region or Regional Office - A MARAD office located other than Washington DC with authority, duties, and obligations towards specific NDRF/RRF vessels assigned to it.

Regional Contracting Office - Functional area within a MARAD Regional Office with a specific procurement support mission for SM Contracts. These include: South Atlantic Region (SAR); Central Region (CR); and Western Region (WR). This does not include the Office of Acquisition, MAR-380, at Headquarters.

Repair Parts - Items carried on board IAW the vessel's allowance list to support the maintenance and repair of equipment.

Repair Period - That period of time when a ship is undergoing scheduled inspections, repairs, maintenance, preventive maintenance, or alterations/conversions. Repairs shall be accomplished IAW regulatory requirements.

Repatriation, Medical - The return, for medical reasons, of a crew member, to a required home/port of embarkation or as may be required by employment agreement.

Reserve Fleet Sites - Nested anchorages for RRF and NDRF vessels located at James River Reserve Fleet, Fort Eustis, Virginia; Beaumont Reserve Fleet at Beaumont, Texas; and Suisun Bay Reserve Fleet, Benicia, California.

RFP - Request For Proposals.

RFS - Ready for Sea.

RMA - Retention Maintenance Actions.

RMS - Ready Reserve Maintenance System. MARAD has procured licensing to use ABS Nautical System ver 5. Training will be provided to SM personnel. Any modiciation or change to this system is at the discretion and expense of MARAD.

RO - Radio Office(r).

RO/RO - Roll On/Roll Off vessel.

ROB - Remain On Board.

ROS - Reduced Operational Status.

a. During any Phase MARAD may designate a vessel in ROS with a specific maintenance crew assigned.

b. In Phase O, ROS is a Department of the Navy term indicating that period of time during which no operational need for the ship exists. Such times may include periods when the ship is layberthed or at anchor. Ships are often manned at less than full complement, but must maintain the capability of transitioning to Full Operating Status within a short time frame. In either (a) or (b), the Ship Manager will be notified by MARAD that the vessel is entering ROS.
And ROS per diems still apply.

ROS-# "**#**" indicates a timeframe, to make a Reduced Operational Ship Ready For Tender, for example: ROS-4 indicates 4 days to activate; ROS-5 indicates five days to activate. Upon direction from USTRANSCOM, MARAD may change ROS-readiness periods on a case by case basis. SM will be advised.

RRF - Ready Reserve Force.

RRF-ECMIS - Ready Reserve Force Equipment Configuration and Spare Parts Management Information System.

RRF-LMM - Ready Reserve Force Logistics Management Manual.

RRF Operations Management Manual – TE-1.

RRF- (10), (20), (30) Status - Maximum mandated activation intervals in days designated upon notice to activate for non-ROS RRF ships to become fully operational and tendered.

RO/RO – Roll-on/Roll-off vessel.

RSTARS – MARAD Readiness Reporting System, a web-based system which requires a MARAD assigned user name and password. System advises U.S. TRANSCOM and other DOD customers of the current readiness status of RRF vessels.

SAILORD - Sail Order.

SAL - Ship's Allowance List. A MARAD approved document which lists:

1. The equipment/components installed in a ship to perform its operational mission.
2. The repair parts and special tools required for operation, overhaul, and repair of these equipment/components.

SALREPT - Request for Salvage Assistance.

SAR - Search and Rescue.

SAR – RESERVED.

SBRF - Suisun Bay Reserve Fleet.

SBS - Shore-Based Spares.

SCA - Service Contract Act.

SEA TRIAL - An underway period of tests for equipment and personnel. May include various damage control, engineering, deck drills, and training.

SEABEE - barge carrying vessel with heavy lift capability of 2,000 tons via stern elevators.

SEF - Sealift Enhancement Features.

Serviceable – Parts or material that can still be used ofr its intended purpose.

SDDC – Surface Deployment and Distribution Center, formerly known as MTMC - a component of USTRANSCOM.

SHIP - Seaman's Health Improvement Program. A joint MARAD/Industry program to implement U.S. standards for medical care, fit for duty status/physician qualifications, and mariner training.

ship - an ocean going vessel; in context with this contract, the term is used interchangeably with “vessel.”

Ship Manager - A firm awarded a Ship Manager contract. The term “Ship Manager” and “contractor” may appear interchangeably in MARAD documents. May be abbreviated "SM".

Ship Manager Contract - A contract through which MARAD acquires management expertise, personnel, operational and technical support and supplies to maintain and operate RRF ships. May be abbreviated SMC or SM contract.

Ship Manager Contracting Officer - an employee of the SM corporation who is authorized by the corporation to perform contracting functions and bind the firm contractually on its behalf. This is not a Government official and may not bind the US government to any obligation.

Ship Manager Purchasing Official - an employee of the SM corporation who is authorized by the SM corporation to perform specific purchasing/procurement functions and bind the firm contractually on its behalf. This is not a Government official and may not bind the US Government to any obligation.

Shore-based Spares (SBS) – Useful Spare parts, equipment and technical manuals removed from current or former RRF or NDRF vessels and stored in the three RRF SBS warehouses.

SITCASREP - Situation Casualty Report.

SITREP - Situation Report.

SLP - Standard Lay-up Procedures.

SM - See “Ship Manager”

SMC - Ship Manager Contract. A contract through which MARAD acquires management expertise, personnel, operational, technical support and supplies, to maintain and operate RRF ships.

SM-PEAS - Ship Manager-Performance Evaluation and Appraisal System. See PEAS.

SNDL - Standard Navy Distribution List.

SOA - Speed of Advance.

SOCP – Ship Owner's Cooperative Program.

SOL - Shipboard Outfit List.

SOLAS - Safety of Life at Sea convention.

SOM - Standard Operating Manual.

SOMO - Ship Operations and Maintenance Officer (position located in a MARAD regional office). The individual responsible for the administration and management of a MARAD region's resources, operations, and maintenance.

SOPEP - Shipboard Oil Pollution Emergency Plan. The SOPEP has been combined with the Non-tank vessel response plan and is henceforth called the NTVRP/SOPEP.

SORTS - Status of Resources and Training System.

SOW - Statement of Work.

Spare Parts - Interchange with "repair" parts.

SPCC - Ships Parts Control Center.

SRV - Regulatory Body Documentation submodule

STCW - Standards of Training, Certification and Watchkeeping Convention

STREAM - Standard Tensioned Replenishment Alongside Method.
Stow – The reutrn or initial placement of spare parts, outfitting, drawings and technical manuals to their assigned storage location as assigned or provided for in PC-SAL.

Subcontractor - any supplier, distributor, vendor, or firm which furnishes reimbursable supplies or services to the Ship Manager either directly or indirectly when the Ship Manager is functioning as a prime contractor to MARAD under this contract.

Subsistence – Multiple definitions; sentence dependent: 1. Stores of food required to feed the ship's crew. 2. A payment to crewmembers in lieu of vessel furnished meals and berthing.

Supercargo - Terminology for personnel (military or civilian) placed onboard a ship during a voyage, many of whom are tasked to assist in the care of the cargo being carried, but may also include observers or other ship riders. While supercargoes may have a military commissioned or non-commissioned officer in charge of their task, all supercargoes will take direction from the Master or his designated representative with respect to their conduct and the safety of the vessel.

Supplemental - to be determined**.**

Surface Transportation Command – Component command of US TRANSPORTATION COMMAND which is responsible for depot to foxhole distribution of military cargo including waterborne transportation.

T-ACS - Auxiliary Craneship.

T-AVB - Aviation Logistics Support Ships.

TAR - Transportation Acquisition Regulations, 48 CFR Chapter 12.

Task Order (TO) - An order for services placed against an established contract or with Government sources, as evidenced by a fully executed OF 347 by a duly warranted Contracting Officer. Previous references to Work Order (WO) is old terminology and should be disregarded.

TE - Technical Exhibit. In depth attachment explaining specific issues, policies, procedures, or responsibilities.

Tender – MARAD presentation of RRF vessel to MSC.

TURBO-Activation – a no-notice activation. All aspects of vessel activation must be completed within the assigned readiness period.

TYCOM - Type Commander.

UCS - Unified Command System (multiple management major oil spill)

UHF - Ultra High Frequency.

UNREP - Underway Replenishment. The process of transferring supplies from one ship to another while both ships are underway. It is accomplished using either one or both of the following methods: horizontal transfer via Connected Replenishment (CONREP) rigs and Vertical Replenishment (VERTREP) which uses helicopters to move materials between ships.

Unserviceable – Parts or material that cannot be used for its intended purpose.

USC – United States Code.

USCG - United States Coast Guard.

USCINCEUR - U.S. Commander-In-Chief, Europe (Unified Commander of European Area).

USDA - US Department of Agriculture.

USMC – United States Marine Corps.

USNS - United States Naval Ship, owned and operated by MSC.

USPHS - US Public Health Service.

USTRANSCOM - United States Transportation Command.

UWILD - Under Water Inspection in Lieu of Drydocking.

Vendor - One who sells a commercial product or service.

VERTREP - Vertical Replenishment. Transfer of cargo or personnel by helicopter.

Vessel - Ocean going conveyance. Term used interchangeably with Ship in Ship manager contract.

Vessel Configuration – An index or database of installed equipment that populate an MARAD RRF Vessel.

Voluntary Consensus Standards - In accordance with OMB Circular A-119 Voluntary Consensus Standards will be used. "Voluntary consensus standards" are standards developed or adopted by voluntary consensus standards bodies, both domestic and international. These standards include provisions requiring that owners of relevant intellectual property have agreed to make that intellectual property available on a non-discriminatory, royalty-free or reasonable royalty basis to all interested parties."

VMA - Vessel Maintenance Action.

VRP - Vessel Response Plan.

VRR - Voyage Repair Request.

Waivers – See "National Defense Waivers"

WCD - Worse Case Discharge

WR – RESERVED.

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7. Phase O - OPERATIONS

This section describes procedures and responsibilities unique to Phase O (Operations). Phase O operations can be conducted under MARAD or Navy operational control (OPCON.)

7.1 GENERAL

Once Phase O is achieved, the Ship Manager shall maintain the ships readiness at such a level so that the ships can comply fully with sailing orders. At the completion of the operational period, the vessel's operational control shall be redelivered to MARAD, and the vessel subsequently deactivated and laid up by the Ship Manager.

7.1.1 Naval Directives

A representative SAMPLE of routine directives and instructions is contained in the Military Sealift Command (MSC) Standard Operating Manual (SOM). Any Naval directives or instructions whose cost exceeds funding authorized by MARAD Task Orders shall be immediately referred to the MARAD COTR by the Ship Manager with a cost estimate.

7.1.2 Sail Orders

During Phase O, the MSC Area Commander or another operational commander will provide the ship with operational direction and may provide specific courses and speeds, restricted zone routings, or similar information for the safety of the ships based upon intelligence reports or other information not readily available to the ships.

Sealift operational task organization numbers described in *MSC SOM* Chapter 2, Section 1 may be used by MSC Area Commanders in originating message traffic such as voyage sailing orders. However, the administrative task organization numbers described above and in *MSC SOM* Chapter 1, Section 2 have been used most frequently.

MSC SOM Chapter 2, Section 2 describes the use of voyage sailing orders, frequently referred to as SAILORDs, to direct the movement of MSC Force ships, including RRF ships. Voyage sailing orders are operational orders which provide specific guidance to ship Masters with regard to load and discharge cargo ports, transit speeds, bunkering instructions, and requirements to file various reports.

Voyage sailing orders are drafted to be a useful guide to Masters and they note authorized variations to the route and speed. They also call attention to specific reporting requirements along with the reference for developing the reports. Reporting requirements typically addressed in voyage sailing orders include: Movement Reports (MOVREPs), Daily Optimum Track Ship Routing (OTSR) Reports, Weather Observation Reports, Casualty Reports (CASREPs), Ship Sighting Reports, Prearrival Reports (PREREPs), Communications Guard (COMGUARD) Shift Reports, Position (POSIT)

Reports (if required by the OPCON authority), and Mail Routing Information Reports (when applicable).

Voyage sailing orders are usually issued by message, but may be issued by letter. Sailing orders may be issued verbally and subsequently confirmed by message. As a minimum, COMSC requires that sailing orders include: task organization, any CHOP provisions, specific speed of advance (SOA) instructions, reporting requirements, and bunkering instructions. Movements of MSC point-to-point cargo ships shall be kept unclassified, except when a ship's mission and/or cargo necessitate classification. Classification will be determined by the Military Service shipping the cargo, the Navy Fleet Commander-in-Chief, COMSC, or the Naval Control of Shipping Authority. MARAD Headquarters and Regions have the capacity to receive/send classified traffic. RRF ships are not normally supplied with secure communications.

7.1.3 Deviation

MARAD vessels follow the operational commander's prescribed course until in the Master's judgment they must deviate to respond to life-saving or other common marine practices regarding aid and assistance to vessels in distress. If a vessel diverts from the operational commander's directions, full particulars shall be entered into the vessel's log including a statement as to the amount of fuel onboard at the time of diversion. When the vessel resumes her intended voyage, a second entry shall be made in the vessel's log stating full particulars, including fuel onboard and fuel consumed.

7.1.4 Inability to Perform

If a ship is unable to comply with immediate sailing orders because the Master determines compliance is not feasible or it jeopardizes the safety of the ship, he must advise the operational commander and MARAD within one hour, by immediate precedence message. The message must include intended actions and reasons for not accepting the direction. The Ship Manager shall keep the Operational Commander and MARAD fully informed of the ship(s) status until it is capable of complying with sail orders.

7.1.5 Navy Recommendations During OPCON.

As the Ship Manager reads the MSC SOM, he shall notice that COMSC frequently addresses reimbursable actions, for example the bunkering of a vessel. Please note, that although COMSC can provide endorsement for a reimbursable action, under the terms and conditions of this Ship Manager's contract, COMSC cannot direct or ensure the authorization of a reimbursable action, only the designated MARAD ACO can do this. Administrative control of the Ship Manager contract is retained by MARAD at all times. The Ship Manager must use his judgment during an operational period with respect to Naval recommendations. For example, the Ship Manager may choose to follow orders to bunker the vessel because of mission dictates. The Ship Manager should notify the MARAD COTR as soon as possible and provide a copy of MSC's written direction or endorsement for reimbursement which ordered the bunkering. As a rule in a contingency, MARAD will not take exception to any directive issued by

COMSC. In a peacetime exercise, MARAD may wish to ensure the availability of funding before concurring with the recommendation. If the Ship Manager has any questions with respect to a COMSC directed action/and whether he will be reimbursed for it, he should advise the MARAD COTR and/or the ACO and request clarification BEFORE committing himself.

Similarly, COMSC may recommend a vessel be placed "off-hire," however, COMSC cannot place a vessel off-hire, only the MARAD ACO can authorize a penalty for failure of performance.

7.1.6 Deck Operations.

The Ship Manager shall operate and navigate the ship safely in support of naval operations and arrange for services when in port (including anchorages and alongside facilities.)

General

Navigation and Seamanship Policies

Masters shall be on the bridge when: a vessel must pass in the vicinity of shoals, outlying rocks or other hazards to navigation; when making landfall; while maneuvering in ice or restricted visibility; during heavy traffic or near other ships; while steaming in restricted waters; docking and undocking; upon entering and leaving port; shifting berths; embarking/disembarking a pilot; when anchoring or weighing anchor; or at any time when the condition is such that the possibility of danger warrants the Master's presence on the bridge.

Masters shall observe weather conditions closely at all times and not hesitate to alter course or speed, or put into port or go to sea to avoid heavy weather. When varying from voyage sailing orders and resulting MOVREPs, Masters must keep operational commanders advised of all such changes and file MOVREP revisions. In addition to keeping the operational commander informed, this advisement will assist the Navy OTSR routing facility to adjust support accordingly.

Masters shall ensure that:

1. A bridge organization is established and all watch officers and unlicensed personnel are thoroughly familiar with and capable of performing their duties in accordance with the Master's Standing Orders.
2. Watch officer staffs are proficient in the Rules of the Road, the use of navigation equipment, and all steering systems including emergency steering.
3. Lookouts are posted during reduced visibility and that the bridge organization is augmented when in his judgment additional vigilance is required (e.g., posting of additional lookouts where threats of boarding occur).

4. Bridge logs and records are properly maintained. The original pages of the Deck Logbook are to be retained in the Master's files. Maintain a Night Order Book when underway.
5. Diagrams of ship maneuvering characteristics are posted conspicuously in the wheelhouse. These diagrams must be readily available when maneuvering in restricted waters, embarking a pilot, maneuvering in formation, and conducting ship handling exercises.
6. Daily readiness checks shall be performed on all bridge, navigation, and mooring equipment. Defective equipment shall be repaired and deficiency reports filed when necessary.
7. Weekly checks shall be performed on all lifesaving, fire and emergency equipment and that all steps necessary are taken to correct deficiencies.

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7.1.7 Conduct Routine Deck Operations.

The Ship Manager shall conduct routine deck operations while in Phase O - Operations, which include, but are not limited to, watch standing, routine and special evolutions, material handling operations, arranging port services, performing administrative functions, and providing security.

7.1.8 Conduct Special Evolutions.

7.1.8.1 Conduct Cargo/Material Handling Operations.

7.1.8.2 Self-Service Laundry.

The Ship Manager shall make available laundry facilities for the use of Government embarked personnel. Laundry facilities shall be available at all times and shall include sufficient amounts of all laundry and cleaning supplies.

7.1.9 Husbanding the Vessels.

7.1.9.1 Pilots.

Note: Some State Pilot Associations maintain that state licensed pilots must be used when entering and leaving U.S. Ports. Furthermore, they maintain that full charges for their services will be charged although services were rendered by a third party. The Offices of Counsel (of both MARAD and COMSC) have determined that the State Pilot Associations claim to "monopoly rights" on pilotage service for RRF vessels is incorrect.

MSC typically directs RRF ships to use Government or Government contract tugs and pilots where available. In areas of non-availability, RRF ships should use whatever services are available, technically acceptable, and cost effective.

MARAD Regions will not accept "double billing" by State Pilot Associations for "non-service." Ship Managers must bring any such occurrences to the MARAD Regions attention so that the Federal Government may take appropriate action.

> *Note: Compulsory pilotage laws of the various states are not applicable to RRF ships due to their public vessel status. The following statement by the Attorney General of the United States is quoted for information: "The public vessels of the United States have the right of entering the ports and harbors of the United States without employment of pilots, if the officers in command, under instructions, shall deem it consistent with the safety of their command. This exemption extends to all ships which belong to the United States, and employed in the public service, whether they be armed ships or not."*

7.1.10 Embarked Personnel

General

Ship Managers and Masters may be required to support the embarkation of Government personnel including passengers, supercargo personnel, and observers as directed by MSC or MARAD.

The Ship Manager shall provide food service, laundry service, and cleaning services comparable to the shipboard rating equivalent when directed. These services shall be provided on a cost reimbursable basis. When Government personnel are carried, Ship Manager crew augmentation shall be reviewed by the MARAD COTR on a case by case basis.

Information concerning various categories of embarked personnel is provided in MSC SOM Chapter 2, Section 7. The latest edition of COMSCINST 3120.19, Subj.: Administrative Procedures for Embarkation of, Carriage, and Debarkation of Supercargo Personnel in MSC Force Ships, addressees the Master's responsibilities and relationships with military personnel, allocation of space, shipboard safety requirements, behavior and discipline, weapons security, and other related subjects.

Masters shall ensure living quarters are clean and ready to receive Government personnel. Masters shall also provide assistance to properly stow all personnel gear and equipment.

7.1.11 Communications in Phase O

7.1.11.1 Use Government provided GMDSS and INMARSAT A or telex, voice data and e-mail for all Government (DOD and MARAD) operational communications and ship business.

Changes in GMDSS equipment must be provided by MAR-612 to update terminal information with INMARSAT. Application for access to the INMARSAT system must also be coordinated with MAR-612.

7.1.11.2 Message Traffic

Only official message traffic shall be handled via the Defense Messaging System. If the Ship Manager desires to send company message traffic, a commercial service shall be

employed. This includes e-mail, “post offices,” “store and forward” services. All communications in FOS are reimbursable.

C-7.2 DOD/DON ISSUED MANUALS, FORMS, PUBLICATIONS.

C-7.2.1 PRECEDENCE.

If any requirements of this Contract are in conflict with any COMSCINST, including the MSC SOM, the Contract shall take precedence, unless otherwise directed by the MARAD ACO. If the Ship Manager has any question about precedence, he should contact his MARAD ACO/COTR.

C-7.2.2 COMSC STANDARD OPERATING MANUAL.

RRF vessels are provided either a print copy or CD-ROM of the Military Sealift Command (MSC) Standard Operating Manual (SOM) as part of the standard administrative documents filing cabinet. This manual is the primary MSC instruction that addresses the unique missions of the MSC fleet, and is applicable in part to RRF ships. It provides policies and procedures pertaining to the operation of ships under MSC cognizance and should be the primary reference when under MSC OPCON". Changes to COMSC publications during operations will be forwarded to the ship by the cognizant MSC Area Commander or sub-area Office.

C-7.2.3 COMSC INSTRUCTIONS - GENERAL.

If a Ship Manager desires advance copies of COMSCINSTs, he may request them from either COMSC, M-11, Bldg 210, Washington Navy Yard, Washington, DC 20398-5100, or from the regional MSC office. COMSCINSTs and publications are provided to the Ship Manager during Phase V - Activation by the cognizant MSC Area Commander. For example, a ship activating in Mobile, AL, and intending to tender to COMSCLANT Norfolk, VA, will receive a publications package consisting of COMSCINSTs and forms from COMSCLANT. COMSCINST are also available on line at www.msc.navy.mil

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14. GENERAL ADMINISTRATION

This section describes general administrative policies, procedures, and responsibilities that apply to the RRF Program.

14.1 GENERAL

MARAD has designated a standard administrative filing cabinet onboard each RRF vessel. Usually it is located in the Master's or business office. If not readily found, consult the MARAD COTR for location and description. MAR-612 maintains the list of what is to be contained in each cabinet. The Ship Manager is responsible for the custody of these documents. The documents may be signed out via a custody card system.

14.2 VESSEL FILES

NOTE: If the Ship Manager's ISM requires a specific filing system, this system is authorized for use instead of the following. If no specific ISM filing system has been specified, then the following pertains.

Ship shall establish and maintain a separate central filing system for each assigned RRF ship. The filing system should be divided into four categories:

(1) "G" for General Shipboard correspondence and information;
(2) "D" for Deck Department correspondence and information;
(3) "E" for Engine Department correspondence and information; and
(4) "S" for Steward's Department correspondence and information.

Phase M During Phase M, Ship Managers shall set up and maintain a master set of vessel files. An index shall be included and maintained in the front cover of each file folder as a ready reference to file contents. ROS vessels should maintain a duplicate copy onboard.
Ship Manager shore staffs shall continue to maintain the master set of vessel files. However, duplicate copies of these files shall be turned over to the Master and cognizant department heads as they arrive onboard ship. Masters and Chief Engineers shall be provided with a set of all four file categories (i.e., "G", "D", "E" and "S") in their respective offices. Chief Mates shall receive a set of the General and Deck files and Chief Stewards shall receive the Steward file.

Phases O. All Ship Manager-generated correspondence shall be coded with the appropriate files series (i.e., "G", "D", "E", or "S") to facilitate proper distribution and shipboard filing. Ship Manager shore staffs shall continue to maintain the master set of vessel files to include all outgoing and incoming correspondence and messages relating to each ship.
Each department head is responsible for returning the duplicate files to the Ship Manager's Port Engineer. The contents of the duplicate files shall be compared against the master set of files, which shall then be upgraded to include a copy of all pertinent information.

14.3 LISTING OF ADMINISTRATIVE FORMS, TECHNICAL MATERIALS, PUBLICATIONS AND REFERENCE MATERIALS TO BE STOCKED ONBOARD RRF SHIPS

It is the Ship Manager's responsibility to have the proper outfitting of administrative forms and publications onboard RRF vessels for operation. The following list is provided for illustrative purposes only:

Deck Department (including items of Master's responsibility):

Miscellaneous Forms, Supplies, and Records

Abstract of Deck and Engine Log
Accident, Damage Report on Hull/Machinery
Alcohol Testing following a serious marine incident
Allotment List
AMVER Forms
Articles of Engagement - Foreign Placards
Barograph Paper
Bunk Cards
Cargo Declaration
Cargo Load or Ballast Plan
CASREP Instructions
Certificate for Search for Narcotics and other Prohibited
Charter Party)
Chronometer Rate Book
Clearance of Vessel to a Foreign Port (US Customs
Compass Observation Book
Contracts for Applicable Unions
copier toner, etc.
Course Recorder Paper
Crew Data Cards
Crew Members Individual Declaration
Crew Payoff Envelopes
Crew Repatriation Transportation Payroll
Dangerous Cargo Manifest
Death
Deck Bell Books
Deck Logs
Deck Noon Slips (Noon Position Report)
Deck Port Log: Report of Bunkers and Water
Direction Finder Observation Book
Discharge for Cause Form
Fathometer Paper
Fax Paper
"Consumables" for office supplies; i.e., scotch tape,
General Customs Declaration
Goods on Board
I-9 Immigration Form
Individual Articles
Inventory of Hazardous Materials on Board
Leave of Absence Form
List of Agents
List of Officer Personnel
Mariners Annuals

Master Payroll Spreadsheet
Master's Cash Record Receipt
Master's Cash Settlement Account
Master's Cash Statement
Master's Night Order Book
Master's Oath of Vessel in Foreign Trade
Master's Report of Oil Spillage
Master's Report of Seamen Shipped or Discharged (CG-735)
Notice of Readiness (vessel ready for load/discharge per
Official Crew List
Official Log Books
Overtime Sheets
Panama Canal Forms
Payroll for Advances Account Wages Earned
Petty Cash Receipts
Pratique (Readiness Report)
Radar Operation and Maintenance Log
Repair or Equipment Purchase
Report of Crew Shortages
Report of Property Damage Claims
Requisitioning Forms
Satellite Telex Paper
Service)
Shipping Rules for Applicable Unions
Ships Stores Declaration
Slop Chest Inventory
Stability Work Forms
Standard Office Supplies
Station Bills
Suez Canal Forms
Ullage Report
US Customs Form 226: Record of Vessel/Aircraft Foreign
USCG Discharge Books
USCG Form 2692: Report of Marine Accident, Injury or
USCG Form 2692B: Report of Required Chemical Drug and
USCG Oil Record Book, CG-4602A
W-4 Tax Withholding Forms, with Tax Withholding Tables
Wage Vouchers
Weather Fax Paper
Weather Reporting Forms/Instructions
Weather Reporting Instructions/Forms
Weatherfax Transmission Sheets

Publications/Technical Manuals

AMVER Instructions
Code of Federal Regulations:
33 Parts 1-199; 200-end
46 Parts 41-69; 70-89; 90-155; 156-199; 200-499;
500-end & Panama Canal
COMSAT INMARSAT Guide
DMA Pub 1310, Radar Navigation Manual
DMA Pub 217, Maneuvering Board Manual
HO 109, Code of Signals
HO 229, Sight Reduction Tables

HO 249, Sight Reduction Tables
IMO Publications
Light Lists
Nautical Almanacs
Naval Control of Shipping Instructions
NOAA Marine Weather Schedule
Operation Manuals for all electronics
Sailing Directions (DMA)
Tide and Current Tables
US Coast Pilots (DMA)
USCG Rules of the Road

Miscellaneous Forms, Supplies, and Records
"Consumables" for office supplies; i.e., scotch tape,
Alcohol Testing following a serious marine incident
copier toner, etc.
Death
Medical Sores & Hospital Equipment for Freight Vessels;
Report of Diseases, Injuries, Births and Deaths (USPHS)
Ships Medical Log Book
Standard Inventory & Requisition
Standard Office Supplies
USCG Form 2692: Report of Marine Accident, Injury or
USCG Form 2692B: Report of Required Chemical Drug and

Radio Department
Miscellaneous Forms, Supplies, and Records
"Consumables" for office supplies; i.e., scotch tape,
copier toner, etc.
List of Contracted Shore Comm Facilities/Schedules
Overtime Sheets
Radio Messages Transmitted/Received
Satellite Telex Paper
Standard Office Supplies

Engine Department:
Miscellaneous Forms, Supplies, and Records
"Consumables" for office supplies; i.e., scotch tape,
Accident, Damage Report on Hull/Machinery
CASREP Instructions
copier toner, etc.
Engineering Bell Books
Engineering Logs: Steam or Diesel
Engineering Noon Slips
Foreign Repair Forms
Fuel and Water Report
Noon Soundings
Oilers Log
Overtime Sheets
Requisitioning Forms
Standard Office Supplies
USCG Oil Record Book, CG-4602A

Steward Department:

Miscellaneous Forms, Supplies, and Records

"Consumables" for office supplies; i.e., scotch tape, copier toner, etc.
Menu Forms
Overtime Sheets
Requisitioning Forms
Standard Office Supplies

15. READINESS, REGULATORIES, and LEGAL STATUS OF RRF

15.1 VESSEL LEGAL STATUS

15.1.1 Federal and State Laws

All RRF ships are public vessels and are fully documented with the USCG as evidence of ownership and nationality, and are assigned official numbers and home ports. By Congressional direction RRF ships are subject to inspection (46 U.S.C. 2109), but otherwise are given full status as public vessels. This exempts the RRF ships from *in rem seizure* in domestic litigation, pursuant to the Public Vessels Act (46 App. U.S.C. 781-790) and the Suits in Admiralty Act (46 App. U.S.C. 741-752), from State regulation, including pilotage requirements, and from many pollution control statutes. This last exemption includes, but is not limited to, strict compliance with the 1973 International Convention for the Prevention of Pollution from Ships, and its 1978 Protocol (MARPOL 73/78)(implemented by the USCG via the Act to Prevent Pollution from Ships, 33 U.S.C. 1901-1912), exemption from the 1973 International Convention for the Prevention of Maritime Pollution By Dumping of Wastes and Other Matter (commonly referred to as the London Dumping Convention and implemented domestically by the Marine Protection, Research, and Sanctuaries Act a.k.a. the Ocean Dumping Act, 33 U.S.C. 1401-1445) and exemption from the Oil Pollution Act of 1990 (33 U.S.C. 2701-2761; 46 U.S.C. 3703a). Moreover MARAD's public vessels are exempted from *in rem* seizure in foreign jurisdictions (under a sovereign immunity theory).

15.1.2 International Law

RRF ship Certificates of Documentation identify MARAD as ship owner. These ships also have distinctive U.S. Government markings; i.e., gray hull, and red, white, and blue horizontal banded stack.

Under customary international law, all vessels owned or operated by a country or used on government non-commercial service are entitled to sovereign immunity. Accordingly, RRF ships are entitled to full sovereign immunity which means these ships are:

- Immune from arrest and search, whether in foreign internal or territorial waters or on the high seas;
- Immune from all foreign taxation except canal fees taxes;
- Exempt from any foreign state regulation requiring flying the flag of such foreign state either in its ports or while passing through its territorial sea; and
- Entitled to exclusive control over persons onboard such vessels with respect to acts performed onboard.

Ships accorded full sovereign immunity are expected to comply voluntarily with the laws of the host country with regard to order in the port, casting anchor, sanitation, quarantine, etc.

In the case of MSC Force ships (government-owned USNS, bareboat-chartered USNS, voyage- and time-chartered, and during contingencies, RRF ships) full sovereign immunity has only been claimed, and has generally been accorded, to USNS and Afloat Prepositioning Force (APF) ships. Although the U.S. Government has taken the position that all MSC Force ships are entitled to full immunity, our Government has not pressed this position. This avoids

numerous requests for diplomatic clearance for MSC Force time- and voyage-chartered ships and RRF ships, and avoids confusion on the part of foreign countries.

In the case of MSC Force time- and voyage-chartered ships and RRF ships, it is U.S. Government policy to claim immunity only from arrest and taxation. However, circumstances may arise where assertions of full sovereign immunity may be required for these ships, in which case the U.S. State Department will provide specific guidance.

If in the future full sovereign immunity status is claimed for RRF ships, then diplomatic clearance or a notification of visit is required prior to entering certain foreign ports. Such procedures are provided for in the latest edition of COMSCINST 3121.9, Subj: MSC Standard Operating Manual (MSC SOM).

RRF vessels display a Certificate of Public Vessel status on the bridge.
The USCG Vessel Compliance Branch advised MARAD of the following:

> USCG interprets the exception to the requirements of SOLAS (SOLAS 1974, chapter I, Part A regulation 3 (a) (i) for ships of war and troopships as being applicable to military auxiliary vessels owned by Commander, Military Sealift Command (MSC) and Maritime Administration Ready Reserve Force (RRF) vessels. No part of SOLAS is applicable to these vessels except as noted below.
>
> Notwithstanding the general exception of Coast Guard certificated ships of war and troopships from SOLAS requirements, we have from time to time invoked requirements on MSC ships and MARAD RRF vessels based upon SOLAS. This has been done on a case-by-case basis when it is clear that specific U.S. regulations have clearly been overtaken by a superior SOLAS standard.

Individual Officers-in-Charge, Marine Inspection and District Commanders are not authorized to invoke any SOLAS requirements on RRF vessels unless it has first been established as a matter of policy by Commandant. In all cases where we invoke a SOLAS requirement as a substitute for, or in addition to, a U.S. regulatory requirement your agency (MARAD) will first be consulted and then advised in writing by this office (Vessel Compliance Branch.)

16. SECTION 16 - RESERVED

17. SECTION 17 - RESERVED

18. OCCUPATIONAL SAFETY AND HEALTH REQUIREMENTS

18.1.1.1.1 Safety Drills

The senior crew member shall ensure that the minimum number of drills as required by USCG are held each month. Drills onboard ROS vessels shall be logged in the official deck and engine logbooks as is customary onboard any vessel. Drills must be realistic as possible to reinforce the circumstances that crewmembers will face in an actual emergency and be conducted with due regard to the safety of all personnel involved.

18.1.1.1.2 Safety Hazards

Safety hazards are to be corrected upon discovery. If this is not possible, all safety hazards are to be reported to the department supervisor who is responsible for marking the hazard so that no personnel are injured while correction is being arranged. Every crewmember is a safety participant.

18.1.1.1.3 Safety Equipment

All ROS crew members are entitled and encouraged to use this consumable safety equipment in the course of their duties. The Ship Manager is responsible for re-stocking consumable safety equipment as it is used. This is a reimbursable item. Department supervisors shall require all personnel to use safety equipment that is appropriate to the task at hand, during the performance of their work.

18.1.1.1.4 ROS Crew Attire

It is the responsibility of the Ship Manager to ensure proper and safe working attire for ROS crewmembers. As part of his employment practices the Ship Manager may determine whether individual ROS crewmembers are to bring clothing, shoes, glasses with them, or whether the Ship Manager shall provide it once onboard. This is a fixed price item.

18.1.1.1.5 Safety Bulletins

Although not required by the Ship Manager contract, Ship Managers who routinely provide safety bulletins to ships under their cognizance as part of their own safety effort, may do so for RRF vessels.

MARAD is dedicated to maintaining and operating ships in a safe and efficient manner. The safety of personnel shall be given primary consideration during all ship activities. MARAD has established the following requirements to promote effective occupational safety and health practices involving all personnel associated with RRF ships. The primary intent of these requirements is to define areas of desired emphasis and also to support safety requirements imposed through statutes, regulations and the International Safety Management (ISM) Code. Nothing in this section is to be construed as preventing the Ship Manager or master from taking the most effective action, which, in their judgment, may be necessary to avoid accidents.

The 1983 Memorandum of Understanding (MOU) between the United States Coast Guard (USCG) and Occupational Safety and Health Administration (OSHA) defined the statutory authority pertinent to the responsibilities of each agency. This MOU established the USCG as the dominant federal agency to prescribe and enforce standards or regulations that affect the occupational safety and health of seamen aboard Coast Guard certificated vessels. It also stated that OSHA may not enforce the Occupational Safety and Health Act with respect to the working conditions of seamen aboard USCG inspected vessels.

The ISM Code provides an international standard for the safe management and operation of ships. It requires companies to establish safety objectives and requires that they develop, implement, and maintain a Safety Management System (SMS) specifying the functional requirements for maintaining safe ships in a Safety Management Plan. The Ship Manager shall, upon request, provide MARAD with a current copy of vessel safety practices and procedures contained in the Ship Manager's Safety Management Plan.

The Ship Manager shall ensure that the Safety Management Plan, required by 46 CFR 3204(a), covers the specific needs of each RRF ship assigned during the performance of the contract. A copy of the plan shall be placed in the ship's standard administrative document cabinet.

These safety and health requirements apply directly to everyone on board vessels in Full Operating Status (FOS) as well as vessels in Reduced Operational Status (ROS). This includes, but is not limited to, the master, crew, passengers, riding crew, Ship Manager's representatives, outside contractors employed on board, port and terminal personnel, vendors, and all visitors. This section should be applied with the understanding that no set of requirements can be realistically expected to cover each and every specific circumstance or set of circumstances that may arise. Therefore, all personnel, particularly those individuals in positions of authority, are expected to exercise good judgement and discretion in applying these safety and health requirements consistent with good marine practice.

The program also applies to the RRF ships without ROS crews that are 1) initiating a safety program with a new FOS crew, 2) undergoing repair or maintenance work is being performed, or 3) as other circumstances warrant in the judgement of the Ship Manager. Individual Ship Managers must ensure that key shipboard personnel that are assigned to medical department functions, in both ROS and FOS status, have a current certification for administering Cardio-Pulmonary Resuscitation (CPR) and for the use of Automatic External Defibrillators (AED). Certifications must be issued under the auspices of a nationally recognized training curriculum such as the American Red Cross or American Heart Association. This is a Government directed (reimbursable) expense.

18.2 GOVERNMENT FURNISHED SAFETY ITEMS (GFE)

MARAD Headquarters will to make large scale start up purchases in the interests of standardizing safety equipment throughout the RRF. Once the initial start-up has been completed, each Ship Manager, in conjunction with the individual MARAD Region, is expected to assume responsibility for the maintenance and upkeep of this equipment. Each Ship Manager, in conjunction with the individual MARAD Region , shall also be responsible for small scale purchases that are ship specific. Examples of small scale

purchases include, but are not limited to the following: Multi-gas detector sensors, Evacuation signs, Automatic External Defibrillator (AED) batteries, etc.

Equipment such as gas detectors, AEDs, SCBAs, etc. shall be maintained and serviced in accordance with manufacturers instructions as well as applicable Federal and NFPA requirements.

18.2.1 Safety Videotapes

Seven (including one double pack) safety awareness videotapes are located in the standard administrative documents cabinet (also known as the yellow cabinet). These shall be used for crew indoctrination training (see below).

The video titles are:

- Back Injury, Slips, Trips, and Fall Prevention
- Heat Stress, Sight, Hearing, and Respiratory Protection
- Electrical Safety Overview
- Safety Awareness Overview
- Shipboard Drug and Alcohol Testing Policy
- Shipboard Safety Inspection Program.
- Back Care for Maritime Industry" (the double pack)

Please note that "Back Care for Maritime Industry" is a new title that has been added to the original set. All shipboard personnel will be required to watch Part One of this video, with the appropriate entries made in Video Log. Part Two is pertinent to supervisory personnel only.

Ten maritime medical emergency videotapes are also located in the standard administrative document cabinet. These tapes are intended to provide the ship's medical officer with supplemental references in addition to any medical publications currently on board.

The video titles are:

- An Elephant on the Chest – Treatment of Angina
- Green with Envy – Treatment of Seasickness
- Don't Get Choked Up – Treatment of Choking
- The Eyes Have It – Treatment of Contaminated Eyes
- Use Your Head – Treatment of Head Injury
- Don't Be a Fall Guy – Treatment of Severe Trauma
- Be Prepared – Treatment of Seizure
- One Hand for the Ship – Treatment of Amputation
- A Shock to the Heart – Treatment of Heart Attack
- Cooking Up Trouble – Treatment of Burns.

18.2.2 Reference Documents

Documents provided for reference regarding safety and emergencies are:

- Marine Fire Prevention, Firefighting and Fire Safety [1]

[1] This manual is available through the U.S. Government Printing Office (GPO) and is written under the auspices of the U.S. Maritime Administration (MARAD).

- .[2]

This book shall be kept in the standard administrative document cabinet (yellow cabinet). The Contracting Officer's Technical Representative (COTR) is the initial MARAD point of contact for issues concerning updated items that affect the scope of the contract.

18.2.2.1 Replacement of Videotapes and Reference Documents

MARAD may, when feasible, add, delete, substitute, or modify videotapes or reference documents to maintain consistency with current technology, procedures or requirements. The Ship Manager shall maintain current editions of government furnished reference publications and safety videotapes listed in this section (Section 18). Outdated videotapes and publications shall be discarded upon receipt of current editions. It is the responsibility of the Ship Manager to notify the MARAD COTR of videotapes or publications that are damaged or missing and require replacement.

18.2.3 Material Safety Data Sheets (MSDS)

It is the Ship Manager's responsibility to maintain updated MSDS for all the hazardous material on the ship.

- MSDS shall be kept on the ship in a file labeled "Safety: MSDS" for all hazardous materials currently in use onboard. This file may be kept as a paper or electronic copy.

- MSDS shall be reviewed before working with any hazardous material.

- MSDS shall be posted in relevant and conspicuous places when significantly dangerous hazardous material exposure situations exist (i.e. when hazardous cargo is being carried).

- The Material Safety Data Sheet (MSDS) files (either electronic or paper) shall support the HAZMAT inventory as accurately as possible (80% accuracy is normally considered satisfactory) and shall be maintained in such a manner as to easily cross-reference items on HAZMAT inventory with the applicable MSDS.

Federal law requires that MSDS be available from the supplier of any hazardous material (29 CFR 1910.1200 APP E). Requests should be made to obtain these when a particular product is being ordered. Missing MSDS shall be obtained from original suppliers or manufacturers whenever possible.

The Ship Manager shall train crewmembers to read and use the appropriate MSDS and heed warning labels for hazardous materials . This training shall be completed at least once in every three-month period and be noted in the Deck Logbook.

Defense Logistics Agency no longer produces the Hazardous Materials Information System (HMIS) CD-ROM, therefore its retention is no longer required. Any copies onboard may be discarded.

18.2.4 Safety Posters

MARAD shall annually provide new safety posters for each RRF vessel. MARAD shall send safety poster packets to each ship manager during the first quarter of each calendar year. It is the responsibility of each ship manager to promptly forward these safety poster packets to the RRF vessels for which the ship manager is responsible. These posters shall be placed in prominent locations, such as passageways, messrooms, lounges, etc, on all RRF vessels in full operating status (FOS) or with an ROS crew on board.

- Each vessel poster packet shall carry the vessel's annual allotment of MARAD safety posters. Individual safety poster packets shall be marked with the name of each individual RRF vessel for which the ship manager is responsible. Individual safety poster packets will contain a total of eight (8) posters consisting of two (2) posters in each category of NAV/OPS, DECK, MACHINERY/PROPULSION, and GENERAL as reviewed and approved by MARAD. .

The packet also contains a feedback form, which is to be completed by the responsible crewmember upon receipt of the safety posters from the ship manager and mailed to MARAD in the self-addressed envelope provided with the packet.

Ships without crews shall keep the same posters, changing them only after being in extended FOS status or if the posters become damaged. It shall be the responsibility of the ship manager to place the annual safety poster packet in the administrative cabinet at the earliest opportunity after receipt of the safety poster packet, on all uncrewed RRF vessels for which the ship manager is responsible.

18.2.5 Personal Protective Equipment

The Ship Manager shall ensure that appropriate levels of safety equipment and consumables are provided on each ship and that the crew is able to use the equipment. Manuals or instructions for the equipment shall be maintained and readily accessible at all times. As a reimbursable item, MARAD provides the personal protective equipment (PPE) as indicated in Exhibit A of this section. Customized specific equipment can be substituted for this equipment if it meets the same safety standards as the required equipment. MARAD does not provide customized individual specific equipment.
It is the Ship Manager's responsibility to supply general-purpose head protection, hats, and hard hats.

It is the Ship Manager's responsibility to ensure that:

- A respirator (Self Contained Breathing Apparatus or SCBA) maintenance program is implemented for all respiratory protective equipment used by fire party personnel., including accurate recordkeeping. Recordkeeping is a critical element of any respiratory protection program.

  Records shall include:

  1. The SCBA and regulator identification numbers, test equipment identification numbers, dates of servicing, a description of the action taken (including parts replaced and part

numbers involved), and identification of the repair person [29 CFR 1910.134; 49 CFR 173; NFPA 1989; NIOSH 1987].

2. Results of the regular calibrations of the test equipment recommended by the manufacturer.

3. Results of regularly conducted performance tests, repairs made during routine preventive maintenance and necessary maintenance on SCBAs taken out of service.

4. A tracking system for SCBA cylinders to ensure that they are hydrostatically retested and recertified (every 3 or 5 years, depending on cylinder specification) as required by the Department of Transportation (DOT) [49 CFR 173.34] and NIOSH [30 CFR 11.80(a)].

- SCBA service and maintenance procedures are rigidly enforced to provide respirators that are dependable and are constantly evaluated, tested, and maintained in a NIOSH/MSHA-approved condition so that they are the equivalent of devices that have received a certificate of approval [30 CFR 11.2(a)].

- Members of the fire party (may also be referred to as the Damage Control Team) are trained in the use, care, and maintenance of respiratory equipment.

- Safety footwear in accordance with ANSI Z41.91 shall be worn at all times by persons working on deck and in the machinery spaces (see ROS crew attire).

- General-purpose gloves for the purpose of keeping hands and fingers warm and clean are available to the ship's crew.

- All individuals have protective eyewear readily available for shipboard activities. Special arrangements shall be made for individuals that are required to have corrective lenses to properly perform their duties.

- All individuals have hearing protection readily available for shipboard activities to keep noise exposure within required levels. Special arrangements shall be made for individuals that are required to have special hearing aids to properly perform their duties.

- Workers have work clothing that conforms to safety standards for the tasks being performed.

The following basic standards are provided as guidelines for acceptable work clothing.

- Clothes should be comfortable but sufficiently close fitting to not catch on projections or machinery parts.

- Gaping pockets, trailing straps, sweat rags, watch straps, loose clothing, gloves, and rings or jewelry that can be caught when working with or near moving machinery shall not be worn.

- Synthetic fabric clothing should not be worn in enginerooms because of the tendency for the material to melt leading to a concentrated heat source that causes severe burns. A blend of 65% polyester and 35% cotton is acceptable.

Clothing should be regularly laundered. If coveralls are severely damaged, they should be replaced. Disposable coveralls may be necessary when working in an environment where special harmful contaminants can adhere to the surface of the coverall and then be carried to a clean area where contamination could occur.

Exhibit A of this section shows a matrix (table1) of the Personal Protective Equipment (PPE) allowance for each PPE ship group within the RRF. It provides direction on the item's use, quantity of items to be provided, and their location. The allowance list is based on ship surveys of one ship in each PPE ship group. If changes to the safety items list are desired, contact the COTR with suggestions.

Replacement PPE items are obtained through normal requisitioning. The COTR through the Logistics Management Officer (LMO) is able to obtain the items listed through the Federal Supply System.

The Ship Manager shall provide training to all crewmembers with respect to the availability and use of PPE. This includes procedures for issuing, maintaining, and using the equipment. Training shall be completed at least once in every three-month period and be recorded in the Deck Logbook.

18.2.5.1 Safety Equipment on Board

RRF vessels without ROS crews have some of their safety equipment and supplies on board. This equipment shall be checked semi-annually by the ship manager during the required periodic ship checks. Non-ROS crewed RRF vessels shall, at all times, be fully stocked with a full allowance of required PPE items (see table 1), which have an indefinite shelf life. These items and equipment shall be maintained in satisfactory condition. The Ship Manager shall specifically inquire on the status of safety equipment and check on the condition of the safety equipment, particularly if personnel at the MARAD Fleet anchorage sites are responsible for Phase M inspections.

When a non-ROS crewed vessel is deactivated, PPE items with an expiration date shall be discarded in accordance with the applicable environmental requirements and safety practices. These items shall only be replaced if a vessel is scheduled for an extended activation, or as individual circumstances warrant in the judgment of the ship manager.

ROS crews are to inspect the safety equipment at least once every three months for material condition and shortage. The ship manager shall ensure that deficiencies are corrected at the earliest opportunity.

18.2.5.2 Safety Equipment in Warehouse

Ships without ROS crews may not have all their safety equipment and supplies on board. The Ship Manager shall make an inquiry to the COTR to understand if the full complement of safety equipment is on board the vessel or partially stored elsewhere.

A minimal number of safety equipment sets are set aside in MARAD Chesapeake, VA warehouse to be utilized for some ships upon activation. In this case, the Ship Manager shall include, in the ship's activation plan, the method and timing of retrieving safety equipment from the warehouse and installing it aboard the vessel so that it is operational for the crew. In the event that warehoused items are not available, the Ship Manager shall order the items needed and ensure delivery to the ship as soon as possible.

18.3 INDOCTRINATION TRAINING

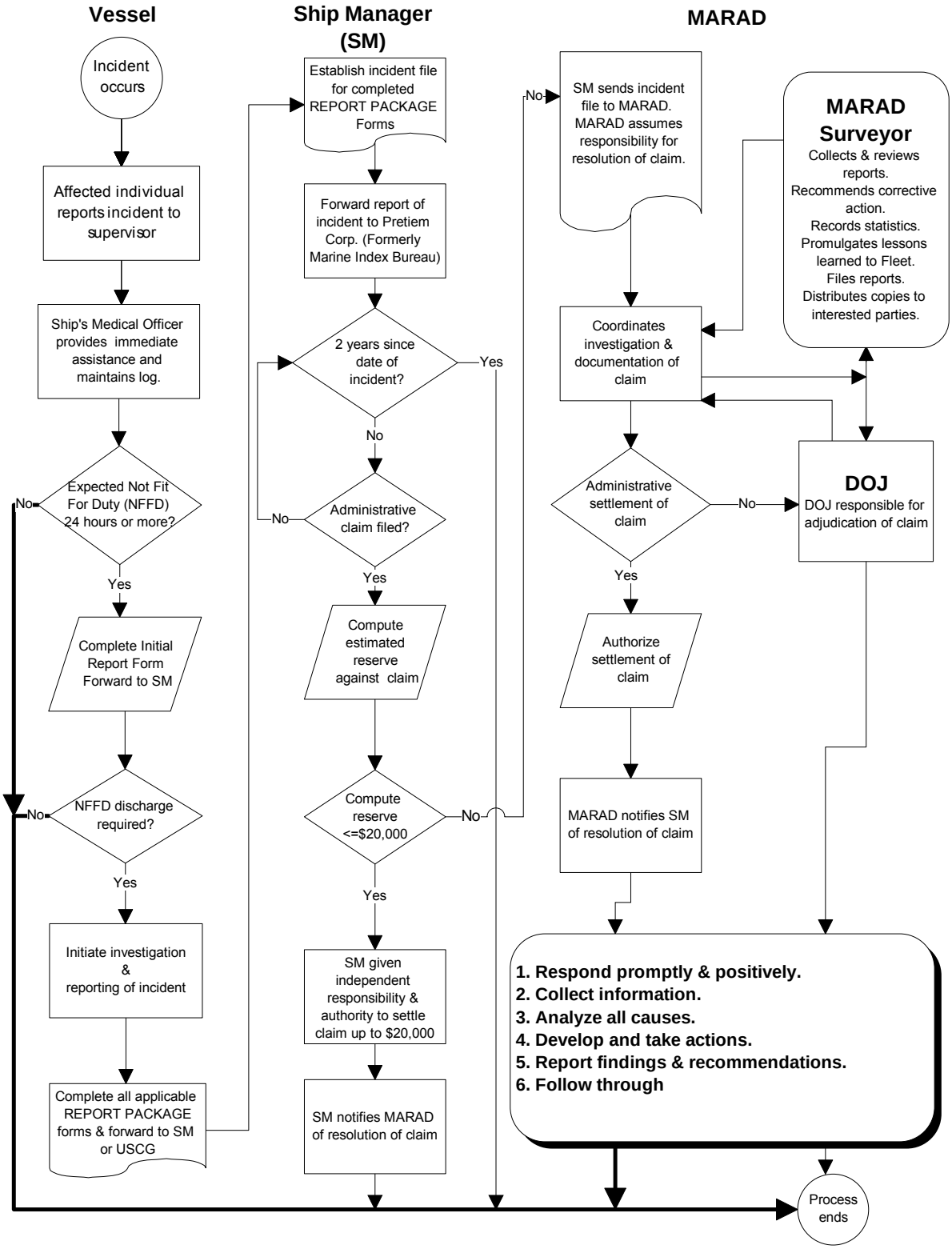
The purpose of indoctrination training is to ensure that all personnel are familiar with the location, operation and maintenance of lifesaving and general safety equipment provided on the vessel and the procedures associated with standard safety practices. As a result of indoctrination training, personnel shall be able to perform their duties without endangering the health and safety of either themselves or other crewmembers.

In addition to regulatory requirements found in 46 CFR 15.1105, all crewmembers shall view the MARAD Safety Training Awareness videotapes (see Sec. 18.1.1) that are provided. These videos will be found in the standard administrative documents filing cabinet. **All crewmembers, including returning crewmembers, shall watch these tapes within fourteen days of joining the ship as part of their orientation**. Personnel continuously employed on a ship shall review the safety tapes annually. MARAD may periodically add or delete individual Safety Awareness videotapes as required viewing, as circumstances dictate. The Ship Manager shall be notified accordingly of any changes. A record of the names of the crewmembers and the dates when each tape was viewed in its entirety shall be made. This record shall be kept on the ship for at least five years in a dedicated file labeled "Safety Training". The following information shall be typed or printed legibly in a free form style in a Safety Training Video Tape Log. Include: Crewmember's name, Crewmembers Rating (i.e. 3rd A/E, A/B, etc), Name of Tape, and Date the video was observed. Sufficient space shall be provided for the individual crewmember's signature. In the event that the individual is unable to sign, a witness shall sign in the appropriate location. An officer shall sign the training log at the bottom of each page. The Ship Manager shall semi-annually provide MARAD (MAR-612) with the information contained in the Safety Training Videotape Log of each assigned RRF vessel. The information may be provided either in written or electronic format.

18.4 PERSONAL INJURY.

Attachment J-3, Supplement A to the Ship Manager Contract provides the reporting requirements for personal injury claims. See the flow chart titled "Investigation and Resolution of Personal Injury/ Illness Claims for a conceptual diagram of the reporting and action process. Supplement B provides instructions and forms for processing third party personal injury and property damage/loss claims and reports.

INVESTIGATION AND RESOLUTION OF PERSONAL INJURY/ILLNESS CLAIMS



Claim for personal injury from incident becomes time-barred after 2 years from date of incident

18.5 HAZARD PREVENTION

The prevention of accidents and the reduction of risks can be achieved by training, the use of risk-management strategies, and job hazard analysis for vessel operation practices.

The Ship Manager shall develop and maintain formal hazard prevention practices, including reporting procedures, to identify and eliminate or safely control unsafe acts or conditions. This system shall also include a methodology for investigation of injury-causing accidents and recommendations for possible safety improvements. The Ship Manager shall review and, if necessary, act upon safety deficiencies reported by the ship's crew.

Unsafe conditions cover the immediate environment surrounding those personnel doing the work. These conditions can be identified before beginning work by a thorough assessment of the work to be performed and examining any possible factors affecting the work environment. This applies to a wide range of situations including faulty equipment, hazardous atmosphere, improper PPE, and working on energized systems.

The following conditions shall be monitored to control general shipboard hazards. Maintain:

- good sanitation and hygiene,
- walkways free of trip and slip hazards,
- safety chains across openings in life lines and rails,
- non-skid deck paint on decks ladders and walkways,
- non-skid tape on decks ladders and walkways,
- ladder treads,
- guard rails installed around openings in decks and walkways,
- securing of removable deck plates and gratings,
- cushioning material with yellow and black stripes on piping and conduits that protrude less than 77 inches above walkway decks and ladder steps,
- safe stowage of flammable materials away from heat sources,
- seaworthy stowage racks for portable tools, supplies and equipment,
- segregated seaworthy stowage racks for compressed gas bottles,
- decks and gratings free from oil,
- tools in good repair,
- insulation and guards on hot (125^0F or higher) pipes and surfaces,
- guards on rotating machinery and shafting.

Unsafe acts are human errors that result from individuals being unaware of the potential dangers, ignoring instructions or procedures, following improper procedures, or becoming complacent as a result of over-familiarity with the task at hand. Unsafe acts should be identified and communicated in the monthly safety meetings.

18.6 MONTHLY SAFETY MEETINGS

A safety meeting shall be held at least monthly on all RRF vessels that have ROS crews or are in extended FOS status. The first meeting shall be held within 15 days after the activation date for those vessels in extended FOS status. The Ship Manager shall specify requirements for Safety Meeting attendance as well as the designation of a chairman.

Each Safety Meeting shall include a review of the minutes from the previous Safety Meeting, a discussion of new concerns that emerge during day to day operations, and the approval of a list of items to be included in the meeting's minutes. The topics covered shall include:

- unsafe conditions;
- unsafe acts;
- increasing crew safety, health, and environmental awareness;
- improvements to the Safety Management Plan;
- near misses (close call missed injuries); and
- lessons learned.

Minutes of the meeting shall be kept in a file on the ship marked "Safety Meeting" for at least five years. Deficiencies identified shall be corrected directly by the ship's crew, and by entering a RMS item, or by updating the Safety Management Plan whichever is appropraite.

The findings of Safety Meetings shall be communicated to the crew through training sessions where lessons learned from operations and previous accidents are discussed. Training shall be completed at least once in every three-month period and be recorded in the Deck Logbook. The date and time of each Monthly Safety Meeting shall be recorded in the Deck Logbook.

Nothing in this section is to be construed as preventing the Ship Manager from action consistent with existing labor relations contracts or bargaining agreements.

18.7 ANNUAL SAFETY INSPECTION

The ship manager shall conduct a comprehensive annual safety inspection each calendar year, utilizing the Safety Checklist in Exhibit B of this section. One of the primary purposes of this inspection is to ensure that safety equipment is maintained in a fully operational status. This inspection shall be conducted in conjunction with a scheduled Sea Trial, Dock Trial, or Full Notice Activation whenever possible. Safety inspections may not be conducted less than six (6) months apart and not more than eighteen (18) months apart. The completed annual safety inspection shall be submitted to MARAD Division of Operational Support (MAR-612) within thirty (30) days after the inspection is completed.

The Safety Checklist, in Exhibit B of this section, shall serve as the minimum inspection criteria. This checklist may be periodically updated during the course of the ship manager contract in order to maintain relevancy, including the addition, deletion, or modification of individual checklist items. Safety deficiencies that cannot be corrected on board shall be entered into RMS. A report describing the result of the inspection with a copy of the completed checklist shall be developed. Include comments on the status of actions to satisfy deficiencies. A copy of the report shall be kept in the "Safety Meeting" file on the ship for at least five years.

MARAD reserves the right to conduct periodic Quality Assurance (QA) inspections. The Safety Checklist, previously mentioned in this paragraph, will serve as the primary inspection document. The purpose of these inspections is to assure compliance with MARAD safety policy throughout the RRF and to evaluate the effectiveness of the

individual MARAD Regions in carrying out the task. MARAD reserves the right to utilize qualified contract personnel to conduct this inspection in lieu of MARAD personnel.

18.8 OUTSIDE SAFETY AUDITS

There are a number of occasions when the vessel may be subject to audits and inspections by external authorities. These range from inspections by regulatory bodies, or their contracted agents to surveys and audits by local, state and federal authorities. In all instances, the authority of the inspector is to be checked before the audit begins by contacting the COTR. Once satisfied that the inspection is valid, the inspectors are to be given full cooperation from the crew. Deficiencies shall be rectified as soon as possible after discovery. If a task is beyond the capability of the crew it shall be entered in RMS.

18.9 PERMIT TO WORK

The Ship Manager shall develop procedures for establishing working permits for work of a non-routine nature. The permits shall identify the hazards involved in the work tasks and ensure that appropriate safety measures and precautions are taken. Controlling the safety aspects of work processes includes the wearing of proper clothing, using proper PPE, and ensuring that equipment and power systems involved are rendered harmless through a lock out and tag out procedure.

The Ship Manager shall develop and use work permit forms for the following evolutions: electrical maintenance; enclosed space entry; hot work; lockout/tagout; working aloft/outboard/over the side; working on the condenser and seawater systems; and under water work. Sample forms are provided in Exhibit C of this section (Permits to Work) for electrical maintenance; enclosed space entry; hot work; lockout/tagout; working aloft/outboard/over the side; working on the condenser and seawater systems; and under water work. The forms provided may be used or modified at the Ship Manager's option. A task requiring multiple permits shall have all approved secondary permits attached to the principal task permit.

Executed work permits shall be kept on the ship in a file maintained onboard each RRF under the ship manager's stewardship for a period of four years, unless otherwise directed, and shall be readily available to authorized personnel.
An Equipment Tagout/Lockout Log for each RRF Vessel shall be maintained and kept current. Except as noted in this contract, Tagout/Lockout physical procedures shall be conducted in accordance with individual ship manager safety requirements.

18.10 SAFETY PROCEDURES

The Ship Manager's Safety Management Plan shall contain written safety procedures for:

- maintaining safety signs[3] and labels;

[3] Including evacuation signs: These signs are required by SOLAS II 28 & 41 for passenger vessels, but are used by most commercial tankers and cargo ships. MARAD desires to follow this practice on RRF vessels as well, because escape and evacuation routes and muster stations have to be clearly marked and maintained to ensure the orderly and safe evacuation of the ship. This purchase is best handled at the local

- enclosed space entry;
- flammable and combustible material storage and use;
- hazardous material storage and use;
- crane and boom operations;
- working over the side or aloft;
- bulk fuels transfer;
- abrasive (grit) blasting;
- painting;
- underway replenishment[4];
- small boat operations;
- housekeeping;
- proper care of personal protective equipment;
- proper care of work clothing;
- proper lifting procedures;
- use of pesticides;
- helicopter operations[5]
- towing operations;
- underwater work;
- anchoring and mooring;
- heavy weather;
- food preparation;
- machinery space safety;
- fixed firefighting system maintenance and repair;
- electrical and electronic safety procedures;
- tool handling;
- Marine Sanitary Device maintenance and repair;
- hot work; and
- sea water systems repair work.
- vessel pre-fire plans (see below)

The Ship Manager's Safety Management Plan may utilize and refer to existing safety procedures outlined in U.S. Navy publications for underway replenishment (UNREP), which includes both connected replenishment (CONREP) and vertical replenishment (VERTREP). The Safety Management Plan may also refer to either U.S. Coast Guard (USCG) or International Maritime Organization (IMO) publications for maritime helicopter rescue and evacuation procedures.

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level, because the number and type of signs will vary to the vessel type and class. Security arrangements must not compromise escape capability.

[4] Applies to MCDS equipped ships only.
[5] All ship managers must address procedures for helicopter rescue and medical evacuation, however vertical replenishment (VERTREP) procedures are applicable only to RRF vessels with NAVAIR certified helicopter platforms.

- **VESSEL PRE-FIRE PLANS:**

The pre-fire plan is a document addressing a specific fire scenario onboard a ship (An engine room fire for example). The plan identifies the strategies and tactics necessary to confine and/or extinguish a fire in a particular area. At a minimum, individual pre-fire plans should be created for high threat areas such as the main engine room (know in the Navy as the "Main Space Doctrine"), auxiliary machinery spaces, pump rooms, cargo areas and the ship's galley. The plan should (in part) include information regarding:

- Fire boundaries (exposures)
- Special hazards (such as acetylene cylinders)
- Fire stations used to effect boundary cooling
- Closures (doors, hatches, scuttles, vents and fans)
- Emergency shot down procedures and options
- Paths of ingress and egress
- Primary and back up staging areas
- Availability and procedures for using fixed suppression systems
- Hose line attack options including which fire stations to use and from where to enter.
- Personnel extrication options
- Crew evacuation from specific spaces, such as the engineroom
- Chain of command
- Details as to personnel assignments to affect overall plan.
- A standard identification system that can rapidly account for each crewmember at the scene.

Critical to the effectiveness of any pre-fire plan is that the ship's crew drill with the plan; making sure that what's been put to paper is realistic and feasible. Practical application of a pre-fire plan generally lends to corrective adjustments to the plan to make it more effective. Having a volume of proven pre-fire plans readily available to the ship's officer or shore side fire department incident commander will greatly enhance the speed and effectiveness of firefighting efforts and further reduce the possibility of chaos and confusion. Fire fighters must always be fully aware of standard operating procedures and of their roles and responsibilities.

Ship Managers may utilize compressors either individually or within a group of ships (whenever practical), cascade systems, or additional air bottles in support of more realistic use of the SCBA during fire fighting drills. This equipment shall be maintained and sevice in accordance with the manufacturers instructions. Location of compressors or cascade systems and desired number of spare SCBA bottles shall be determined by vessel class. The Ship Manager shall include these items as part of a proposed fire fighting doctrine.

The ship manager shall develop and complete a pre-fire plan for each vessel class awarded (includes each individual vessel within the class) within 90 days after contract award. Existing pre-fire plans shall be reviewed by the ship manager during the aforementioned 90 day time period, including any initial changes that the ship manager desires to make.

The following vessels currently have prefire plans in place: Cape Henry, Cape Horn, Cape Hudson, Cape Inscription, Cape Intrepid, Cape Island, Cape Isabel, Curtiss, Cape Mohican, Cape Fear, Green Mountain State, Mount Washington and Beaver State.

18.11 SAFETY RULES AT RESERVE FLEET ANCHORAGE SITES

All Ship Manager employees, their contractors and vendors working at Reserve Fleet Sites shall follow safe working practices and abide by MARAD safety and health rules. Each of the Fleet Anchorage sites (James River Reserve Fleet, Beaumont Reserve Fleet, and Suisun Bay Reserve Fleet) establish their own specific safety rules under the general guidance of MARAD policy.

EXHIBIT A

PERSONAL PROTECTIVE EQUIPMENT BY SHIP CLASS

TABLE 1

The first column of Table 1 lists ship names alphabetically. NOTE that changes in the Ship Manager's contract may add or remove individual ships. The second column is called PPE Group. This grouping depends on similar crew requirements and space configurations. The second column is called PPE Group. This grouping depends on similar crew requirements and space configurations.

TABLE 2

Table 2 provides the allowance of safety equipment that is to be retained on RRF vessels. Equivalent equipment certified for the same type of use as that in the table may be substituted. Example: Multi-purpose respirator cartridges may be substituted ffor individual respirator cartridges.

If the column labeled ROQ (Reorder Quantity) has a "Y" in the space, it indicates the number of unopened or unused items at which point a restock order shall be made.

Those items having an ROQ of "N" are, generally, non-consumable equipment and indicate the number of items that are to be on board, in good repair, clean, and ready for use.

The numbers are based on ship surveys made of one ship of a particular ship group. For example, the DIAMOND STATE, TACS-7 survey was used as the basis for the EQUALITY STATE, GEM STATE, GRAND CANYON STATE, KEYSTONE STATE and GREEN MOUNTAIN STATE allowance.

TABLE 3

Table 4 provides guidance for storing and installation of PPE.

TABLE 4

Table 5 provides guidance on the use of PPE.

Suggestions for changes to these tables are encouraged and should be provided to the MARAD COTR through the Ship Manager.

TABLE 1: RRF PPE SHIP GROUPS

SHIP NAME	PPE GROUP	SHIP TYPE
ADM WM M. CALLAGHAN	ADM WM M. CALLAGHAN	RO/RO
CAPE DECISION	CAPE D	RO/RO
CAPE DIAMOND	CAPE D	RO/RO
CAPE DOMINGO	CAPE D	RO/RO
CAPE DOUGLASS	CAPE D	RO/RO
CAPE DUCATO	CAPE D	RO/RO
CAPE EDMONT	CAPE E	RO/RO
CAPE FAREWELL	CAPE F	BARGE CARRIER
CAPE FLATTERY	CAPE F	BARGE CARRIER
CAPE GIBSON	CAPE J	BREAKBULK
CAPE GIRARDEAU	CAPE J	BREAKBULK
CAPE HENRY	CAPE H	RO/RO
CAPE HORN	CAPE H	RO/RO
CAPE HUDSON	CAPE H	RO/RO
CAPE INSCRIPTION	CAPE I	RO/RO
CAPE INTREPID	CAPE I	RO/RO
CAPE ISABEL	CAPE I	RO/RO
CAPE ISLAND	CAPE I	RO/RO
CAPE JACOB	CAPE J	BREAKBULK
CAPE KENNEDY	CAPE W	RO/RO
CAPE KNOX	CAPE W	RO/RO

TABLE 1: RRF PPE SHIP GROUPS (cont.)

SHIP NAME	PPE GROUP	SHIP TYPE
CAPE MAY	CAPE M	HEAVY LIFT
CAPE MOHICAN	CAPE M	HEAVY LIFT
CAPE ORLANDO	CAPE D	RO/RO
CAPE RACE	CAPE R	RO/RO
CAPE RAY	CAPE R	RO/RO
CAPE RISE	CAPE R	RO/RO
CAPE TAYLOR	CAPE T	RO/RO
CAPE TEXAS	CAPE T	RO/RO
CAPE TRINITY	CAPE T	RO/RO
CAPE VICTORY	CAPE V	RO/RO
CAPE VINCENT	CAPE V	RO/RO
CAPE WASHINGTON	CAPE W	RO/RO
CAPE WRATH	CAPE W	RO/RO
CHESAPEAKE	OPDS	PRODUCT TANKER
CORNHUSKER STATE	T-ACS4	CRANE
CURTISS	T-AVB	RO/RO
FLICKERTAIL STATE	T-ACS4	CRANE
GEM STATE	T-ACS7	CRANE
GOPHER STATE	T-ACS4	CRANE
GRAND CANYON STATE	T-ACS7	CRANE
KEYSTONE STATE	T-ACS7	CRANE
PETERSBURG	OPDS	PRODUCT TANKER
WRIGHT	T-AVB	RO/RO

TABLE 2
SHIP GROUP PPE
ALLOWANCE LIST

Quantity of Safety Equipment per Ship Class	ROQ	ACDAMLLAGHAN	TAVB	CAPED	CAPEE	CAPEF	CAPEH	CAPEI	CAPEJ	CAPEL	CAPEM
Safety Line, ea.	N	2	2	2	2	2	2	2	2	2	2
Safety Harness, ea.	N	1	1	1	1	1	1	1	1	1	1
Hearing Protectors Soft plug Type (Box of 200)	Y	2	2	2	2	2	2	2	2	2	2
Hearing Protectors Ear Muff Type, ea.	Y	4	4	4	4	4	4	4	4	4	4
Respirator cartridges Dust or HEPA (Red) (Bx 10)	Y	1	1	1	1	1	1	1	1	1	1
Respirator Cartridges Acid/Organic vapors (Yellow) (Bx 10)	Y	1	1	1	1	1	1	1	1	1	1
Air Purifying Respirator Face Mask (Nose & Mouth), ea.	Y	2	2	2	2	2	2	2	2	2	2
Emergency Breathing Device, ea.	N	2	2	2	2	2	2	2	2	2	2
Respirator Cartridges Organic Vapor (Black) (Bx 10)	Y	1	1	1	1	1	2	1	1	1	1
Welding Goggles, ea.	N	2	2	2	2	2	4	2	2	2	2
Welding Helmet, ea.	N	2	2	2	2	2	2	2	2	2	2
Safety Glasses w/ Side shield, ea.	Y	6	6	6	6	6	6	6	6	6	6
Particle Goggles w/ vents, ea.	Y	6	6	6	6	6	2	6	6	6	6
Chipping Goggles, ea.	Y	2	2	2	2	2	4	2	2	2	2
Eye wash Stations - Portable, ea.	N	2	2	2	2	5	3	2	2	2	2
Bacteriostatic Agent For Eyewash Stations, boxes of 4 bottles	Y	1	1	1	1	2	1	1	1	1	1
Face Shield, ea.	N	4	4	4	4	4	4	4	4	4	4

Chemical Splash Goggles w/ Covered vents, ea.	N	2	2	2	2	2	2	2	2	2	2
Rubber Chemical Gloves, each	Y	3	3	3	3	3	3	3	3	3	3
Vinyl and PVC Chemical Gloves, each	Y	4	4	4	4	4	4	4	4	4	4
Kevlar Diver's Gloves, each	Y	2	2	2	2	2	2	2	2	2	2
Leather Welder's Gloves, each	Y	3	3	3	3	3	3	3	3	3	3
Noise Hazard Area-Hearing Protection Required, Signs ea.	N	5	8	2	1	5	5	6	10	4	3
CAUTION-Eye Protection Required in this Area, Signs ea.	N	2	1	4	5	4	3	4	3	2	3
CAUTION-Hearing Protection Required in this Area, Signs ea.	N	6	6	2	8	4	4	6	3	4	1
Eye Hazard Warning Tape, roll	Y	4	3	4	5	3	5	6	3	4	3
Non-Skid Tape Strips, ea.	N	135	100	42	84	168	110	138	78	118	22

TABLE 2 (cont.)
SHIP GROUP PPE
ALLOWANCE LIST

Quantity of Safety Equipment per Ship Class	ROQ	CAPER	CAPET	CAPEV	CAPEW	T-ACS7	T-ACS4		OPDS	T-1
Safety Line, ea.	N	2	2	2	2	2	2		2	2
Safety Harness, ea.	N	1	1	1	1	1	1		1	1
Hearing Protectors Soft plug Type (Bx 200)	Y	2	2	2	2	2	2		2	2
Hearing Protectors Ear Muff Type, ea.	Y	4	4	4	4	4	4		4	4
Respirator cartridges Dust or HEPA (red) (Bx 10)	Y	1	1	1	1	1	1		1	1
Respirator Cartridges Acid/Organic vapors (Yellow) (Bx 10)	Y	1	1	1	1	1	1		1	1
Air Purifying Respirator Face Mask (Nose & Mouth), ea.	Y	2	2	2	2	2	2		2	2
Emergency Breathing Device, ea.	N	2	2	2	2	2	2		4	4
Respirator Cartridges Organic Vapor (Black) (Bx	Y	1	1	1	2	1	1		1	1

10)									
Welding Goggles, ea.	N	2	2	2	2	2	2	2	2
Welding Helmet, ea.	N	2	2	2	2	2	2	2	2
Safety Glasses w/ Side shield, ea.	Y	6	6	6	6	6	6	6	6
Particle Goggles w/ vents, ea.	Y	6	6	6	6	6	6	6	6
Chipping Goggles, ea.	Y	2	2	2	2	2	2	2	2
Eye wash Stations - Portable, ea.	N	2	2	2	1	2	2	3	2
Bacteriostatic Agent For Eyewash Stations, Boxes of 4 bottles	Y	1	1	1	1	1	1	1	1
Face Shield, ea.	N	4	4	4	4	4	4	4	4
Chemical Splash Goggles w/ Covered vents, ea.	N	2	2	2	2	2	2	2	2
Rubber Chemical Gloves, each	Y	3	3	3	3	3	3	3	3
Vinyl and PVC Chemical Gloves, each	Y	4	4	4	4	4	4	4	4
Kevlar Diver's Gloves, each	Y	2	2	2	2	2	2	2	2
Leather Welder's Gloves, each	Y	3	3	3	3	3	3	3	3
Noise Hazard Area-Hearing Protection Required, Signs ea.	N	7	6	12	5	11	10	23	2
CAUTION-Eye Protection Required in this Area, Signs ea.	N	2	3	2	3	3	3	2	3
CAUTION-Hearing Protection Required in this Area, Signs ea.	N	2	2	6	4	3	4	6	2
Eye Hazard Warning Tape, roll	Y	2	3	5	5	3	3	3	4
Non-Skid Tape Strips, ea.	N	106	82	88	116	154	56	120	40

TABLE 3

PPE LOCATION AND INSTALLATION GUIDANCE

Safety Harness and Safety Line. Stow in deck gear locker for use by personnel going aloft or working over the side.

Hearing Protectors. One box of soft hearing protectors shall be mounted at each entrance to the machinery casing. Two pairs of ear muffs shall be placed in the emergency diesel generator room. The reorder quantity amount shall be stowed in the original packaging so they can be readily used.

Respirators and cartridges. One air purifying respirator and five of each cartridge shall be placed in the electric shop in a locker. One air purifying respirator and five of each cartridge shall be placed in the machine shop in a locker. The reorder quantity amount shall be stowed in the original packaging so they can be readily used.

Emergency Breathing Devices. Two shall be placed in the MSD spaces on all ships and an additional two shall be placed in the pumproom on tankers. They shall be mounted on a permanent structure at about chest height so they are ready for immediate use.

Welding Goggles and Helmets. The welding goggles and helmets shall be stowed in the machine shop in a locker or hung on hooks on the bulkhead.

Safety Glasses w/side shields, Particle goggles w/vents, Chipping Goggles. Three pairs of safety glasses, three pairs of particle goggles, and one pair of chipping goggles shall be stowed in the electrical shop. Three pairs of safety glasses, three pairs of particle goggles, and one pair of chipping goggles shall be stowed in the machine shop. The reorder quantity amount shall be stowed in the original packaging so they can be readily used.

Portable Eye Wash Station. One eye wash station shall be installed, in accordance with the manufacturer's instructions, in each separate electric shop and machine shop. Bactericide water additive (HYDROSEP ® or equivalent) must be added to portable eyewash stations to control organic growth in the water.

Face Shield. Two face shields shall be stowed in the electric shop and two shall be stowed in the machine shop.

Chemical Splash Goggles w/Covered Vents. One pair of chemical splash goggles shall be stowed in the paint locker, and one pair at the engine room distiller.

Gloves. The reorder quantity amount shall be stowed in the original packaging so they can be readily used. These gloves are to be used as the work requires.

TABLE 3 (cont.)
PPE LOCATION AND INSTALLATION GUIDANCE

NOISE HAZARD AREA Signs. A NOISE HAZARD warning sign shall be posted, at eye height, outside each entrance to the engine casing, the emergency diesel generator room, and the electric shop.

HEARING PROTECTION CAUTION Signs. AHEARING PROTECTION sign shall be located, outside each entrance to the engine casing, the emergency diesel generator room, and the electric shop.

EYE PROTECTION CAUTION Signs. An EYE PROTECTION CAUTION sign shall be posted, at eye height, outside each entrance to the electric shop and the machine shop.

EYE HAZARD AREA DECK MARKING TAPE. Eye Hazard Area Deck Marking Tape shall be placed on the deck to identify the eye hazard area adjacent to the lathe, drill press, and grinder.

NON-SKID STRIPS. Non-skid strips shall be installed on clean walking surfaces:

- at the top and bottom of vertical and inclined ladders exposed to the weather,
- at the inside and outside of doors opening to the weather,
- at the bottom of vertical ladders to the mast and king posts,
- in the laundry rooms,
- in the galley,
- around the emergency diesel generator and inside the entrance to the space,
- in the electrical shop,
- at the operator area of all boom and windlass operating stations,
- at the inside and outside of all entrances to the steering gear room, and
- at the top and bottom of all ladders within the engine casing where the decking is neither diamond tread nor grating.

TABLE 4USE OF PPE

- **Red Respirator Cartridges:** High Efficiency Particulate Arresting (HEPA) cartridges for dust, fume, mist, and asbestos containing dust and mist.
- **Yellow Respirator Cartridges:** Acid gases and Organic vapors
- **Black Respirator Cartridges:** Organic vapors
- **Air Purifying Respirator Face Masks:** To hold respirator cartridges.
- **Emergency Escape Breathing Devices:** These are portable sources of oxygen that can be worn to make an emergency exit from a contaminated space.
- **Rubber Chemical Gloves.** These provide some abrasion resistance and are typically are used when handling chemicals and corrosives.
- **Vinyl and PVC Chemical Gloves.** These are particularly effective when petroleum products are handled.
- **Kevlar Diver's Gloves.** These are used when working with knives or other sharp implements to prevent cuts and abrasion. They also provide protection against heat and cold.
- **Leather Welder's Gloves.** These resist sparks, moderate heat, chips and rough objects encountered when welding and torch cutting. They provide some cushioning against blows.
- **Safety Glasses with Eye Shields.** Wear these when performing eye hazardous activities that produce dust and for small particle producing operations.
- **Particle Goggles with vents.** Wear these when performing the eye hazardous activities of drilling, grinding, and milling.
- **Chipping Goggles.** Wear these when performing the eye hazardous activities of chipping paint and rusted areas.
- **Face Shields.** Wear these when performing the eye hazardous activities of sand blasting, or other severe dust and particle producing operations that could impact facial skin.
- **Chemical Splash Goggles with Covered Vents.** Wear these when performing the eye hazardous activities of pouring or handling corrosive liquids and solids.
- **Welding Goggles.** Wear these when performing eye hazardous activity of welding and torch cutting.
- **Welding Helmets**. Wear these when performing the eye hazardous activity of welding.
- **Eye Protection Caution Signs.** These signs are used to identify areas that require protection for the eyes against hazards.
- **Portable Emergency Eyewash Facilities.** These are used to flush out eyes in the event of damaging material entering eyes.
- **Hearing Protectors Soft Plug Type.** These are partially inserted into the ear canal.
- **Hearing Protectors Ear Muff Type.** These are worn over the ears and can be used in conjunction with the soft plug type.
- **Noise Hazard Area Signs.** These signs are used to identify areas that normally have noise levels above regulated levels.
- **Noise Caution Signs.** These signs are used to warn that activities in the locality may be generating noise levels that are above regulated levels. These signs can be carried to the location of activities where high noise levels are expected.
- **Safety Harnesses.** Full Body Harnesses with Shock Absorbers are provided for working aloft, outboard, over the side of the bulwarks/railings, and in other cases where a risk of falling is present. Safety lines (lifelines) are also provided for use with the

safety harnesses. These lines shall be dedicated for use with the harness, stored in a cool dry place, and kept in good condition.

EXHIBIT B

Department of Transportation
Maritime Administration

SHIPBOARD SAFETY CHECKLISTS

Attachment (6)

Department of Transportation
Maritime Administration

IN-HOUSE SHIPBOARD SAFETY CHECKLISTS

(MAY 2003)

VESSEL:

SURVEYOR:

DATE:

LOCATION:

OCCASION:

POC:

SHIPBOARD SAFETY CHECKLISTS

ADMINISTRATIVE

#	Question	Yes	No
1.	Is a current copy of the Safety Management Plan in the standard administrative document filing cabinet? (All RRF vessels) (TE-1, Section 18 Introduction) Comments:_____		
2.	Does the Safety Management Plan contain the currently required Ship Manager Contract items? (All RRF vessels) (TE-1, Sect.18.8/18.9) Comments:_____		
3.	Are the current MARAD Safety Videos onboard? (All RRF vessels) (TE-1, Section 18.1.1/18.1.2.1) Comments:_____		
4.	Is the complete Maritime Medical Emergency (MME) videotape series on board and current? (All RRF vessels) (TE-1, Section 18.1.1) Comments:_____		
5.	Is the Safety Training Videotape Log up to date in the "Safety Training" file? (check against crew list) (ROS/FOS) (TE-1, Section 18.2) Comments:_____		
6.	Are required reference documents available and current? (All RRF vessels) (TE-1, Section 18.1.2/18.1.2.1) (Marine Fire Prevention, Firefighting, and Fire Safety) Comments:_____		
7.	Are current MARAD Safety Posters displayed? (ROS/FOS) (TE-1, Section 18.1.4) Comments:_____		
8.	Are copies of the Monthly Safety Committee Meeting Minutes maintained in the "Safety Records" file? (ROS/FOS) (TE-1, Section 18.5) Comments:_____		
9.	Are copies of the Headquarters/Regional Annual Safety Inspection in the "Safety Meeting" file? (ROS/FOS) (TE-1, Section 18.5/18.6) Comments:_____		
10.	Is there a notation on Safety Meeting Findings training in the Deck Log book within the last three months? (ROS/FOS) (TE-1, Section 18.5) Comments:_____		
11.	Are safety equipment manuals maintained in the "Safety Equipment" file? (All RRF vessels) (TE-1, 18.1.5.1) Comments:_____		

SHIPBOARD SAFETY CHECKLISTS

ADMINISTRATIVE (CONT.)

#	Question	Yes	No
12.			
13.	Are applicable Material Safety Data Sheets available when hazardous exposure situations exist and when hazardous cargo is being carried? (All RRF Vessels) (TE-1, 18.1.3) Comments:_____		
14.	Are copies of MSDS sheets for hazardous material used on the ship in the "Safety: MSDS" file? (check against hazardous material inventory) (All RRF vessels) (TE-1, 18.1.3) Comments:_____		
15.	Is there a notation on the completion of MSDS and warning label training in the Deck Logbook within the last three months? (ROS/FOS) (TE-1,18.1.3) Comments:_____		
16.	Are hearing and sight hazard warning signs posted as required by Exhibit A of the MARAD Safety Reference folder? (All RRF vessels) (TE-1, 18.1.5) Comments:_____		
17.	Is all Personal Protective Equipment in good condition and above the re-order quantities as required by Exhibit A of the MARAD Safety Reference folder? (ROS/FOS) (TE-1, 18.1.5) Comments:_____		
18.	Is there a notation on the completion of PPE training in the Deck Log book within the last three months? (ROS/FOS) (TE-1, 18.1.5) Comments:_____		
19.	Is the crew using work clothing that is suitably intact, clean, and safe? (ROS/FOS) (TE-1, 18.1.5) Comments:_____		
20.	Are work permits (hotwork, confined space entry, working over the side, working aloft, diving operations) kept on file for at least four years? (ROS/FOS) (TE-1, 18.8) Comments:_____		

SHIPBOARD SAFETY CHECKLISTS

LIFE LINES AND RAILS, LADDERS, AND WALKWAYS

#	Question	Yes	No
21.	Are safety chains installed for use across openings in lifelines and rails? Comments:_____		
22.	Is non-skid deck paint in good repair? Comments:_____		
23.	Is non-skid tape applied in required areas? Comments:_____		
24.	Are guardrails installed around all openings in the deck? Comments:_____		
25.	Are all walkways free of trip hazards and free of slip hazards? Comments:_____		
26.	Are all head knocking hazards (fittings, piping, angle irons, conduit, etc. less than 77 inches above walkways) fitted with cushioning material and marked with yellow and black stripes? Comments:_____		
27.	Are all ladder treads in good repair? Comments:_____		
28.	Are all removable deck plates and gratings secured in place? Comments:_____		

TAG-OUT / LOCKOUT

#	Question	Yes	No
29.	Is Deck Tag-out / Lockout Log maintained current? Comments: _____		
30.	Is Engineering Tag-out / Lockout Log maintained current? Comments: _____		
31.	Does random sampling (from log to tag and from tag to log) indicate adherence to procedures? Comments: _____		

SHIPBOARD SAFETY CHECKLISTS

STOWAGE

#	Question	Yes	No
32.	Are flammable materials properly stowed in safe areas away from all heat sources? Comments:_____		
33.	Are portable tools, supplies and equipment properly set up for stowage at sea? Comments:_____		
34.	Are compressed gas bottles properly segregated and properly stowed in racks? Comments:_____		
35.	Is hazardous material properly stowed and marked? Comments:_____		
36.	Is hazardous waste properly stowed and marked? Comments:_____		
37.	Is all trash, garbage and food waste placed in proper receptacles in interior spaces and are these receptacles kept from overflowing? (ROS/FOS only) Comments:_____		

EGL STOWAGE

38.	Has SCBA allowance been brought up to new standards? Comments:		
39.	Has FFE allowance been brought up to new standards? Comments:		
40.	Has EEBD allowance been brought up to new standards? Comments:		
41.	Has Gas Analyzer allowance been brought up to new standards? Comments:		

SHIPBOARD SAFETY CHECKLISTS

ELECTRICAL

#	Question	Yes	No
42.	Are all live-back switchboards caged and secured? Comments:_____		
43.	Are electrical receptacles in good working order? (by random sample) Comments:_____		
44.	Are portable electrical tools and equipment in good repair and ready for service? (by random sample) Comments:_____		
45.	Are extension cords of the 3 wire, 3 prong grounded type and in good repair? (by random sample) Comments:_____		
46.	Are lighting fixtures in good working order with lamp covers in place? (by random sample) Comments:_____		

MECHANICAL

#	Question	Yes	No
47.	Are all oil leaks kept wiped up and not allowed to puddle? Comments:_____		
48.	Are all grinders, drill presses and lathes in good repair with guards and steady rests in place? Comments:_____		
49.	Are all hot (125°F or higher) pipes and surfaces properly insulated or guarded? Comments:_____		
50.	Are all rotating machinery and shafting fitted with proper guards? Comments:_____		
51.	Are fuel systems tight, without any leaks? Comments:_____		

SHIPBOARD SAFETY CHECKLIST GENERAL COMMENTS

Abstract of Relevant Ship Manager Contract Sections and Laws

46 USC 3202 (c) Public vessels are excepted from Chapter 32 that requires compliance with International Safety Management Code for vessels.

46 USC 3204 (a) Safety Management Plans shall be submitted to Sec. Trans.

46 USC 3204 (c) A Safety Management Plan shall be submitted to Sec. Trans. for approval.

46 USC 3203 (a) Regulatory authority is given to Sec. Trans.

46 CFR 175.540 (d) Alternative compliance for ISM is allowed.

1983 MOU between USCG & OSHA established USCG as the agency to prescribe and enforce occupational safety and health regulations on USCG certificated vessels.

SM Contract H.19 The Ship Manager shall maintain ISM DOC current throughout the life of the contract.

SM Contract TE-1 18 A copy of the Safety Management Plan shall be placed in the ship's standard administrative document cabinet.

TE-1 18.1 MARAD provides specific safety items.

TE-1 18.1.5 The Ship Manager shall provide and ensure use of Personal Protective Equipment.

TE-1 18.2 Crewmembers shall view safety tapes and the Ship Manager shall provide a log semi-annually to MAR-612.

TE-1 18.3 Reporting requirements for personal injuries.

TE-1 18.4 The Ship Manager shall develop and maintain hazard prevention practices.

TE-1 18.5 Safety meetings shall be held on ROS & FOS and safety training shall be completed once every 3 months.

TE-1 18.6 The Ship Manager shall conduct annual safety inspections each calendar year using the checklist, submit reports to MAR-612 within 30 days, and keep the report in the "Safety Meeting" file.

TE-1 18.7 Only the COTR can approve outside inspections.

TE-1 18.8 the Ship Manager shall develop permit to work procedures.

TE-1 18.9 The Ship Manager's Safety Management Plan shall contain 29 items.

TE-1 18.10 The Ship Manager shall abide by the Fleet Safety rules when working in the Fleet anchorages.

DRAFT

Department of Transportation

Maritime Administration

SAMPLE
PERMIT TO WORK FORMS
AND
LOCKOUT/TAGOUT FORMS

PERMITS TO WORK

See the RRF Ship Operations Manual (Contract TE-1 Section 18) for an explanation on the optional use of these forms.

File Name	Permit Title
PTW_EMW.DOC	Electrical Maintenance Work Permit
PTW_ESEP.DOC	Enclosed Space Entry Work Permit
PTW_HWP.DOC	Hot Work Permit
PTW_LOTO.DOC	Lockout/Tag Out Permit
PTW_OTS.DOC	Working Aloft, Outboard, and Over The Side
PTW_SWS.DOC	Inspection/repair Permit Condenser/Seawater System
PTW_UWP.DOC	Underwater Work Permit

PERMIT TO WORK ELECTRICAL MAINTENANCE WORK PERMIT	Form: PTW_EMW Date: Prep'd by: Apprv'd by: Page 1 of 2

This checklist must be completed prior to starting any electrical maintenance. If any of the listed conditions change, then this Permit is invalid and a new permit shall be issued before work continues.

VESSEL	DATE & TIME (MAX 12 HRS)	WORK TO START (TIME)

Location and Description of Work to be Done

ALL QUESTIONS MUST BE ANSWERED TO PROCEED	YES	NO	N/A
1. Is the location of the electrical maintenance work an enclosed space? NOTE: If YES, the proper Enclosed Space Entry Permit must also be completed, authorized and attached.			
2. Does the electrical maintenance work involve working aloft, outboard or over the side? NOTE: If YES, the proper Working Aloft, Outboard and Over the Side Permit must also be completed, authorized and attached.			
3. Does the electrical maintenance work involve any form of hot work? NOTE: If YES, the proper Hot Work Permit must also be completed, authorized and attached.			
4. Has the proper electrical tagout/lockout procedure for the work detailed been carried out? NOTE: If YES the proper lockout/tagout permit must also be completed, authorized and attached			
5. Can electrical maintenance work be done safely in accordance with NFPA requirements?			
6. Have all electrical supplies to the work area been isolated, fuses pulled, circuit breakers tripped and switches set to "OFF"?			
7. Have voltmeter confirmation checks been carried out at the work position while remote and local power-on switching is carried out?			
8. Have ship's electrical drawings been referenced to ensure all power supply routes to the work area are isolated?			
9. Have appropriate warning signs been placed on equipment switches, circuit breakers and fuses?			
10. If working on or near live electrical equipment, is a second man present who is competent in the treatment of electric shock and is trained in fighting electrical fires and proper medical response?			
11. Have personnel been provided with the proper Personnel Protective Equipment (PPE)? SEE NEXT PAGE			
12. Have all items of metallic personal jewelry such as watches, rings and identity bracelets been			

removed?			
13. Have the correct tools and equipment required for electrical maintenance work been provided?			
14. Have the tools and equipment been inspected prior to starting work and found to be in good condition?			
15. Is required electrical testing equipment certified accurate and within its calibration period?			
16. Have the workers done a Job Hazard Analysis in which clear instructions been given on how to minimize or circumvent these hazards?			
17. Have instructions and plans been discussed in case of emergency?			

IF ANY CHECK MARKS MUST BE PLACED IN THE SHADED AREAS ABOVE, THEN THIS ITEM MUST BE RECTIFIED BEFORE PROCEEDING

PERMIT TO WORK **ENCLOSED SPACE ENTRY** **WORK PERMIT**	Form: PTW_ESEP Date: Prep'd by: Apprv'd by: Page 1 of 2

This checklist must be completed prior to entering any enclosed spaces. If any of the listed conditions change, then this Permit is invalid and a new permit shall be issued before work continues.

_____ _____ _____

VESSEL **DATE & TIME (MAX. 12 HRS)** **WORK TO START (TIME)**

Location and Description of Work to be Done

ALL QUESTIONS MUST BE ANSWERED TO PROCEED	**YES**	**NO**	**N/A**
1. Is the enclosed space the location for electrical maintenance work? NOTE: If YES, the proper Electrical Maintenance Work Permit must also be completed, authorized and attached.			
2. Is the enclosed space the location for hot work? NOTE: If YES, the proper Hot Work Permit must also be completed, authorized and attached..			
3. Has work space been ventilated?			
4. Has atmosphere been gas tested and found "Safe for Men" and safe for work to be done?			
5. Have all pipeline openings into the work space been tested and found free of combustible liquids or gases?			
6. Have all valves on piping/interconnected with piping in the work space been blanked or closed, locked and tagged to prevent accidental opening and appropriate signs been posted?			
7. Has forced ventilation been provided for use during job?			
8. Have all the appropriate PPE items, rescue harness and lifelines been provided?			
9. Do the workers have the tools required?			
10. Has a man been assigned to stand by the workers?			

11. Have approved communications been established and tested via walkie-talkies or other means between the workers, the man standing by and the Officer on Watch?			
12. Has the standby been instructed what to do in case the worker(s) get into difficulties?			
13. Have adequate approved lights been provided?			
14. Has continuous monitoring of the work space been provided for, with approved testing equipment?			
15. Have emergency procedures been reviewed and understood?			
16. Is a self-contained breathing apparatus on standby for rescue?			

IF ANY CHECK MARKS MUST BE PLACED IN THE SHADED AREAS ABOVE, THEN THIS ITEM MUST BE RECTIFIED BEFORE PROCEEDING

PERMIT TO WORK ENCLOSED SPACE ENTRY WORK PERMIT	Form: PTW_ESEP Date: Prep'd by: Apprv'd by: Page 2 of 2

TYPES OF GAS TESTS			
Combustible Gas Test % LEL	Oxygen Reading %	H_2S PPM	Benzene PPM
IGS Vessels only - CO %		Other Gases _____. PPM	

PROTECTIVE EQUIPMENT **Boxes marked with checks denote PPE to be used.** **This section must be filled out by Officer in Charge of Safety.**			
Clothing	Fire Extinguisher	Gloves	Boots
Safety Harness	Flashlight	Hard Hat	Hearing Protection
Safety Line	Gas Tester	Respirator(s)	SCBA/ELSA
Eye Protection			Other

Special Instructions:

I HAVE READ THE ABOVE PERMIT AND WILL CARRY OUT THE WORK REQUIRED IN A SAFE MANNER.

SIGNATURE OF WORKER SIGNATURE OF WORKER

SIGNATURE OF WORKER SIGNATURE OF WORKER

SIGNATURE OF WORKER SIGNATURE OF WORKER

I inspected the enclosed area described on the top of this form and state that the work can be done and in compliance with rules of the US Coast Guard, ABS, and other authority whose rules I am bound to enforce.

OFFICER IN CHARGE OF SAFETY OFFICER IN CHARGE OF WORK

MASTER_____.

OFFICE USE ONLY

PERMIT REVIEWED BY: _____. DATE: _____.

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

PERMIT TO WORK HOT WORK PERMIT	Form: PTW_HWP Date: Prep'd by: Apprv'd by: Page 1 of 2

This checklist must be completed prior to starting any hotwork. If any of the listed conditions change, then this permit is invalid and a new permit shall be issued before work continues.

VESSEL	DATE & TIME (MAX. 12 HRS)	WORK TO START (TIME)

Location and Description of Work to be Done:

ALL QUESTIONS MUST BE ANSWERED TO PROCEED	**YES**	**NO**	**N/A**
1. Is the location of the hot work an enclosed space? NOTE: If YES, the proper Enclosed Space Entry Permit must also be completed, authorized and attached.			
2. Does the hot work involve any form of electrical maintenance work? NOTE: If YES, the proper Electrical Maintenance Work Permit must also be completed, authorized and attached.			
3. Is the location of the hot work aloft, outboard or over the side? NOTE: If YES, the proper Working Aloft, Outboard and Over the Side Permit must also be completed, authorized and attached.			
4. Has the meter used to sample monitor the welding area been calibrated in the last 24 hrs. (If not, do so.)			
5. Has the area to be worked on been thoroughly purged of hydrocarbons and inert gas?			
6. Has the area to be worked on been thoroughly ventilated?			
7. Has the work area been cleaned by machine washed and are gas free?			
8a. If not, are the surrounding areas fully ballasted?			
8b. Are the surrounding areas inerted?			
9. Can hot work be done safely in accordance with NFPA-306?			
10. If the work area if a pipe, has it been thoroughly flushed with water and disconnected from the surrounding piping?			
11. Is the area free of all flammable debris and scale?			
12. Have all potential source of flammable vapors that could reach the site of the hot work been prevented from doing so?			
13. Have ships drawings been referenced to ensure the area is safe for hot work?			
14. To assure combustible gases will not reach the work site, have winds and air currents been			

considered?			
15. Have bilges within the hot work been inspected to assure that hot work can be done safely?			
16. Have precautions been taken to ensure the personnel near the area are protected from such hazards as fumes and ultra-violet light?			
17. Have personnel been provided with the proper Personnel Protective Equipment (PPE)?			
18. Has a fire watch been set up with appropriate fire fighting equipment?			
19. Can the fire watch continually see the worker? (If not, a safety watch must be set for this purpose.)			
20. Have the workers done a Job Hazard Analysis in which clear instructions have been given on how to minimize or circumvent these hazards?			
21. Have instructions and contingency plans been discussed in the event of an emergency?			
22. If welding, has the ground wire been properly connected to the ship's structure?			
23. Has the equipment to be used been inspected prior to starting work and found to be in good condition?			
24. If the firemain charged, hoses let out, monitors pointed out and all in good condition?			

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

IF ANY CHECK MARKS MUST BE PLACED IN THE SHADED AREAS, THEN THIS ITEM MUST BE RECTIFIED BEFORE PROCEEDING.

PERMIT TO WORK HOT WORK PERMIT	Form: PTW_HWP Date: Prep'd by: Apprv'd by: Page 2 of 2

TYPE, MAKE AND MODEL OF ALL GAS DETECTION EQUIPMENT USED:

REQUIRED PERIODIC ATMOSPHERE TEST RESULTS

	DATE/TIME	LEL	O_2	H_2S	BENZENE	TOXIC A NAME:	TOXIC B NAME:
1st Hr.	/ .	%	%	PPM	PPM	.	.
2nd Hr.	/ .	%	%	PPM	PPM	.	.
3rd Hr.	/ .	%	%	PPM	PPM	.	.
4th Hr.	/ .	%	%	PPM	PPM	.	.
New Shift	/ .	%	%	PPM	PPM	.	.
New Shift	/ .	%	%	PPM	PPM	.	.
New Shift	/ .	%	%	PPM	PPM	.	.
Break	/ .	%	%	PPM	PPM	.	.
Break	/ .	%	%	PPM	PPM	.	.
Break	/ .	%	%	PPM	PPM	.	.

PROTECTIVE EQUIPMENT

Boxes marked with checks denote PPE to be used. This section must be filled out be Officer in Charge of Safety.

Clothing	Fire Extinguisher	Gloves	Boots
Safety Harness	Flashlight	Hard Hat	Hearing Protection
Safety Line	Gas Tester	Respirator(s)	SCBA/ELSA
Eye Protection		Other	

I HAVE READ THE ABOVE PREMIT AND WILL CARRY OUT THE WORK REQUIRED IN A SAFE MANNER.

SIGNATURE OF WORKER: SIGNATURE OF WORKER:

. .

SIGNATURE OF WORKER: SIGNATURE OF WORKER:

. .

SIGNATURE OF WORKER:	SIGNATURE OF WORKER:

I have inspected the enclosed area described on the top of this form and state that the work can be done safely and in compliance with rules of the US Coast Guard, ABS, and any other authority whose rules I am bound to enforce.

OFFICER IN CHARGE OF SAFETY:	OFFICER IN CHARGE OF WORK:

MASTER:

WORK COMPLETED OR PERMIT VOIDED: DATE:

OFFICE USE ONLY

PERMIT REVIEWED BY: DATE:

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

PERMIT TO WORK *LOCKOUT/TAGOUT* PERMIT	Form: PTW_LOTO Date: Prep'd by: Apprv'd by: Page 1 of 1

This checklist must be completed prior to starting any _____. If any of the listed conditions change, then this permit is invalid and a new permit shall be issued before work continues.

VESSEL	DATE & TIME	WORK TO START (TIME)

Location and description of work to be done:

ALL QUESTIONS MUST BE ANSWERED TO PROCEED	YES	NO	N/A
1. Is the location of the maintenance work an enclosed space? NOTE: If YES, the proper Enclosed Space Entry permit must also be completed, authorized and attached.			
2. Does the maintenance work involve working aloft, outboard, or over the side? NOTE: if YES, the proper Working Aloft, Outboard and Over the Side Permit must also be completed, authorized and attached.			
3. Does the maintenance work involve any form of hotwork? NOTE: If YES, the proper Hot Work Permit also be completed, authorized and attached.			
4. Has the proper tagout/lockout procedure for the work detailed been carried out?			
5. Can maintenance work be done safely IAW NFPA requirements?			
6. Have all power supplies to the work area been isolated, fuses pulled, circuit breakers tripped and switches set to "OFF"?			
7. Have confirmation checks been carried out at the work position while remote and local power-on switching is carried out?			
8. Have ship's drawings been referenced to ensure all power supply routes to the work area are isolated?			
9. Have appropriate warning signs been placed on equipment switches and valves?			
10. If working on or near live electrical equipment, is a second man present who is competent in the treatment of electrical shock and is trained in fighting electrical fires and proper medical response?			
11. Have the tools and equipment been inspected prior to starting work and found to be in good condition?			
12. Have the workers done a Job Hazard Analysis in which clear instructions have been given on how to			

minimize or circumvent these hazards?			
13. Have the instructions and plans been discussed in case of an emergency?			

IF ANY CHECK MARKS MUST BE PLACED IN THE SHADED AREAS ABOVE, THEN THIS ITEM MUST BE RECTIFIED BEFORE PROCEEDING.

I HAVE READ THE ABOVE PERMIT AND WILL CARRY OUT THE WORK REQUIRED IN A SAFE MANNER.

SIGNATURE OF WORKER _____.
SIGNATURE OF WORKER _____.

SIGNATURE OF WORKER _____.
SIGNATURE OF WORKER _____.

SIGNATURE OF WORKER _____.
SIGNATURE OF WORKER _____.

I have inspected the area described on the top of this form and state that the work can be done safely and in compliance with rules of the US Coast Guard, ABS, and any other authority whose rules I am bound to enforce.

OFFICER IN CHARGE _____. MASTER _____.

OFFICE USE ONLY

PERMIT REVIEWED BY: _____.
DATE: _____.

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

PERMIT TO WORK WORKING ALOFT, OUTBOARD AND OVER THE SIDE PERMIT	Form: PTW_OTS Date: Prep'd by: Apprv'd by: Page 1 of 2

This checklist must be completed prior to starting any work aloft, outboard or over the side. If any of the listed conditions change, then this Permit is invalid and a new permit shall be issued before work continues.

VESSEL	**DATE & TIME (MAX. 12 HRS)**	**WORK TO START (TIME)**

Location and Description of Work to be Done:

ALL QUESTIONS MUST BE ANSWERED TO PROCEED	YES	NO	N/A
1. Does the work involve any form of hot work? NOTE: If YES, the proper Hot Work Permit must also be completed, authorized and attached.			
2. Does the work involve any electrical maintenance work? NOTE: If YES, the proper Electrical Maintenance Work Permit also be completed, authorized and attached.			
3. If work is to be done on electrical equipment or any other energy sources, is the source locked out and tagged out and have all other lockout/tagout requirements been satisfied? NOTE: If YES the proper Lockout/Tagout Permit must also be completed, authorized and attached			
4. Have a safety harness and lifeline been provided, inspected and found in good order?			
5. If a safety net is rigged, has it been inspected and found in good order?			
6. If staging or ladders provided, have they been inspected and found in good order?			
7. If the work is overside, is the vessel stopped?			
8. If working near the ship's whistle, radio/radar antennae or other potentially hazardous equipment, are warning notices in place, lockout/tagout procedures carried out and the crew informed of work in progress?			
9. If working in the funnel area, has the Duty Engineer been notified to reduce the emission of steam, harmful gases and fumes as far as is practicable?			
10. Have ship's drawings been referenced to ensure the area is safe for working in?			
11. Has a safety man been provided?			
12. Have personnel been provided with the proper Personnel Protective Equipment (PPE)?			
13. If working outboard of the railings or over the side, are life vests provided?			
13a. Is a lifebuoy with sufficient line ready for immediate use?			
14. Have the correct tools and equipment required been provided?			
15. Have the tools and equipment been inspected prior to starting work and found to be in good condition?			

16. Has a tool belt or other tool storage device been provided?			
17. Are ropes available to raise/lower tools and equipment?			
18. If the work involves using a bosun's chair, are the workers trained in its use and has the equipment been tested prior to use?			
19. Have the workers done a Job Hazard Analysis in which clear instructions have been given on how to minimize or circumvent these targets?			
20. Have instructions and plans been discussed in case of an emergency?			

IF ANY CHECK MARKS MUST BE PLACED IN THE SHADED AREAS ABOVE, THEN THIS ITEM MUST BE RECTIFIED BEFORE PROCEEDING

CONTINUED NEXT PAGE

PERMIT TO WORK WORKING ALOFT, OUTBOARD AND OVER THE SIDE PERMIT	Form: PTW_OTS Date: Prep'd by: Apprv'd by: Page 2 of 2

PROTECTIVE EQUIPMENT

Boxes marked with checks denote PPE to be used. This section must be filled out by Officer in Charge of Safety.

Clothing	Fire Extinguisher	Gloves	Boots
Safety Harness	Flashlight	Hard Hat	Hearing Protection
Safety Line	Gas Tester	Respirator(s)	SCBA/ELSA
Eye Protection			Other

I HAVE READ THE ABOVE PERMIT AND WILL CARRY OUT THE WORK REQUIRED IN A SAFE MANNER.

SIGNATURE OF WORKER _____ SIGNATURE OF WORKER _____

SIGNATURE OF WORKER _____ SIGNATURE OF WORKER _____

SIGNATURE OF WORKER SIGNATURE OF WORKER

I inspected the enclosed area described on the top of this form and state that the work can be done and in compliance with rules of the US Coast Guard, ABS, and other authority whose rules I am bound to enforce.

OFFICER IN CHARGE OF SAFETY MASTER

OFFICE USE ONLY

PERMIT REVIEWED BY: DATE:

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

PERMIT TO WORK INSPECTION/REPAIR PERMIT CONDENSER/SEAWATER SYSTEM	Form: PTW_SWS Date: Prep'd by: Apprv'd by: Page 1 of 1

This checklist must be completed before beginning inspections or repairs to condensers or sea water systems where dismantling of the system is required, and watertight integrity depends on a single sea valve. Work shall not begin if any of the following precautions cannot be met. If any conditions listed in this permit change, then this Permit is invalid and a new permit shall be issued based on the new conditions before work continues.

IMPORTANT: Once valves are closed and tagged, all lock-out/tag-out procedures shall be followed. Condenser to be tested for leaks and closed up ASAP. Report any problems or deviations from the work plan to the Master, Chief Engineer and the Fleet Manager.

_____ **VESSEL**	_____ **DATE & TIME (MAX. 12 HRS)**	_____ **WORK TO START (TIME)**

Work Location	**Work Description**

To be Checked by the Master	**To be Checked by the Chief Engineer**	**To be Checked by the Officer in Charge**
o Conference held to review scope and technology aspects of the work. Emergency response plan made up o Communication established between job site and bridge (cargo control room if in port). o Emergency squad drill held using the damage control plan. All necessary emergency tools available o Weather forecast and sea conditions	o Isolation plans and procedures reviewed with emergency squad leaders and persons involved with the work. Schematic diagrams used to pinpoint all valves. o "Splash Zones" defined and electrical equipment protected as necessary. Electrical actuators including remote stations to be locked/tagged out. o Water-tight integrity proven with drain valves, and/or carefully loosening flange bolts. Condensers and piping can be pumped down to expedite the work, but pups cannot be used to maintain low water level. o All valves closed to isolate the system. Lock-out/tag-out procedures conducted as per Sec. 8. 10 of the Health & Safety Manual.	o Safe access or suitable work platform provided. o Only one door removed from each end of condenser at any time. o All other waterbox door openings are to remain in position (may be loosely bolted). o Responsible person (with walkie-talkie radio) in attendance at entrance of waterbox. o Condenser waterbox

checked for period of work. o Fleet Manager notified of work plan and schedule as appropriate.	o Normal emergency bilge pumps and valves tested and strainers cleaned for immediate use o Sufficient staff present on site for duration of work to immediately deal with any emergency situation.	ventilated and well lighted. o Rags and debris removed from waterbox promptly

I HAVE READ THE ABOVE PERMIT AND WILL CARRY OUT THE WORK REQUIRED IN A SAFE MANNER.

SIGNATURE OF WORKER _____ SIGNATURE OF WORKER_____

SIGNATURE OF WORKER _____ SIGNATURE OF WORKER

Master	Chief Engineer	Officer in Charge

Work Started	Date/Time	Work Completed	Date/Time

OFFICE USE ONLY

PERMIT REVIEWED BY:_____

DATE:_____

Original: Master's File

Copy 1 Posted

Copy 2 Office Copy (Mail)

PERMIT TO WORK UNDERWATER WORK PERMIT	Form: PTW_EMW Date: Prep'd by: Apprv'd by: Page 1 of 1

Complete this permit before beginning diver operations. Work shall not begin if any of the following precautions cannot be met. If any conditions listed change, then this Permit is invalid and a new permit shall be issued before work continues.

VESSEL	**DATE & TIME (MAX. 12 HRS)**	**WORK TO START (TIME)**

Work Location	**Work Description**

General Precautions (Always read and initial.)

Master's Initials

_____Master has determined that the diver assisted work plan/procedure is safe.
_____Precautions have been explained to all personnel involved.
_____Deck/engine watch have been notified when work is to begin and when expected to be completed.
_____Other vessels or bunker barges not alongside during diving operations.
_____No other operations such as cargo, ballast movement, storing, etc. while the diver is in the water.
_____Engine room notified not to start up or stop any machinery which would change the status of the overboard discharges and intakes.
_____Terminal, Port Authority and Government approvals obtained as necessary.
_____All personnel advised of "Tagged-out" or "Locked-out" valves and proper procedures followed.

To Be Confirmed By Master	**To Be Confirmed By Chief Engineer**

☐ Fleet Manager required concurrence obtained ☐ Emergency Response Plan discussed & agreed. ☐ Safety Meeting held & job scope/technical aspects clarified. ☐ Diver's additional safety request/or instruction agreed. ☐ Diver constantly available and ready to dive on short notice. ☐ Deck officer in way of diving location has adequate personnel to handle diving boat mooring lines, etc.	☐ Propeller status agreed. ☐ Code flag "A" hoisted. ☐ Walkie-talkie radios and communication between dive boat, deck, bridge watch officer and watch engineer tested. ☐ Weather forecast obtained and suitable for the work period. ☐ Sea condition checked and found acceptable for the work.	☐ Work plan made. ☐ Diver advised of sea intakes or overboard discharges actually in use. ☐ Diver properly instructed/informed about intakes and overboard discharges in use and shown location of same on drawings. ☐ Main engine isolated or turning gear tagged-out or locked out. ☐ Bilge pumps are lined up and valves have been test operated. ☐ Diver instructed as to location of HFO, DO & LO tanks.	☐ All sea intakes/or overboard discharge lines not in use secured by double valve protection to reduce risk of siphon effect and locked / tagged out. ☐ Method of sea chest/piping blanking agreed. ☐ Inboard blank flanges prepared and ready for installation. ☐ Cathodic protection off. ☐ Senior Engineer to be at the repair site to verify the inboard blank flange is secured. ☐ All applicable emergency tools, materials, equipment checked and ready for use.

Master:	**Chief Engineer:**	**Diver:**

Start Date/Time	**Completed Date/Time**	**Overside Blank Installed Date/Time**	**Overside Blank Removed Date/Time**

OFFICE USE ONLY

PERMIT REVIEWED BY:_____
DATE:

Original: Master's File

Copy 1: Posted

Copy 2: Office Copy (Mail)

19 ENVIRONMENTAL CONCERNS

This section describes policies, procedures, and responsibilities regarding protection of the environment.

19.1 GENERAL

Environmental protection is a continuing concern at all levels of Government and to the public in general. The pollution of air, water, and land has resulted in the enactment of strict pollution control laws. It is imperative that MARAD RRF personnel, Ship Manager and Ship Manager employees be aware of the laws and programs for abating and controlling the release of harmful pollutants.

Note: MARAD has revised and update the Non-tank Vessel Response Plan (NTVRP) and SOPEP for RRF vessels into one document referred to as the NTVRP/SOPEP. Normally MARAD NTVRP/SOPEP applies during Phase O. MSC instructions apply only when specifically order in the activation order.

19.1.1 Directives

NOTE: Whenever a Change (CH) to an instruction is cited, the Ship Manager shall use the latest CH available. MARAD will cite the change at the time the contract is issued. MSC can provide the latest CH is requested.

MARAD maintains different response plans for oil or hazardous material spills from RRF vessels as follows:

- VRP "Vessel Response Plan" Required by 33 CFR 155 and OPA-90 for tank vessels. MARAD's plans have been approved by the USCG. For tankers: the VRP and SOPEP are combined into one plan.
- SOPEP ..."Shipboard Oil Pollution Emergency Plan" required by 33 CFR 151 and MARPOL 73/78 Regulation 26 for all vessels. MARAD's plans have been approved by the USCG. The non-tank vessel response plan (NTVRP) and the SOPEP are combined into one document called the Non-Tank Vessel Reponse Plan./Shipboard Oil Pollution Emergency Plan (NTVRPSOPEP).
- COMSCINST 5090.1B Ch-1 Military Sealift Command's "Environmental Protection Program" (all RRF)
  COMSCINST 5090.5 Ch-1 (Tankers) - VRP
  COMSCINST 5090.6 Ch-1 (Non-tankers) SOPEP are to be complied with by all vessels under MSC OPCON.
- ERP "Emergency Response Plan for Oil or Hazardous Material Spills" at the National Defense Reserve Fleets, issued by MARAD. RRF ships do not have this plan on board in the NDRF.
- Section 29 of this Manual -- RESERVED

The following description contains the situation and applicable plan:

SITUATION	APPLICABLE PLAN
RRF Tankers operating under MARAD OPCON in waters under USCG jurisdiction	VRP
RRF Dry cargo vessels operating under MARAD OPCON in waters under USCG jurisdiction	SOPEP
All RRF vessels operating under MARAD OPCON other than waters	SOPEP

under USCG jurisdiction.	
All ROS crewed vessels laid up at outport berths	SOPEP
All unmanned vessels laid up at NDRF locations, temporary berths, ship repair facilities, or under tow.	ERP

WHEN SPECIFICALLY ORDERED IN THE MSC ACTIVATION ORDER:

RRF Tankers operating under MSC OPCON in any waters	**COMSCINST 5090.1B CH-1 and COMSCINST 5090.5 CH-1.**
RRF non-tankers in any waters under MSC OPCON	**COMSCINST 5090.1B CH-1 and 5090.6 CH-1.**

19.1.1.1 Location of Each Directive

RRF tankers will have their own VRP with USCG letter of approval or current document reference, and COMSCINST 5090.1B CH-1 and COMSCINST 5090.5 CH-1in the standard administrative file.

RRF dry cargo vessels will have their own SOPEP with USCG letter of approval or current approval reference and COMSCINST 5090.1B CH-1 and COMSC 5090.6 CH-1 in the standard administrative file.

Each MARAD region SOMO, as the Qualified Individual (QI), will have a copy of the VRP and NTVRP/SOPEP, with USCG letter of approval for each vessel under the region, and a copy of their fleet ERP and COMSCINST 5090.1B CH-1, COMSCINST 5090.5 CH-1 and COMSCINST 5090.6 CH-1. These documents are readily available to Region Alternate QI's (AQI's).

Each MARAD Fleet Superintendent has a facility and fleet ERP. The documents are readily available to Alternate QIs at the fleets.

Ship Managers will familiarize themselves with the VRP and SOPEP copies aoard RRF vessels in the standard administrative cabinet usually found in the Master's office and COMSCINST 50090.1B CH-1 (All RRF Ships), COMSCINST 5090.5 CH-1 (Tankers) and COMSCINST 5090.6 CH-1 (Non-Tankers) copies of which are also contained in the aforesaid standard administrative cabinet. Ship Managers desiring copies for corporate office retention must reproduce them at their expense.

Each RRF cargo vessel will have its SOPEP with current USCG approval reference, COMSCINST 5090.1B CH-1 and COMSCINST 5090,6 CH-1 in the standard administrative cabinet.

Each RRF tanker will have its VRP with current USCG approval reference, COMSCINST 5090.1B CH-1 and COMSCINST 5090.5 CH-1 in the standard administrative cabinet.

Each MARAD region SOMO, as the Qualified Individual (QI), will have a copy of the VRP and SOPEP, with USCG letter of approval for each vessel under the region, and copies of the ERP and COMSCINST 5090.1B CH-1 , 5090.5 CH-1 and 5090.6 CH-1. These documents are readily available to the region Alternate QIs. (AQIs)

Questions regarding the VRP, SOPEP, ERP, and COMSCINST 5090.1B CH-1, 5090.5 CH-1, 5090.6 CH-1 should be addressed to MAR-612.

19.1.1.2 Responsibilities Regarding Directives

The Ship Manager is responsible for being familiar with these documents and carrying out the procedures contained therein. Ship Managers shall use the MARAD SOPEP/VRPs for MARAD vessels in lieu of corporate SOPEP/VRPs.

Questions regarding the VRP, SOPEP, ERP, or COMSCINSTR 5090.1B should be addressed to MAR-612.

19.1.2 Pertinent Environmental Regulations

MARPOL Annex I: Regulations for the Prevention of Pollution by Oil (implemented in 33 CFR 151 et seq.)

MARPOL Annex II: Regulations for the Control of Pollution by Noxious Substances (implemented in 33 CFR 151 et seq.)

MARPOL Annex IV: Regulations for the Prevention of Pollution by Sewage from Ships.

MARPOL Annex V" Regulations for the Prevention of Pollution by Garbage from Ships

(implemented in 33 CFR 151 et seq., includes ballast water management.)
MARPOL Annex VI: Prevention of Air Pollution from Ships.
APPS: Act to Prevent Pollution from Ships implements MARPOL.
RCRA: Resource Conservation and Recovery Act (40 CFR 260 et seq.) pertains to the handling, storage, and disposal of solid and hazardous wastes.
CERCLA: Comprehensive Environmental Response, Compensation, and Liability Act includes long-term liability associated with generators or owners of disposed/discarded hazardous wastes.
CAA: Clean Air Act (40 CFR 50 et seq.) includes the regulation of asbestos activities, ozone depleting substances, VOCs, stack emissions and incinerator emissions at port facilities.
CWA: Clean Water Act (40 CFR 112 et seq.) pertains to the discharge activities of ship repair and port facilities.

19.1.2.1 Location of These Environmental Regulations

CFRs are available via the Internet at the EPA website www.epa.gov/.

19.1.2.2 Responsibility Regarding Regulations

Ship Managers must be knowledgeable in the regulations that pertain to vessel operations and shipyard/repair activities and ensure that these regulations are complied with. Questions regarding this section shall be forwarded to MAR-611 who will coordinate with MAR-820 and provide guidance.

19.2 HAZARDOUS MATERIALS POLICY

The term "hazardous material", as used in this section, is as defined for hazardous chemicals in 29 CFR 1910.1200, the U.S. Occupational Safety and Health Administration (OSHA) Hazard Communication Standard, and the Emergency Planning and Community's Right-To-Know Act.
All RRF ships will comply to the maximum extent practicable with all federal, state, local, and foreign hazardous material and hazardous waste regulations. In foreign ports, Masters of RRF ships will conform with USCG, OSHA and EPA laws and regulations where foreign regulations are less stringent.

19.2.1 Ordering, Transfer, and Use of Hazardous Materials

Ship Managers should screen all consumable requisitions to identify hazardous materials. If a requisition for a hazardous material does not appear valid, based on common sense and shipboard experience, it should be determined if there is a valid requirement prior to placing the order.
No RRF ship shall transfer (donate) hazardous materials or hazardous waste to any private sector, state or local/city agency.

19.2.1.1 Labeling of Shipboard Hazardous Materials (All Phases)

The Department of Transportation (DOT) regulates hazardous materials marking and labeling for all modes of shipment. The Department of Labor (OSHA) Hazardous Communications Standard applies to the occupational use of hazardous material The labeling requirements of OSHA standards require that containers of hazardous materials be labeled, tagged, or marked with the identify of the hazardous material, appropriate hazardous warning, and the name and address of the manufacturer, importer, or other

responsible party. The intent is to allow the users to make an informed decision on how to use and store hazardous material in a safe manner.
Ship Managers ordering hazardous material are responsible for complying with safety precautions from procurement through disposal, (life cycle management.) Marking, labeling, stowing should be accomplished by use of information contained in Material Safety Data Sheets (MSDS.)
Ship Manager procurement of hazardous materials will require that an MSDS accompany the material and that safety precautions and directions for use and stowage be clearly stated on all hazardous material containers. Ship Managers and RRF ship Masters will ensure that proper labels or markings are placed on containers when hazardous materials are transferred to other containers from shipping containers.
Ship Managers will ensure that procedures are in place onboard assigned RRF ships to:

(1) limit issuance of hazardous materials to essential needs,
(2) require workers to follow MSDS instructions when using hazardous materials, and
(3) ensure that such materials are returned to appropriate stowage upon completion of use or at the end of the work day, whichever is sooner. I.

Ship Managers will comply with the requirements for disposal of hazardous materials as required by 40 CFR 260et. seq.,, state and local regulations.

19.2.1.2 Special Hazardous Materials requirements for Phase O

RRF ships shall not dispose of any paint, solvent, chemical, acid or any other potentially toxic or hazardous material over the side. Such materials must be retained onboard for discharge ashore. Hazardous materials may be jettisoned only if the Master believes this action will prevent or substantially reduce hazards to life and property.
Throughout Phase O, RRF ship crews should attempt to minimize the generation of hazardous waste.

- Near the end of an RRF ship's operational period (on its return voyage), Ship Manager shall make every effort to have HAZMAT especially in partially filled containers, be fully consumed so as to minimize disposal requirements during lay-up. This will also keep onboard inventories at a minimum while the vessel is in retention status check to see if this is moved to another section.

19.2.2 Handling Hazardous Materials and Hazardous Cargo (All Phases).

The Ship Manager is responsible for the proper handling of hazardous material and cargo for the assigned ship(s) in all Phases. These materials may include, but not be limited to, corrosives, oxidizers, compressed gasses, petroleum products, solvents, paints, and other chemicals. All such materials shall be handled and secured IAW Titles 29, 46, and 49 of the Code of Federal Regulations, applicable USCG directives, and applicable COMSCINSTs .
A MSDS must accompany all hazardous materials IAW 29 CFR 1910.120.
The Ship Manager is responsible for the handling of hazardous cargo in all phases, although this is most likely to occur in Phase O Operations. Hazardous cargoes include materials such as explosives, ammunition, and certain grades of petroleum products. Additional costs for handling hazardous cargoes, including extra crew wages, are reimbursable to the extent that the cost exceeds basic compensation already provided for in this contract. It is the Ship Manager's responsibility to provide any required training in the handling of hazardous materials for his direct staff.

19.2.3 Hazardous Materials Inventory

A minimum level of hazardous material may be retained onboard ROS vessels as well as RRF-10, and RRF-20 vessels. However, those materials may be left onboard only if their containers are in good condition and they have a shelf life (or expiration date) of greater than 2 years (from the time the vessel is deactivated.) No hazardous materials shall be retained aboard RRF-30 vessels.

The Ship Manager must develop and maintain an inventory of all hazardous materials onboard. This inventory must include:

- Name of material and manufacturer
- Quantity and size of containers
- Storage location,
- Condition of Containers
- Shelf life information (if available)

19.2.3.1 Development and Verification of the Hazardous Materials Inventory

The inventory shall be provided to MARAD by the Ship Manager at the end of a vessel's deactivation and/or completion of a repair availability. If neither have occurred, the inventory will be verified and updated on an annual basis. If no changes have occurred, the date of the existing inventory shall be updated and the Ship Manager shall provide written notification to the COTR (and if the ship is at a Fleet site, to the Fleet Occupational Health and Safety Specialist) that no changes have occurred.

As part of the inventory process, the Ship Manager shall conduct a joint survey with the MARAD COTR to:

- Determine/verify the physical inventory of all hazardous materials, solvents, chemicals, and waste products of known and unknown classification, and
- an assessment of their containers.

For ships that will be returning to a Reserve Fleet site, the Ship Manager will notify the reserve fleet or region environmental representative of the plan for a joint survey. Based upon the results of the survey, the MARAD representative will make a determination as to the retention or removal of any hazardous materials.. Waste shall be removed as required.

19.2.3.2 Distribution of the Hazardous Material Inventory

Four (4) bright yellow folders will be prepared and labeled "SHIP'S NAME -- INVENTORY OF HAZARDOUS MATERIALS ABOARD" Each folder will contain a copy of the inventory and copies of the complete set of all appropriate MSDS for the inventoried materials. Distribution of the folders and their contents shall be as follows:

- Ship's records in the vessel Chief Engineer's office
- Ship Manager's corporate office
- MARAD Region Office (COTR) files
- Reserve Fleet Occupational Safety and Health Officer (specialist's) Office when the vessel is retained at an NDRF site.

19.2.3.3 Hazardous Material Retention -- General

The stowage locations of hazardous materials, solvents and chemicals aboard the vessel will be as directed by the MARAD Marine Surveyor. The physical containment and stowage

of these materials aboard the vessel must comply with applicable Federal regulations, in general shall consider the following:

- preventing deterioration of containers from moisture or other environmental insult
- preventing spillage/turnover of any container in a moderate sea.
- inhibiting or eliminating leakage and breakage of the containers which could produce poisonous gases, flammable atmospheres, chemical corrosion, or spontaneous chemical combustion.
- Presenting incompatible storage or co-mingling that could procedure poisonous gasses, flammable atmospheres, chemical corrosion, or spontaneous chemical combustion.

Storage of packaged fuels, lubricants, solvents, paints, chemical and other hazardous materials will be in authorized and protected spaces. A portable fire extinguisher of a type suitable for the material stowed therein will be installed outside the door to those authorized spaces not equipped with an installed fire suppressant.
The door to each stowage location will be posted with appropriate signs, e.g., "WARNING -- FLAMMABLE MATERIALS STOWED INSIDE". If the door is not marked, it is the Ship manager's responsibility to mark it and keep the marking current.
All refrigeration and air conditioning equipment receivers, halon, and refrigerant storage cylinders will be labeled or stenciled with appropriate lettering/numerals identifying the specific type of fluorocarbons stored therein. (See section on "ozone depleting compounds".
All retained chemicals onboard vessels shall be documented by the Ship Manager in the shipboard hazardous materials inventory.

19.2.4 Hazardous Materials Retention Policy for Ships at NDRF Sites

No ship will be allowed to enter a Reserve Fleet Site until it has been inspected by a MARAD region or Reserve Fleet Environmental Representative for hazardous materials. Those hazardous materials which are retained onboard must be properly contained, covered, labeled, inventoried, and stowed. MSDS must be included as part of the inventory.. In no case will ships enter Reserve Fleet Sites with unlabeled hazardous materials or wastes onboard. The inventory must be provided to the Fleet Occupational Health and Safety Officer (specialist) at the time the vessel arrives at the fleet or on an annual basis if the vessel remains in the fleet.
Normally hazardous materials are retained onboard to the extent they are required for preservation or activation of the vessel. Only those hazardous materials in unopened, proper and structurally sound containers, having a shelf-life in excess of two years may be retained onboard. Any exceptions to this must be approved by the Fleet Superintendent.
The decision to retain hazardous material onboard must be coordinated with the Fleet Superintendent and should include factors such as, but not limited to, climate, retention maintenance, readiness status, fire fighting and spill response capabilities. Fuel, bulk lube/hydraulic oils stored in double bottoms, deep tanks, settlers, sumps, machinery crankcases, power assembly receivers, designated storage tanks, day tanks, etc., materials and containers with fluorocarbons, greases, oils, solvents, rust inhibitors, slushing compounds, preservatives, etc., used for Phase M maintenance may be retained with permission of the Fleet Superintendent.
For vessels maintained in Reserve Fleet sites, Ship Managers shall coordinate their hazardous materials procedures with the Fleet Superintendent

19.2.5 Hazardous Materials Retention Policy for Ships at ROS Layberths

In addition to hazardous materials required to activate the vessel to full operating status, ROS Ship Managers shall maintain the minimal amount of properly identified hazardous materials required for Phase M Maintenance Procedures and general ROS operations aboard ROS vessels. Material to be retained aboard the ROS vessel includes:

- Bulk lubricating/hydraulic oils and fuel oils. This includes lubricating/hydraulic oils stored in designated settlers, storage and head tanks, equipment sumps, machinery crankcases, power assembly receivers, etc.
- Fuels oils stored in double bottoms, deep tanks, settlers, designated storage tanks, etc.
- Fluorocarbons stored in the receivers of refrigeration and air conditioning systems.
- Maintenance related items, in easily resealable, properly labeled and structurally sound containers, barrels, drums, cans, etc. Examples include: greases and grease removers and cleaners; cleaning solvents; aerosol type solvents, rust inhibitors, electrical dryers/cleaners and the like; lubricants and hydraulic oils; paint, paint thinners and solvents; wire slushing compounds; preservatives; etc.

ROS Ship Managers shall maintain the minimal amount of properly identified hazardous materials required for Phase M Maintenance Procedures, general ROS operations aboard ROS vessels, and potential transition to full operating status.

Analysis of unknown substances for identification purposes is reimbursable. Hazardous waste disposal utilizing properly permitted transporters and treatment/storage/disposal facilities, is reimbursable. No disposal shall occur without prior approval of the Marine Surveyor.

Normally, only those hazardous materials, solvents, and chemicals in unopened, legibly labeled packages and containers and in structurally sound containers, having a shelf life in excess of two years may be selected for retention onboard. Exceptions may be made as appropriate such as broached containers of lubricants, hydraulic oil, gear and slushing grease, etc.

Note: if the shelf life is greater than two years but there is doubt about the ability of the container to withstand a two year storage period, the item should be disposed of appropriately.

19.2.6 Hazardous Materials Retention Policy For RRF Ships at Ship Repair Facilities

The Ship Manager is responsible for disposal of used or unidentifiable hazardous materials and hazardous materials with an expired shelf life.. These items should be identified prior to a repair availability, and their removal appropriately arranged for.

Disposal costs for these shipboard wastes are reimbursable provided proper analytical data and disposal documentation are supplied with the invoice. Proper analytical data are those analyses required by the disposal facility to characterize the waste. This requirement is sometimes satisfied with an MSDS, but in many situations a laboratory analysis is required. The Ship Manager shall document the disposal facility's analytical requirements for a given waste. Disposal documentation may consist of a hazardous waste manifest, a trip ticket to a waste oil recycling facility, or sufficient paperwork to document that the proper, legal method was used and the ultimate disposition of the waste.

The industrial facility has the responsibility for the removal and disposal of materials and wastes generated in the course of performing the requirements under its contract, whether

for repair, overhaul or activation/deactivation. In this case, the industrial facility shall be considered "Generator" of the wastes. The Ship Manager shall insure at the completion of the contract that a copy of all proper disposal-related documents for wastes generated by the industrial facility aboard the vessel are provided to the MARAD COTR. These documents shall be provided to the COTR no later than 60 days after the completion of the contract.

19.3 HAZARDOUS WASTE POLICY

Upon direction by the MARAD COTR, the Ship Manager shall obtain EPA identification numbers on behalf of MARAD. See Section 11 of this Manual. No disposal paperwork requiring EPA Identification numbers shall be initiated by the Ship Manager without prior approval by the COTR. In many states, EPA Identification numbers are not required where hazardous waste generation does not exceed 100 kg in a one-month period. Ship Managers must ensure that organizations and facilities used for both the transportation and disposal have current and valid permits and EPA Identification numbers. All paperwork associated with the disposal of a hazardous or solid waste must be provided to the COTR at the completion of a disposal activity, no later than 60 days after the event.

The term "hazardous waste" is any discarded material, liquid, solid, or gaseous, which meets the definition of a hazardous material and/or is designated a hazardous waste by 40 CFR 261.3, et seq.

A "generator" of a hazardous waste (per 40 CFR 260.10) is any person, by site, whose act or process produces a hazardous waste... or whose act first causes a hazardous waste to become subject to regulation.

The Federal Facilities Compliance Act clarifies the regulations concerning military ships and other public vessels for the generation and storage of hazardous waste. The law specifies that the vessel shall not be subject to the storage, manifest, inspection, or recordkeeping requirements of the Resource Conservation and Recovery Act (RCRA) until the waste is transferred to a shore facility. However, the RCRA rules would apply if:

- The waste is stored on the vessel for more than 90 days after the vessel is placed "in reserve or otherwise is not longer in service," or
- The waste is transferred to another vessel, within the territorial waters of the United States, and the waste is stored for 90 days after the date of transfer.

The inventory, storage and/or disposal procedures for hazardous waste are governed by voluminous sets of Federal, State, and in most cases, local rules and regulations which address classification, labeling, handling, transportation, disposal and recordkeeping requirements. It is impossible to abbreviate these rules and regulations, however, both MARAD and the Ship Manager have hazardous waste, hazardous regulation compliance responsibilities.

If at any time there is doubt in the Ship Manager's mind with respect to compliance, the Ship Manager shall consult the MARAD COTR or MARAD regional environmental representative. If HQ input is required, the MARAD COTR will coordinate agency response via MAR-611.

19.3.1 Hazardous Waste Disposal Guidance for Ships at NDRF Sites

Hazardous wastes are defined in 40 CFR 261.3. Also included are all hazardous materials whose containers have deteriorated and anything in an unmarked container.

All materials that are in opened or partially filled packages/containers, or in containers/packages in which it is not possible to identify the contents, or in packages/containers of questionable structural integrity and durability must be removed from the vessel and properly disposed of in accordance with Federal, state, and local regulations.
No hazardous waste generation activities shall occur at the NDRF sites.
Preparation for hazardous waste disposal includes identification of the material to be disposed of (see TE-5 Logistics Management Manual). If a Ship Manager requires a chemical analysis in order to identify the disposition of an onboard unmarked material, the analysis is reimbursable. However, Ship Managers shall instruct personnel to take care in retaining labels on materials.
All materials that are:

- in opened or partially filled packages/containers, or
- in packages/containers in which it is not possible to identify the contents, or
- in packages/containers of questionable structural integrity and durability must be removed from the vessel and properly disposed of in accordance with federal, state and local regulations. The Ship Manager shall remove all questionable material from the vessel at the time of repair availabilities to prevent the situation of having to dispose of hazardous wastes from reserve fleet sites.

19.3.2 Hazardous Waste Disposal Procedures
Disposal of hazardous waste, in some cases, will require the Ship Manger to determine who the generator of the waste is. When wastes are generated during the course of vessel operations, the vessel is the generating entity; the Ship Manager must begin the process of disposing of a potential hazardous waste from the generator's point of view. When wastes are generated during the course of a contract (and the actions of the Contractor cause the waste to be generated), the Ship Manager must insure that the Contractor begins and completes the process of disposing of the waste as the generator.

Is the waste hazardous?
Once an item has been designated for disposal, the generator must make the determination as to waste type. This is typically accomplished via laboratory analysis. A solid waste is considered a hazardous waste, per 40 CFR 261.3, if it is not excluded from the regulations or if it meets any of the following criteria: exhibits the characteristic of ignitability, corrosivity, reactivity or toxicity, or is a listed waste. It is important to understand that many states have the authority to regulate the disposition of hazardous wastes; the appropriate state agencies must be contacted for disposal guidance as well. The Ship Manager must be aware of the need to verify the requirements of state environmental agencies to insure proper disposal is arranged for.

What is the generator classification?
Per 40 CFR 261.5 and in many states, entities generating less than 100 kg per month of hazardous waste are considered Conditionally Exempt Small Quantity Generators (CESQG) and are not as strictly regulated as larger generators. The Ship Manager shall make every attempt to keep the generation of shipboard hazardous wastes to a minimum and shall contact the cognizant state authorities to determine the generator requirements for that state. No hazardous wastes shall be co-mingled with non-hazardous wastes. The

Ship Manager shall make every attempt to insure that Contractor-generated wastes are not disposed of as ship-generated wastes. The Ship Manager, based on the waste generation level, may have to acquire an EPA Identification number on behalf of MARAD. No disposal paperwork requiring EPA Identification numbers shall be initiated by the Ship Manager without prior approval by the COTR.

The disposal manifest

Disposal of hazardous waste requires the use of a multicopy shipping manifest to track the movement of the waste as it moves through the disposal process. Each time the custody of the hazardous waste changes, the manifest must be signed by the accepting party. Although a CESQG may not be required to acquire an EPA Identification number, the waste transporter or disposal facility may require the use of a manifest. If a manifest is used and the Ship Manager is the generator of the waste, a completed copy of the manifest will be provided back to the generator. A copy of the completed manifest must be provided to the COTR. If a Contractor is the generator of the waste, the Ship Manager shall get a copy of the completed manifest and provide it to the COTR. At the time the completed manifests are provided to the COTR, copies of applicable test results, waste analyses or other determinations relating to the disposition of the waste shall also be provided. All documents shall be provided no later than 60 days after the completion of the contract. If the disposal activity is not associated with a repair contract, then all paperwork must be provided to the COTR no later than 60 days after the waste is transported from the site.
Generally, completed copies of manifests are provided back to generators within 45 days of the removal of the wastes from the site.
Hazardous materials and wastes cannot leave the vessel for disposal or be transported without being in approved containers, properly labeled, and with an MSDS available for attachment to the manifest. In the event a MSDS is not available, the applicable laboratory analysis must be available for waste identification purposes. In addition, DOT placards must also be available or provided by the transporter.

Disposal Sites

Disposal shall be accomplished by properly certified disposal companies at EPA (or State, when applicable) certified (permitted) disposal sites.

19.4 OZONE DEPLETING COMPOUNDS

In accordance with section 608 of the Clean Air Act of 1990, all Ship Managers will ensure that anyone servicing refrigeration or air conditioning equipment is certified with EPA and that a record is kept of any handling of or maintenance to chloroflurocarbon (CFC) and hydrochloroflurocarbon (HCFC) refrigeration systems. MARAD regional offices will issue detailed instructions on procedures and format of the log. This log will be maintained on the ship.
THE DELIBERATE DISCHARGE OF OZONE DEPLETING COMPOUNDS TO THE ATMOSPHERE DURING THE SERVICING, DISCHARGE, OR DISPOSAL OF REFRIGERATION OR AIR CONDITIONING EQUIPMENT IS ILLEGAL. ANYONE SERVICING THIS EQUIPMENT MUST BE CERTIFIED WITH THE EPA. A RECORD MUST BE KEPT OF ANY HANDLING OF OR MAINTENANCE TO CHLOROFLUROCARGON (CFC) AND HYDROCHLOROFLUROCARBON (HCFC)

REFRIGERATION SYSTEMS. ALL RECORDS SHOULD BE MAINTAINED ONBOARD THE VESSEL AND BE READY FOR REVIEW.
The Ship Manager shall report each occurrence using the following format:
REFRIGERATION MAINTENANCE RECORD DATE:
Vessel Name: _____ Location
Status: (circle one) Activation Deactivation ROS Laid-up Operational

System/Location"
Reason for Maintenance:
Corrective Action:
Refrigeration Added: _____ LBS. Bottle No(s):
Refrigeration Removed: _____ LBS Bottle No(s)
Oil Added: QTY ..... Brand:
Refrigeration Supplied to Vessel: _____ LBS Bottle No(s)
Refrigeration Removed fr Vessel_____ LBS Bottle No(s)
Serviced By:
Name: Position:
Comments:
_____
_____
_____

19.5 POLLUTION PREVENTION -- GENERAL
All RRF ships will comply to the maximum extent practicable with all federal, state, local, and foreign pollution abatement and control regulations. Ship Managers and Masters of RRF ships will take all appropriate actions within their authority to minimize shipboard activities that could lead to polluting the environment. When under MSC operational control, RRF ships must also comply with applicable MSC Instructions.

19.6 OIL POLLUTION (ALL PHASES)
As Public Vessels, the RRF is exempt from most requirements of the Oil Pollution Act of 1990 (OPA-90) and the subsequent regulatory requirements of the USCG in 33 CFR. Since it is MARAD's stated environmental policy to comply with as many requirements as is feasible and practical, RRF vessels will conform as outlined below:

a. MARAD requires compliance with the following requirements as normal operation standards and will continue to do so without further specific action.
(1) Reporting of Marine Casualties (33 CFR 151.15);
(2) Autopilot/Unattended Engineroom (33 CFR 164);
(3) Manning Standards (46 CFR 33);
(4) Second Licensed Officer (46 CFR 35).

b. MARAD has complied with the requirements for a Vessel Response Plan (VRP) (33 CFR 155.1010) and a Non-Tank Vessel Response Plan/Shipboard Oil Pollution Emergency Plan (NTVRP/SOPEP) (33 CFR 151). ROS vessels will use these plans vis-à-vis response actions to oil or hazardous material spills.

c. As funding, and individual ship repair cycles permit, MARAD will procure, install, and maintain Tank Overfill Devices (33 CFR 155); Tank Outflow Protection (33 CFR 156); Discharge Removal Equipment (33 CFR 155.205); **Emergency Towing** Capability (33

CFR 155.235); Damage Stability Information (33 CFR 155.240); and Containment of Oil (33 CFR 155.310).

19.6.1 Regulations Governing the Discharge of Oil and Oily Mixtures (All Phases)

The regulations that prohibit and/or restrict the discharge of oil and oily mixtures are dependent on a ship's geographic location. Ship Managers shall know the regulations and their applicability and shall comply with these regulations.

In the Navigable Waters and Contiguous Zone of the U.S.

The Federal Water Pollution Control Act (FWPCA), also known as the Clean Water Act (CWA), as implemented by 40 CFR Part 110, governs the discharge of oil and oily mixtures in the navigable waters and contiguous zone of the United States. The FWPCA prohibits any oil or oily mixture discharge into or upon the navigable waters and contiguous zone of the U.S. The "contiguous zone" extends to 12 nautical miles from the nearest U.S. land.

Outside the Navigable Waters and Contiguous Zone of the U. S. The Act to Prevent Pollution from Ships, as amended, and MARPOL 73/78, as implemented by 33 CFR 151 et seq (Subchapter O Pollution,) prohibits and/or restricts the discharge of oil or oily mixtures outside the navigable waters and contiguous zone of the U.S.

(1) Refer to 33 CFR Subchapter O for specific prohibitions and conditions that must be satisfied before discharging any oil and oily mixtures. Regulations for dry cargo ships are provided in Parts 151.10 through 151.13. Regulations for tankers are provided in Parts 151.10 through 151.13 and 157.37.

(2) If the restrictions cannot be satisfied, oil or oily mixtures must be retained onboard or discharged to a reception facility ashore. Emergencies are the only exception.

(3) 33 CFR Subchapter O establishes three geographic areas, each with its own discharge prohibitions/restrictions:

• Special areas (i.e., Mediterranean, Baltic, Black and Red Sea areas and the Gulf area as defined in 33 CFR 151.13).

• Outside special areas and within 12 nautical miles from the nearest land.

• Outside special areas and more than 12 nautical miles from the nearest land.

(4) 33 CFR Subchapter O also establishes requirements for maintaining an Oil Record Book and the requirement for certain tankers and other ships to have valid International Oil Pollution Prevention (IOPP) Certificates.

19.6.2 MARAD and MSC Directives Governing the Discharge of Oil and Oily Mixtures (All Phases)

MARAD Emergency Response Plan for Oil and Hazardous Materials Spills). MARAD Headquarters, Office of Ship Operations promulgated an Emergency Response Plan for Oil and Hazardous Materials Spills to implement the requirements of 33 CFR Part 153, 40 CFR Part 300, and the FWPCA. The Emergency Response Plan applies to all MARAD personnel, Ship Managers, General Agents, Ship Repair Contractors, and Layberth Operators in the event of an oil or hazardous material spill involving:

(1) RRF/NDRF vessels at Reserve Fleet Sites,

(2) outported RRF vessels at layberths,

(3) RRF/NDRF vessels undergoing repairs at commercial facilities (including activation and lay-up),

(4) RRF/NDRF vessels under tow.

MARAD Shipboard Oil Pollution Emergency Plan (SOPEP)/ Vessel Response Plan (VRP)
These plans have been developed by MARAD Headquarters, Office of Ship Operations, to implement 33 CFR Parts 151 and 155. The SOPEP is to be used for dry cargo vessels under MARAD operational control in waters under USCG jurisdiction, and for all vessels under MARAD operational control in waters other than under USCG jurisdiction. The VRP is to be used for tankers under MARAD operational control in waters under USCG jurisdiction. The Ship Manager shall use the MARAD plans versus corporate plans.

19.6.3 Reporting Oil Spills/Discharges (All Phases)

Reporting procedures for oil pollution incidents vary based on RRF Program phase.
Phases IV, V. Reporting procedures are provided in the MARAD Emergency Response Plan (ERP) for Oil and Hazardous Materials Spills. The ERP applies to all MARAD personnel, Ship Managers, General Agents, Ship Repair Contractors, and Layberth Operators. If a vessel is in Phase M and underway under its own power, reporting procedures to be followed are found in the Shipboard Oil Pollution Emergency Plan (SOPEP) for dry cargo vessels and the Vessel Response Plan (VRP) for tankers.
MARAD's QI's and Alternate QI's have limited authority to obligate funds required to order emergency spill clean-up services under USCG Basic Ordering Agreements (BOAs) in place with various commercial oil spill response organizations. Instructions for utilizing BOAs are contained in the Department of Transportation -- Maritime Administration Headquarters and Regional Offices: How to Order for Clean-up of Oil/Hazardous Material Spills from RRF/NDRF Vessels at Reserve Fleets, Outports, Layberths, or vessels undergoing repairs at commercial facilities or under tow.
Notification procedures for oil pollution events are consistent across al MARAD response plans (ERP, VRP, and SOPEP).
A complete list of USCG BOA's by geographic areas and their phone numbers are contained in MARAD's VRP and SOPEP. It is recommended that choosing of an appropriate OSRO with USCG BOA be discussed with the QI or AQI before contacting OSRO for oil spill clean-up and removal assistance.
Phase O. COMSCINST 5090.1B, applies to all RRF ships when operating and 5090.5 CH applies to RRF tankers when operating, and 5090.6 CH-1 applies to all RRF non-tankers when operating under MSC OPCON. When directed by the activation order, the Ship Manager shall comply with these requirements while under MSC OPCON if a spill occurs.

19.6.4 Maintenance of Oil Record Books (All Phases)

Throughout all RRF Program phases, Ship Managers must maintain Oil Record Books (ORB) for each assigned ship as required by 33 CFR 151.25 and COMSCINST 6240.4C. The following is an overview of Oil Record Book related information and procedures.
The purpose of the ORB is to record all shipboard oil transfer and discharge operations. An improperly maintained ORB may be used as evidence against a ship suspected of an illegal oil discharge, while an accurately kept ORB could establish a successful defense to an alleged violation.
Oil Record Books printed by the U.S. Government are available to Ship Managers from any Coast Guard Marine Safety Office or Captain of the Port Office. Detailed instructions are contained within each book. Oil Record Books remain the property of the U.S. Government and shall be maintained onboard RRF ships for not less than three years.
Ship Managers of RRF tankers of 150 gross tons and above and each RRF ship of 400 gross tons and above must maintain an Oil Record Book, Part I (Machinery Space

Operations). Ship Managers of RRF tankers of 150 gross tons and above must also maintain an Oil Record Book, Part II (Cargo/Ballast Operations).
In the event of discharge or escape of oil from an RRF ship in a prohibited zone, a signed statement shall be made in the Oil Record Book by the officer in charge of the operation and by the Master of the ship, stating the circumstances and the reason(s) for the discharge or escape.
Oil Record Book entries shall be completed on each occasion, on a tank to tank basis if appropriate, whenever any of the following operations occur in RRF ships:

(1) For machinery space operations (all ships):
• ballasting or cleaning of fuel oil tanks;
• discharge of dirty ballast or cleaning water from fuel oil tanks;
• disposal of oily residues (sludge);
• discharge overboard or disposal otherwise of bilge water which has accumulated in machinery spaces.
(2) For cargo/ballast operations (oil tankers):
• loading of oil cargo;
• internal transfer of oil cargo during voyage;
• unloading of oil cargo;
• ballasting of cargo tanks and dedicated clean ballast tanks;
• cleaning of cargo tanks including crude oil washing;
• discharge of ballast except from segregated ballast tanks;
• discharge of water from slop tanks;
• closing of all applicable valves or similar devices after slop tank discharge operations;
• closing of valves necessary for isolation of dedicated clean ballast tanks from cargo and stripping lines after slop tank discharge operations;
• disposal of residues.

19.7 GARBAGE AND SOLID WASTE POLLUTION (ALL PHASES)

19.7.1 Regulations Governing the Discharge of Garbage and Solid Waste

Appendix V of MARPOL 73/78, as ratified by The Marine Plastic Pollution Research and Control Act of 1987, and as implemented in 33 CFR 151.51 through 151.77, prohibits and/or restricts ship discharge of garbage and solid waste including plastics. Definitions given in 33 CFR 151.05 are applicable. The regulations address the following topics: special areas, waste management plans (to implement 151.51 to 151.77), placards, reporting requirements, and various discharge restrictions. Refer to 33 CFR 151.51 through 151.77 for detailed information and requirements. . These regulations apply when ships are *operating* in the marine environment but should be complied with as applicable.
Figure 19.1 summarizes requirements defined in 33 CFR 151.66 through 151.75. Exceptions to these requirements in the event of emergency are given in 33 CFR 151.77.

Garbage Type	Outside Special Areas (33 CFR 151.69)	In Special Areas (33 CRF 151.71)
Plastic (bags, synthetic ropes, fishing nets)	Disposal prohibited (33 CFR 151/67)	Disposal prohibited (33 CFR 151.67)
Dunnage, lining and packing materials that	Disposal prohibited less than 25 mi. from nearest	Disposal prohibited (33 CFR 151.67)

float	land and in navigable U.S. waters	
Paper, rags, metal bottles, glass, crockery and other refuse	Disposal prohibited less than 12 mi. from nearest land and in navigable U.S. waters	Disposal prohibited (33 CFR 151.71)
Paper, rags, glass, etc. comminuted or ground$_2$	Disposal prohibited less than 3 mi. from nearest land and in navigable U.S. waters	Disposal prohibited (33 CFR 151.71)
Food waste not comminuted or ground$_2$	Disposal prohibited less than 12 mi. from nearest land and in navigable U.S. waters	Disposal prohibited less than 12 miles from nearest land
Food waste comminuted or ground$_3$	Disposal prohibited less than 3 mi. from nearest land and in navigable U.S. waters	Disposal prohibited less than 12 miles from nearest land
Mixed garbage types	See Note 3	See Note 3
Note 1: Special areas include the Mediterranean, Baltic, Red, and Black Sea areas and Persian (Arabian) Gulf areas defined in 33 CFR 151.53. Note 2: Comminuted (pulverized) or ground garbage must be able to pass through a screen with a mesh size no larger than 25 mm (1 inch approximately). (33 CFR 151.75) Note 3: When garbage is mixed with other harmful substances having different disposal or discharge requirements, the more stringent disposal restrictions shall apply (e.g., medical waste).		

Figure 19.1 Summary of Garbage Discharge Restrictions

19.7.2 Discharges of Garbage and Solid Waste (All Phases)

The following briefly describes the problem of disposal of plastics in the oceans, relevant legislation and requirements, actions taken by MARAD, actions required by each ship, and actions required by each crewmember when RRF ships are operational.

Definitions

Plastic waste includes styrofoam, nylon, vinyl, polypropylene and other synthetic materials, made from one or more synthetic organic high polymers that normally float when thrown overboard.

Garbage includes non-plastic waste such as food (victual) waste, paper, cardboard, metal, glass, rags, crockery and other similar types that normally sink when thrown overboard.

Garbage includes non-plastic waste such as food (victual) waste, paper, cardboard, metal, glass, rags, crockery and other similar types that normally sink when thrown overboard.

Floating garbage includes non-plastic waste such as dunnage, lining and packing materials that float when thrown overboard.

For more comprehensive definitions of wastes, refer to 33 CFR 151.05.

MARAD RRF vessels shall not discharge overboard into any waters plastics or garbage mixed with plastic, including but not limited to synthetic ropes, nets, and plastic garbage bags. All plastics shall be retained onboard for discharge at a port reception facility.
When MARAD vessels are operating outside of Special Areas (Mediterranean, Baltic, Red and Black Seas, and Persian Gulf North Sea area, Antarctic and the Wider Caribbean region) garbage that has been separated from plastic may be discharged overboard if the distance from the nearest land is more than:

(1) 25 nautical miles for dunnage, lining and packing materials that float; or
(2) 12 nautical miles for victual (food) wastes and all other garbage including paper products, rags, glass, metal, bottles, crockery, and similar refuse, except that) such garbage may be discharged outside of 3 nautical miles after it has been passed through a grinder or communiter to be able to pass through a screen with a mesh size no lager than 25mm.

Mixtures of garbage having different discharge requirements must be discharged in accordance with the more stringent requirement applicable.
When MARAD vessels are operating in Special Areas, all garbage must be retained aboard except victual waste, which can be discharged beyond 12 nautical miles from the nearest land.

19.7.2.1 Ship Manager Waste Management Plan Requirements

There are three type of plastic materials typically taken onboard: plastic items, plastic packaging, and plastic packing materials. Ship Managers must take the initiative to reduce the supply of plastic materials aboard MARAD ships. Plastic packaging should be avoided, particularly for items likely to contain food residues after use, such as milk and juice containers, condiment containers, prepared food containers, etc. . Ship Managers shall incorporate procurement policies for the use of non-plastic substitutes into their commercial procurement procedures. Department Heads shall order non-plastic substitutes where possible for consumable items such as garbage bags, coffee cups and stirrers, etc.
Department Heads shall ensure that plastic wrapping and shipping materials are removed to the maximum extent possible from stores and spares prior to receipt onboard. Plastics need not be removed if degradation or damage to the items will result.
Ship Managers shall ensure crew orientation in marine plastic pollution policies and requirements. Placards and notices are to be posted and periodic training conducted.
Training must be documented. All crewmembers shall be educated on plastic segregation and collection procedures. All crewmembers shall separate plastic waste from other solid waste and dispose of plastics in appropriately marked containers.
Ship Managers shall incorporate quality assurance controls for waste management into their Quality Management Procedures.

<u>Waste Management Plans</u>

Individual ship Waste Management Plans shall be developed by the Ship Manager and be placed on each vessel when it is activated . Instructions for crewmembers should be an integral part of these plans MARAD will provide and update training videotapes and information plaques for distribution to each vessels.
Ship Managers shall develop a Shipboard Solid Waste Management Plan for each voyage. Each Plan must be in writing and:

(1) provide for the discharge of garbage in accordance with Annex V of MARPOL 73/78 and 33 CFR 151.51 through 151.77;
(2) describe procedures for collecting, processing, storing and discharging garbage; and
(3) designate the Master of the vessel as responsible for carrying out the plan.

Ensure crew support through the chain of command for the Shipboard Solid Waste Management Plan.

Recordkeeping

The Ship Manager will ensure that vessels maintain a Solid Waste Disposal Record in accordance with 33 CFR 151.55. This must remain aboard the ship at all times and for a period of not less than two years.

Placards

The Ship Manager shall ensure that placards are properly displayed aboard the vessel, are in sufficient number, and provide the reader with the information delineated in 33 CFR 151.59. This information includes:

(1) The discharge of plastic or garbage mixed with plastic into any waters is prohibited.
(2) The discharge of all garbage is prohibited in the navigable waters of the United States and, in all other waters, within 3 nautical miles of the nearest land.
(3) The discharge of dunnage, lining and packing materials that float is prohibited within 25 nautical miles of the nearest land.
(4) Other unground garbage may be discharged beyond 12 nautical miles from the nearest land.
(5) Other garbage ground to less than one inch may be discharged beyond 3 nautical miles of the nearest land.
(6) A person who violates these requirements is liable for a civil penalty for each violation, and the criminal penalties of a Class D felony.

Notifications

The Master of a vessel shall notify the port or terminal at least 24 hours prior to arrival, of the name of the ship and the estimated volume of garbage requiring disposal, if any of the following types of garbage are to be discharged:

(1) garbage regulated by the Animal and Plant Health Inspection service
(2) medical wastes
(3) hazardous wastes

Other Considerations for Controlling Garbage

The Ship Manager shall ensure that all garbage is handled and disposed of in accordance with the promulgated regulations. Records must be maintained for discharges of garbage to the sea as well as (receipts) for garbage discharges to port reception facilities. All crewmembers shall ensure that no plastic trash bags are disposed of overboard. Any trash disposed of over the side shall meet Annex V requirements and be in paper trash bags. In the case of discharges to port facilities where the garbage is transported by shipboard personnel, the Ship Manager must ensure that the garbage is properly deposited into the port or terminal's reception facility. Ship Managers shall use shoreside dumpster service when available. Timing of the pickup schedule will vary depending upon the amount of food-contaminated waste generated and weather conditions. When returning from a foreign port a special handling may be required because of Department of Agriculture rules.

Shipboard equipment required for treatment of ship-generated garbage must be operable; this equipment includes incinerators, grinders and comminuters. Ship Managers shall issue instructions on the use and maintenance of comminuters, garbage grinders, pulpers, trash compactors and/or incinerators. The Chief Engineer shall ensure that all solid waste management equipment is properly maintained and in working order. Particular attention should be given to all food service grinders/pulpers and trash compactors.
Designate a ship's officer as the Plastics Waste Control Coordinator in charge of managing plastics waste. The name of the officer and designation shall be in writing with a copy to the officer and a copy to the ship's file.
Adequate facilities shall be provided for segregation and retention of plastics. The best approach to ensure compliance with segregation requirements is to provide separate containers (trash cans) for plastic and non-plastic waste at the source (where the waste is generated, such as work spaces, berthing areas, galley, etc.).

- Mark the cans clearly.
- Line cans appropriately, with plastic liners for plastic only, with paper liners for non-plastics.
- For plastics contaminated with food, have a separate container. Remove all liquids and collect daily. Remove as much food as possible from plastics before mixing with other plastics.

Determine the best storage locations for plastic waste, and document how long it takes to fill each location with plastic refuse. Issue instructions in the shipboard solid waste management plan for the collection of refuse from each location.
The type and amount of onboard storage space dedicated to plastic waste will vary depending upon whether or not the ship has a trash compactor or incinerator, and the ships operational area. Ships on short-term operations shall address waste management BEFORE departure. Vessels without a trash compactor or incinerator may use a refrigeration container. Vessels with trash compactors/incinerators shall use them (but dispose of the ash in accordance with the applicable regulations).
While most vessels will store non-food plastics in an easily accessible area, near the ships fantail for later disposal in port, special storage precautions shall be taken on ships with VERTREP capability.

19.7.3.1 Ship Manager Medical Waste Requirements within Waste Management Plans
The U.S. Public Vessel Medical Waste Anti-Dumping Act prohibits public vessels from dumping medical waste into oceans during peacetime, except under emergency conditions. Medical waste, although not generated in large quantities, is considered shipboard waste and must be included as part of the vessel's Waste Management Plan.
For the purposes of this section, medical waste can be divided into two broad categories: potentially infectious waste and "other" medical waste. Either type may contain plastic. Potentially infectious waste is waste exposure to which could result in an infectious disease. Examples of potentially infectious waste generated aboard RRF ships includes:

- Isolation wastes -- generated by patients placed in isolation to protect others from communicable diseases.
- Sharps -- includes hypodermic needles, syringes, scalpels, pipettes, broken glass and other medical instruments that have come into contact with infectious agents during patient care or laboratory research.

- Blood -- includes waste blood, serum, plasma and the products and components of blood.

Other medical waste is defined as disposable medical equipment and material which do not fall into the categories listed above, such as medication dispensing containers, packing materials, etc.

Waste Management Plan Requirements

Potentially infectious waste shall be suitably packaged, stored separately from other wastes, and disposed of ashore in a manner that meets with local regulations and does not pose a potential risk to public health and welfare. State regulations govern the disposal of medical wastes.

Before entering a port, Ship Managers shall prepare a message to the ship's agent detailing the type of potentially infectious waste intended for disposal so that proper arrangements shall be made in advance. Other medical wastes shall be segregated into plastic and non-plastic and disposed of properly.

Dispose of controlled substances such as narcotics IAW TE-5.

Notifications

The Master of a vessel (per 33 CFR 151.65) shall notify the port or terminal at least 24 hours prior to arrival, of the name of the ship and the estimated volume of garbage requiring disposal, if any of the following types of garbage are to be discharged:

(1) garbage regulated by the Animal and Plant Health Inspection service
(2) medical wastes
(3) hazardous wastes

19.7.3.2 Reporting Requirements for Phase O -- MSC OPCON

The applicable directive for Phase O is COMSCINST 6240.4C Military Sealift Command Environmental Protection Program (Phase O). This basic instruction as well as enclosures (1) and (4) apply to RRF ships when operating under MSC OPCON. Enclosure (1), paragraph 1.e. "Other Ship Wastes" applies to RRF ships.

Note: COMSCINST 5090.2, Disposal of Plastic, Medical and Other Waste in a Marine Environment (which implements MARPOL 73/78 requirements) only applies to USNS civil service manned ships and not RRF ships.

19.8 AIR POLLUTION (ALL PHASES)

19.8.1 Regulations Governing Air Pollution (All Phases)

Air pollution regulations vary from state to state. The Ship Manager shall be knowledgeable in the applicable air pollution requirements. The more common local in-port ordinances require:

Air pollution regulations vary from state to state. The Ship Manager shall be knowledgeable in the applicable air pollution requirements. The more common local in-port ordinances require:

(1) the prohibition of smoke emission that has a darker shade than Number 1 on the Ringelmann Smoke Chart for a period greater than three minutes in a consecutive 30-minute period, or an opacity greater than 20 percent, exclusive of water vapor; and,
(2) the prohibition of blowing boiler tubes that would result in excessive quantities of soot being deposited on the local harbor and shore area;

(3) restrictions on liquid bulk-fuel transfer operations that result in hydrocarbon emissions.

(4) restrictions on the use of shipboard incinerators, or the need for a permit to operate the incinerator in port.

The Ship Manager shall be aware of the port requirements as they apply to air pollution sources aboard ships.

Asbestos has been determined to be a hazardous air pollutant. The Ship Manager shall insure that asbestos abatement activities are carried out in accordance with applicable laws and regulations. This includes insuring that abatement contractors use properly trained personnel and that the contractor utilizes techniques for controlling the emission of asbestos fibers to the atmosphere during the abatement activity as well as during the storage for disposal process. The Ship Manager shall provide to the COTR a copy of laboratory analyses that documents that asbestos was found during a repair activity. A copy of completed disposal manifests shall be provided as well.

All persons are cautioned that asbestos may be found on pipes, ducts, boilers, tanks, reactors, turbine furnaces, structural members, etc., or in holds or compartments of RRF ships.

19.8.2 Directives Governing Air Pollution (All Phases)

No separate air pollution directive has been promulgated by MARAD Headquarters. However, the following shall be considered:

(1) Ship Managers, Masters and Chief Engineers will familiarize themselves with pertinent local and state regulations governing air pollution and will comply with these requirements.

(2) MARAD Region COTRs and Marine Surveyors will be familiar with pertinent local and state air pollution ordinances, and will periodically monitor RRF ship conformance to these regulations.

COMSCINST 6240.4C, Subj: Military Sealift Command Environmental Protection Program (Phase O). The basic instruction as well as enclosures (1) and (4) apply to RRF ships when operating under MSC OPCON. Enclosure (1), paragraph 2. Air Pollution Control applies to RRF ships when under MSC OPCON.

19.9 NOISE POLLUTION CONTROL (ALL PHASES)

19.9.1 Regulations Governing Noise Pollution (All Phases)

Local area noise pollution laws vary from one port to another. Though not a visible environmental pollutant, noise is irritating and may have a harmful effect physical effect on personnel.

19.9.2 Directives Governing Noise Pollution (All Phases)

No separate noise pollution directive has been promulgated by MARAD Headquarters. However, the following shall be considered:

(1) Ship Managers and Masters and Chief Engineers will familiarize themselves with pertinent local and state regulations governing noise pollution and will comply with this these requirements.

(2) MARAD Region COTRs and Marine Surveyors will be familiar with pertinent local noise pollution ordinances and will periodically monitor RRF ship conformance to these regulations.

(3) Crewmembers shall use protective equipment to prevent injury when exposed to noise pollution..

There are no applicable MSC noise control directives that apply to RRF ships under MSC OPCON.

19.10 BALLAST WATER AND SEDIMENT DISCHARGES

MARAD vessel Masters will comply with IMO's "International Guidelines for the Control and Management of Ships' Ballast Water to Minimize the Transfer of harmful Aquatic Organisms and Pathogens adopted November 1997. " . Ballast water management guidelines can be found in 33 CFR 151 Subpart D: Ballast Water Management for Control of Nonindigenous Species in Waters of the United States.

The ballast water management guidelines provide voluntary precautions for ballast water uptake and discharge for the purpose of avoiding the transfer of harmful aquatic organisms from waterway to another. Subpart D also provides mandatory ballast water management requirements that include notifications, recordkeeping and ballast water management alternatives. Alternatives include retention of ballast water, exchange of ballast water at sea, management of sediments and discharge of ballast water to reception facilities ashore.

19.11 The Ship Manager shall also insure that applicable state regulations pertaining to the management of ballast water are complied with.*BUNKERING REQUIREMENT*

MARAD has developed a bunkering video and bunkering checklist that will be included in the Standard Administrative Cabinet ("Yellow Cabinet") aboard all RRF vessels.

Ship Managers will be required to instruct all crew members participating in the bunkering of an RRF vessel or internal fuel oil transfer for purposes of stability, trim or ballasting to view the bunkering video prior to initiating these processes and to use the checklist to substantiate that all steps therein that apply to the bunkering/internal transfer are executed and checked off.

The bunkering checklist is laminated to allow for continuous use with an accompanying grease pencil. The viewing of the bunkering video and use of the bunkering checklist must be logged.

Maritime Administration **RRF Program**

BUNKERING CHECKLIST

These preparations do not exclude procedures and contingency plans contained in MARAD Response Plans and the SOPEP.

Date Bunkered _____ Port Bunkered _____

Bunker Supplier _____ Type/Quantity _____/_____

Max, Pumping Pressure _____Max Flow Rate _____

Initial Preparation

□ Ensure all personnel are aware of intention to bunker and are familiar with emergency response procedures. Warn personnel not to conduct burning or hot work during bunkering.

□ Discuss bunkering plan and tank sequence with ship's personnel.

□ Close and lock all associated overboard discharge valves.

□ Close and blank all unnecessary manifold valves/connections.

□ Ensure overflow tank is empty. Pump down if necessary.
□ Deploy oil spill containment boom. Record and report existing oil slicks near the ship.
□ Ensure all bunker tank air pipes are open and unblocked.
□ Plug deck scuppers. Make sure drip pans are empty and plugged.
□ Check bunker stations for integrity. Equip with new gaskets. Ensure there is a bolt in every hole.
□ Stage wrenches at bunkering stations. Prepare emergency wrench kit (crescent, allen, spline wrench)
□ Check operation of deck crane, if applicable.
□ Display Bravo flag during day operations or all round red mast light by night. Avoid night operations if possible.
□ Check that all high-level alarms are operational.
□ Post minimum ullage readings for bunkering at each sounding tube.
□ Place diesel cans, rags, tapes at sounding tubes. Pour diesel down sounding tubes.
□ Check valve meters, indicators or automated valve system, if applicable.
□ Stage portable fire extinguishers/sorbents/oil spill clean-up equipment at key stations.
□ Port warning signs, particularly "No Smoking" sign and "No Burning or Welding During Bunkering" sign.
□ Prepare sample bottles supplied by oil Analysis Company. (2 bottles for each type of fuel).
□ Test and distribute communications equipment.
□ Ground cable for bunkering hoses.
□ Conduct pre-bunkering soundings.

Prior to Bunkering

□ Inspect condition of hoses and couplings. Ensure hose is of sufficient length.
□ Ensure hose weight does not exceed SWL of lifting gear. Ensure correct number and specifications of delivery hose(s).
□ Conduct pre-bunkering conference with bunkering crew and vendor representative. Discuss and agree on:
____Bunkering Plan ____Emergency response procedures ___Emergency shutdown procedures.
____Quantity, quality & type of fuel to be delivered _____Maximum pumping pressure
____Measurement units (metric tons, cubic meters, barrels, etc.)
□ Establish communication link between ship and supplier Agree on signaling system with supplier:
_____Commence pumping. _____Reduce pumping rate. ____Cease pumping.
____Emergency Stop.
□ Ensure paper work is in order. Declaration of Inspection signed.
□ Place drip containers under hose couplings, flanges and vents.

During Bunkering

□ Commence bunkering at minimum pressure.
□ Monitor supply line pressure (where applicable ____ Examine hose connections for leakage.
□ Reduce pumping rate and/or open next tank before topping up. ___ Close valves as each tank completed.
□ Witness date, jointly countersign and retain sealed bunker samples.
□ Ensure sufficient ullage in final tank for hose draining/line blowing.

 Notify supplier when final tank is reached.
 Give supplier timely warning prior to finish of fuel loading so they can reduce pumping rate and stop pumping.
 On completion of bunkering drain hoses and close all filling valves.

On Completion of Bunkering

 Take tank ullage/soundings and calculate amount received.
 Ensure all hoses are fully drained.
 Close and blank off manifold connection. Blank off disconnected hose couplings.
 Re-confirm all bunker line and tank filling valves are secured.
 Re-confirm all bunker tank ullages/soundings. Verify all bunker receipt details are correct.
 If discrepancy exists between delivering and receiving figures, file Protest letter.

Note: Hiring an independent cargo surveyor/inspector can help avoid disputes and ensure specified fuel delivery.

 Make appropriate entries in engine room and Official Log Books. Make entries in oil Record Book.

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22. SEA TRIAL GUIDELINES

(REV 10/96)

INTRODUCTION

The requirement to maintain the RRF in a high state of readiness creates an on-going need to sea trial RRF vessels in order to confirm their material condition and readiness for activation and sustained operation. This makes the Sea Trial Program critical to the continued success of the RRF program.

To the extent possible, and subject to the availability of funds, sea trials will be conducted annually on all ROS-4 vessels; biennially on ROS-5 and RRF-10 vessels; every 5 years on RRF-20 vessels; and on vessels returning from operational missions.

The Headquarters sea trial team will be reduced to a single participant, to the extent possible being the Type Desk individual assigned to the specific RRF vessel to be trialed. A list of qualified alternates has been developed to provide substitutes when the type desk is unavailable. Concurrently, efforts to reduce data collection requirements, utilize current computer technology, and improve the report format to expedite completion of the Sea Trial Report are continuing.

SEA TRIAL COORDINATOR

Sea Trial scheduling is the responsibility of MAR-612. The Sea Trial Coordinator is also responsible for assisting the Type Desk with finding a substitute when necessary, and the distribution and archiving of Sea Trial reports.

The Sea Trial Coordinator will distribute a schedule of upcoming sea trials and Type Desk assignments weekly to participants. In addition, when the schedule is confirmed, points of contact, vessel location, Ship Manager/General Agent information and previous trial reports, will be provided to the respective Type Desk or substitute.

TYPE DESKS

Type Desk assignees are tasked as the sole Headquarters sea trial participants for their assigned ships. Type Desk administration will be the responsibility of MAR-611. Occasionally, due to other work or personal commitments it will be necessary to find a replacement for the Type Desk designee, and a list of qualified alternates has been provided. The Type Desk as single participant approach makes it necessary for the participating Region Surveyor and Ship Manager/General Agent s Port Engineer to play a more active roll in the sea trial than in the past.

Commander, Military Sealift Command s reorganization has tasked their local representatives with becoming familiar with each RRF vessel and to participate in sea trials. Region Surveyors will coordinate such MSC participation. In addition, observers

from TRANSCOM, N-42, or other RRF-interest organizations will be permitted if accommodations allow. Requests will be coordinated with the Region Surveyor.

Travel arrangements, orders, and related matters are the responsibility of the individual trial team member. Travel orders will use RRF accounting codes.

Type Desks are responsible for finding a replacement when their assigned trial conflicts with other work assignments or personal plans. In the event a Type Desk is unable to find a replacement, the assistance of the Sea Trial Coordinator should be requested.

ADVANCE PREPARATION

The Type Desk or alternate will arrange with the Region Surveyor to collect as much data for the sea trial report forms prior to the commencement of the trial as practical. Standard administrative items, such as the various manuals and instructions, should be collected at one location to facilitate check-off lists.

The Region Surveyor will prepare a draft schedule showing the proposed timetable and sequence of the various tests for approval by the Type Desk.

SEA TRIAL REPORTS

Sea Trial Reports are due as soon as possible, but no later than four weeks, after the sea trial is completed. The Sea Trial Coordinator is to be informed of any delays that prevent complying with this requirement. In view of the reduction of the sea trial team, data collection will be shared between the Type Desk, or alternate, and the Region Surveyor, with the Port Engineer, vessel s crew, and MSC representative utilized as much as possible.

Sea Trial Reports will consist of the standardized Sea Trial Report Microsoft Word format, with a "narrative" section summarizing the trial events; a conclusion section providing an opinion as to the vessel s status; a trial finding summary and remarks section providing comments on major ship systems and inspected areas; the forms containing data collected during the trial; the technical vibration, thermography and engine analysis reports; plus other reports pertinent to the condition of the vessel.

The various technical data collection forms and associated supporting material may be submitted in legible handwritten form.

The completed report with original attachments will be delivered to the Sea Trial Coordinator, who will check it for completeness, and then forward it to MAR-611. After review and annotation of any specific concerns, MAR-611 will forward the report to MAR-610 who will return it to the Sea Trial Coordinator for copying, distribution and follow-up action as required. The original report will become the official file copy. The Sea Trial Coordinator will forward copies of the Sea Trial Report to the Region Surveyor via the SOMO, the Port Engineer via the Ship Manager.

TECHNICAL SUPPORT

Methods and procedures for conducting engineering tests will be provided by MAR-611.

SEA TRIAL SCHEDULING

Sea trial schedules evolve from MAR-611's annual work plan and will be finalized by the attending Region Surveyor, who will communicate the proposed date of trials to the Sea Trial Coordinator.

The Sea Trial Team Leader should be in direct contact with the attending Region Surveyor a week prior to the scheduled trial date and based on the most probable sailing time to decide when the Trial Type Desk/Alternate should arrive.

The Region Surveyor and the Ship Manager's Port Engineer will arrange for ROS personnel to be part of the sea trial operating crew. This continuity of key personnel will make a significant contribution to the success of trials and subsequent activation and operation. When there is no ROS crew, the Ship Manager/General Agent should carefully screen the senior licensed individuals provided by the unions before accepting them as crew members.

PRE-TRIAL CONFERENCE

The Type Desk/Alternate will hold a pretrial conference with the key trial attendees, including the Master and Chief Mate, Chief and First Assistant Engineers, Ship Manager's Port Engineer, Region Ship Surveyor, plus the vibration, thermography and engine analysis technicians, and other Trial participants as appropriate.
The conference will establish an agenda for trial events and the plan for the schedule sequence. It also will provide time to air any concerns and discuss any constraints. The conference should present a clear picture of scheduled tests, inspections and other requirements, and each participant's specific role in the process. All key personnel will be requested to maintain a deficiency list and other notes and provide input at the post-trial conference.

Trial Team will schedule as many tests as possible prior to sailing. Although limited due to the vessel's activity immediately prior to sailing, accomplish such tests as the simultaneous lifting of the anchors when served by a single motor, cargo gear testing (cargo gear not tested prior to sailing is to be tested upon return from sea trial), and observation of watertight door and ramp operation.

POST-TRIAL CONFERENCE

A post-trial conference will be scheduled with the same attendees as at the pre-trial conference. A round table format, including input from the vibration, engine analysis and thermography technicians, works best.

NOTEBOOK COMPUTERS

There are six notebook computers available to take on sea trials to expedite compiling the sea trial reports.

DATA COLLECTION

Forms will be provided to the Type Desk/Alternate by MAR-612 (John Wiegand) for the collection and recording of trial data and test results. In many cases, items will be listed in a simple "sat/unsat" check-list format. This data may be maintained in handwritten form and will become worksheets for the Sea Trial Summary Report.

SPECIFIC TEST AND DATA COLLECTION ITEMS

(The following descriptions follow the order in which the items appear in the Sea Trial Report format for ease of cross-reference.)

1. ADMINISTRATION

A. Publications and Instructions

For ROS vessels, an overall assessment should be made of the attention to general administration given the vessel by the Ship Manager's Port Engineer, the Chief Mate and Chief Engineer.

Vessels should have the MARAD-issued RRF Operations Management.

The Shipboard Oil Pollution Emergency Plan for cargo ships, or the Vessel Response Plan for tankers, should be sighted, including the original signed USCG letter of approval, as this is now a COI item.

A checklist for other items that should be sighted, such as MARAD safety training videos and equipment, COMSC Operating Instructions, Public Vessel certificate, etc. is included in the data collections format.

(The following items are not in the checklist and deficiencies or other comments noted in the remarks section as appropriate)

B. Habitability

All crew members and supernumeraries in attendance during the sea trial should be requested to note their general assessment of the accommodations, and any problems will be noted in the report. Particular attention should be paid to toilet, shower and washing facilities, and the condition of furniture and fittings. Habitability survey forms are no longer required. Observe the condition of common spaces, lounges, messrooms, etc. and document observations. Overall impressions and specific problems will be noted in the report.

C. Preservation and Coatings

The overall condition of the hull, deck, topsides and cargo hold paint coatings will be observed and an assessment included in the sea trial report.

Proper painting of the cargo spaces should include proper safety, location, and permissible cargo size and weight information stenciling.

D. Lifesaving Equipment

The USCG lifeboat test will be observed if held, and the condition of the lifeboat motor and launching equipment noted. Proper capacities and the general condition and state of

preservation plus the test dates for renewal of falls and life-rafts should be noted and reported if at or near expiration.

E. Drawings and Technical Manuals

The library of engineering drawings, instruction books and technical manuals will be reviewed for completeness and any critical shortages noted for action.

F. Reserved.

2. AHEAD FULL POWER TRIAL

The ship is to be operated at the maximum safely obtainable speed for a continuous period of 16 hours, after steady conditions have been attained. For the full power run to be considered successful the vessel should attain at least RRF maximum speed. Upon mutual agreement of the sea trial participants the power run may be shortened but in at no time will be less than 8 hours. Particular note of elevated bearing temperatures, exhaust temperatures, vibration, or other abnormalities, should be made. Accurate collection of fuel consumption rates is important.

Ship speed shall be checked during the Full Power Run. Speed over the ground shall be averaged over approximately one (1) hour on a course that minimizes the effect of current seas and wind. The vessel shall then make a very gradual turn to minimize loss of speed and proceed over the same ground on a reciprocal course for approximately one (1) hour. Speed over ground shall again be averaged. Trial speed is the average of the two runs.

Power shall be measured by the most reliable means available. Where multiple sources are available, all shall be recorded. Suggested methods of measuring or estimating power;

Diesel Ships: Fuel rack position
Electronic diesel analysis
Firing pressures

Steam Ships: 1st stage press & vacuum (from graph in turbine instruction book)

All Ships: Shaft Horsepower meter
Shaft RPM vs Horsepower (FP propeller)
Pitch vs Horsepower (CP propeller)
Ship speed vs Horsepower

Fuel consumption shall be measured using the installed fuel oil meter(s). On diesel ships separate meters are often provided for main engine supply, return, aux engines and boilers. Fuel system diagram should be checked to determine what the meters are actually measuring. Voyage logs should be checked to determine if a correction factor has been applied to the meter in the past. As a backup or in cases where fuel meters are known to be inaccurate, tank soundings may be used. Malfunctioning meters should be re-calibrated or replaced.

3. AHEAD STEERING TEST

The ahead steering test will be conducted during the full power run. The Master will have the final word on when this test will take place. Good communications between the bridge and the steering gear room are vital and must be tested prior to the commencement of maneuvers.

With the ship proceeding ahead at full power run horsepower, the wheel will be moved at the maximum rate as follows: (1) midships to hardover right and held for 10 seconds; (2) hardover right to hardover left and held for 10 seconds; (3) hardover left to hardover right and held for 10 seconds; and (4) hardover right back to midships. Hardover rudder shall mean 35 degrees unless otherwise indicated by the Master. After the ship's speed has been restored, switch the steering power unit and repeat the tests. Times for each segment will be recorded and compared to the satisfactory standard rate of hardover-to-hardover in 26 seconds.

The auxiliary means of steering will be demonstrated from the steering engine location by moving the rudder through the above motions by use of the trick wheel but without the need for timing to meet a standard time.

There should be one trial team member on the bridge and one in the steering engine room to record data and observe general performance, and watch for hydraulic leakage and vibration.

4. QUICK REVERSAL FROM AHEAD TO ASTERN

The quick reversal from ahead to astern is designed to demonstrate the ship's ability to stop and gain stern way in an emergency. The Trial Team Leader, Region surveyor and Chief Engineer should reach agreement on propeller RPM ahead, astern, and maximum acceptable low pressure turbine casing temperature for steam vessels prior to the start of the evolution. General guidelines are as follows:

a. When agreed safe by the Master and Chief Engineer, the ship will come to full ahead (maneuvering turns).

b. The Master will confirm that the ships speed approximates the RPM ordered and that it is safe to commence the test.

c. The Chief Engineer will verify readiness to conduct the test.

d. The bridge will order full astern and record the time of order, time at zero RPM, time at full astern, and time to stop the vessel.

e. The engine room will come to full astern (maneuvering) when ordered and maintain propeller RPM for 15 minutes or until the test is terminated by the Chief Engineer.

f. The ship will then be returned to full ahead (maneuvering).

Engine room observers will take note of boiler water levels, excessive stack smoke, LP turbine casing temperature and the ability to maintain vacuum in the main condenser.

The quick reversal from ahead to astern should be closely followed by the astern endurance and astern steering tests, assuming an absence of navigational constraints.

This provides continuity and is more efficient than segmenting the three tests. These tests also require close coordination between the bridge, engine room and steering gear room.

5. ASTERN ENDURANCE TRIAL

There is always concern with possible damage to the LP turbine, bearings and gears. If the temperature exceeds 400 F at the low pressure casing, the stern endurance test can be terminated at the discretion of the Chief Engineer.

6. ANCHOR WINDLASS TEST

The anchor windlass test will substantiate the capability of each windlass motor to lower, hoist and hold the anchor and chain as follows. First, each anchor is to be lowered under power to just below the water's surface to test the brake and then raised until clear of the water. Second, each anchor and one shot (90 feet) of chain is to be dropped under the control of the hand brake and then raised to the hawse pipe.

The time should be recorded and compared to the satisfactory standard for hoist speed of 30 feet per minute, which can be measured as three minutes to raise the anchor from the time the one-shot marker breaks the surface to the point when the anchor swivel breaks the surface.

Note should be made of any tendency for the chain to jump whelps on the wildcats during braking, signs of excessive vibration at the foundations, loosening of any holding bolts, steam-line leaks, condition of levers and brake wheels, painting and marking of the chain, etc.

The simultaneous hauling of both anchors is not required if the vessel is equipped with separate windlass drives or motors. It is prudent to conduct the simultaneous anchor lift at the berth prior to sailing whenever possible.

7. BOW AND STERN THRUSTERS

Bow and stern thrusters shall be operationally tested. If lack of submersion prevents the test, request the Region Surveyor provide information concerning the most recent operation of the thrusters and their repair history for inclusion in the sea trial report.

The thruster tests consist of moving the bow/stern without engine or rudder assistance. The test should be conducted with the vessel stopped and headed into the wind. The thruster control is to be positioned for maximum thrust to swing the bow/stern to the left/right of the ship's heading.

The satisfactory standard will be 30 degrees within 10 minutes. If less than satisfactory the test should be terminated at the ten minute mark and the degree of swing within the interval recorded.

8. AUXILIARY SYSTEMS

The condition of the galley equipment, steward's stores spaces, and refrigeration system in operation will be noted. This may not be possible if the sea trial is catered, but a thorough inspection is still required.

The condition of the HVAC system is very important. In many cases the A/C systems have been enhanced or replaced to provide better living conditions for the crew. The cargo ventilation systems will be verified, in particular for RO/ROs. Freight and passenger elevators will be proven operational. The balance of pumps and systems will be checked and proved operational. MSD system operation and oily water separators are also significant items to be checked.

The electrical generating system, including SSG's auxiliary engines, switchboards, wiring, parallel operation and emergency generators will be proven operational. Ship's lighting, including house internal/external, main deck cargo working areas, cargo spaces, engine room spaces, storerooms and lockers will be checked for adequacy. Sound powered phone systems will also be tested.

Where auxiliary machinery has port/starboard or other backup system, the units should be switched over midway through the ahead full power run.

9. LOGISTICS

The adequacy and condition of stowage of the spare parts onboard and the date of the most recent inventory (including the inventory accuracy percentage) will be noted. In addition to the comments in the sea trial report, all discrepancies should be brought to the attention of MAR-614.

10. OIL ANALYSIS PROGRAM

This check-off determines if the fleet wide oil analysis program is being properly conducted. Determine if it being conducted by a commercial oil supplier or the MARAD fleet wide contractor if a regular schedule is observed for sampling and testing.

11. WATER TREATMENT PROGRAM

This check-off determines if the fleet wide water treatment program is being properly conducted. Determine if it is being conducted by a commercial supplier or the crew and if a regular schedule is observed for sampling and testing.

12. DISTILLING PLANT

Comparison of actual fresh water production to the manufacturer's stated capacity provides the standard for analysis. Trial team will observe water production under normal steaming conditions for a long enough period to determine the reliability and output capacity of all of the distillers on board. Distiller test should be of at least 6 hours duration and is normally conducted during the full power run. (The power may be required to achieve capacity on jacket water heated distillers.)

13. NAVIGATION EQUIPMENT

Test each piece of navigation and bridge equipment aboard and note findings in the checklist. The most common deficiencies are with radar tuning and clarity, malfunctioning weatherfax, inoperative bridge alarms, and rudder angle and RPM indicators.

Obsolete and non-operative/non-required equipment should be noted for removal.

14. COMMUNICATIONS EQUIPMENT

The condition of communication equipment will be assessed by requiring that the radio operator or a service technician test all equipment and then having a follow-up discussion regarding deficiencies and any recommended upgrades or other changes to enhance the ship's communications capability in accordance with MSC opcon requirements.

The vessel should have the new 1996 FCC form Cargo Ship Safety Radio Certificate validated and posted. The validity date of the Ship Radio Station License should be noted, however under the revised 1996 FCC rules, renewal licenses will not be issued to public vessels. EPIRB registration and battery life expiration dates should be checked.

15. MOORING EQUIPMENT

Operation and condition of the mooring equipment, including winches and lines, will be observed and any deficiencies noted.

16. CARGO GEAR

Satisfactory operation of the cargo gear is indicative of the vessel s mission readiness. Time permitting, trial teams are encouraged to witness the operation of cargo gear prior to the vessel embarking on the sea trial. There is a specific section in the format for each ship type as follows:

A. RO/RO

All hydraulic watertight cargo doors, external and internal ramps, side ports, and stern doors will be operated. Note any problems with dogging and locking. Close inspection should be made of the hydraulic cylinders, hoses and rams for indications of leaking.

All cargo hold fans and ventilation systems should be run. The complement of forklift trucks and other mechanized equipment will be inventoried and the Chief Mate requested to provide operational testing. The cleanliness and lighting of the holds, and an inventory and condition of securing and lashing gear will be noted. The dates of ramp weight tests and certifications should be noted.

B. Breakbulk

All booms (with the exception of the heavy lift, as generally there is insufficient time to rig and test), will be swung to substantiate that they are operational. Careful attention to the condition of the wire rope running rigging, stays and vangs is of paramount importance, and any deterioration should be noted.

All hydraulic hatch covers will be opened and closed and careful attention should be given to hydraulic leaks, warped hatch covers and functioning of safety hooks.

The condition of the holds will be noted with regard to cleanliness, presence of water, steel deterioration, and safety items such as lighting, and access ladders.

C. SEABEE

Transporters/Elevators on the SEABEE vessels are a major area of concern due to the complicated nature of this equipment and its related power system. Both port and starboard transporters will be demonstrated and run the full length of a deck and back to stowed position. The port and starboard dollie jacks will be raised and observed in an empty barge space to verify operation. Periodically, the barges will be moved to the elevator and floated-off, reloaded and restowed. The Region Surveyor should be consulted regarding the last time this was done and the test scheduled if due.

The elevator will be lowered and raised to securing position. The make-up rails will also be exercised. Witness/inspect guillotine door operation and physical condition.

D. LASH

The gantry cranes will be operated along with peripheral devices such as limit switches, controls, and stowage/securing devices. The barge handling and positioning systems will also be proven operational. All hydraulic hatch covers will be exercised.

E. OPDS Tanker and point-to-point Tanker

All pumps will be operated and all suction and filling valves will be exercised whenever possible to ensure they are not frozen. Manifold valves in particular will be tested. HPU will be operated and all conduit reels tested.

F. Crane Ship (TACS)

T-ACS 1-3 vessels are outfitted with Lake Shore cranes which are electrically powered. The crane motors and winches are all electric. The analog controls were built by General Electric. For T-ACS 1-3 all crane luff wires are to be inspected for wear by observing the internal pay-out/pay-in of the luff wires on then winch drums during crane boom exercising through an entire arc.

T-ACS vessels 4 through 10 are outfitted with Hagglund cranes which are electro-hydraulically powered. Certain crane components were manufactured by Intercontinental Engineering Manufacturing Co. The crane motors and winches are hydraulic which are in turn powered by pumps driven by electric motors.

All cranes are to be proven operational. The cranes are to be rotated to the maximum possible extent and crane booms are also to be exercised to maximum practical extent. During the exercising of the cranes the operator cab controls and the rider block tagline system (RBTS) are to be proven operational. For T-ACS 4-10 all analog motor controllers are to be proven operational.

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23. COMSC INSTRUCTION 4626.

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DEPARTMENT OF THE NAVY
COMMANDER MILITARY SEALIFT COMMAND
WASHINGTON NAVY YARD BLDG 210
901 M STREET SE
WASHINGTON DC 20398-5540

COMSCINST 4626.1B
PM5
3 JANUARY 1997

COMSC INSTRUCTION 4626.1B

Subj: ACTIVATION AND OPERATIONAL TEST OF READY RESERVE FORCE (RRF) SHIPS

Ref: (a) Memorandum of Agreement, Department of Defense and Department of Transportation for Administration of the Ready Reserve Force

Encl: (1) Sample Transfer of OPCON message
(2) RRF Test Activation Quick Look

1. Purpose. To provide guidance and procedures to be implemented following notice of activation of RRF ships for contingencies or for tests in accordance with reference (a).

2. Cancellation. COMSCINST 4626.1A

3. Background. RRF ship activations are conducted as follows:

a. Contingencies and Exercises. Initiated by MSC to meet surge lift requirements,

b. Test Activations. MSC initiated with no prior notice (*no-notice*) in order to test the ability of the ships to meet established activation time frames, and

c. Maintenance Activations. Maritime Administration (*MARAD*) initiated as part of routine maintenance and scheduled upkeep periods.

4. Responsibilities.

a. For Contingencies or Exercises

(1) MARAD will provide a RRF ship ready for sea (*RFS*) in the applicable time frame of 4-, 5-, 10- or 20-days. This activation time frame may be extended by DOD to minimize costs and when the load date allows for the extension.

(2) The appropriate MSC Area Commander will accept operational control of an RRF ship when MARAD determines the ship is RFS and will provide sailing orders and conduct briefings for key shipboard personnel similar to that provided for new time charters. Enclosure (1) provides a sample message from MARAD completing the transfer of OPCON.

(3) When possible, the MSC RRF Surge representative will observe sea trials for those ships that require trials as follows:

(a) ROS4 ships: no sea trial required.

(b) ROS5 ships: a sea trial is required when the interval since the last sea trial exceeds 12 months.

(c) RRF10/20 ships: a sea trial is required unless waived by MSC. A waiver may be granted if the ship has undergone a successful sea trial observed by MSC within the last 12 months.

b. For Test Activations

(1) The MSC RRF Surge representatives (*Atlantic Region, Gulf Region or Pacific Region*) or the MSC Far East (*MSCFE*) for those ships layberthed in Japan will observe and evaluate RRF test activations and sea trials. A grade of Satisfactory will be awarded when a RRF ship completes the test activation on or before the readiness time frame and is declared ready for sea.

(2) Following the activation, the Surge representatives or MSCFE will submit to COMSC (PM5) via cc:Mail or fax:

(a) within five (5) days after the ship is accepted as RFS, a "*quick look*" report in the format provided as enclosure (2), and

(b) within fifteen (15) days after completion of the activation, a narrative report on the ship's operations and redelivery.

c. For Maintenance Activations

(1) The MSC RRF Surge representatives or MSCFE will observe maintenance activations and sea trials when practicable. These observations are for familiarization with the ship status and not for the purpose of evaluation.

5. Forms. MARAD documentation will be used for all activations, sea trials and inspections. Liaison with MARAD is paramount to ensure observations are thorough and to avoid redundant testing.

C.R. BURCHELL
Deputy Commander

Distribution
COMSCINST 5000.19
List I *(Case A, B)*
SNDL 41B *(Area Commanders)*

SAMPLE

FM MARITIME ADMIN WASHINGTON DC//MAR 612//
TO COMSC WASHINGTON DC//PM5//
COMSCPAC OAKLAND CA//N3//
COMSCFE YOKOHAMA JA//N3//

UNCLAS

MSGID/GENADMIN/ACTIVATION/001//

SUBJ/COMSC OPCON OF READY RESERVE SHIP (RRF) MV CAPE ISLAND//

REF/A/RMG/COMSC WASHINGTON DC 281833Z AUG 96

REF/B/TEL/MARAD AND COMSCPAC/ 10SEP96/0900Z//

AMPN/REF B IS PHONCON BTW MARAD MAR 612 AND COMSCPAC N3//

RMKS/1. REF A IS ACTIVATION ORDER OF MV CAPE ISLAND FOR PARTICIPATION IS EXERCISE FOAL EAGLE 97//

RMKS/2. MV CAPE ISLAND HAS SATISFACTORILY COMPLETED ACTIVATION AND IS READY FOR OPERATIONS. AS PER REF B, COMSCPAC ACCEPTED OPCON 100900Z SEP 96.

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24. SECTION 24 - RESERVED

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25. SECTION 25 - RESERVED

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26. RESERVED

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27. SECTION 27 - RESERVED

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28. SECTION 28 - RESERVED

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29. BLANKET ORDERING AGREEMENT - RESERVED

30. MEMORANDA OF UNDERSTANDING BETWEEN MARAD/USCG/ABS

Note: The ABS and USCG MOUs are still binding, however as of 2008 MARAD is undertaking to update and revise terminology such as Phase IV to Phase M.

MEMORANDUM OF UNDERSTANDING
Between

The Maritime Administration
and
The United States Coast Guard

Ready Reserve Force Inspection and Certification

I. Purpose

This Memorandum of Understanding (MOU) sets forth policies and procedures to be followed by the Maritime Administration (MARAD) and the United States Coast Guard (USCG) relative to inspection and certification of vessels of the Ready Reserve Force (RRF). RRF vessels are Public Vessels of the United States, owned by the Maritime Administration and maintained in either Reduced Operating Status (ROS) or Inactive Status, as reserve sealift assets for national defense and other purposes. The purpose of this MOU is to describe the RRF Program, and identify differences between the RRF and active commercial US flag cargo vessels as they affect USCG regulatory certification. The following Annexes are attached to this MOU:

Annex I: Glossary
Annex II: Command, Control and Communications

II. Background

The Ready Reserve Force (RRF) was established in 1976 as a surge component of MARAD's National Defense Reserve Fleet (NDRF). Today, the RRF is a key element of the Department of Defense (DOD) Strategic Sealift Program, designed to provide reliable and responsive shipping to support the deployment of US military forces worldwide. Maintained in a high state of readiness, RRF vessels provide for the rapid availability of ocean shipping essential to the deployment of DOD equipment in a national emergency. MARAD is responsible for assuring that RRF vessels can be activated, i.e. transitioned to fully operational status, within their assigned Readiness Status (R-Status); i.e. 4, 5, 10, 20 or 30 days, and perform mission requirements. When operational for DOD, RRF vessels are under the Operational Control (OPCON) of the Navy's Military Sealift Command (MSC), however, MARAD retains responsibility for the inspection and maintenance of the vessels.

Vessel Legal Status: All RRF vessels are public vessels, fully documented with the USCG as evidence of ownership and nationality, and assigned official numbers and home ports. By Congressional direction RRF ships are subject to inspection (46 USC 2109) under U.S. law and regulation, but otherwise are given full status as public vessels. RRF vessels are exempt from the requirements of all international conventions, including SOLAS and MARPOL. RRF vessels do not receive convention certificates (see Voluntary Compliance below), only a USCG Certificate of Inspection. RRF vessels are maintained in class with the American Bureau of Shipping (ABS), and, in general, conform to the regulatory requirements typical of commercial, US flag cargo and tank vessels.

RRF vessels are exempt from the following international conventions:

SOLAS (including Chapter IX - ISM)
MARPOL 73/78 (excluding Annex V)
ISM (as invoked by 33 CFR Part 96)

In addition, RRF tank vessels are exempt from the double hull requirements of the Oil Pollution Act of 1990. Each RRF vessel displays a Certificate of Public Vessel Status on its bridge.

Voluntary Compliance: As a matter of policy, reflecting MARAD's decision to be a leader in the fields of marine pollution control and safety, MARAD has decided to voluntarily comply, to the maximum extent practicable, with the laws, treaties and international conventions listed above, and with all other environmental and safety laws from which MARAD is exempt, even though there is no legal requirement. This should not be construed as a waiver of the public vessel status of RRF vessels. The extent of compliance will be documented by a USCG recognized classification society, with appropriate documentation issued. Vessels which achieve full compliance may receive a Statement of Voluntary Compliance certificate.

III. RRF Program Management

Program Phases: To meet DOD program requirements established for the RRF, MARAD developed a seven (7) phase program for management of the RRF. Effective July 1, 1998, Phase VI; Sealift Enhancement Features, will be eliminated from the program. It is included here and in Annex I for reference. The seven phases are:

Phase I	Acquisition
Phase II	Upgrade (Reflag if applicable)
Phase III	Deactivation (initial only, following Acquisition/Upgrade)
Phase IV	Maintenance
Phase V	Exercise (Activation/Deactivation)
Phase O	Operation
Phase VI	Sealift Enhancement

Expanded definitions and discussion of the various phases are included in Annex I of this MOU, and also in Paragraph IV; Inspection Requirements, below.

Readiness Status: At the direction of the United States Transportation Command (USTRANSCOM), RRF vessels are maintained in one of several degrees of readiness, designated as either ROS-xx or RRF-xx; where ROS indicates Reduced Operating Status, and RRF indicates Inactive (laid-up) status. *[When using this MOU, please carefully consider the distinction between "RRF" when used to describe inactive vessels, and "RRF" when the term applies to the Ready Reserve Force as a whole].* The "xx" indicates the activation timeframe in days. ROS vessels are partially manned with hotel systems operational. ROS crews perform inspections, routine repairs, preventative maintenance and periodically operate equipment and systems. Inactive, or "RRF," vessels are unmanned and are maintained in a state of deep lay-up, generally at one of MARAD's three (3) NDRF sites. To prevent deterioration in lay-up, equipment and systems are preserved, critical spaces dehumidified and sea chests are blanked.

Activations / Deactivations: RRF vessels may be activated for a variety of purposes. Principally, activations are initiated for maintenance, readiness testing or to support a DOD mission or exercise. There are two types of activations: *"Notice"* and *"No-Notice."* "Notice" activations are scheduled and planned in advance. The pace is generally slow, and activation timeframes are often not a factor. "Notice" activations typically support a planned DOD exercise, or are strictly for maintenance purposes as shown in Table 1. Where possible, "Notice" activations will be scheduled to coincide with required regulatory surveys and inspections.

During *"No-Notice"* activations, vessels are activated as quickly as possible in order to meet assigned readiness criteria. "No-Notice" activations typically support an emergent DOD requirement, or they may be initiated to test readiness and whether a vessel, or vessels, are being maintained such that they can meet their assigned activation timeframe(s).

Following activation (and any subsequent operation), the vessel is returned to either ROS or Inactive (RRF) status through Deactivation. The deactivation process is often used as an opportunity for making repairs, and scheduling inspections and surveys. Renewal of COI's may be requested during the deactivation period (see Paragraph IV.B), in order to restore planned maintenance schedules.

USCG Notification: MARAD HQ shall notify the USCG Commandant (G-MOC)/ National Maritime Center when an activation occurs, identifying the vessel, Ship Manager, the activation shipyard or facility, and the vessel readiness status. Notification on the local level will be made as part of any request for inspection, if necessary. The scope of USCG inspection at activation is defined in Paragraph IV.C. For Notice activations, MARAD will provide advance notification (as required by 46 CFR Parts 31 & 91) to the OCMI to facilitate the scheduling of requested inspections.

Ship Management Services: The day-to-day management of RRF vessels is assigned to commercial ship management companies under either Ship Manager contracts or General Agency task orders. General Agency tasks are usually temporary; however, the responsibilities of a General Agent are generally the same as that of a Ship Manager, and for the purposes of this MOU, the terms are interchangeable. Primary oversight of Ship Managers is provided by the MARAD Region(s) in which the assigned vessel(s) is located.

Ship Managers manage all aspects of RRF vessel maintenance and operation. Ship Managers are contractually responsible for maintaining RRF vessels in class and certificated, and are responsible for their overall material condition and readiness. The Ship Manager is responsible for requesting USCG inspections, with the Port Engineer designated as the primary Point-of-Contact for requested vessel inspections (see Annex II).

RRF Maintenance Program: The level of maintenance on RRF vessels is based on readiness criteria described above. The maintenance program includes preventative maintenance, periodic maintenance, and planned activations culminating in dock or sea trials. The frequency of maintenance actions and the type of activation trial is again dependent on assigned readiness, and is summarized in Table 1.

IV. Inspection Requirements

A. General

MARAD intends that RRF vessels will proceed to sea with a valid USCG Certificate of Inspection (COI) indicating the vessel complies with the applicable USCG rules and regulations. COI's on ROS and RRF-10 vessels will be maintained current; COI's on RRF-20 and RRF-30 vessels may expire, but will be renewed at activation (see Paragraph IV.B). Inspection intervals will be in accordance with 46 CFR schedules, unless specifically modified below. National security considerations may make it necessary for a vessel to get underway without full certification. In such cases, a National Defense Waiver (NDW) is obtained by the Department of the Navy, Commander, Military Sealift Command.

RRF vessel inspection requirements vary based on their assigned program management phase. Phases I through III, are specific phases related to the acquisition and initial entry of a vessel into the RRF. Vessels in these phases will comply with all applicable federal regulations, in the same manner as commercial vessels (including reflagging, if necessary). Selected RRF vessels have been, or may be, modified for a specific military function (Phase VI). In general, such modifications are performed in accordance with all normally applicable rules and regulations, except where military equipment is installed. Military equipment inspection requirements will be developed on a case-by-case basis and are to be entered into the vessel's MSIS file.

Routine day-to-day management of the RRF is conducted with ships in Phases IV, V and O; therefore, the following discussion considers these Phases only.

Phase IV - Maintenance: RRF vessels in lay-up, whether inactive or in ROS status, are generally assigned to Phase IV. Phase IV maintenance activations and cycles are based on a vessel's assigned readiness status, and are shown on Table I. Ship Managers will arrange for USCG inspection services as appropriate (see Annex II).

Phase V - Exercise (Activation/Deactivation): Phase V is divided into two non-sequential sub phases; *Activation* during which the vessel transitions from Phase IV Maintenance to Phase O Operation, and *Deactivation* during which the vessel transitions from Phase O back to Phase IV. Vessels are activated as discussed in

Paragraph III. Any vessel which is tendered to the DOD through the Military Sealift Command (MSC), including vessels which are activated for military exercises, will transition through Phase V to Phase O. Note that vessels activated for Phase IV maintenance activations do not transition to Phase V or Phase O, and remain under MARAD's Operational Control.

Phase O - Operation: During Phase O, RRF vessels come under the operational control of MSC (independent MARAD control of RRF vessel operations - other than Phase IV - is rare). Phase O inspection intervals will be in accordance with 46 CFR requirements (except drydocking, see paragraph IV.D)

B. COI Renewal and Mid-period Inspections

In order to assure uninterrupted operation when activated, MARAD may request renewal of a COI up to 3 months before expiration. Upon deactivation, MARAD may request early renewal of a COI; at up to three months before expiration for ROS vessels, and up to one year before expiration for Inactive vessels. COI inspection policy for RRF vessels is described below.

ROS vessels are to maintain current COI's . Biennial COI and Mid-period inspections are performed in accordance with 46 CFR requirements.

Inactive vessels, include RRF-10, 20, and 30 vessels. RRF-10 vessels are to maintain current COI's at all times. Biennial COI inspections are performed in accordance with 46 CFR at scheduled maintenance activations or ship availabilities. RRF-20 vessels will renew COI's at maintenance activation (every 2-½ years) or in the event of DOD ordered activation. RRF-30 vessels will renew COI's only in the event of a DOD activation. Mid-period inspections may be deferred until activation for all non-ROS ships due to the fully inactive status of the vessels.

When a deficiency or required inspection cannot be completed due to the laid up status of the vessel, a CG-835 shall be issued. To provide MARAD flexibility to schedule needed work to coincide with vessel drydock examinations, activations or deactivations following operations, CG-835's shall be satisfied within the following timeframes:

- one year, if issued at the COI inspection; or
- one year after the completion of the next COI inspection, if issued at any inspection other than the COI inspection; or
- one year from a final appeal decision if the issue is contested. (See Paragraph VI)

OCMI's may remove RRF vessels from certificated status if CG-835's remain uncorrected beyond the allowed time period as stated above. The cognizant OCMI will retain a list of requirements for inclusion in the vessel file. OCMI's may extend the completion dates of requirements at their discretion.

Upon completion of a COI inspection, the COI and a list of outstanding CG-835's and required completion dates, will be provided to the Ship Manager for inclusion in the vessel file. Additional copies will be issued to the cognizant MARAD Region.

Certification information, permanent waivers, notations of alternative compliance or other permanent deviations granted at this time or in the future shall be entered and maintained in the USCG Marine Safety Information System (MSIS).

C. Inspections at Activation

Consistent with the general policy of maintaining valid COI's, inspections at activation will be based on the status of the COI. If COI renewal has been requested and is being performed concurrent with the activation, all normally required inspections will be conducted. Other USCG inspections of RRF vessels at activation are described below:

On ROS vessels with current COI's, the inspection will be limited to clearing "no-sail" deficiencies (CG-835's), and the master shall be responsible for conducting a fire and boat drill before the vessel sails.

On Inactive vessels with current COI's the inspection will include clearing "no-sail" CG-835's, observing a fire and boat drill and inspecting safety and other equipment removed and stowed during lay-up; however, during a Notice activation of an Inactive vessel with a current COI, renewal may be requested during the subsequent deactivation (see Paragraph IV.B).

D. Drydocking

General: RRF vessels fall into one of three drydocking intervals; a) the normal twice in five year interval typical of active commercial vessels, b) a five year interval with drydocking exams scheduled every five years and no intermediate examination, and c) a ten year interval with an intermediate exam or exams (see below). Unless otherwise requested by MARAD, the extension of drydocking intervals includes all external and internal hull exams normally conducted in conjunction with the drydocking inspection, (i.e. the Internal Structural Examination [ISE], Cargo Tank Internal Examination [CTIE], tailshafts, sea connections, and hull fittings). Those vessels which have a permanent cathodic protection system installed, will have the system inspected and serviced regularly. For vessels which are not fitted with hull blanks (typically ROS vessels); maintenance, dock and sea trial procedures must contain specific actions to assure that marine growth or foreign material is not restricting the flow of water through sea chests or salt water piping.

MARAD is responsible for tracking accumulated operating time for ROS and Inactive vessels. Note that operating time for ROS vessels is only those periods of time when the vessel is fully crewed and active. When a vessel accumulates three years of operating time during the five or ten year interval, an appropriate underwater exam will be scheduled immediately. Limited extensions of drydocking may be granted by the OCMI up to 90 days. Further extensions shall be forwarded to the COMDT (G-MOC) for action.

"Commercial" (twice in five year) Drydocking Interval: Operational RRF tank vessels (ROS, Pre-positioned, and Operating) will be drydocked in accordance with normal commercial practice, and the intermediate hull exam will be conducted on drydock.

Other operational RRF vessels will be subject to underwater hull exams in this interval if the "3 year trigger" (see above) is reached. Intermediate exams may be UWILD's, if the vessel has been previously prepared and found eligible for such an exam.

Five Year Drydocking Interval : RRF tank vessels in Inactive Status (RRF-10/20/30), and most other RRF dry cargo vessels, regardless of their readiness (ROS or Inactive, i.e. RRF 10/20/30) status, will be drydocked at five year intervals. The intermediate underwater examination will be waived for vessels in this interval (unless triggered by cumulative operating time).

Ten Year Drydocking Interval: Extended drydocking intervals for selected RRF vessels have been established, and are summarized below. Vessels selected for ten year drydocking interval must meet both the Coast Guard and ABS Rule requirements for Underwater Inspection In-Lieu-Of Drydocking (UWILD), whether or not UWILD's will be part of the underwater examination sequence. Before (or as part of) an application for ten year drydocking interval is submitted, RRF vessels will be prepared to the following minimum standards:

- have a high build, high performance anti-corrosive and anti-fouling underwater paint system, and be appropriately marked to facilitate underwater inspection by divers.
- have a permanent cathodic protection system installed or serviced/renewed as appropriate
- be fitted with arrangements to measure stern tube and rudder bearing clearances.

Vessels approved for a ten year drydocking interval must be approved in writing by the cognizant OCMI, and appropriate notations in the MSIS system must be entered. Eligibility by vessel type for ten year drydocking interval will be in accordance with applicable 46 CFR eligibility criteria (i.e. tank vessels are ineligible). Maximum age restrictions for entry into the extended drydocking intervals may be waived for RRF vessels.

Intermediate underwater examinations may be either UWILD's, or drydockings restricted to examination of the underwater hull only (see below). For vessels completing the mid-point intermediate underwater examination using UWILD (at approximately the five year mark), a second UWILD inspection within 24 - 36 months following the first UWILD will be required.

In certain circumstances, vessels which are eligible for UWILD examination may be drydocked instead. In general, this will occur when water clarity precludes the successful conduct of a UWILD exam (iaw NVIC 1-89 visibility requirements). In these circumstances, the scope of the drydock examination is limited to the same level of inspection as the UWILD (i.e. external visual inspection of the underwater hull, seachests and sea valves, and tailshaft/rudder pintle bearing clearances). However, recognizing the improved visibility afforded on the drydock, the OCMI may exercise his/her discretion and waive the second intermediate underwater exam.

E. Alternate Compliance Program / Streamlined Inspection Program

Alternate Compliance Program: RRF vessels that are in full compliance with the requirements of International Convention, ABS Class and the US Supplement to the ABS Rules may participate in the ACP. ABS issued "Statements of Voluntary Compliance" will be accepted as equivalent to convention certificates. However, such Statements of Voluntary Compliance must be free of exemptions, except for cargo stowage exemptions endorsed by the USCG. Selected RRF vessels, which meet the above criteria, will be enrolled in the ACP program, in accordance with the applicable enrollment regulations contained in 46 CFR (due to the ABS statutory monopoly on classing U.S. government-owned vessels, only ABS will be authorized by the USCG to enroll RRF vessels in ACP).

Under the ACP, the USCG will accept surveys performed by ABS as equivalent to tests and examinations required for initial and in-service inspections for certification, periodic reexamination, and drydock examinations. The USCG will conduct oversight of ABS under this program. For vessels in the ACP, the USCG shall credit all inspections performed by ABS with the same credit date as ABS.

Streamlined Inspection Program: RRF vessels may participate in the Streamlined Inspection Program (SIP), which allows onboard and shoreside vessel operating personnel (principally Ship Manager employees, including RRF vessel crews) to conduct the majority of USCG required inspections, and to have these inspections verified by USCG marine inspectors on a regular basis. The intent of this program is to develop, under USCG supervision, a process by which the inspection of the vessel is carried out by qualified ship personnel with approved test procedures in a self-perpetuating, self-correcting format.

RRF vessels selected for participation in the SIP will be enrolled in accordance with the applicable regulations contained in 46 CFR; however, unlike the ACP, MARAD (not the Ship Manager) will submit the necessary application.

V. Application for Waiver

When compliance with the applicable laws or regulations is not compatible with DOD's operational requirements, waiver of specific regulations may be requested for a vessel in the interest of national defense. Waiver requests will be initiated by DOD and submitted, in writing, to the cognizant USCG District Commander or his designated representative in accordance with 46 CFR §6.01.

During activations of RRF vessels for rapid deployment of US forces during crisis situations or upon declaration of war or national emergency, the Commandant, or cognizant District Commander shall designate that the OCMI is authorized to grant temporary waivers, at the request of MARAD, for material deficiencies that do not adversely affect the safety of the vessel or crew (e.g. pollution prevention systems). The waiver procedure contained in 46 CFR §6.01(d) shall be followed for oral waiver applications.

VI. Appeals

Any decision of the OCMI may be appealed to the Commandant in accordance with 46 CFR §2.01-70 and 46 CFR §1.03. Due to the urgent nature of defense operations, all

appeals will be acted upon within 24 hours of receipt, when vessels are being activated to support a contingency.

VII. Coordination

Meetings of OCMI's, regional MARAD staff and Ship Managers representatives are encouraged at least annually in order that this MOU be effectively implemented.

VIII. Modification / Termination

This agreement may be modified in whole or in part at any time by mutual agreement of the parties. Either party may propose modifications whenever deemed necessary or desirable. The parties agree to consider such proposed modifications promptly. Either party may terminate this agreement, upon delivery of written notification to the other party.

IX. Effective Date

This Memorandum of Understanding is effective _July 20, 1998, and supersedes the previous Memorandum of Understanding dated 25 March 1992.

UNITED STATES COAST GUARD	MARITIME ADMINISTRATION
_____SIGNED*_____	_____SIGNED*_____
_____ *(Signature/Date)*	_____ *(Signature/Date)*
Robert C. North Rear Admiral U.S. Coast Guard Assistant Commandant for Marine Safety and Environmental Protection	James E. Caponiti Associate Administrator for National Security

*** Original signed copies are on file in MAR-611.**

Table 1: RRF Maintenance Frequencies

R-Status	Outported	Crew Size	Maintenance Activation w/Dock Trial	Maintenance Activation w/Sea Trial	Phase IV Maintenance Cycle
ROS-4	Yes	10	None	1 yr	Continuous
ROS-5	Yes	9	2 yr(1)	2 yr(1)	Continuous
RRF-10	No(2)	n/a	None	2 yr	6 mo
RRF-20	No(2)	n/a	5 yr(3)	5 yr(3)	6 mo
RRF-30	No	n/a	None	none	1 yr

Notes:
(1) Sea and dock trials alternate annually (i.e. yr 1 = ST, yr 2 = DT, yr 3 = ST, etc...)
(2) generally located at an NDRF site, however, some exceptions exist. Maintenance frequencies do not differ based on lay-up site (NDRF or outport).
(3) Sea and dock trials alternate. Dock trials are carried out approximately at the mid-period of the 5 year sea trial interval.

Remarks:
The maintenance frequencies shown for each "R-Status" assignment are subject to change. Direction on the frequency of maintenance actions is provided to MARAD by USTRANSCOM. The frequencies shown reflect guidance in effect at the time of signing this MOU. Any changes to these frequencies will be disseminated by updating this page.

Phase IV Maintenance Procedures (P4P) and ROS Vessel Maintenance Actions (VMA) are designed to ensure systematic exercising, maintenance, inspection and testing of ship systems and equipment. Preventative maintenance of equipment and machinery during Phase IV is performed on a cyclical basis, at intervals shown above.

Maintenance activations are carried out to conduct operational tests of equipment and systems. Dock trials involve activation of the vessel's machinery plant, but the vessel is not taken to sea. Regulatory inspections and surveys, including COI renewal and mid-period inspections, are scheduled to coincide with dock and sea trials whenever possible. In the case of RRF-20 vessels this may result in periodic expiration of COI's.

C-Rating: Alternately referred to as "C-Status" or "Readiness." Not to be confused with "R-Status." A readiness reporting system established for vessels in Phase IV (Maintenance). Developed by MARAD in coordination with the U.S. Transportation Command, C-Ratings identify and report a vessel's condition relative to its ability to meet its assigned Readiness Status (R-Status) activation timeframe. See C1, C2, C3, C4, C5, OP and PP.

C1 {C-Rating}: No Mission Degrading Deficiencies: Describes a ship having no known deficiencies which impact its mission or activation within assigned readiness period.

C2 {C-Rating}: Documented and Correctable Mission Degrading Deficiencies: Describes a ship which has mission degrading deficiencies which can be corrected within the assigned readiness period.

C3 {C-Rating}: Mission Degrading Deficiencies Exist Which Cannot be Corrected (within the assigned readiness period): Describes a ship which can be activated within its prescribed readiness time frame but has deficiencies which cannot be corrected within the readiness time frame limiting the full operational capability of the ship.

C4 {C-Rating}: Major Deficiencies Prevent the Ship Activating or Performing its Primary Mission and cannot be corrected within the assigned readiness period: Describes a ship which cannot be fully mission capable within the activation period, or a ship which has a COI that will expire within 15 days or a COI that has expired. RRF 20/30 day ships are exempt from C-Status downgrade due to COI expiration.

C5 {C-Rating}: Scheduled Major Repairs in Progress; unable to meet assigned readiness period: Describes a ship undergoing major repairs which prevent it from meeting its assigned readiness time frame.

Commandant[6]: In general, the use of the term "Commandant" denotes USCG Headquarters and the various staff elements who act on the basis of the Commandant's authority and documentation. G-MOC administers the inspection program for merchant vessels, including those in the RRF.

District Commander: For marine inspection related issues within the boundaries of each geographic district, a staff officer designated as the Chief, Marine Safety Division acts on the

[6] For further information and more detailed descriptions, the USCG Marine Safety Organization and definitions of titles and functions are contained in Title 46, Code of Federal Regulations, Subchapter A. Subpart 1.01 of Subchapter A, "Organization and General Flow of Functions," contains a thorough list of organizational titles and corresponding functions pertinent to USCG inspection of merchant vessels. In addition to titles and organization, Subchapter A provides a useful description of the decision making flow within the Coast Guard Marine Safety Program. Various subchapters within Title 46 CFR also define organizational titles (e.g., OCMI).

basis of the USCG District Commander's authority. District Commanders are subordinate to the Commandant.

General Agent: A ship operating company that represents MARAD for the maintenance and operation of RRF vessels by letter of agreement. Is empowered as MARAD's agent in all matters related to vessel maintenance, inspection, activation and operation; analogous to "Ship Manager."

MARAD Liaison: Individual on staff at USCG Headquarters as delegated by Commandant, G-MOC. Acts as the liaison to and from MARAD as the need arises.

Marine Inspector: Either an officer or civilian federal employee of the USCG, designated by the OCMI to witness all required tests and inspections on board merchant vessels. The Marine Inspector is the primary individual in the field tasked with direct physical observation and initial evaluation of a particular vessel for compliance with vessel safety regulations. The marine inspector is subordinate to the OCMI.

Marine Surveyor: MARAD employee responsible for one or more RRF ships to oversee vessel maintenance, repairs and activations. Works closely with Port Engineers and their respective Ship Managers/General Agents to ensure that vessels are kept in their assigned readiness status.

"No-Sail" CG-835: A deficiency which, as determined by the OCMI, would seriously endanger the vessel or its crew if the vessel proceeded to sea.

Officer in Charge, Marine Inspection (OCMI): Designated and delegated to give immediate direction to marine safety functions including the inspection of vessels within their zone. OCMIs are subordinate to the District Commander.

OP {C-Rating}: Operational: Describes a ship placed in operational status for the purpose of supporting military exercises or operations as required for National Defense.

Phase I - Acquisition: The acquisition of a vessel for the RRF, whether by purchase, transfer from other government entities, or upgrade from the National Defense Reserve Fleet (NDRF).

Phase II - Upgrade: The initial upgrade of an acquired vessel to RRF standards, including USCG Certification, ABS Classification, and compliance with other regulatory requirements. If the acquired vessel is of foreign registry, this Phase includes re-flagging to United States registry.

Phase III - Deactivation: The initial deactivation of a vessel following acquisition, upgrade and operational testing. The vessel is laid-up in a state of preservation consistent with its assigned readiness status, and location (outport or NDRF site).

Phase IV - Maintenance: The retention phase wherein an RRF vessel is maintained, tested, and otherwise prepared to meet its assigned readiness status. Vessels in Phase IV are either in Reduced Operating Status (ROS), or Inactive (RRF). Inactive vessels undergo periodic "Phase IV Maintenance Cycles," based on ship specific maintenance procedures. ROS vessels undergo continuous maintenance cycles performed primarily by the embarked ROS crew. The Ship Manager is

contractually responsible for assigned vessels in this phase.

Phase V - Exercise: This phase is divided into two non-sequential sub phases, Activation during which the vessel transitions from Phase IV Maintenance to Phase O Operation and Deactivation during which the vessel transitions from Phase O back to Phase IV. Any vessel which is tendered to the DOD through the Military Sealift Command (MSC), including vessels which are activated for military exercises, will transition through Phase V to Phase O

Phase O - Operation: Vessels which have been activated for exercises, or National Defense purposes are placed in Phase O once tender to the MSC has been accepted. During Phase O, RRF vessels come under the operational control of MSC, but administrative control (ADCON) is retained by MARAD and the Ship Manager.

Phase VI - Sealift Enhancement: This phase is similar to Phase II Upgrade, however, it involves the installation of equipment and facilities to support DOD mission requirements. Such features include, but are not limited to, underway replenishment at sea rigs, vertical replenishment helicopter platforms, Offshore Petroleum Discharge System equipment on selected tankers, and craneship conversions for offloading conventional, non self-sustaining cargo ships. *Note: effective July 1, 1998, Phase VI will be eliminated as a separate program phase. Sealift Enhancement Features will be accomplished in either Phase II or Phase IV.*

Planned Maintenance: A program of routine and continuous maintenance of the hull and machinery. The program should be developed in consultation with the manufacturers of the machinery and the various lubricants and coatings used to preserve the hull and machinery. In the situation of idle vessels, the long term lay up may affect the retention of oil films in bearings which could lead to brinneling of the bearings. Particular attention is to be given to prevention of brinneling.

Port Engineer: The "on site" representative of the General Agent or Ship Manager. Responsible for the daily operations required for the various Phases of RRF Management. Works closely with the Marine Surveyor during activations and inspections.

PP {C-Rating}: Pre-Position: Describes a ship placed in operational status for the purpose of pre-positioning military cargo in a designated theater of operations.

Readiness: Not to be confused with Readiness Status. See “C-Rating.”

Readiness Status {R-Status}: Readiness status is defined as the timeframe in which MARAD must activate and tender a vessel to DOD. A vessel’s R-Status is designated by the Department of Defense. The two categories of R-Status are: a) ROS and b) RRF.

Regional Director: The MARAD Regional Director administers all MARAD programs within his region, including the RRF program. The director is the regional representative for the Maritime Administrator.

ROS/# {R-Status}: Reduced Operating Status/# Days - Vessels in Reduced Operating Status have a reduced crew of key personnel living on board for maintenance purposes. Vessels in this status conduct sea trials or dock trials on an annual basis. The 4 or 5 after "ROS" indicates the number of days authorized for vessel activation and tendering to Military Sealift Command's Operational Control.

RRF/##{R-Status}: Ready Reserve Force/## Days - RRF vessels are deep lay-up, generally at one of the National Defense Reserve Fleet Sites. A vessel in this status requires towing to a repair facility for activation, crewing, storing and sea trials prior to tendering to Military Sealift Command's Operational Control. The number following "RRF" indicates the number of days authorized for vessel activation and tendering to Military Sealift Command's Operational Control.

Rules: The requirements set forth by a classification society to which a vessel is constructed and maintained. For the purposes of the RRF, the term Rules refers to the Rules of the American Bureau of Shipping.

Ship Manager: A ship management company that is contracted to represent MARAD for the maintenance and operation of RRF vessels. Is empowered as MARAD's agent in all matters related to vessel inspection, activation and operation. The Ship Manager is an independent contractor for purposes of procurement of supplies and services for maintenance, and is contractually responsible for maintaining the vessel(s) in class and certified.

Ship Operations & Maintenance Officer: Is the primary point of contact in the Regional office for RRF vessel maintenance, repair, and activation contracts. Plans, submits and administrates budgets for vessel maintenance and repairs within the RRF program.

Surveyor, Exclusive: Not to be confused with the term Marine Surveyor. An Exclusive Surveyor is a full time employee of the American Bureau of Shipping.

USCG/ABS Liaison: Individual on staff at MARAD Headquarters as delegated by the Chief, Division of Ship Maintenance and Repair in the Office of Ship Operations. Acts as the liaison to both the USCG and ABS on matters pertaining to merchant vessel inspection requirements as they relate to the RRF.

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ANNEX II to the MARAD / USCG Memorandum of Understanding; COMMAND, CONTROL & COMMUNICATIONS

I. Introduction

As in all complex operations involving inter-agency coordination, rapid and effective communications are essential. This section identifies procedures ensuring that communication is maintained between USCG, ABS and MARAD decision makers to facilitate the inspection of the RRF.

II. USCG / ABS / MARAD Organization

Figure 1 illustrates an index of decision levels of the ship inspection team and the relationships between USCG, ABS and MARAD.

III. Organizational Points of Contact

Overview - ABS / USCG / MARAD: As Figure 1 illustrates, a one to one correlation among the three organizations does not exist at all levels of RRF inspections and activations. At the headquarters level, interagency coordination is expedited by ABS/USCG/MARAD liaison officers located at ABS, USCG and MARAD Offices and Headquarters. Below the Headquarters level the organizations diverge in both geographic distribution and assignment of responsibility for completion of ABS and USCG inspections. MARAD currently has five Regional offices; the USCG has 10 districts, each with two or more OCMI zones; and ABS has three divisions (not including the ABS Corporate Office). This results in each MARAD regional office spanning several OCMI zones and at least two USCG District Commanders, and the three ABS Survey Managers and Director of Government Services. Most OCMI inspection zones lie entirely within the boundaries of a single MARAD Region.

Inspection Scheduling and Conduct: OCMIs, ABS Attending Surveyors and MARAD coordinate scheduling of RRF vessel inspections, and work to resolve deficiencies noted during inspections on board the vessel in question. As discussed in the MOU, MARAD employs Ship Managers (and/or General Agents) to manage all aspects of RRF vessel maintenance and operations. The Ship Manager, through an assigned Port Engineer, is the primary point-of-contact when requesting and conducting RRF vessel inspections and surveys. This delegation of responsibility does not, however, relieve the cognizant MARAD region from its oversight responsibilities, or from its ultimate responsibility as vessel owner.

The following procedure shall be followed when scheduling and conducting vessel inspections and surveys:

Prior to the commencement of an inspection or survey, the Ship Manager shall contact the cognizant OCMI and/or responsible ABS field office in whose zone an RRF vessel is to undergo inspection or survey. The Ship

Manager _will identify the vessel, their designated Port Engineer and the MARAD Marine Surveyor who will be available to respond to inquiries and resolve inspection issues, when requested by the OCMI, USCG marine inspector, ABS field office, or ABS Surveyor.

Prior to, or as soon as possible after the commencement of any regulatory inspection or classification survey (i.e., COI, Drydock Exam, Cargo Gear, etc.) of an RRF vessel, the attending USCG Marine Inspector(s), and/or ABS Surveyor(s) will meet with the Port Engineer and MARAD Marine Surveyor. They will agree on a schedule for maintaining contact with each other to discuss inspection and survey issues. USCG, ABS and MARAD will be readily accessible to each other throughout the course of the inspection or survey and they will designate an alternative point of contact in the event of an individual's absence.

Coordination: When inspections or surveys involve multiple OCMIs, District Commanders, ABS Offices or MARAD Ship Manager(s) and Regional offices, these individuals are encouraged to make direct contact with each other when coordination is required to resolve inspection issues involving an RRF vessel. This should occur as early as possible.

For issues requiring headquarters level policy interpretation, or requiring a national defense waiver, either agency, at any level, may contact the ABS/USCG/MARAD liaison officers. The liaison officers will assist by contacting the appropriate headquarters staff at each agency and coordinate a response to the issue/inquiry. Each agency will then be responsible for rapidly transmitting its decision to the subordinate offices and commands involved.

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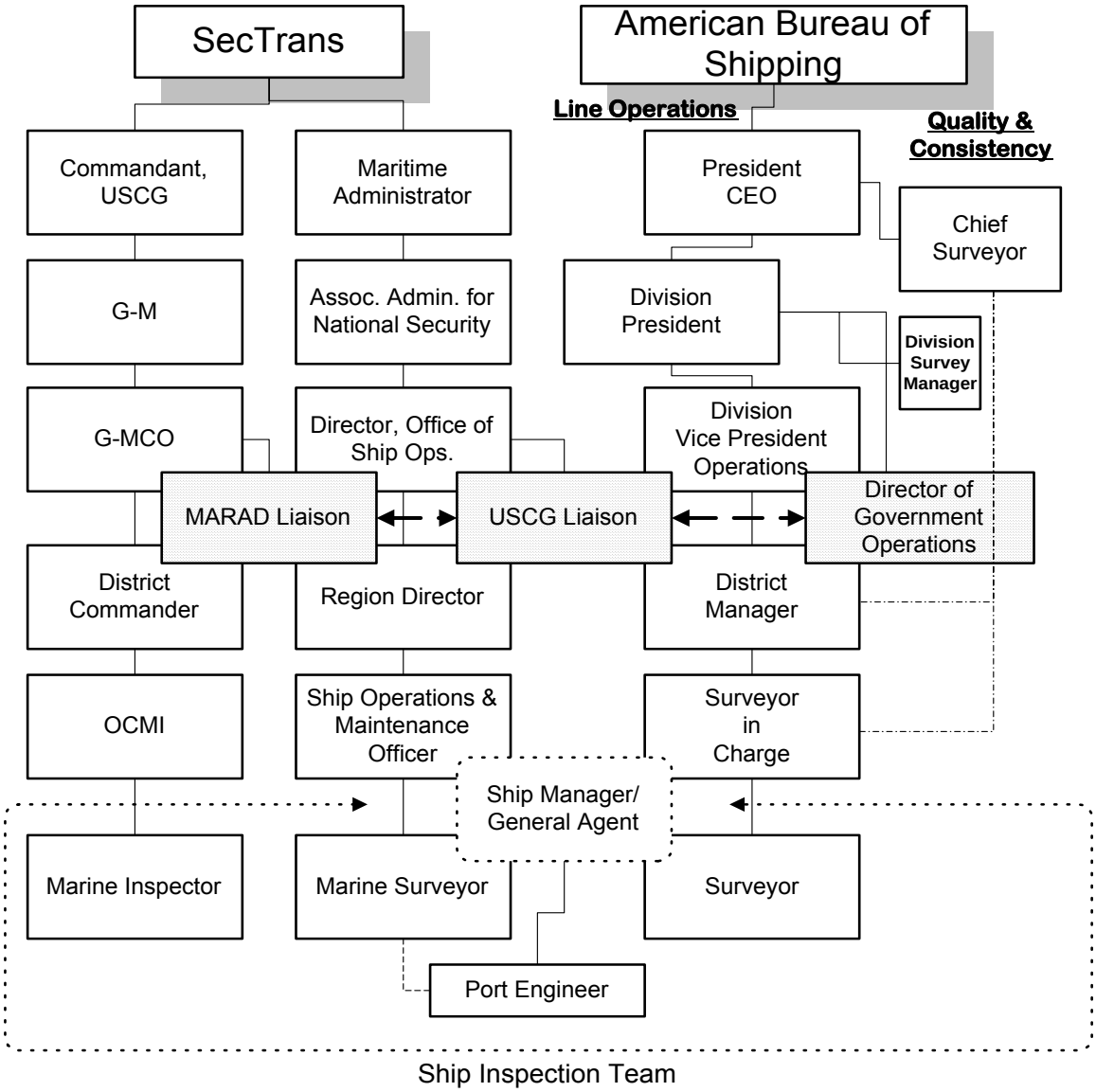
Figure 1 - Ship Inspection Chain of Command



MEMORANDUM OF UNDERSTANDING
Between

The Maritime Administration
and
The American Bureau of Shipping

Ready Reserve Force Surveys and Classification

I. Purpose

This Memorandum of Understanding (MOU) sets forth policies and procedures to be followed by the Maritime Administration (MARAD) and the American Bureau of Shipping (ABS) relative to the survey and classification of vessels of the Ready Reserve Force (RRF). RRF vessels are Public Vessels of the United States, owned by the Maritime Administration and maintained in either Reduced Operating Status (ROS) or Inactive Status, as reserve sealift assets for national defense and other purposes. The purpose of this MOU is to describe the RRF Program, and to discuss the classification of vessels in this program, giving particular attention to those conditions which differ from the "normal" classification requirements of active, commercial vessels. The following Annexes are attached to this MOU:

Annex I: Glossary
Annex II: Command, Control and Communications
Annex III: Program for Barges

II. Background

The Ready Reserve Force (RRF) was established in 1976 as a surge component of MARAD's National Defense Reserve Fleet (NDRF). Today, the RRF is a key element of the Department of Defense (DOD) Strategic Sealift Program, designed to provide reliable and responsive shipping to support the deployment of US military forces worldwide. Maintained in a high state of readiness, RRF vessels provide for the rapid availability of ocean shipping essential to the deployment of DOD equipment in a national emergency. MARAD is responsible for assuring that RRF vessels can be activated; i.e., transitioned to fully operational status, within their assigned Readiness Status (R-Status); i.e., 4, 5, 10, 20 or 30 days, and perform mission requirements. When operational for DOD, RRF vessels are under the Operational Control (OPCON) of the Navy's Military Sealift Command (MSC), however, MARAD retains responsibility for the inspection and maintenance of the vessels.

The American Bureau of Shipping (ABS) is recognized in 46 United States Code Section 3316 as the U.S. Government's sole agent for the classification of publicly owned vessels and for matters

related to classification. ABS has been a principal team member surveying U.S. Sealift assets for fitness for their intended purposes.

Vessel Legal Status: All RRF vessels are public vessels, fully documented with the USCG as evidence of ownership and nationality, and assigned official numbers and home ports. By Congressional direction, RRF ships are subject to USCG inspection (46 USC 2109) under U.S. law and regulation, and are issued USCG Certificates of Inspection. RRF vessels are otherwise given full status as public vessels. Each RRF vessel displays a Certificate of Public Vessel Status on its bridge.

RRF vessels are exempt from the following international conventions:

SOLAS (including Chapter IX - ISM)
MARPOL 73/78 (excluding Annex V)
ISM (as invoked by 33 CFR Part 96)

RRF vessels are exempt from the requirements of all international conventions, including SOLAS and MARPOL, except where incorporated in U.S. domestic regulations. In addition, RRF tank vessels are exempt from the double hull requirements of the Oil Pollution Act of 1990.

Voluntary Compliance: As a matter of policy, reflecting MARAD's decision to be a leader in the fields of marine pollution control and safety, MARAD has decided to voluntarily comply, to the maximum extent practicable, with the laws, treaties and international conventions listed above, and with all other environmental and safety laws from which MARAD is exempt, even though there is no legal requirement. This should not be construed as a waiver of the public vessel status of RRF vessels. The extent of compliance will be documented by ABS, with appropriate documentation issued (See Paragraph IV).

30.1.1 III. RRF Program Management

Program Phases: To meet DOD program requirements established for the RRF, MARAD employs a six (6) phase program for management of the RRF. The six phases are:

Phase I Acquisition
Phase II Upgrade (Change of class, if applicable)
Phase III Deactivation (initial only, following Acquisition/Upgrade)
Phase IV Maintenance (includes Upgrades and Sealift Enhancement - formerly Phase VI)
Phase V Exercise (Activation/Deactivation)
Phase O Operation

Expanded definitions and discussion of the various phases are included in Annex I of this MOU, and also in Paragraph IV, Survey Requirements, below.

Readiness Status: At the direction of the United States Transportation Command (USTRANSCOM), RRF vessels are maintained in one of several degrees of readiness, designated as either ROS-xx or RRF-xx, where ROS indicates Reduced Operating Status, and RRF indicates Inactive (laid-up) status. *[When using this MOU, please carefully consider the distinction between "RRF" when used to describe inactive vessels, and "RRF" when the term applies to the Ready Reserve Force as a whole].* The "xx" indicates the activation timeframe in days. ROS vessels are partially manned with hotel systems operational. ROS crews perform inspections, routine repairs, preventative maintenance and periodically operate equipment and systems. Inactive, or "RRF," vessels are unmanned and are maintained in a state of deep lay-up, generally at one of MARAD's three (3) NDRF sites. To prevent deterioration in lay-up, equipment and systems are preserved, critical spaces dehumidified and sea chests are blanked.

Activations / Deactivations: RRF vessels may be activated for a variety of purposes. Principally, activations are initiated for maintenance, readiness testing or to support a DOD mission or exercise. There are two types of activations: *"Notice"* and *"No-Notice."* "Notice" activations are scheduled and planned in advance. The pace is generally slow, and activation timeframes are often not a factor. "Notice" activations typically support a planned DOD exercise, or are strictly for maintenance purposes as shown in Table 1. Where possible, "Notice" activations will be scheduled to coincide with required regulatory surveys and inspections.

During *"No-Notice"* activations, vessels are activated as quickly as possible in order to meet assigned readiness criteria. "No-Notice" activations typically support an emergent DOD requirement, or they may be initiated to test readiness and whether a vessel, or vessels, area vessel, or vessels, is being maintained such that they can meet their assigned activation timeframe(s).

Following activation (and any subsequent operation), the vessel is returned to either ROS or Inactive (RRF) status through Deactivation. The deactivation process is often used as an opportunity for making repairs and scheduling inspections and surveys.

ABS Notification: MARAD HQ shall provide written notification (FAX & e-mail) to the Assistant Chief Surveyor when a No-Notice activation occurs, identifying the vessel, Ship Manager, the activation shipyard or facility, and the vessel readiness status. Notification at the local level will be made as part of any request for survey, if necessary. The scope of ABS survey(s) at activation is defined in Paragraph IV.C. For Notice activations, MARAD will provide advance notification to facilitate the scheduling of requested surveys.

Ship Management Services: The day-to-day management of RRF vessels is assigned to commercial ship management companies under either Ship Manager contracts or General Agency task orders.

General Agency tasks are usually temporary; however, the responsibilities of a General Agent are generally the same as that of a Ship Manager, and for the purposes of this MOU, the terms are interchangeable. The MARAD Region(s) in which the assigned vessel(s) is located provides primary oversight of Ship Managers.

Ship Managers manage all aspects of RRF vessel maintenance and operation. Ship Managers are contractually responsible for maintaining RRF vessels in class, certificated, and are responsible for their overall material condition and readiness. The Ship Manager is responsible for requesting ABS surveys, with the Port Engineer designated as the primary Point-of-Contact for requested vessel surveys (see Annex II).

The Ship Manager is the designated billing entity for survey fees, and is contractually responsible for the processing and payment of invoices. However, ABS shall have the right to address serious delinquencies in invoice payments directly to MARAD.

RRF Maintenance Program: The level of maintenance on RRF vessels is based on readiness criteria described above. The maintenance program includes preventative maintenance, periodic maintenance, and planned activations culminating in dock or sea trials. The frequency of maintenance actions and the type of activation trial is again dependent on assigned readiness, and is summarized in Table 1.

IV. Survey and Maintenance of Classification Requirements

A. General

RRF vessels are maintained in class with ABS, and, in general, conform to the regulatory requirements typical of commercial, US flag cargo and tank vessels. RRF vessels are issued full convention loadline and tonnage certificates, and may be issued Statements of Voluntary Compliance for Safety Construction, Safety Equipment, Safety Radio, and International Oil Pollution Prevention (See Paragraph II, Voluntary Compliance). Taken together these certificates are collectively referred to as "International Trading Documents."

MARAD intends that RRF vessels will proceed to sea fully classed with valid International Trading Documents. National security considerations may make it necessary for a vessel to get underway without full certification. In such cases, a National Defense Waiver (NDW) is obtained by the Department of the Navy, Commander, Military Sealift Command.

RRF vessel survey requirements vary based on their assigned program management phase. Phases I through III, are specific phases related to the acquisition and initial entry of a vessel into the RRF. Vessels in these phases will comply with all applicable ABS Rules, in the same manner as commercial vessels. Where these vessels were previously classed with a classification

society other than ABS, they will undergo required surveys and conversion, if any, for transfer to ABS class.

Selected RRF vessels have been, or may be, modified for a specific military function. In general, such modifications are performed in accordance with all normally applicable Rules and regulations, except where military equipment is installed. Military equipment survey and inspection requirements will be developed on a case-by-case basis.

Routine day-to-day management of the RRF is conducted with ships in Phases IV, V and O; therefore, the following discussion considers these Phases only.

Phase IV - Maintenance: RRF vessels in lay-up, whether inactive or in ROS status, are generally assigned to Phase IV. Phase IV maintenance activations and cycles are based on a vessel's assigned readiness status, and are shown in Table I. Ship Managers will arrange for ABS surveys as appropriate (see Annex II).

Phase V - Exercise (Activation/Deactivation): Phase V is divided into two non-sequential sub phases; *Activation* during which the vessel transitions from Phase IV Maintenance to Phase O Operation, and *Deactivation* during which the vessel transitions from Phase O back to Phase IV. Vessels are activated as discussed in Paragraph III. Any vessel which is tendered to the DOD through MSC, including vessels which are activated for military exercises, will transition through Phase V to Phase O. Note that vessels activated for Phase IV maintenance activations do not transition to Phase V or Phase O, and remain under MARAD's Operational Control.

Phase O - Operation: During Phase O, RRF vessels come under the operational control of MSC (independent MARAD control of RRF vessel operations - other than Phase IV - is rare). Phase O survey intervals will be in accordance with ABS Rules.

B. Classification based on Readiness

All MARAD vessels of the Ready Reserve Force are maintained using preventative maintenance techniques. Therefore, classification of the vessels may be maintained using approved Preventive Maintenance and Condition Monitoring Schemes generally in accordance with the latest version of the "ABS Guide for Surveys based on Preventative Maintenance Techniques." This will be done on a selective basis as decided by MARAD but will apply mostly to ROS 4 and 5 vessels.

ROS 4 and 5 vessels: ROS vessels will be considered active vessels by ABS. MARAD will maintain the classification of ROS vessels up to date. ROS vessels will receive notices of due and overdue surveys and will be subject to suspension and cancellation of classification for overdue surveys. The vessels are to be fully classed and fit to proceed within 4-5 days. Outstanding recommendations concerning fitness to proceed and/or

overdue surveys are to be completed prior to departure from the outport. However, it will not be necessary to conduct an activation survey for an ROS 4 or 5 vessel entering Operations.

RRF 10, 20 and 30 vessels: These vessels will be considered Laid-Up vessels by ABS and will not receive notices of due and overdue surveys. These vessels will not be subject to suspension and cancellation of classification due to the passage of time. Although surveys for Laid-Up vessels need not be progressed, to satisfy readiness requirements MARAD will perform routine preventative maintenance (Table 1) and voluntarily progress surveys on these vessels.

RRF 10, 20 and 30 vessels are laid-up in accordance with Lay-Up specifications submitted by MARAD for approval. These specifications are to be in general compliance with the latest version of the "ABS Guide for Lay-up and Reactivation of Laid-Up Ships." Individual vessel or vessel class specific maintenance procedures (known as "Phase IV Maintenance Procedures") will also be submitted for approval. The frequency of maintenance activities for these vessels is based on readiness criteria, and is shown on Table 1.

C. Surveys at No-Notice Activation

As described in Section III, No-Notice Activations may be initiated either for test purposes or for an emergent DOD requirement. Surveys during No-Notice Activations are to be limited based on the activation timeframe.

ROS 4/5 vessels The vessels are normally to be classed and fit to proceed within 4-5 days; therefore, Reactivation Surveys are not required. Outstanding recommendations concerning fitness to proceed are to be completed prior to departure from the outport. Due surveys may be considered for completion if it will not interfere with the activation.

Inactive (RRF 10/20) vessels. Reactivation Surveys are required as described in paragraph IV.D. If necessary, International trading documents may be issued valid for 15 months. Overdue surveys and outstanding requirements will be completed within 15 months of activation.

Inactive (RRF 30) vessels. Reactivation Surveys are required as described in paragraph IV.D. If less than five years have elapsed from the date of lay-up, International-trading documents may be valid for 15 months. Overdue surveys and outstanding requirements will be completed within 15 months of activation. For vessels that have been laid-up longer than five years, all overdue surveys will be completed during the activation period.

D. Surveys

To provide MARAD flexibility to schedule needed work to coincide with vessel drydock examinations, activations or deactivations

following operations, surveys may be credited with outstanding requirements.

Load Line Inspections. RRF vessels carry International Convention Load Line Certificates. The USCG has required that the vessels be in full compliance in order to carry Load Line marks. Load Line renewal surveys will be requested at each scheduled drydocking.

Load Line Certification for ROS 4 and 5 Vessels is required to satisfy readiness requirements, and the vessels must maintain a full term Load Line certificate. It is recognized that the requirements for renewal of a Load Line Certificate are less detailed than those for maintaining classification. Therefore, it is possible for a Surveyor to credit the Load Line Renewal survey while items remain to credit the Special Survey of Hull. Provided that the vessel is in full compliance with the Load Line Regulations, the Load Line Certificate will remain valid for a period of five years.

Load Line Certification for RRF 10, 20 and 30 Vessels is not required to satisfy readiness requirements. On occasions of Activation, and provided the Cognizant Officer in Charge of Marine Inspection concurs, vessels that do not have a credited drydocking within five years of an intended period of operation may be issued a Provisional Load Line Certificate. Issuance of the Provisional Load Line Certificate will be subject to internal and external structural examination of the vessel to determine the fitness of the vessel to proceed for the requested period. The examination is to be to the satisfaction of the attending Surveyor and is to include a diver's examination of the underwater body of the vessel and its appendages. At the discretion of the Surveyor the average thickness of the vessel's hull may be required to be determined and repairs made to satisfy the surveyor of the vessel's fitness to proceed.

Annual Surveys of Lay Up for RRF 10, 20 and 30 Vessels: MARAD lay up procedures are to be verified as follows:

- Dehumidification systems are maintaining the relative humidity in all critical spaces and equipment at 38% to 41.
- Cathodic protection system for the hull is operating satisfactorily.
- Systems to detect flooding and sound an alarm are operating.
- That preservation of the hull, decks, deck houses, machinery and equipment appears satisfactory.
- That cargo gear including booms, blocks, runners, etc. is maintained in accordance with the applicable Phase IV Maintenance Procedures.
- That ballast tanks are either empty or filled with fresh water and appropriate chemicals added retain their

ability to retard corrosion and microbial activity within the tank.

Drydocking. All RRF vessels will be subject to the most current Rule intervals for drydocking and their status will show due dates. Due to the stand-by service of the vessels, the Surveyors will be allowed to waive the Intermediate drydocking of ROS 4 and 5 vessels provided the following are found satisfactory:

1) It is to be verified that the vessel has no record of groundings, collisions or allisions that would need to be considered for a drydocking.
2) It is to be verified that cathodic protection system for the hull is operating satisfactorily.
3) It is to be verified that systems to detect flooding and sound an alarm are satisfactorily installed in the engine room, shaft alley and any other spaces considered appropriate, and there were no alarms of record that would require the vessel to be drydocked.
4) If considered necessary, it is to be verified by a qualified diver's modified (no TV camera) examination (usually at the time of an activation); that there are no apparent conditions of a concern on the vessel's underwater body or appendages.

Since RRF 10, 20 and 30 vessels are considered in an ABS laid-up status, there is no requirement to progress drydocking surveys. However, MARAD has a regular drydocking program at which time these vessels will be presented for credit.

Tail Shafts Surveys for oil lubricated bearing systems will be due as per the most recent Rule requirements. All other type Tail Shafts will be subject to special consideration on a case by case basis.

Special Surveys for ROS 4 and 5 vessels will be due as per the most recent Rules requirements, and will generally follow a 5-year cycle although special situations may exist and are covered in other sections of this document.

Progression of Special Surveys for RRF 10, 20, and 30 vessels will be suspended as allowed by the "ABS Guide for Lay-Up and Reactivation of Laid-up Ships." However, the maximum interval between examination of special survey items will not exceed ten (10) years. In order to qualify for this extended Special Survey period vessels must meet the following requirements:

- Comply with MARAD standard lay-up procedures.
- Comply with MARAD Phase IV Maintenance procedures.
- Carry out Annual Surveys of Lay-up.
- Be in extended lay-up a minimum of five (5) years (cumulative) during the applicable ten (10) year special survey period.

- In addition, MARAD will strive to maintain a condition monitoring program for these vessels during lay-up and periodic reactivations, particularly with regards to vibration

measurement and oil analysis (lube oil and hydraulic oil). A list of machinery covered by this modified condition monitoring program will be submitted to ABS for entry on the SAFENET Survey Status system.

30.2 Reactivation Surveys: These surveys normally apply only to inactive vessels and do NOT apply to ROS vessels.

30.2.1.1 No-Notice

Inactive (RRF 10/20) vessels. Reactivation Surveys of vessels in these categories shall generally be in accordance with the "ABS Guide for Lay-up and Reactivation of Laid-up Ships" and may be limited with due consideration given for the conditions of lay-up, including ABS approved MARAD Lay-Up Specifications and Phase IV Maintenance Procedures, routine Dock Trial and Sea Trials, and the status of the USCG Certificate of Inspection. Intrusive type surveys, such as internal inspection of tanks, and opening up of machinery, are not normally required.

Inactive (RRF 30) vessels. Reactivation Surveys of vessels in this category are required in accordance with the "ABS Guide for Lay-up and Reactivation of Laid-up Ships."

Other than No-Notice

Inactive (RRF 10/20/30) vessels. Reactivation Surveys of vessels in this category are required in accordance with the "ABS Guide for Lay-up and Reactivation of Laid-up Ships" to the extent that they are not covered by other survey procedures being performed.

E. Alternate Compliance Program

Alternate Compliance Program: As authorized by the USCG, RRF vessels that are in full compliance with the requirements of International Convention, ABS Class and the US Supplement to the ABS Rules may participate in the Alternate Compliance Program (ACP). ABS issued "Statements of Voluntary Compliance" are accepted by the USCG as equivalent to convention certificates. However, such Statements of Voluntary Compliance must be free of exemptions, except for cargo stowage exemptions endorsed by the USCG, in order to permit a particular vessel's participation in the ACP. Selected RRF vessels, which meet the above criteria, will be enrolled in the ACP program in accordance with the applicable enrollment regulations contained in 46 CFR.

Under the ACP, the USCG will accept surveys performed by ABS as equivalent to tests and examinations required for initial and in-service inspections for certification, periodic reexamination, and drydock examinations. The USCG will conduct oversight of ABS under this program.

V. Special Situations

Special Situations will occur when certain survey requirements for these vessels may be specially considered as allowed per ABS Rules and Guides. Any special situations to be considered must be proposed by MARAD in writing to the Assistant Chief Surveyor, ABS Americas. These special situations include all requests for postponement of due or overdue surveys.

VI. National Defense Waivers

National Defense Waivers may be required during activations of RRF vessels for rapid deployment of U.S. forces during crises or upon declaration of war or national emergency. Situations may arise where a vessel is required for service with incomplete or overdue surveys. In such cases where a statutory certificate is involved, MARAD will follow the procedures set forth in its MOU with the United States Coast Guard for the issuance of National Defense Waivers. Where such cases involve classification surveys that do not adversely affect the safety of the vessel or crew, the environment, or the vessel's fitness to proceed, MARAD will request from the ABS Americas' Assistant Chief Surveyor, requirements for appropriate extensions to complete the surveys.

VII. Appeals

Appeals of a decision of a local or Principal Surveyor that aggrieves the vessel's representatives may be appealed to the Assistant Chief Surveyor, ABS Americas in accordance with the terms of this MOU or the ABS Rules.

VIII. Coordination

Coordination of RRF Maintenance and Classification is critical to the success of the program. Local operating level meetings with MARAD, Ship Managers, and ABS should be held frequently to discuss the operation of this MOU. All parties are cognizant that:

- Surveys can occur in all three ABS divisions,
- All efforts are to be made to settle situations at the local level and with the Assistant Chief Surveyor of the division,
- All situations that cannot be resolved locally are to be referred to the Assistant Chief Surveyor, ABS Americas, with whom rests responsibility for coordination with MARAD. The Assistant Chief Surveyor, Americas will work with the ABS Americas Director of Government Operations to mediate situations,
- Ultimate responsibility for survey matters will rest with the ABS Corporate Chief Surveyor,
- Ultimate responsibility for engineering matters will rest with the ABS Americas Vice President of Engineering,

IX. Modification / Termination

This agreement may be modified in whole or in part at any time by mutual agreement of the parties. Either party may propose modifications whenever deemed necessary or desirable. The parties agree to consider such proposed modifications promptly. Either party may terminate this agreement upon delivery of written notification to the other party.

X. Effective Date

This Memorandum of Understanding is effective Jan 28, 1999, and supersedes the previous Memorandum of Understanding dated 18 February 1987, and its Addenda.

AMERICAN BUREAU OF SHIPPING	MARITIME ADMINISTRATION
_____SIGNED*_____	_____SIGNED*_____
(Signature/Date)	*(Signature/Date)*
Robert D. Somerville President and Chief Operating Officer American Bureau of Shipping	Clyde J. Hart Maritime Administrator

*Original signed copy available from MAR-611.

Table 2: RRF Maintenance Frequencies

R-Status	Outported	Crew Size	Maintenance Activation w/Dock Trial	Maintenance Activation w/Sea Trial	Phase IV Maintenance Cycle
ROS-4	Yes	10	None	1 yr.	Continuous
ROS-5	Yes	9	2 yr. (1)	2 yr. (1)	Continuous
RRF-10	No(2)	N/A	None	2 yr.	6 mo.
RRF-20	No(2)	N/A	5 yr. (3)	5 yr. (3)	6 mo.
RRF-30	No	N/A	None	none	1 yr.

Notes:
(1) Sea and dock trials alternate annually (i.e. yr. 1 = ST, yr. 2 = DT, yr. 3 = ST, etc.)
(2) Generally located at an NDRF site; however, some exceptions exist. Maintenance frequencies do not differ based on lay-up site (NDRF or outport).
(3) Sea and dock trials alternate. Dock trials are carried out approximately at the mid-period of the 5 year sea trial interval.

Remarks:
The maintenance frequencies shown for each "R-Status" assignment are subject to change. Direction on the frequency of maintenance actions is provided to MARAD by USTRANSCOM. The frequencies shown reflect guidance in effect at the time of signing this MOU. Any changes to these frequencies will be disseminated by updating this page.

Phase IV Maintenance Procedures (P4P) and ROS Vessel Maintenance Actions (VMA) are designed to ensure systematic exercising, maintenance, inspection and testing of ship systems and equipment. Preventative maintenance of equipment and machinery during Phase IV is performed on a cyclical basis, at intervals shown above.

Maintenance activations are carried out to conduct operational tests of equipment and systems. Dock trials involve activation of the vessel's machinery plant, but the vessel is not taken to sea. Regulatory inspections and surveys, including COI renewal and mid-period inspections, are scheduled to coincide with dock and sea trials whenever possible. In the case of RRF-20 vessels this may result in periodic expiration of COI's.

ANNEX I to the MARAD / ABS Memorandum of Understanding; GLOSSARY

C-Rating: Alternately referred to as "C-Status" or "Readiness." Not to be confused with "R-Status." A readiness reporting system established for vessels in Phase IV (Maintenance). Developed by MARAD in coordination with the U.S. Transportation Command, C-Ratings identify and report a vessel's condition relative to its ability to meet its

assigned Readiness Status (R-Status) activation timeframe. See C1, C2, C3, C4, C5, OP and PP.

C1 {C-Rating}: No Mission Degrading Deficiencies: Describes a ship having no known deficiencies which impact its mission or activation within assigned readiness period.

C2 {C-Rating}: Documented and Correctable Mission Degrading Deficiencies: Describes a ship which has mission degrading deficiencies which can be corrected within the assigned readiness period.

C3 {C-Rating}: Mission Degrading Deficiencies Exist Which Cannot be Corrected (within the assigned readiness period): Describes a ship which can be activated within its prescribed readiness time frame but has deficiencies which cannot be corrected within the readiness time frame limiting the full operational capability of the ship.

C4 {C-Rating}: Major Deficiencies Prevent the Ship Activating or Performing its Primary Mission and cannot be corrected within the assigned readiness period: Describes a ship which cannot be fully mission capable within the activation period, or a ship which has a COI that will expire within 15 days or a COI that has expired. RRF 20/30 day ships are exempt from C-Status downgrade due to COI expiration.

C5 {C-Rating}: Scheduled Major Repairs in Progress; unable to meet assigned readiness period: Describes a ship undergoing major repairs which prevent it from meeting its assigned readiness time frame.

Commandant[7]: In general, the use of the term "Commandant" denotes USCG Headquarters and the various staff elements who act on the basis of the Commandant's authority and documentation. G-MOC administers the inspection program for merchant vessels, including those in the RRF.

District Commander: For marine inspection related issues within the boundaries of each geographic district, a staff officer designated as the Chief, Marine Safety Division acts on the basis of the USCG District Commander's authority. District Commanders are subordinate to the Commandant.

General Agent: A ship operating company that represents MARAD for the maintenance and operation of RRF vessels by letter of agreement. Is empowered as MARAD's agent in all matters related to vessel maintenance, inspection, activation and operation; analogous to "Ship Manager."

MARAD Liaison: Individual on staff at USCG Headquarters as delegated by Commandant, G-MOC. Acts as the liaison to and from MARAD as the need arises.

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[7] For further information and more detailed descriptions, the USCG Marine Safety Organization and definitions of titles and functions are contained in Title 46, Code of Federal Regulations, Subchapter A. Subpart 1.01 of Subchapter A, "Organization and General Flow of Functions," contains a thorough list of organizational titles and corresponding functions pertinent to USCG inspection of merchant vessels. In addition to titles and organization, Subchapter A provides a useful description of the decision making flow within the Coast Guard Marine Safety Program. Various subchapters within Title 46 CFR also define organizational titles (e.g., OCMI).

Marine Inspector: Either an officer or civilian federal employee of the USCG, designated by the OCMI to witness all required tests and inspections on board merchant vessels. The Marine Inspector is the primary individual in the field tasked with direct physical observation and initial evaluation of a particular vessel for compliance with vessel safety regulations. The marine inspector is subordinate to the OCMI.

Marine Surveyor: MARAD employee responsible for one or more RRF ships to oversee vessel maintenance, repairs and activations. Works closely with Port Engineers and their respective Ship Managers/General Agents to ensure that vessels are kept in their assigned readiness status.

"No-Sail" CG-835: A deficiency which, as determined by the OCMI, would seriously endanger the vessel or its crew if the vessel proceeded to sea.

Officer in Charge, Marine Inspection (OCMI): Designated and delegated to give immediate direction to marine safety functions including the inspection of vessels within their zone. OCMIs are subordinate to the District Commander.

OP {C-Rating}: Operational: Describes a ship placed in operational status for the purpose of supporting military exercises or operations as required for National Defense.

Phase I - Acquisition: The acquisition of a vessel for the RRF, whether by purchase, transfer from other government entities, or upgrade from the National Defense Reserve Fleet (NDRF).

Phase II - Upgrade: The initial upgrade of an acquired vessel to RRF standards, including USCG Certification, ABS Classification, and compliance with other regulatory requirements. If the acquired vessel is of foreign registry, this Phase includes re-flagging to United States registry.

Phase III - Deactivation: The initial deactivation of a vessel following acquisition, upgrade and operational testing. The vessel is laid-up in a state of preservation consistent with its assigned readiness status, and location (outport or NDRF site).

Phase IV - Maintenance: The retention phase wherein an RRF vessel is maintained, tested, and otherwise prepared to meet its assigned readiness status. Vessels in Phase IV are either in Reduced Operating Status (ROS), or Inactive (RRF). Inactive vessels undergo periodic "Phase IV Maintenance Cycles," based on ship specific maintenance procedures. ROS vessels undergo continuous maintenance cycles performed primarily by the embarked ROS crew. The Ship Manager is contractually responsible for assigned vessels in this phase.

Phase V - Exercise: This phase is divided into two non-sequential sub phases, Activation during which the vessel transitions from Phase IV Maintenance to Phase O Operation and Deactivation during which the vessel transitions from Phase O back to Phase IV. Any vessel which is tendered to the DOD through the Military Sealift Command (MSC), including vessels which are activated for military exercises, will transition through Phase V to Phase O

Phase O - Operation: Vessels which have been activated for exercises, or National Defense purposes are placed in Phase O once tender to the MSC has been accepted. During Phase O, RRF vessels come under the operational control of MSC, but administrative control (ADCON) is retained by MARAD and the Ship Manager.

Phase VI - Sealift Enhancement: This phase is similar to Phase II Upgrade, however, it involves the installation of equipment and facilities to support DOD mission requirements. Such features include, but are not limited to, underway replenishment at sea rigs, vertical replenishment helicopter platforms, Offshore Petroleum Discharge System equipment on selected tankers, and craneship conversions for offloading conventional, non self-sustaining cargo ships. *Note: effective July 1, 1998, Phase VI will be eliminated as a separate program phase. Sealift Enhancement Features will be accomplished in either Phase II or Phase IV.*

Planned Maintenance: A program of routine and continuous maintenance of the hull and machinery. The program should be developed in consultation with the manufacturers of the machinery and the various lubricants and coatings used to preserve the hull and machinery. In the situation of idle vessels, the long term lay up may affect the retention of oil films in bearings which could lead to brinneling of the bearings. Particular attention is to be given to prevention of brinneling.

Port Engineer: The "on site" representative of the General Agent or Ship Manager. Responsible for the daily operations required for the various Phases of RRF Management. Works closely with the Marine Surveyor during activations and inspections.

PP {C-Rating}: Pre-Position: Describes a ship placed in operational status for the purpose of pre-positioning military cargo in a designated theater of operations.

Readiness: Not to be confused with Readiness Status. See "C-Rating."

Readiness Status {R-Status}: Readiness status is defined as the timeframe in which MARAD must activate and tender a vessel to DOD. A vessel's R-Status is designated by the Department of Defense. The two categories of R-Status are: a) ROS and b) RRF.

Regional Director: The MARAD Regional Director administers all MARAD programs within his region, including the RRF program. The director is the regional representative for the Maritime Administrator.

ROS/# {R-Status}: Reduced Operating Status/# Days - Vessels in Reduced Operating Status have a reduced crew of key personnel living on board for maintenance purposes. Vessels in this status conduct sea trials or dock trials on an annual basis. The 4 or 5 after "ROS" indicates the number of days authorized for vessel activation and tendering to Military Sealift Command's Operational Control.

RRF/##{R-Status}: Ready Reserve Force/## Days - RRF vessels are deep lay-up, generally at one of the National Defense Reserve Fleet Sites. A vessel in this status requires

towing to a repair facility for activation, crewing, storing and sea trials prior to tendering to Military Sealift Command's Operational Control. The number following "RRF" indicates the number of days authorized for vessel activation and tendering to Military Sealift Command's Operational Control.

Rules: The requirements set forth by a classification society to which a vessel is constructed and maintained. For the purposes of the RRF, the term Rules refers to the Rules of the American Bureau of Shipping.

Ship Manager: A ship management company that is contracted to represent MARAD for the maintenance and operation of RRF vessels. Is empowered as MARAD's agent in all matters related to vessel inspection, activation and operation. The Ship Manager is an independent contractor for purposes of procurement of supplies and services for maintenance, and is contractually responsible for maintaining the vessel(s) in class and certified.

Ship Operations & Maintenance Officer: Is the primary point of contact in the Regional office for RRF vessel maintenance, repair, and activation contracts. Plans, submits and administrates budgets for vessel maintenance and repairs within the RRF program.

Statement of Voluntary Compliance: Authorized in the Memorandum of Understanding between MARAD and USCG (dated July 20, 1998), a SOVC is issued in-lieu-of convention SOLAS and MARPOL certificates. SOVC's may only be issued when the vessel fully complies with convention requirements, except for specific exemptions which have been issued by the USCG. The SOVC substitutes for convention certificates when the Alternate Compliance Program is invoked.

Surveyor, Exclusive: Not to be confused with the term Marine Surveyor. An Exclusive Surveyor is a full time employee of the American Bureau of Shipping.

USCG/ABS Liaison: Individual on staff at MARAD Headquarters as delegated by the Chief, Division of Ship Maintenance and Repair in the Office of Ship Operations. Acts as the liaison to both the USCG and ABS on matters pertaining to merchant vessel inspection requirements as they relate to the RRF.

ANNEX II to the MARAD / ABS Memorandum of Understanding; COMMAND, CONTROL & COMMUNICATIONS

I. Introduction

As in all complex operations involving inter-agency coordination, rapid and effective communications are essential. This section identifies procedures ensuring that communication is maintained between USCG, ABS and MARAD decision-makers to facilitate the inspection of the RRF.

II. ABS / USCG / MARAD Organization

Figure (1) illustrates an index of decision levels of the ship inspection team and the relationships between USCG, ABS and MARAD.

III. Organizational Points of Contact

Overview - ABS / USCG / MARAD: As Figure (1) illustrates, a one to one correlation among the three organizations does not exist at all levels of RRF inspections and activations. At the headquarters level, interagency coordination is expedited by ABS/USCG/MARAD liaison officers and employees located at ABS, USCG and MARAD Offices and Headquarters. Below the Headquarters level the organizations diverge in both geographic distribution and assignment of responsibility for completion of ABS and USCG inspections. MARAD currently has five Regional offices; the USCG has 10 districts, each with two or more OCMI zones; and ABS has three divisions (not including the ABS Corporate Office). This results in each MARAD regional office spanning several OCMI zones and at least two USCG District Commanders, and the three ABS Survey Managers and Director of Government Services. Most OCMI inspection zones lie entirely within the boundaries of a single MARAD Region.

Inspection Scheduling and Conduct: OCMIs, ABS Attending Surveyors and MARAD coordinate scheduling of RRF vessel inspections, and work to resolve deficiencies noted during inspections on board the vessel in question. As discussed in the MOU, MARAD employs Ship Managers (and/or General Agents) to manage all aspects of RRF vessel maintenance and operations. The Ship Manager, through an assigned Port Engineer, is the primary point-of-contact when requesting and conducting RRF vessel inspections and surveys. This delegation of responsibility does not, however, relieve the cognizant MARAD region from its oversight responsibilities, or from its ultimate responsibility as vessel owner.

The following procedure shall be followed when scheduling and conducting vessel inspections and surveys:

Prior to the commencement of an inspection or survey, the Ship Manager shall contact either the cognizant OCMI and/or responsible ABS field office, as appropriate, in whose zone an RRF vessel is to undergo inspection or survey. The Ship Manager will identify the vessel, their designated Port Engineer and the MARAD Marine Surveyor who will be available to respond to inquiries and resolve inspection or survey issues, when requested by the OCMI, USCG marine inspector, ABS field office, or ABS Surveyor.

Prior to, or as soon as possible after the commencement of any regulatory inspection or classification survey (i.e., COI, Drydock Exam, Cargo Gear, etc.) of an RRF vessel, the attending USCG Marine Inspector(s), and/or ABS Surveyor(s), as appropriate, will meet with the Port Engineer and MARAD Marine Surveyor. They will agree on a schedule for maintaining contact with each other to discuss inspection and survey issues. USCG, ABS and MARAD will be readily accessible to each other throughout the course of the inspection or survey and they will designate an alternative point of contact in the event of an individual's absence.

Coordination: When inspections or surveys involve multiple OCMIs, District Commanders, ABS Offices or MARAD Ship Manager(s) and Regional offices, these individuals are encouraged to make direct contact with each other when coordination is required to resolve inspection issues involving an RRF vessel. This should occur as early as possible.

For issues requiring headquarters level policy interpretation, or requiring a national defense waiver, the ABS/USCG/MARAD liaison officers should be contacted. The liaison officers will assist by contacting the appropriate headquarters staff at each agency and coordinate a response to the issue/inquiry. Each agency will then be responsible for rapidly transmitting its decision to the subordinate offices and commands involved.

#

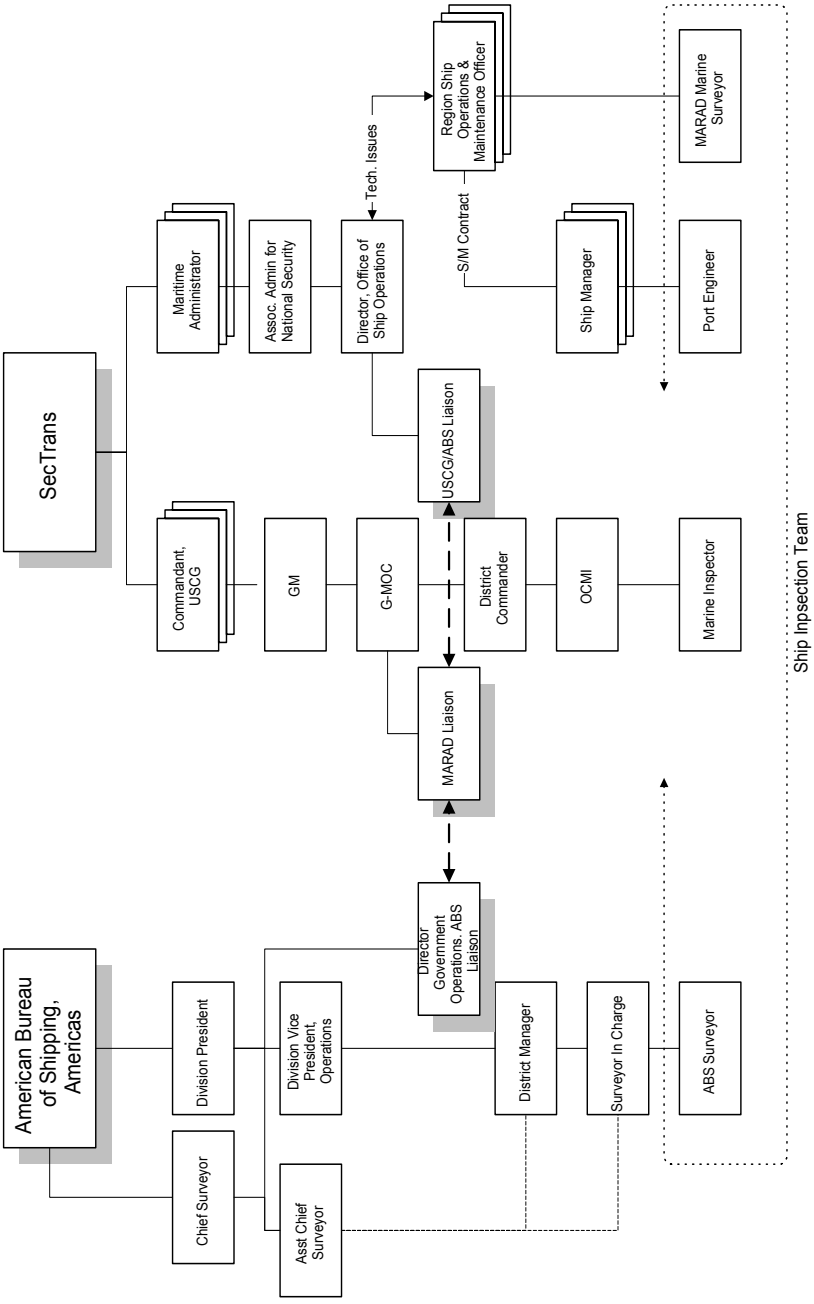

Figure 1 - Ship Inspection Team Chain of Command

ANNEX III to the MARAD / ABS Memorandum of Understanding; PROGRAM FOR BARGES

The following discussion of classification procedures for Ready Reserve Force Barges is based on the six (6) phase RRF management program developed by MARAD. These phases are defined in Annex I to this MOU, and within the MOU itself. For reference, the phases are:

Phase I Acquisition
Phase II Upgrade (Reflag if applicable)
Phase III Deactivation (initial only, following Acquisition/Upgrade)
Phase IV Maintenance
Phase V Exercise (include. Activation and Lay-up [deactivation])
Phase O Operation

Both LASH and SEABEE barges are employed in the RRF.

Phase II: - Upgrade (Preliminary to Lay-Up)

A. It is understood that barges entering the MARAD RRF Program will undergo repairs and surveys, including classification surveys due within one year, to confirm their satisfactory condition.

Phase III: - Deactivation (Lay-Up)

A. It is understood that preparations for active retention will include appropriate coatings of external plating and exposed plating in cargo areas.

Phase IV: - Maintenance

A. It is understood that barges will be stowed out of water during this phase.

B. No surveys are required during this phase.

Phase V: - Exercise (Reactivation)

A. Upon removal from lay-up, a Reactivation Survey is to be carried out consisting of, as a minimum, an examination of the entire shell plating to confirm its continued satisfactory condition and any surveys currently due or due within one year. On satisfactory completion, the Reactivation Survey will be credited.

NOTE: It is recognized that these barges are normally stowed in a vessel for quick deployment. They are in essence "LAID UP". ABS policy is that Barges may be considered as laid-up any time they are on the Vessel or when fleeted awaiting cargo. The owner must notify ABS that the barge is laid-up. Any overdue surveys must be carried out when the barge is taken out of lay-up. Extensions may be given. For Special Survey and Special Intermediate Survey, extensions should normally be limited to three months.

31. SECTION 31 - STANDARD LAY UP PROCEDURES

Are available from MAR-611 or MARAD COTR.They include:

- Boiler Inspections
- Boilers, Main Steam Systems, and Steamsides of Turbines and Condensers
- Ship's Service Turbo-Generators (SSTGs)
- Distillers and Evaporators
- Steam Vessel Control Systems
- Turbine Steam Admission Valves
- Steam Vessel Lube Oil Systems
- Steam Vessel Fuel Oil Systems
- Piping Systems
- Medium Speed Propulsion Diesels
- Cargo Winches and Hydraulics
- Electronic Gear
- Safety Equipment
- RRF Deactivation Procedures, Revised June 1992

32. Section 32. RESERVED.

33. Section 33 COATING GUIDELINES

CHAPTER 1. COATING TECHNOLOGYCHAPTER 1. COATING TECHNOLOGYCHAPTER 1. COATING TECHNOLOGY

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

The technology of Marine Coating systems has changed considerably in the last ten years. The type of coatings available have increased in sophistication to the point that it is difficult for the average marine surveyor to determine the "perfect" coating system for his needs based on manufacturer's recommendations alone. The purpose of this publication is to provide guidance for use in maintenance and preservation of various surfaces on RRF vessels.

Since MARAD's primary maintenance goal is preservation, be it of a ship's hull or machinery, the type of preservation system employed is of great importance. For this reason, the marine coating policies and practices outlined herein should be followed as closely as possible. When new systems are approved, they will be added to these guidelines.

B. CORROSIONB. CORROSIONB. CORROSION

1. Oxidation:1. Oxidation:1. Oxidation: Corrosion by oxidation is the process by which unprotected metal (steel, copper, aluminum) combines with oxygen (**oxidizes**) and disintegrates.

Iron oxide (**rust**) forms on steel or iron as a film. It is permeable and easily flakes off, thereby exposing new metal, which oxidizes and disintegrates until eventually no metal remains.

Aluminum and copper oxides form tough, adhering films which are not easily removed, sealing the metal from further exposure, and thereby inhibiting further corrosion. Unfortunately, constructing ships out of copper or aluminum is too costly to be considered practical. Therefore, steel remains the major metal used in shipbuilding.

2. Galvanic:2. Galvanic:2. Galvanic: Galvanic corrosion exists when two different metals are in physical contact with each other while immersed in a saline or acidic solution. This is the battery principal: one metal (**cathode**) remains totally unharmed, while the other metal (**anode**) corrodes away. Which of the metals is left unharmed is dependant on the reactive nature of the two metals. Steel tends to corrode when in contact with copper, whereas steel is preserved when in contact with zinc.

C. CORROSION CONTROLC. CORROSION CONTROLC. CORROSION CONTROL

1. Coatings:1. Coatings:1. Coatings: The most common method of corrosion control is to coat the surface with paint. This provides a physical barrier to block moisture and oxygen from contact with the surface. In reality, all coatings are permeable to some degree, so corrosion is only slowed, not prevented.

How permeable any coating will be is largely dependent on its material condition: coating type, age, how intact it is, how well it is bonded to the surface, etc. The rate of corrosion is determined by how much oxygen can get into contact with the original surface. **Warmer temperatures will accelerate the process of oxidation.**

2. Paint Vehicles:2. Paint Vehicles:2. Paint Vehicles: Paints are classed according to the type of binder (film-forming vehicle): alkyd, vinyl, epoxy, etc. Most paints are solvent-based. This means that the paint solids are dissolved into a solvent to liquefy them and make application easier. The combination of solvents and binder is called the vehicle. Once the paint is applied, the solvent evaporates, leaving a film of solids adhering to the surface. Several coats might be required to build enough thickness for a good shield.

Under earlier technology, most paints were generally 50% solids, 50% solvent; however, there are currently "**high solids**" paints available on the market where the amount of solids is as high as 100%, thereby allowing a thicker dry film coating with a single application. This equals fewer total coats to achieve optimum film thickness. The trend is toward using more of these high solids coatings due to expected federal regulation of solvent emissions in shipyards.

Other types of coatings are "two-component" packs: a convertor is stirred into a paint, provoking a chemical reaction which causes the paint to harden and adhere (**cure**). The curing process enhances the paint's cohesion as well, thus providing for better abrasion resistance. **Epoxies** and **urethanes** are the most common two-component paint types for marine service.

A guide to mutual compatibility of different types of paint vehicles is presented in Table 1-A. For more extensive information, an excellent reference is the Society of Naval Architects and Marine Engineers Technical Research Bulletin 4-15, Coating Systems Guide for Exterior Surfaces of Steel Vessels, which is available from the Publications Department, S.N.A.M.E., 601 Pavonia Avenue, Jersey City, NJ, 07306.

The Steel Structures Painting Council (SSPC) also publishes information relative to various types of paint systems and their suitability for different uses. The types of paint vehicles most likely to be found in use, and the recommended systems discussed in these guidelines are described in alphabetical order as follow:

a. ALKYD:a. ALKYD:a. ALKYD: Alkyd vehicles are oil based resins which dry by solvent evaporation or oxidation. Alkyd finishes are general-purpose, economical paints, available in flat, semi-gloss, and high-gloss finishes in a wide range of colors. Alkyd finishes are easy to apply, and retain their color and gloss in most interior and exterior environments; however, they do not stand up to corrosives very well.

b. COAL TAR EPOXY:b. COAL TAR EPOXY:b. COAL TAR EPOXY: See "Epoxy" for a general description of the vehicle. Coal Tar is often added to epoxy paints, allowing application over compromised surfaces, with substantial savings, and relatively little effect on corrosion control. Color choices are usually limited due to the black color of the coal tar, so it is usually used on concealed or submerged surfaces. These paints may contain carcinogens and are **not recommended** for use. See Chapter 8 for more information on the hazards associated with Coal Tar paints.

c. EPOXY:c. EPOXY:c. EPOXY: As was discussed earlier, most epoxies are two-component paints that are mixed just prior to application: the epoxy resin and a convertor. These paints have a limited working (**pot**) life, usually no more than several hours. Cured epoxy films have outstanding adhesion, flexibility, abrasion-resistance, and resistance to alkali and solvents. The cost per gallon is high as compared to alkyds, but is offset by the reduced number of coats necessary to achieve optimum film thickness.

Epoxy paints provide excellent long term corrosion resistance, but they tend to chalk when exposed to sunlight, therefore low gloss levels and fading can be expected over long term exposure. The more common marine epoxies are made by reacting the epoxy resin with an amine curing agent. There are some differences between types of epoxy, such as resistance to abrasion, chemicals and water. Consult with manufacturers for recommendations on specific needs.

d. INORGANIC:d. INORGANIC:d. INORGANIC: The major inorganic vehicles used in paints are sodium, potassium and lithium for water-based paints, and titanates and ethyl silicates for solvent-based paints. These are used in inorganic zinc paints, where they react with the zinc dust to form hard films. These films are extremely corrosion-resistant in humid environments; however, the zinc can leach into certain products, requiring overcoating with a more chemical-resistant paint in petroleum tanks and other critical areas.

e. LATEX:e. LATEX:e. LATEX: Latex paints are water-based emulsions such as acrylic and polystyrene butadiene. They dry by a combination of evaporation of the water, and coalescence of the polymer particles. They have little odor, are easy to apply over a properly prepared surface, and dry rapidly. Latex paints are generally used on interior walls and ceilings as a primer or finish coat where oil or oil-alkyd paints would otherwise be used. They do not adhere readily to chalked, dirty, or glossy surfaces, so careful surface preparation is necessary.

f. OIL:f. OIL:f. OIL: These paints are the oldest type of coatings still in use, with the longest performance history. They are used primarily on exterior surfaces since they do not dry quickly. The benefits of oil paints are film thickness per coat, and surface tolerance. Since these paints are very wet, they wet the surface as well, so that surface preparation becomes less critical. Oil paints are not very abrasion resistant, or tolerant of chemicals and solvents.

g. OIL-ALKYD:g. OIL-ALKYD:g. OIL-ALKYD: Oil vehicles are often combined with alkyd resins to reduce drying times, improve leveling, hardness, gloss retention, and to reduce fading. The combination also maintains ease in application, adhesion, and flexibility of the paint. Oil-alkyd paints are commonly used when faster-drying oil finishes are desired; however, better surface preparation is required than with oil paints.

h. RUBBER-BASE:h. RUBBER-BASE:h. RUBBER-BASE: Rubber-base vehicles are solvent-thinned, and should not be confused with latex vehicles which are often called rubber-based emulsions. They are lacquer-type vehicles which dry quickly to form finishes which are highly resistant to water and mild chemicals. They are available in a wide range of colors and gloss. Care must be taken when recoating these paints so that the strong solvents used do not lift the finish. These paints are most frequently used in splash areas, such as laundry rooms and kitchens. Styrene-butadiene combined with chlorinated plasticizers and silicone resins is used to produce high-heat-resistant ready-mixed aluminum paints.

i. SILICONE:i. SILICONE:i. SILICONE: Silicone vehicles have one basic shipboard use: Heat resistant finishes. Heat resistant organic finishes containing a high concentration of silicone resins, when pigmented with aluminum, have the ability to withstand temperatures up to 1200^{o}F.

j. SILICONE ALKYD:j. SILICONE ALKYD:j. SILICONE ALKYD: The combination of silicone and alkyd resins results in an expensive but extremely fade-resistant coating for use on exterior metal. These coatings come in a wide range of colors, and various levels of gloss, but it is recommended that if gloss is not a significant factor, the high gloss paint be used. A coat of silicone alkyd paint over an epoxy system will provide excellent long-life coverage for exterior surfaces exposed to sunlight.

k. URETHANE:k. URETHANE:k. URETHANE: The following vehicles are all considered urethanes:

(1) Oil-Modified Urethanes: These are more expensive than, but similar to phenolic varnishes in that they are most commonly used for exterior spar varnishes, or as topcoats for tough floor finishes. They have better color and color retention, are harder and more abrasion-resistant, and dry faster. They can be used on all types of surfaces.

* * * WARNING * * *

POLYURETHANES OTHER THAN THE OIL MODIFIED TYPE ARE STRONG SENSITIZERS AND REQUIRE SPECIAL HANDLING TO PREVENT PERSONAL INJURY. CARE SHOULD BE TAKEN TO FOLLOW ALL SAFETY GUIDELINES AS PER MANUFACTURER'S MATERIAL SAFETY DATA SHEET.

(2) Moisture-Curing Urethanes: These are the only organic products available which cure by reacting with the moisture in the air. They are packaged in single containers. They tend to be less expensive than two-component urethanes. They are to be used in a manner similar to other single-pack finishes except that all containers must be kept full to prevent moisture from curing the paint in the container. Any unused coating must be discarded after the container has been opened.

(3) Two-Component Urethanes: These are urethanes that are reacted with polyols, polyethers, polyesters, or acrylics to produce extremely hard, abrasion resistant, and durable coatings. These are the types of urethanes most commonly used as top coats on exterior surfaces exposed to sunlight.

(4) Aromatic vs Aliphatic Urethanes: Urethane polymers can be made from isocyanates which are either aromatic or aliphatic. Aliphatic urethanes are preferred for exterior use because of their outstanding durability, gloss and color retention. Pigmented aromatic urethanes are also very durable, but chalk rapidly when exposed to sunlight.

l. VINYL:l. VINYL:l. VINYL: Lacquers based on modified polyvinyl chloride resins are moderate cost coatings that provide excellent durability when used on steel; however, they are low in solids and require the most extensive surface preparation and more coats than the other types of coatings. If the anticipated VOC control regulations are passed nationwide, these paints may not be accepted for application due to their low volume of solids. They have excellent resistance to water, chemicals and corrosives, but do not have very good resistance to solvents. Great care must be taken when overcoating to avoid lifting the finish. Vinyl chloride vehicles are listed as possible carcinogens by OSHA, and should not be applied without special approvals. Refer to Chapter 8 for more information on restrictions.

TABLE 1-A
COMPATIBILITY OF PAINT VEHICLES

PRIMER/ AGED TOPCOAT	NEW TOP COAT						
Alkyd	R	R	N	N	*	*	N
Silicone Alkyd	R	R	N	N	N	*	N
Epoxy	N	R*	R	R	N	N	*
Coal Tar Epoxy	N	N	*	R	N	N	N
Zinc-rich Epoxy	N	N	R	*	N	N	N
Inorganic Zinc (water based)	N	N	R	N	*	*	N
Inorganic Zinc (solvent based)	N	N	R	N	*	N	N
Chlorinated Rubber	R	R	N	N	R	*	R
Latex Acrylic	R	R	*	N	*	R	*

R - Compatible under normal conditions. R* - Compatible within recoat time guidelines.

* - Compatible with special preparation or special application/tie coat.

N - Not recommended due to known or suspected problems.
NOTE: Some "N" coatings can be used with a tie coat.

3. Paint Pigments:3. Paint Pigments:3. Paint Pigments: Pigments are chemical compounds in fine particle form which give color and opacity to paint, and to some degree determine their consistency and overall characteristics. The pigment component of a paint may be a single compound, but is generally a combination of two or more. Pigments are classed according to their function. Pigments that provide color are what we normally associate with the word "pigment". Special purpose pigments are corrosion inhibitors such as zinc dust for **anti-corrosive** paints, and biocides such as cuprous oxide for **anti-foulants**.

Other ingredients may enhance the paint's resistance to outside forces such as seawater, chemicals, ultraviolet radiation, etc. or to control color and gloss, such as with extender pigments.

*** * * WARNING * * ***

LEAD PIGMENTS MAY LEAD TO LEAD POISONING IF INGESTED OR INHALED. PAINTS CONTAINING LEAD PIGMENTS ARE NOT AUTHORIZED FOR USE. CARE SHOULD BE TAKEN TO PROTECT PERSONNEL WHEN REMOVING OLD COATINGS WHICH MAY CONTAIN THIS PIGMENT.

4. Surface Preparation:4. Surface Preparation:4. Surface Preparation: The effectiveness of a coating system depends in large part on how successfully it is initially applied. Prior to applying any coating, it is necessary to prepare the surface. Proper surface preparation requires cleaning away any contaminants that might prevent proper coating adhesion, scaling any rust, and roughing up the surface (**PROFILE**) for a better bond. Successful application requires properly mixed ingredients, acceptable atmospheric conditions in the area to be painted, and good application techniques.

The type and degree of surface preparation is dependent upon the type of surface, its overall condition, physical location, and the type of coating to be applied. Surface contaminants such as dirt, grease, rust, scale, chemicals and moisture reduce adhesion of coatings, and can cause blistering, flaking, and underfilm rusting. Surface defects such as irregular welds, crevices, burrs, weld spatter, holes and old paints which are loose or failing will also cause poor coating adhesion.

A recent study[8] was conducted to determine the optimum surface preparation for various coating types. Table 1-B shows the results of this study.

TABLE 1-B
MINIMUM & OPTIMUM BLAST CLEANING LEVELS
FOR VARIOUS COATING SYSTEMS

COATING SYSTEM	MINIMUM	OPTIMUM
Alkyd	Commercial	Near White
Latex Acrylic	Commercial	White Metal
Vinyl	Commercial	Near White
Epoxy	Commercial	Near White
Coal Tar Epoxy	Commercial	Near White
Inorganic Zinc	Near White	White Metal

[8] Richard W. Drisco, Eddy S. Matsui and Lee K. Schwab, "The Effects of Steel Profile and Cleanliness on Coating Performance," NCEL Technical Note (January 1986)

METHODS OF PREPARING STEEL FOR PAINTING ARE VERY IMPORTANT, AND SHOULD BE GIVEN SPECIAL EMPHASIS IN THE COATING SPECIFICATION. Some excellent references are listed below:

1.) The Steel Structures Painting Council (SSPC) manual, Vol. 2, Systems and Specifications, which is available from the Steel Structures Painting Council, 4400 Fifth Avenue, Pittsburgh, PA 15213.

2.) The Swedish Academy (SA) also publishes steel preparation standards that can be referenced.

3.) A good reference for older vessels is The Society of Naval Architects and Marine Engineers (SNAME) Technical and Research Bulletin No. 4-21, ABRASIVE BLASTING GUIDE FOR AGED OR COATED STEEL SURFACES, which is available from the Publications Department, The Society of Naval Architects and Marine Engineers, 601 Pavonia Avenue, Jersey City, NJ 07306.

For all cleaning methods, review applicable health and safety guidelines before contracting for work. The Steel Structures Painting Council (SSPC) standards are listed below for quick reference:

a. SSPC-SP 1, SOLVENT CLEANING:a. SSPC-SP 1, SOLVENT CLEANING:a. SSPC-SP 1, SOLVENT CLEANING: Removal of dirt, oil grease, and other organic compounds from the surface by various methods. If solvent cleaning is to be the only surface preparation method used, consult with your coatings manufacturer to determine the proper solvent to use.

b. SSPC-SP 2, HAND TOOL CLEANING:b. SSPC-SP 2, HAND TOOL CLEANING:b. SSPC-SP 2, HAND TOOL CLEANING: Hand tool cleaning cannot be expected to do more than remove major surface contamination. Only "surface-tolerant" coatings should be used in these areas.

c. SSPC-SP 3, POWER TOOL CLEANING:c. SSPC-SP 3, POWER TOOL CLEANING:c. SSPC-SP 3, POWER TOOL CLEANING: Power tool cleaning provides more adequate surface preparation than hand tool methods. Both methods of preparation are very time-consuming and manpower-intensive, and should be used only for maintenance of a basically intact coating system. Only "surface-tolerant" coatings should be used in these areas.

d. SSPC-SP 4, FLAME CLEANING:d. SSPC-SP 4, FLAME CLEANING:d. SSPC-SP 4, FLAME CLEANING: Flame cleaning is a method used on metal surfaces where oxy-acetylene flames are passed over the surface. This method is not used often on our vessels, and therefore will not be discussed.

e. SSPC-SP 5, WHITE METAL BLAST CLEANING:e. SSPC-SP 5, WHITE METAL BLAST CLEANING:e. SSPC-SP 5, WHITE METAL BLAST CLEANING: Blast cleaning is the most effective mechanical means of surface preparation. White metal blast is the ultimate in blast cleaning. It is also the most expensive method of blast cleaning. It is normally specified for new construction, and for coatings which must withstand highly corrosive atmospheres, and are not surface-tolerant.

f. SSPC-SP 6, COMMERCIAL BLAST CLEANING:f. SSPC-SP 6, COMMERCIAL BLAST CLEANING:f. SSPC-SP 6, COMMERCIAL BLAST CLEANING: With this method of blast cleaning, the degree of cleaning is not nearly as critical as with a White metal blast. Commercial blast cleaning is generally considered adequate to the long life of most coating systems under normal exposures.

g. SSPC-SP 7, BRUSH-OFF BLAST CLEANING:g. SSPC-SP 7, BRUSH-OFF BLAST CLEANING:g. SSPC-SP 7, BRUSH-OFF BLAST CLEANING: This is a relatively low cost method of blast cleaning to remove all loose rust, old paint, and scale. Brush-off blasting is not recommended in areas where severe corrosion is prevalent, but it can replace hand or power tool cleaning where blast equipment is available and more economical.

h. SSPC-SP 8, PICKLING:h. SSPC-SP 8, PICKLING:h. SSPC-SP 8, PICKLING: This method involves surface preparation by a chemical reaction, electrolysis or a combination of the two. It is not practical for most of our coating work, and therefore will not be discussed.

i. SSPC-SP 10, NEAR-WHITE BLAST CLEANING:i. SSPC-SP 10, NEAR-WHITE BLAST CLEANING:i. SSPC-SP 10, NEAR-WHITE BLAST CLEANING: This type of blast effects a 10% to 35% savings over white metal blasting, and has proven to be very effective for the types of coatings to be applied for long-term marine use.

NOTE: When Abrasive Blasting is the preferred cleaning method, the surface should be free of grease, oil and dirt by solvent cleaning before commencing blast operations. All spent abrasives, soot and dust must be removed from the surface after blasting has been completed and before any coatings can be applied.

5. Hydroblasting:5. Hydroblasting:5. Hydroblasting: An alternative to the conventional surface preparation techniques described above is hydroblasting. At this time there are no written standards for water blasted surfaces. Therefore it is imperative that the degree of surface cleanliness and preparation be defined and understood by all involved parties, i.e. the MARAD inspector, the coatings manufacturer and the applicator before any work commences.

An evaluation of the effectiveness of this type of blasting was performed under the National Shipbuilding Research Program[9] (NSRP), and a copy of the report is available from the NSRP. Various methods of wet blasting were tested, and are briefly discussed as follow:

a. AIR ABRASIVE WET BLASTING:a. AIR ABRASIVE WET BLASTING:a. AIR ABRASIVE WET BLASTING: This method is similar to abrasive blasting; however, water is introduced into the abrasive stream before contact with the surface. The unique feature of these blasters is that the water is not mixed with the abrasive, merely sprayed around it as it leaves the nozzle.

The major advantage to air abrasive wet blasting is that it reduces airborne dust by about 50-75% of conventional dry blasting. The drawbacks to these units during testing were a higher incidence of equipment breakdown than with dry blast units, and operator difficulty with surface observation and cleaning control due to the spray-back of water and wet abrasive.

b. AIR-WATER ABRASIVE SLURRY BLASTING:b. AIR-WATER ABRASIVE SLURRY BLASTING:b. AIR-WATER ABRASIVE SLURRY BLASTING: These units combine the air, water and abrasive at the control unit, rather than at the nozzle. These units can be more cumbersome than the air abrasive wet blast units because of the added weight of water before the mixture reaches the nozzle. Again, the major advantage of these units is in the control of dust generated during the operation; however, since these systems operate at a lower nozzle pressure, the cleaning rate is quite a bit lower than with a conventional dry blast unit.

c. HIGH PRESSURE WATER BLASTING:c. HIGH PRESSURE WATER BLASTING:c. HIGH PRESSURE WATER BLASTING: This technique utilizes water pressures from 6,000-15,000 psi. In addition, an ultra-high pressure water blaster operates at 20,000 psi. This type of blasting has

[9]EVALUATION OF THE EFFECTIVENESS OF WET BLAST CLEANING METHODS OF SURFACE PREPARATION, U.S. Dept. of Transportation, Maritime Administration, June 1985

not shown the capability of removing tight rust, or intact mill scale at acceptable cleaning rates, and also does not produce a surface profile of the steel. This type of surface preparation shows the most promise for use on ablative antifouling paints which only require a new topcoat. An important consideration with this type of blasting is the amount of thrust that the operator must withstand while using a high-pressure water blaster. Thrusts of greater than 35 to 40 lbs. can be very fatiguing. Fatigue and operator control were the major problems with the ultra-high pressure water blaster.

NOTE: If a form of water blasting is used for surface preparation, a rust inhibitor should be added to the water during blasting operations to prevent "flash rust" from forming; however, specify that the rust inhibitor be compatible with the coating supplied.

6. Application:6. Application:6. Application: There are several different techniques for application of paints, each of which has its validity based upon the area to be covered and the specific properties of each paint. Inspectors should be thoroughly familiar with the Product Data Sheets for each coating they will be applying. The only coating techniques we will discuss in these guidelines are spray and hand application.

Ambient weather is critical when applying paints. In Northern shipyards, paints should be suited to the colder temperatures expected during winter months. In Southern shipyards, humidity and high temperatures can affect paint adhesion.

NOTE: Coating specifications should provide for expected weather conditions, stating maximum humidity readings for application, and stating that feasible methods will be available to avoid these problems.

Some acceptable methods for meeting weather requirements are: erecting a shelter around work areas, dehumidifying enclosed spaces, and use of heat lamps and portable ventilators. If inspectors are dissatisfied with ambient weather conditions all coating work should be stopped until conditions improve.

a. SPRAY APPLICATION:a. SPRAY APPLICATION:a. SPRAY APPLICATION: For coating large areas, Spray Painting is the usual method used. There are two types of spray equipment used regularly, **Conventional Spray** and **Airless Spray**.

(1) Conventional Spray: This equipment uses compressed air to break the paint up (**atomize**) into small particles at the nozzle of the gun, and to supply the feed pressure to move the paint from the supply tank to the gun. Problems associated with conventional spray application are **OVERSPRAY** (the nozzle is too far from the surface, causing the paint to dry before striking the surface, so that it doesn't adhere well), and **SAGGING** (the nozzle is too close to the surface, causing the paint to build up too thick and droop). Application technique and operator skill are vital with conventional spray. This method is not acceptable for application of several of the paints recommended in this manual, and is therefore not recommended when airless spray equipment is available.

(2) Airless Spray: This is the most frequently recommended method of application for epoxies and urethanes. This method entails pumping the paint directly through a restricted orifice at very high pressure which causes atomization. The particles strike the surface at very high velocity, enhancing adhesion of the coating, and extending coating life. Problems associated with this type of application are **BOUNCE-BACK** (the same as overspray), and **SAGGING**. As with conventional spray, application technique and operator skill are vital with this type of application.

(3) HVLP Spray: High Velocity, Low Pressure Spray is a relatively new technique designed to radically reduce overspray and total paint consumption. This technique incorporates the principals used in conventional and airless spray. The paint is pumped at low pressure to the spray nozzle, where air is introduced into the nozzle to aide in the atomization process. The difference is the way the air is introduced and the fluid pressure at the nozzle. This technique looks very promising for reducing solvent emissions during painting operations and is being used by the Navy in their shipyards in an experimental capacity at this time; however, at the present time it can not be used with paints containing over 60% solids and has a slightly slower application rate. **HLVP spraying should be considered for jobs such as the interior spaces since it is cleaner and faster than hand application.**

b. HAND APPLICATION:b. HAND APPLICATION:b. HAND APPLICATION: The most common technique for maintenance of existing coating systems or coating small areas is brush or roller application. This usually follows hand cleaning or power tool cleaning of the areas to be painted, and feathering the edges of tightly adhering coatings. A compatible surface-tolerant primer will then be applied to

the bare steel by brush or roller, with a finish coat "tying" the new and old coatings together.

Problems associated with hand application are poor mixing techniques and uneven thickness of application. This method should only be used for small areas to be "touched up" to maintain an existing coating.

7. Paint Failures:7. Paint Failures:7. Paint Failures: All paints will gradually deteriorate and fail over time, even when properly applied over prepared surfaces; however, the rate of deterioration under optimum conditions is much slower than when improper preparation or application occurs. Inspectors must be familiar with the signs of various stages of deterioration in order to effect repairs properly and at minimal cost.[10]

a. CHALKING/FLATTING:a. CHALKING/FLATTING:a. CHALKING/FLATTING: Glossy paints eventually lose their gloss and turn flat with age. This is the sign of initial breakdown of the paint vehicle at the surface. Loss of gloss is soon followed by chalking. The vehicle is broken down by sunlight and other destructive influences, leaving a loose, powdery pigment on the surface which can be easily rubbed off with the fingers. Flatting is caused if moisture in the form of fog, dew or condensation lies on the surface of newly applied paint before it has thoroughly dried. This is primarily an appearance problem, causing a new paint job to look inferior.

Chalking, if gradual and controlled, can be an asset, particularly on white paint, since it is a self-cleaning process. It also helps to reduce coating thickness over time, thus decreasing excessive build up of the paint film. The major problem with chalking is adhesion of the next coat to be applied. Maintenance painting over chalked surfaces is one of the most common areas for paint failure. When applying a new coat over a chalked surface, as much of the chalking as possible should be cleaned off first.

b. CHECKING/CRACKING:b. CHECKING/CRACKING:b. CHECKING/CRACKING: These are breaks in the paint film which are formed as the paint hardens. Temperature changes cause the substrate (surface to be painted) to expand and contract. As the paint hardens, it loses its ability to expand and contract without breaking to some extent. Checking consists of tiny breaks which take place only in the upper coat or coats of the paint without penetrating to the substrate. Cracking describes larger and longer breaks which extend through to the substrate.

Checking is caused by stresses within the paint film, whereas cracking is caused by stresses between the paint film and the substrate. Checking and cracking are

[10]Section 7 is adapted from the United States Coast Guard Coatings and Color Manual, COMDTINST M10360.3, June 8, 1983

aggravated by excessively thick paint films because of their reduced elasticity. In addition, in colder climates, the freezing temperatures coupled with the heating of the sun can cause some coatings to crack.

c. ALLIGATORING:c. ALLIGATORING:c. ALLIGATORING: This is when the outer layer of paint cracks, and presents a pattern similar to alligator leather. Alligatoring occurs when a relatively hard finish coat is applied over soft primers or underlying coats. Undercoats which are too rich in oil, or are given insufficient drying time cause this softness. Expansion and contraction of the painted surface where paint coats have uneven flexibility causes alligatoring and checking. To avoid this problem, choose undercoat materials which dry harder than the topcoat materials, and allow undercoats to dry sufficiently before applying the next coat.

d. CRUMBLING/SCALING/FLAKING/PEELING:d. CRUMBLING/SCALING/FLAKING/PEELING:d. CRUMBLING/SCALING/FLAKING/PEELING: These are all failures involving complete loss of adhesion over some part of the surface. If cracking occurs with relatively small spacing, the moisture penetrating the coating will lift small pieces away from the substrate. If the cracks are large, the moisture will cause the edges to curl up, exposing more of the substrate, causing more curling, and eventually causing the coating to peel off in large pieces. When large areas are affected by this failure, the remaining coating will probably also have to be removed to prevent it from lifting the new coating being applied.

e. BLISTERING/LIFTING/INTERCOAT PEELING:e. BLISTERING/LIFTING/INTERCOAT PEELING:e. BLISTERING/LIFTING/INTERCOAT PEELING: Blistering occurs in the paint film when the top coat lifts from the base, leaving the primer intact. This failure is most frequently the result of moisture or vapors trapped between coats. To prevent blistering, use dehumidification equipment as needed, and recoat within manufacturers' specified times. To repair blistered areas, scrape thoroughly, feather the edges of tightly adhering coating, and repaint. Blistering can also be caused by excessive current in an impressed current cathodic protection system.

8. Cathodic Protection:8. Cathodic Protection:8. Cathodic Protection: Cathodic protection is not meant to replace proper coatings, but rather to enhance total protection, and to reduce total galvanic corrosion. Because of their relative reactivity, zinc ingots are used for sacrificial anodes on steel ships' underwater hulls. Zinc and zinc-rich paints are used for the same effect: the coating will sacrifice itself while protecting the steel surface to which it was applied.

Zinc anodes are usually located on the underwater hull in areas where the coating is most likely to erode away due to high turbulence, such as the bow and near the propeller. Zinc anodes only protect the steel within a small radius (approximately 5 feet)

of their location, and are not recommended as the sole cathodic protection source for underwater hulls unless they are spaced along the entire length of the hull.

A recent study[11] on cathodic protection used in conjunction with coatings on static pilings at a site off the Florida coast showed that sacrificial anodes reduce the corrosion rates of bare steel from 6 mils per year to 0.1 mil per year, and that when used in conjunction with a successful coating, resulted in very little total corrosion over the ten year study period.

Proper performance of a zinc anode system is dependant on exposure to seawater. Therefore, zincs must never be painted or covered up: when the hull is being blasted and painted, zincs must be masked. When drydocking, any zincs that show more than 50% wastage should be replaced.

It is also **NOT RECOMMENDED** that zinc primers be used on underwater hulls, as they will likely cause premature blistering and undercutting of the topcoats over time.

NOTE: ZINC ANODES SHOULD NEVER BE INSTALLED ON HULLS USING AN IMPRESSED CURRENT PROTECTION SYSTEM! The impressed currents will greatly accelerate the corrosion rate of the zincs!

9. Impressed Current Systems:9. Impressed Current Systems:9. Impressed Current Systems: Impressed current systems also work on the "battery principal": reference cells (**cathodes)** and shields (**anodes**) are installed at strategic points on the underwater hull. A small electric current is forced through the hull between them, effectively turning the ship into a giant cathode, and inhibiting corrosion.

Unfortunately, the nature of the electric field in the vicinity of the shields is very detrimental to most paints, tending to make them brittle. Therefore, careful paint selection is required in these areas.

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[11] J. Bukowski and A. Kumar, "Coatings and Cathodic Protections of Piling in Seawater: Results of a Ten Year Exposure at LaCosta Island, FL", CERL Technical Report (August 1982)

NOTE: If the impressed current system is generating an overvoltage or fluctuating voltages, the paint coating can easily blister and crack.

The steel hull within a five foot radius of the shield should be initially sandblasted and coated with a minimum 20 mils Dry Film Thickness "**DFT**" of a high-build, anticorrosive epoxy paint. After installation, reference cells and shields must **never** be coated and should be securely masked against blasting and painting.

CHAPTER 2. HULL COATINGSCHAPTER 2. HULL COATINGSCHAPTER 2. HULL COATINGS

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

The following is a general discussion of the recommended coating systems for steel hulled ships. Coatings for fiberglass and aluminum hulls are listed under **SPECIAL PURPOSE COATINGS**. For details on surface preparation and application beyond a general discussion, refer to Chapter 1. COATING TECHNOLOGY.

The coating systems recommended in this section are for a ten year service life, and should be warranted for five years if at all possible.

B. ANTI-CORROSIVE SYSTEMB. ANTI-CORROSIVE SYSTEMB. ANTI-CORROSIVE SYSTEM

A two-coat system of surface-tolerant, high solids EPOXY is the recommended coating system for the underwater hull surfaces of the vessel. This type of system, when properly applied, provides the most effective long term corrosion control for this vital area.

Long term testing[12] has shown that under harsh environmental conditions, with and without cathodic protection, **EPOXY** systems perform well. This two-coat system is suitable for application to the entire hull inclusive of underwater surfaces, boottop and freeboard areas; however, if more protection against mechanical damage is desired, a zinc-rich epoxy primer as described under section **E. FREEBOARD**, can be substituted for the first coat of high solids epoxy.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: The first surface cleaning will be to water-wash the underwater hull area with high pressure hoses. This should remove most of the marine growth. If it is not possible for the entire wash to be fresh water, the final rinse should be fresh, and should leave the surface ready for inspection. Past studies[13] have shown that high pressure hosing with fresh

[12] J. Bukowski and A. Kumar, "Coatings and Cathodic Protections of Piling in Seawater: Results of a Ten Year Exposure at LaCosta Island, FL", CERL Technical Report (August 1982)

[13] Singelton and Wilson, Shell Research, Ltd., "Blast Cleaning and Surface Quality", presented to the British Paint Corrosion Group,(1968)

water, followed by hand scraping and blasting on old, previously coated steelwork can reduce or eliminate the formation of iron sulfates and chlorides on the freshly blasted surface. Solvent cleaning (SSPC SP-1) can be done at this time if necessary.

Prior to abrasive blasting, mask all impressed current reference cells and anodes, zinc anodes, etc. to prevent damage. Plug deck scuppers, and run socking from any other discharge opening that is likely to leak liquid. Degrease as necessary (best done before or during freshwater wash). Seal all ventilation openings to ship's interior spaces.

Where an existing approved coating is largely intact with an acceptable DFT (**Dry Film Thickness**), then a full scale abrasive-blasting will not be required; however, when spot-blasting and touching up epoxy coatings, great care must be taken to ensure adhesion of the new coating. Most epoxies have a maximum "cure" time after which a special solvent or tie coat must be used even when overcoating with epoxy. If the existing coating is not an epoxy, refer to Table 1-A for coating compatibility.

NOTE: When inspecting spotblasting, be sure that remaining coating is "TIGHT" (NO BLISTERING, FLAKING, DELAMINATION), and that all edges are properly feathered. ALSO ASCERTAIN THAT THERE IS NO EXCESSIVE STEEL LOSS IN SPOTBLASTED AREAS.

If the existing coating has deteriorated substantially, or has become too thick due to overcoating, then it may be necessary to completely remove it down to bare (or nearly bare) metal, and apply a new coating.

It is recommended that the minimum blast specification for the entire hull, inclusive of underwater hull, boottopping, and freeboard areas be a commercial (SSPC-SP 6) blast. The optimum surface preparation is a near white (SSPC-SP 10) blast. See Chapter 1. COATING TECHNOLOGY, section C.4. for a more detailed surface preparation discussion.

2. Application:2. Application:2. Application: For coating an area as large as the vessel's hull, **Airless Spray** is the recommended coating method. See Chapter 1. COATING TECHNOLOGY, section C.5.a. for more information on this technique.

When applying a new epoxy system to the hull area, the first coat should be surface-tolerant. This means it should be able to be applied over the remains of an existing coating system and/or minor steel imperfections. This is particularly important in the freeboard area where inorganic zinc primers were previously used. When a hull that has been painted with inorganic zinc is blasted, a certain amount of the zinc will become

embedded in the steel, and although the surface may appear to be bare metal, there may still be significant traces of zinc. If the first coat is surface-tolerant, then it will bond to any embedded zinc.

It is recommended that for the underwater anti-corrosive (AC) system, two 4-6 mil minimum DFT coats be applied to the entire submersible hull, inclusive of underwater and boottop areas. The antifoulant (AF) system would then be applied to the underwater portion of the hull and the black topcoat to the boottop. See Appendix A for approved systems.

When a new AC system is being applied, the vessel should be fleeted to insure that no areas are left exposed. **This is vital to maintaining the system for ten years!** When only the anti-foulant is being renewed, fleeting may not be necessary, but should be considered.

C. ANTI-FOULANT SYSTEMC. ANTI-FOULANT SYSTEMC. ANTI-FOULANT SYSTEM

The anti-foulant coating system's purpose is to withstand marine growth in order to provide a smooth surface on the underwater hull. Marine growth comes in many forms: slime, seaweed, barnacles, etc., and can attach very easily to almost any surface. This growth can increase the frictional drag on the underwater hull, and clog seachests and intakes.

Anti-foulant systems use various mixtures of biotoxins to prevent marine growth. One of the more common natural toxins is copper, which is used in various forms as discussed later.

The two categories of anti-foulant paint are:

1. Conventional

2. Ablative/Self Polishing

NOTE: Anti-foulant paints are not designed to protect against corrosion, and should not be substituted for specified DFT's of AC systems.

1. Conventional:1. Conventional:1. Conventional: Conventional AF systems contain biotoxins mixed into a base such as vinyl or chlorinated rubber. The type of base used depends on the AC system employed. The AF system must be a compatible paint. Such systems are not recommended for laid-up vessels, as they begin to lose their effectiveness after 12 to 18 months. The toxins at the surface are the only ones that come into contact with marine growth, so extra coats will not increase coating life, as buried toxins in the underlayers have no way of reaching the surface.

2. Ablative:2. Ablative:2. Ablative: Ablative, or self-polishing systems consist of biotoxins mixed into a copolymer paint that is designed to gradually dissolve (ablate) over time. These paints are generally designed to improve efficiency on operating vessels, but there are types available that are designed for low activity use.

Ablative systems fall into two basic categories: those that
polish with the action of water against the hull, and those that
have slightly soluble resins and are "self-polishing". Since activation is not guaranteed on RRF vessels, it is recommended that self-polishing paints be used. The effective life of ablative coatings can be increased by adding more coats, therefore increasing paint thickness. At some point, though, the paint becomes too thick to properly adhere, so maximum recommended coating thicknesses should be followed.

3. Surface Preparation:3. Surface Preparation:3. Surface Preparation: When the AF system is to be applied over a new AC system, the AF must be compatible. Most manufacturers recommend that when AF is applied over an epoxy AC system, the epoxy must not have fully cured. Inspectors should closely monitor overcoating instructions on paint data sheets to ensure proper bonding.

When an existing AF system is being touched up, special care is required to ensure that the AC system is not damaged. In most cases hydroblasting or high pressure washing with fresh water will provide a clean surface ready for the new AF coat. The new coating can usually be applied to the remains of the existing one.

When the existing AF system contains tributyltins (TBT), special environmental precautions may be required during blasting operations, whether it be high-pressure

water blasting or abrasive blasting. Chapter 8 gives more detail on the environmental regulations now in effect, and those expected to be enacted shortly. Consult with shipyard and paint manufacturers before starting blasting operations with these types of substances.

4. Application:4. Application:4. Application: The recommended application method for this system is Airless Spray. See Chapter 1, section C.5.a. for more information on application by this method.

The recommended number of coats and thickness for the AF paint system is three 5-6 mil DFT coats for a total thickness of 15-18 mils. The US Navy has been using up to 20 mils of AF for long term systems, but paint manufacturers recommend that 20 mils be the absolute maximum thickness, since thicker paint could cause poor adhesion of the total system.

It should be noted that none of the AF systems recommended in Appendix A have a proven service life of ten years, therefore close monitoring of vessels for fouling and AF failure will be necessary during extended drydocking intervals. The longest proven AF system available at this time has a service life of three to four years.

D. BOOTTOPPINGD. BOOTTOPPINGD. BOOTTOPPING

The boottop area is that area of the hull from the light load line to the deep load line, plus six inches above and below.

The boottop area should be painted black to conform with the standard MARAD color scheme. When using the recommended EPOXY system for the hull, the boottop area should be coated with either black acrylic epoxy, silicone alkyd or urethane paint as approved in Appendix A from 1.5 to 2 mils minimum DFT.

E. FREEBOARD AREAE. FREEBOARD AREAE. FREEBOARD AREA

The freeboard area of the hull is that portion of the sides above the boottop (six inches above the deep load line) to the railings, including bulwarks. The freeboard area should be painted haze gray to conform with standard MARAD colors.

The freeboard area should be coated with a 4-5 mil minimum DFT coat of zinc-rich epoxy primer, followed by the second coat of the same high-solids epoxy (4-6 mils)

being used on the underwater hull, and topped by a 1.5-2 mil topcoat of acrylic epoxy, silicone alkyd or urethane (See note below). The primary reason for recommending a zinc-rich epoxy in this area is to control corrosion caused by mechanical damage to the coating system.

NOTE: When using the recommended two-coat EPOXY system, no further coating is necessary for long-life corrosive protection; however, as discussed in Chapter 1. COATING TECHNOLOGY, epoxy paint chalks more quickly than a conventional oil-based paint, and may be overcoated with 1.5-2 mils of an approved acrylic epoxy, silicone alkyd, or urethane paint for cosmetic appearance.

F. HULL MARKINGSF. HULL MARKINGSF. HULL MARKINGS

1. Waterline markings:1. Waterline markings:1. Waterline markings: Since RRF vessels are in lay-up status, waterline reference marks should be painted at bow and stern as follows:

Stripes four (4) inches wide should be painted along the waterline extending thirty six (36) inches from the bow and stern towards midships, with a second stripe the same width and length three (3) feet above the first. These stripes should be painted white or fluorescent yellow for ease in visibility.

2. Draft Markings:2. Draft Markings:2. Draft Markings: Draft marks, frame markings, tank boundaries, etc., below the deep load line should be coated with two full coats of white acrylic epoxy or urethane paint.

Draft marks above the deep load line, names, hailing ports, deck line, etc. should be coated with two full coats of black acrylic epoxy or urethane paint.

3. Underwater Reference Marks:3. Underwater Reference Marks:3. Underwater Reference Marks: When entering a vessel into the 10 year program, a reference marking system for the underwater hull will aid the inspectors in identifying problem areas when the five year underwater hull survey is conducted. Each region intending to use extended-life coating systems should mark the hulls with a contrasting color paint system that consists of a line approximately 1 inch in width by 6 inches high, and numbers that are approximately 6 inches high, marking tank divisions and major frames (at approximately 50 foot intervals along the length of the hull).

These marks should be placed at the turn of the bilge, and along the keel. After the marking system is in place, a reference videotape should be made of the entire hull showing all reference marks and seachest blanks in place. At the time of the next

underwater hull survey in lieu of drydocking, the reference video and a general underwater plan showing the location of blanks and reference markings should be provided to the ABS and USCG inspectors for comparison with the current hull condition.

CHAPTER 3. TOPSIDE COATINGSCHAPTER 3. TOPSIDE COATINGSCHAPTER 3. TOPSIDE COATINGS

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

The following is a general discussion of the recommended coating systems for all topside areas of RRF ships, including Superstructure, deckhouses, and decks. These systems are for steel surfaces only. Other types of surfaces are listed under SPECIAL PURPOSE COATINGS. For more detailed information on surface preparation and application techniques, refer to
Chapter 1. COATING TECHNOLOGY.

The coating systems recommended in this section are for a ten year service life, and should be warranted for five years if possible.

B. SUPERSTRUCTURE/DECKHOUSESB. SUPERSTRUCTURE/DECKHOUSESB. SUPERSTRUCTURE/DECKHOUSES

The recommended new coating system for these areas is a zinc-rich epoxy primer at 4-5 mils DFT, followed by one 4-5 mil coat of high solids epoxy, and one 1.5-2 mil coat of acrylic epoxy, silicone alkyd, or urethane paint for cosmetic appearance. The topcoat should be haze gray to conform with MARAD colors.

When the existing coating system is largely intact with an acceptable DFT, then a full scale abrasive-blasting will not be required; however, when spotblasting and touching up existing coatings, care must be taken to ensure adhesion of the new coating. **See Note in Chapter 2, section B.1. regarding Spotblast Inspections.**

1. General Preparation:1. General Preparation:1. General Preparation:

Prior to blasting and painting, all portholes and windows should be masked to prevent etching. All ventilation openings should be covered with filter material and stack covers should be installed. All scuppers, drainpipes, vents, hatchways and doors should be masked or plugged to prevent incursion of grit or paint. Any drain or pipe where liquid could flow onto the surface to be blasted should be socked or piped to another area. All lighting fixtures, receptacles, antennas, nameplates, valve stems, cables, firefighting and safety equipment, cargo gear, deck machinery and other surfaces not normally abrasive-blasted or spray-painted should be removed or adequately masked during blast/coating operations.

Specification should be made to limit production work requiring entry into the vessel's superstructure during topside blasting and painting. Specification should also be made requiring removal of all masking materials, and proving all scuppers and drains clear upon completion of all work. Whenever possible, vent louvers should be removed, grit blasted, and coated on both sides according to the same schedule as used elsewhere on the superstructure.

2. Surface Preparation:2. Surface Preparation:2. Surface Preparation: All areas of oil or grease are to be thoroughly cleaned with an approved solvent to SSPC SP-1 (See Chapter 1, section C.4.a.) and fresh water rinsed. The entire superstructure should be high-pressure fresh water washed (1500 psi minimum) before any coating work takes place.

If the existing coating has deteriorated substantially, or has become too thick due to overcoating, then a minimum commercial (SSPC SP-6) blast is recommended, with the optimum being a near-white (SSPC SP-10) blast.

Various standards for different degrees of surface preparation may be referenced in Chapter 1. COATING TECHNOLOGY, section C.4.

3. Application:3. Application:3. Application: There are several different application techniques for this area. If the system is being completely replaced, the recommended coating method is **Airless Spray**. For general information on application, including problems associated with this method, and weather considerations, see Chapter 1. COATING TECHNOLOGY, section C.5.a.

When applying successive coats to this area, specify that each coat be of a different color to ease inspection. Since the deckhouses and superstructure have many corners and angles, special care should be taken on each inspection to ensure that all areas have been thoroughly coated. Areas such as sills of portlights, shadow areas behind antennas, edges of bulwarks, lifeboat davits, boxes, etc. are common places for "holidays" (areas missed by paint). Such areas should be specified for "stripe coats" in the paint specification to ensure adequate coverage.

4. Miscellaneous: 4. Miscellaneous: 4. Miscellaneous: Fire stations, safety equipment and other topside stencilling is to be accomplished in accordance with USCG regulations. Stack logo is to be laid out as follows using two coats of acrylic epoxy, silicone alkyd, or urethane as used elsewhere:

(1) Top of stack(s) for a width of two-fifteenths (2/15) of the total height shall remain Haze Gray.

(2) Immediately below the Haze Gray band, a band equal in width to one-fifteenth (1/15) of the total stack height shall be painted Ensign Red.

(3) Immediately below the Ensign Red band, another band equal in width to one-fifteenth (1/15) of the total stack height shall be painted white.

(4) Immediately below the White band, another band equal in width to one-fifteenth (1/15) of the total stack height shall be painted Caribbean Blue.

(5) The remaining lower portion of the stack shall be painted Haze Gray.

C. DECKSC. DECKSC. DECKS

All weather-exposed horizontal steel surfaces except helicopter (helo) decks and special non-skid areas will be considered decks for the purposes of this guide. Helo decks will be discussed in Chapter 6. SPECIAL PURPOSE COATINGS. Decks shall be painted Haze Gray to conform to MARAD colors.

The recommended coating system for decks is the 3-5 mil coat of zinc-rich epoxy primer with a 4-6 mil coat of high solids epoxy paint on top. The final coat will depend upon the expected service the area will have. If a non-skid finish is not necessary, the same 1.5-2 mil topcoat of acrylic epoxy, silicone alkyd, or urethane paint as was used on the superstructure will suffice. If a non-skid finish is desired, one of the approved sprayable non-skid paints may be applied by spray or roller, or an alternative non-skid finish may be applied as discussed later in this section.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: All General Preparation and Surface Preparation guidelines as listed under Section B, Superstructures/Deckhouses apply to decks as well.

The following deck areas should have non-skid paint additive, or a non-skid paint as approved in APPENDIX A: foc'sle and poop deck work areas around winches, capstans, and windlass; lifeboat stations; cargo working areas, and other areas where personnel are likely to be walking regularly. Deck areas subject to excessive wear may need an extra coat of EPOXY before the coat containing non-skid is applied.

NOTE: Areas coated with non-skid paint should not be touched-up or repainted with ordinary deck paint.

2. Application:2. Application:2. Application: There are several different application techniques for this area. If the system is being completely replaced, the recommended coating method is **Airless Spray**. For general information on application, including problems associated with this method and weather considerations, see Chapter 1, section C.5.a.

If a non-skid finish is being applied, the non-skid finishes recommended in Appendix A can be either sprayed or applied by roller. An alternative application of non-skid finish has been used successfully in some of our regions. To achieve a non-skid finish, a non-skid aggregate is broadcast by hand over the intermediate coat of high-solids epoxy while the paint is still tacky. Then the final coat of epoxy as recommended in Appendix A is sprayed over the top, sealing the aggregate in place. This gives a tougher, thicker type of coverage in these high-use areas.

The advantages to this type of application are less clogging of spray tips and a more even non-skid finish. The only disadvantage is that it requires more manpower than a spray finish, and closer supervision to ensure that the spreading is done evenly and at the proper time during the curing process.

When applying successive coats to deck areas, specify that each coat be of a different color to ease inspection. Since decks have the most exposure and wear, special care should be taken on each inspection to ensure that all areas have been thoroughly coated. Areas such as gunwales, shadow areas behind vertical bulkheads, etc. are common places for "holidays" (areas missed by paint).

CHAPTER 4. MACHINERY SPACES/CARGO HOLDSCHAPTER 4. MACHINERY SPACES/CARGO HOLDSCHAPTER 4. MACHINERY SPACES/CARGO HOLDS

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

This section applies to steel bulkheads, decks and overheads of engine rooms, motor rooms, boiler rooms, steering gear flats, shaft alleys, auxiliary machinery rooms, and cargo holds. Where different materials are being coated, refer to Chapter 6. SPECIAL PURPOSE COATINGS section of this guide. Pumprooms and cargo tanks are covered under Chapter 5. TANKER COATINGS.

For details on surface preparation and application beyond a general discussion, refer to Chapter 1. COATING TECHNOLOGY.

B. GENERALB. GENERALB. GENERAL

Although the existing coating systems in these areas may not comply with these recommendations, whenever possible, they should be touched-up. For guidance on compatible coatings, refer to Table 1-A. Colors should match existing paint scheme.

C. MACHINERY SPACESC. MACHINERY SPACESC. MACHINERY SPACES

When inspection indicates that a complete renewal of coatings in these areas is required, the following system is recommended as a replacement. Since these areas are under dehumidification, a good alkyd coating system should be adequate for surfaces above the floorplates. This consists of two 2 mil coats of an alkyd primer, covered with two 1.5-2 mil finish coats of alkyd. For the floorplates and bilges, two 4-6 mil coats of surface-tolerant epoxy is recommended.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation:

Surface preparation of machinery spaces must be determined on a case by case basis. Abrasive blasting is usually impractical in these areas; therefore, large areas are often prepared to SSPC SP-3 standard, by scaling with power tools such as power wire-brushes, disc sanders, or needle scalers. These spaces are usually washed down with a low or high pressure fresh water wash before application of coatings. For removal of loose paint and heavy rust, high pressure water blasting has proven to be an effective surface preparation method as well.

The major advantage to power tool cleaning these areas is that it creates less dust and grit. The two drawbacks are that:

a. more manpower is required, causing greater expense.

b. improper use of a wirebrush or disc sander can overpolish the metal, leaving it too smooth for paint adhesion.

In areas where machinery requiring lubrication is present, particular attention must be paid to solvent cleaning (SSPC SP-1) of the surface in preparation for painting. Refer to Chapter 1, section C.4.a. for more information on Solvent Cleaning. Any residual greases, oils, or moisture on the surface will affect paint adhesion.

2. Application:2. Application:2. Application: The type of application method chosen for these spaces is also dependent on the limitations of each compartment. When application by means of spray equipment is desired, refer to Chapter 1. COATING TECHNOLOGY, section C.5.a. for details on Spray Application. In addition, the following special precautions should be taken.

Mask any electrical fixtures, receptacles, valve wheels, etc. in such a way that incursion of paint is prevented. Cover any piping or machinery that should not be painted with heavy paper or cloths and seal with tape. Provide ventilation/dehumidification as necessary to maintain optimum painting conditions.

NOTE: When using spray equipment on interior spaces, adequate ventilation MUST be provided!

The more common method of application in these areas is by brush or roller. This is more labor-intensive, but avoids the problems associated with spraying coatings in an enclosed space near machinery.

Whenever possible, gratings and screens should be removed from the space, abrasive swept, and coated on both sides according to the same schedule as is used elsewhere in these spaces.

3. Piping Systems Color Coding:3. Piping Systems Color Coding:3. Piping Systems Color Coding: All piping in machinery spaces should be marked and color coded to show the name of the service, destination (where feasible), and the direction of flow (see figure below).

PIPING MARKINGS

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□□□□□□□□□□□
<-------------- DIESEL OIL TO MAIN ENG. NO. 2 --------------->
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a. LABELING:a. LABELING:a. LABELING: The name of the service and destination should be painted by stencil or professional hand lettering, or by applying adhesive-backed tape, which was previously printed, stencilled or professionally lettered. Lettering should be one inch high for bare or insulated piping that is at least two inches in diameter. For smaller size pipe, lettering may be reduced or label plates attached by wire or other means.

The arrows for direction of flow should be at least three inches long pointing in the flow direction away from the lettering, unless the flow is reversible, in which case arrows would be shown on each side of the lettering.

Lettering should be black unless on dark pipe (such as oxygen piping), where it should be white. Markings should be conspicuous and frequent enough to be easily traceable, with at least one identification mark in each compartment through which the pipeline passes.

Valves are marked by inscribing the handwheel rims, circular label plates secured by the handwheel nut, or by label plates attached by wire or other means.

Steam and water piping and electrical conduit should be identified by color bands at six foot intervals from the main supply to all associated equipment, including directional arrows indicating direction of flow. All main and auxiliary pumps, machinery, condensers, heat exchangers, sewage disposal, etc., should be numbered and identified with stencil-type lettering at least two inches in height.

b. COLOR CODING:b. COLOR CODING:b. COLOR CODING: Color coding is especially important on RRF ships to aid in quick identification and familiarization during activation and maintenance periods. Standardization of color coding is helpful for training crew and for casualty control purposes. Valve handwheels

and operating levers may be painted by hand or spray using enamel where the surface temperature does not exceed 180oF. In areas where the temperature is excessive, alternate methods of system identification should be provided. The MARAD standardized color coding system for piping system valve handwheels and operating levers is described in Table 4-A.

TABLE 4-A: COLOR CODING

FLUID	COLOR CODE
Bilge Water	Brown
Condensate Drains	Red/Blue
Condensate	White
Contaminated Steam	Red/White
Fire (Salt Water)	Red/Green
Lube Oil	Yellow
Superheated Steam	Red
Potable Water	Blue
Desuperheated Steam	Red/Black
Salt Water	Green
Sewage	Gold
Hydraulic Oil	Orange
Feed Water	Blue/White
Chilled Water	Blue/Red/Blue
Fuel Oil	Black
Ballast (Salt)	Brown & Green
Ballast (Fresh)	Brown & Blue
Diesel Oil	Black & Yellow
Condensate Returns	Brown & White
Compressed Air	Gray
Freon	Purple
Foam Discharge	Red/Green/Red

D. CARGO HOLDSD. CARGO HOLDSD. CARGO HOLDS

As with machinery spaces, whenever possible, the existing coatings in these areas should be touched-up before considering removal and replacement of coatings. When inspection indicates that a complete renewal of coatings in these areas is required, one 4-6 mil coat of a high-solids, surface tolerant epoxy is recommended.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: As discussed previously, the method of surface preparation used will be determined by the restrictions of the area. Abrasive blasting is the preferred method when large areas need preparation. This should be more practical than in the Machinery Spaces. If abrasive blasting is used, the surfaces should be blasted to a minimum SSPC Sp-6, Commercial blast, with an optimum blast specification of SSPC Sp-10, Near-White blast. However, if abrasive blasting is not cost-effective or practical, the surface tolerant epoxy recommended in Appendix A for use in cargo holds should overcoat with less than optimum surface preparation (i.e. SSPC SP-3, Power Tool Cleaning) providing that the type of aged coating in the area is compatible. Refer to Table 1-A for coating compatibility.

Particular attention should be given to the decks, drainage areas, grating and rosebox in each cargo hold, as these tend to clog with loose paint and scale during surface preparation of the rest of the hold. Specification should be made to prove all drainage piping free after completion of work.

2. Application:2. Application:2. Application: As with surface preparation, the method of application used will vary with each compartment; however, cargo holds should be able to be spray-painted without too much difficulty in most cases. When applying Epoxy paint by spray method, Airless Spray is the recommended equipment to use. For more information on Spray Application, see Chapter 1, section C.5.a. Also see additional precautions regarding use of spray equipment in enclosed spaces as discussed in section **C. MACHINERY SPACES**.

When touching up existing systems, consult Table 1-A for coating compatibility. Cargo holds should be painted a light color for maximum reflection of lighting. The color chosen may vary somewhat dependant on the paint vehicle used, however white is the recommended color.

3. Alternative coatings:3. Alternative coatings:3. Alternative coatings: When it is cost prohibitive to use the epoxy coating recommended for cargo holds, some regions have had success using alternative coatings which provide a good degree of corrosion protection without requiring the same amount of surface preparation at a lower coating cost; however, it can be generally stated that "you get what you pay for" when selecting some of these lower cost coatings, and they cannot be expected to provide the same amount of corrosive protection as the coatings recommended in these guidelines.

CHAPTER 5. TANKER COATINGSCHAPTER 5. TANKER COATINGSCHAPTER 5. TANKER COATINGS

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

The coating systems described in this section apply to the cargo and ballast tanks and pumprooms on all RRF tankers. Due to the special nature of their mission, OPDS tankers may have alternative coatings as determined during conversion.

The two major coating systems for cargo and ballast tanks are INORGANIC ZINC and EPOXY. Since our tankers are designated to carry Defense fuels, inorganic zinc cannot be applied to any cargo tanks. It is also not recommended that inorganic zinc be applied to a ballast tank which will be in "wet" lay-up, unless the coating is complemented by zinc anodes.

For more details on surface preparation and application beyond a general discussion and special considerations, see Chapter 1. COATING TECHNOLOGY.

B. CARGO/BALLAST TANKSB. CARGO/BALLAST TANKSB. CARGO/BALLAST TANKS

Due to the expense involved in staging for coating application in tanks, touch-up of an existing coating system is largely impractical, therefore it can be assumed that the system will be retained as is, or completely renewed. The recommended new coating systems for cargo and ballast tanks are a two coat high-solids epoxy system, at 4 mils DFT per coat.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation:

Surface preparation may vary somewhat by type of coating system applied. For the two-coat epoxy system recommended above, the minimum blast level is a Commercial (SSPC SP-6) blast, with an optimum blast being a Near-White (SSPC SP-10) abrasive blast. See TABLE 1-B for recommended blast levels for different types of coatings.

When abrasive blasting and coating cargo and ballast tanks, it is imperative that proper staging be rigged to facilitate the surface preparation and inspection; however, on final inspection, be certain that removal of staging materials did not damage the newly applied coatings.

Some problems associated with coating tanks are high relative humidity due to enclosed space and sweating of bulkheads adjacent to tanks containing water and to ship's skin. Specification should be made in advance providing for these problems. It is customary to require dehumidification of tanks while blasting and coating work is in progress. Whenever possible, adjacent tanks should be empty. Special attention should be paid to the cleanliness of the tank before permission to paint is given. All grit and dust must be removed from all tank surfaces and staging before application of coatings begins.

Provision should be made for taping all valve threads, couplings, reach rod joints, and other moving parts that would be adversely affected by abrasive blasting and coatings, as well as for removal of all masking materials upon completion of work.

2. Application:2. Application:2. Application: When applying a new coating to a tank, the recommended application method is by Airless Spray. As with superstructures and deckhouses, tanks have many "shadow" areas and corners which need to be closely inspected to ensure adequate coating. Specification for hand coating of corners and edges (**striping**) should be made for each coat applied.

When a two-coat epoxy system is being applied, specify that each coat be of a different color to facilitate inspection. When applying an inorganic zinc coating, it is recommended that a color other than grey be specified for inspection purposes.

NOTE: When using spray equipment in an enclosed space, adequate ventilation MUST BE PROVIDED!

C. PUMPROOMSC. PUMPROOMSC. PUMPROOMS

When coating pumprooms in tankers, the same limitations apply as with Machinery Spaces. Whenever possible, existing systems should be touched-up; however when inspection determines that the existing coating system requires complete renewal, a 4-6 mil DFT coat of surface tolerant epoxy paint is recommended. The color should be white or off-white dependent upon the vehicle used, to aid in reflectivity of the lighting system.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: As with machinery spaces, the amount of surface preparation in pumprooms should be determined on a case be case basis. It is generally recommended that abrasive-blasting be avoided if at all possible. Pumprooms are another area where a great deal of success has been had with removal of loose paint and rust scale by use of high-pressure water blasting. This method is certainly less intrusive to pumproom machinery than abrasive blasting. Regardless of what technique is used, specification should be made to note all valve, pump, bulkhead and pipeline markings before beginning any surface preparation, and to remark these areas after completion of all work. See additional notes as to stencils and markings in Section 2. Application.

When preparing the surface for paint using disc sanders and wire brushes, take care to avoid overpolishing the surface. When preparing bilges and splash areas for paint, ensure that they are solvent cleaned (SSPC SP-1) and freshwater rinsed prior to application. Any residual grease, solvent or moisture will adversely affect adhesion.

Whenever possible, gratings should be removed, abrasive blasted, coated on both sides in accordance with the recommended coating system, and replaced.

2. Application:2. Application:2. Application: The type of application method chosen for pumprooms must be determined on an individual basis taking into account the size of the coating job, the area to be coated, and the limitations of that particular pumproom. When application by use of spray equipment is desired, the following precautions should be taken.

All paint chips, dust and grit must be adequately cleaned. All pumps, motors, and associated equipment must be covered with tarps or heavy paper and sealed with tape. All exposed valve threads should be covered with petroleum jelly or heavy grease and taped to prevent adhesion of paint. Provision should also be made for removal of all masking materials at the completion of work.

All valve and pump markings, fire station markings, etc. should be recorded and restencilled upon completion of coating. All electrical fixtures and receptacles should be masked to prevent painting. Adequate dehumidification and ventilation should be provided. See NOTE in section B.2. regarding adequate ventilation for an enclosed space.

CHAPTER 6. SPECIAL PURPOSE COATINGSCHAPTER 6. SPECIAL PURPOSE COATINGSCHAPTER 6. SPECIAL PURPOSE COATINGS

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

This chapter deals with coatings for areas not common to all RRF ships. Fiberglass and Aluminum hulls, HELO and flight decks, coatings for wood, etc. are all covered.

Unless mentioned specifically, surface preparation and application techniques are as discussed in Chapter 1: COATING TECHNOLOGY.

B. FIBERGLASS HULLSB. FIBERGLASS HULLSB. FIBERGLASS HULLS

Since fiberglass does not corrode, the major maintenance problem is replacement of the gel coat due to cracking or chalking from exposure to ultraviolet (UV) radiation.

Although paint manufacturers may suggest several types of paints for fiberglass hulls, it is recommended that only epoxy and silicone alkyd paints be used. These paints have been proven to provide a good, long coating life.

1. Blistering:1. Blistering:1. Blistering: Blisters have been known to form on occasion on fiberglass hulls. There is no particular stage of exposure at which they appear, but when they do, they must be repaired. Blisters should be removed by disc sanding. The exposed craters should be cleaned thoroughly, and filled with epoxy putty. When the putty has cured, It should be sanded flush with the surrounding surface and painted with an epoxy topcoat.

2. Surface Preparation:2. Surface Preparation:2. Surface Preparation: Fiberglass should **not** be abrasive-swept or blasted. The proper method of preparing the surface is sanding, by means of a disc sander, or by hand, depending on the area to be covered. New fiberglass is waxed, requiring removal of the wax before any coating is applied.

3. Application:3. Application:3. Application: Any method of application can be used with the exception of Airless Spray. The first coat or two (follow manufacturer's recommendations) should be a commercial fiberglass primer suitable as a tiecoat with

epoxy or silicone alkyd paints. When painting lifeboats, workboats, or other small craft stored aboard the vessel, no anti-fouling paint is required.

C. ALUMINUM SURFACESC. ALUMINUM SURFACESC. ALUMINUM SURFACES

The paint technology discussed here is only for aluminum that is exposed to weather or water. Other coatings may be more suitable for aluminum when it is in a protected space.

As discussed in Chapter 1. COATING TECHNOLOGY, when aluminum oxidizes, a tough film which adheres tightly is formed, effectively sealing the surface from further corrosion. Therefore, the only corrosion which must be closely monitored is galvanic corrosion, where another metal is in prolonged contact with the aluminum.

The major reason for maintaining a coated surface on aluminum is for cosmetic appearance. Therefore it is recommended that except as noted for underwater hulls, epoxy, topcoated with silicone alkyd, gloss finish epoxy or urethane be used to coat aluminum surfaces.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: Most of the basic preparation techniques that apply to steel surfaces can be used on aluminum; however, when abrasive-sweeping or blasting, special provisions for smaller grit and lower blast pressure are needed. Refer to Chapter 1: COATING TECHNOLOGY, Section C.4 for more details on blasting.

When coating aluminum, a clean, bare surface, free of all corrosion, paint, grit or dust is even more essential for adhesion than steel surface preparation.

2. Application:2. Application:2. Application: The same application techniques as described in all other chapters may be used on aluminum. When applying epoxies, no special tie coat is required. Alkyd paints require at least one to two mils DFT of epoxy primer as a tie-coat on aluminum.

If the aluminum surface to be covered is a hull on a boat that is always in the water, a suitable antifouling paint should be applied. In the event an aluminum hulled workboat is coated, two 4-5 mil coats of epoxy should be applied as an anti-corrosive, followed by a 5 mil coat of a TBT (Tin-based) anti-foulant paint containing no copper.

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□ **NOTE: Due to cathodic reactions with other metal-based □ □ paints, aluminum-hulled vessels are excepted from □**
□ **regulations limiting tributiltins in AF coatings. □**

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D. HELO/HANGAR DECKSD. HELO/HANGAR DECKSD. HELO/HANGAR DECKS

For MARAD RRF vessels with special sealift enhancement features or missions, helicopter decks may be provided. As these areas will generally be installed to meet Department of Defense directives, it is unnecessary to go into great detail as to recommended coatings.

1. General:1. General:1. General: At this time, to be certified by the Naval Air Engineering Center (NAEC), helo and hangar decks must be coated with a rollable non-skid coating approved per QPL DOD-C-24667 TYPE I, COMP G, Grade A, Class 1, or Grade B, Class 2(Navy), over the manufacturer's designated primer. Consult with Naval Air representatives for latest approvals before specifying a product for these areas.

2. Surface Preparation:2. Surface Preparation:2. Surface Preparation: Surface preparation and application should be completed as per manufacturer's instructions. As with conventional non-skid coatings, these coatings should not be overcoated with ordinary deck paints.

E. COATINGS FOR WOODE. COATINGS FOR WOODE. COATINGS FOR WOOD

The paint technology discussed in this section is for wood that is exposed to weather. Applications aboard RRF vessels would include exterior woodwork, doors, nameplates, lifeboat seats, oars and rudders.

1. Surface Preparation:1. Surface Preparation:1. Surface Preparation: Abrasive sweeping or blasting of wood is very damaging, and should never be attempted. Proper surface preparation is use of paint removers, hand-scraping, and sanding.

All loose paint, blisters, oil and grease must be completely removed. Only tightly adhering coatings can be left, and edges must be "feathered in" by sanding. Wood surfaces must be completely dry before any coatings can be applied.

2. Application:2. Application:2. Application: Brush painting is the most effective application method for small areas, while air-spray can be used for large areas. For surfaces requiring a color finish, after the wood surface has been prepared, one coat of a penetrating wood preservative should be applied, followed by two finish coats of an alkyd paint. For surfaces requiring a natural finish, after the wood surface has been prepared, one coat of a penetrating stain should be applied, followed by two or more coats of a compatible polyurethane finish as per manufacturer's instructions.

F. HOT SURFACESF. HOT SURFACESF. HOT SURFACES

Surfaces that are exposed to consistently high temperatures, such as boilers, steam piping, and exhaust uptakes and surfaces that are likely to be exposed to high heat should be coated with two coats of a heat-resistant coating. These coatings are flexible enough to withstand thermal expansion, and do not blister under high temperatures.

The type of coating used is dependent on the temperature ranges likely to be encountered. Consult product data sheets for these paints to ensure adequate service. Heat-resistant coatings are not included in Appendix A, as their application and use varies depending on the area to be coated.

G. COMPROMISED SURFACESG. COMPROMISED SURFACESG. COMPROMISED SURFACES

In areas where it is not possible to prepare the steel surface for a standard paint or primer due to inaccessibility, etc. a **soft coating** or **float coating** can be applied. These coatings are usually petroleum-based thick fluids or gels which are designed for easy adhesion. They never completely harden.

These coatings were developed for application to less-than perfect surfaces and can be applied by spraying or "floating" (filling the tank, locker, or void space with water, with the coating floating on top, and then slowly emptying the water out, leaving the coating attached to the surfaces in the space). When the choice is available, spray application is the preferred method. It should be noted that since most of these coatings never

harden, surfaces are left in a slippery condition resulting in conditions that might make later tank inspections unsafe. Consider all alternatives before choosing a soft coating.

Chain lockers, void spaces, some cofferdams and rudder interiors are some of the more likely areas to be coated in this manner. Application should be according to manufacturer's instructions. These coatings should not be used in tanks designated for cargo or fuel since they will leach into the cargo or fuel.

H. ANCHOR CHAINSH. ANCHOR CHAINSH. ANCHOR CHAINS

Anchor chains should be ranged while the vessel is drydocked, sandswept, coated with black high-solids surface tolerant epoxy and marked in accordance with the following:

Each shot to be marked with Ensign Red paint on the detachable link. For each successive shot, the links on either side of the red detachable link shall be marked with white paint to designate the number of the shot. For example, shot #1 would have one white-painted link on either side of the detachable link, shot #2 would have two white links on either side, etc.

CHAPTER 7. DOCUMENTATIONCHAPTER 7. DOCUMENTATIONCHAPTER 7. DOCUMENTATION

A. INTRODUCTIONA. INTRODUCTIONA. INTRODUCTION

Adequate documentation is necessary to monitor and plan for effective paint maintenance of RRF ships. It is imperative that these records be developed and maintained by Ship Managers. Ship Managers shall specify that they be revised by the paint contractor whenever any major coating work is done.

In order to provide accurate information for cost estimating and performance records for various paint brands when planning future paint work, please furnish your ship Managers with the following information for inclusion in their next set of shipyard paint specifications.

B. SURFACE AREA SCHEDULEB. SURFACE AREA SCHEDULEB. SURFACE AREA SCHEDULE

For each ship, develop a "Surface Area Schedule" which should list the painted surface area of the following:

Underwater Hull
Boottopping
Topside Hull
Each Coated Tank and Cargo Hold

Each schedule should be in booklet format (8 1/2" x 11") with an assigned shipyard drawing number. Ship managers may develop their own standard format and have paint contractors actually complete each schedule as each ship comes up for major coating work.

C. PAINT SCHEDULEC. PAINT SCHEDULEC. PAINT SCHEDULE

For each ship, develop a "Paint Schedule" which records all paint applied to major surface areas by shipyards and contractors. The schedule should be organized in such a manner that it can be easily revised, and will present a paint history of the vessel.

For all areas, the schedule should record: Surface preparation, primers, and each overcoat. Also, colors, types, DFT millages, application methods, manufacturer, and name of applying shipyard or contractor should be recorded.

Schedule should be in booklet format (8 1/2" x 11") with an assigned shipyard drawing number, and revised whenever any major paintwork is done. Ship managers may develop their own standard format and have the painting contractor complete or revise the schedule as the work is done.

NOTE: The typical "Paint Report" submitted by some manufacturers does not necessarily provide all of the information listed above, and should not be relied upon to fulfill the requirements of this report.

Appendix B is an example of a NAVSEA paint schedule with applicable paint specifications.

CHAPTER 8. ENVIRONMENTAL/SAFETY CONCERNSCHAPTER 8. ENVIRONMENTAL/SAFETY CONCERNSCHAPTER 8. ENVIRONMENTAL/SAFETY CONCERNS

A. TOXIC SUBSTANCESA. TOXIC SUBSTANCESA. TOXIC SUBSTANCES

1. General:1. General:1. General: Many substances used in the formulation of coatings are considered to be toxic by OSHA standards, and may have exposure tolerance levels for painters and blasters. Material Safety Data Sheets and Product Data Sheets should be consulted prior to commencing any surface preparation or coating work. In addition, accurate records of the types of coatings used in all areas should be maintained (see Chapter 7. DOCUMENTATION). These records could save you time and trouble if you can prove that the coatings used do not require special handling in either application or removal.

a. LEAD:a. LEAD:a. LEAD: Any paint manufactured on or after June 23, 1977, may contain no more than 6/100ths of one percentum lead by weight in the total non-volatile content of liquid paint, or in the dried film of the paint already applied, by public law. Since this ban went into effect, the paint suppliers have all come into compliance, and no specific specification needs to be added to your coatings specs.

However, due to the age of RRF vessels, the possibility exists that some of the paints on our ships, particularly in the interior spaces, contain excessive amounts of lead, and may require special removal techniques. OSHA has set maximum employee exposure limits of 30 micrograms per cubic meter of air (30 ug/m^3) averaged over an 8-hour period.

b. MERCURY:b. MERCURY:b. MERCURY: The EPA established regulations regarding mercury-containing fungicides prohibiting their use in solvent-thinned paints. They can be used only as a preservative in water-based interior paints, or as a fungicide in water-based exterior paints. The EPA has not set limits on the amount of mercury that may be used; however, the Federal Hazardous Substances Act limits the use of mercury to 0.2% of the total weight of the paint.

c. COAL TAR:c. COAL TAR:c. COAL TAR: Although these substances have no controls at this time, coal tar pitch volatiles are a suspected carcinogen by OSHA standards, and are presently being studied and considered for exposure limitations. For this reason, it is not advised that coal tar paints be applied to MARAD vessels.

d. VINYL CHLORIDE:d. VINYL CHLORIDE:d. VINYL CHLORIDE: This type of paint vehicle is also listed as cancer suspect agent by OSHA, and is therefore not recommended as a coating agent for MARAD vessels; however, some of our vessels are presently coated with this material, and OSHA safety standards must be observed when removing vinyl chloride coatings.

e. ZINC CHROMATES:e. ZINC CHROMATES:e. ZINC CHROMATES: These coatings are also listed as suspected carcinogens and have exposure controls set by OSHA. Special precautions should be taken to protect personnel when applying or removing these paints. Refer to OSHA exposure limits before use.

B. TBT REGULATIONSB. TBT REGULATIONSB. TBT REGULATIONS

1. General:1. General:1. General:

Tributyltin (TBT) compounds are part of the organotin family of pesticides and are used as biocides in paint applied to ship and boat hulls as well as buoys, crab pots, and fish nets. They are also registered as wood preservatives and disinfectants. TBT antifoulant paints can be classified into three categories according to the way the TBT is incorporated into the paint coating and subsequently released.

a. FREE ASSOCIATION PAINTS: a. FREE ASSOCIATION PAINTS: a. FREE ASSOCIATION PAINTS: These paints fall into the Conventional category as discussed in Chapter 2. The TBT is physically incorporated into the paint matrix with the pigments, resins and inert substances. The TBT leaches from the paint surface by diffusion. Gradually the matrix becomes clogged with insoluble materials trapping some of the toxicant while leaving the surface unprotected.

b. COPOLYMER PAINTS:b. COPOLYMER PAINTS:b. COPOLYMER PAINTS: These paints are the Self-polishing Copolymer (SPC) type that contain TBT. This is the category in which the TBT is chemically bonded to a polymer matrix. The biocide is released only by chemical hydrolysis of the TBT itself. These paints are characterized by slow dissolution from ship hulls and thus achieve a constant but prolonged release of toxicant.

c. ABLATIVE PAINTS:c. ABLATIVE PAINTS:c. ABLATIVE PAINTS: These paints have characteristics of both of the other two types of paint. The TBT is not bound to a polymer, but is incorporated into the paint matrix. They are paint films with a slightly soluble resin so that the surface slowly sloughs (ablates) away as the water moves past the vessel's hull. This allows new toxicant layers to be revealed and prevents the buildup of insoluble materials.

A TBT antifouling paint formulation can have a single TBT active ingredient, can be combined with one or more of the other 8 TBT antifoulants, can be combined with copper compounds, or can be found in a variety of other combinations.

Preliminary findings of studies indicate that low concentrations of elemental or inorganic forms of tin do not appear to cause negligible toxicological effects in man or wildlife; however, when carbon groups such as butyl units are added to the tin, as is done with TBT paints, there is an increase in the toxicity to aquatic organisms. The studies on effects to humans are still in progress; however, TBT paints are being treated as potential carcinogens as far as personnel safety procedures for application and removal of these coatings are concerned.

2. History:2. History:2. History: In order to properly discuss the present and future regulations of Marine Antifoulant paints, a little history is necessary. Antifoulant paints containing TBT were initially registered in the early 1960's.

In 1980 a study was conducted in the Archachon Basin in France on the effect of tributyltins on the oyster population. As a result of the study, the use of TBT paints was banned in 1982. By 1988, the oyster population had returned to normal, confirming in the minds of many that the TBT ban had been effective. In the meantime, studies were initiated by the Environmental Protection Agency in the U.S. to determine the effects of these compounds on our marine life.

3. EPA Actions:3. EPA Actions:3. EPA Actions: In January of 1986, the EPA initiated a special review on the nine TBT compounds used in antifouling paints due to possible adverse effects to nontarget aquatic organisms such as oysters, mussels, crabs and fish. The main areas targeted as sources of contamination were ships, pleasure boats, and shipyard wastes from hull cleaning in drydocks.

a. DATA CALL-IN:a. DATA CALL-IN:a. DATA CALL-IN: In approximately the same time frame, the EPA also issued a Data Call-in Notice requiring TBT manufacturers to submit data on product chemistry, environmental impact, ecological effects, usage, worker exposure, and release rates. Additional testing and worker effect studies are due in one to four years. Those manufacturers who failed to provide the required data had their registrations suspended.

b. RESULTS:b. RESULTS:b. RESULTS: The release rate study provided the EPA with a basis for comparing the amount of TBT released from different paint products. Based on submitted data and published studies, the EPA determined that even low concentrations of TBT in the water can cause irreversible chronic effects to a broad spectrum of aquatic organisms. Concentrations as low as 20 parts per trillion

(ppt) have had adverse effects on oysters and certain snails. Concentrations in the water at 20 ppt or greater were found in more than 30 test sites in the U.S.

4. EPA Requirements:4. EPA Requirements:4. EPA Requirements: As a result of the studies mentioned above, on October 7, 1987, the EPA announced its preliminary determination of limiting TBT use to products: (1) with maximum release rates of 168 micrograms (ug) of organotin per cm^2 (short term) and 4 ug of organotin/cm^2/day (long term); (2) whose labels prohibit use on non-aluminum boats under 65 feet in length; (3) classified as restricted-use pesticides to be used only by persons under the direct supervision of an on-site certified commercial applicator; and (4) in compliance with application, removal and disposal requirements.

5. Congressional Requirements:5. Congressional Requirements:5. Congressional Requirements: On June 16, 1988, the President signed into effect the Organotin Antifouling Paint Control Act (OAPCA). It contains interim and permanent TBT use restrictions that supersede those issued by the EPA. OAPCA established an interim certification program under which products which don't exceed the 4 ug organotin/cm^2/day can be sold and used. OAPCA also contains a permanent use restriction prohibiting the application of TBT antifoulant paint to non-aluminum vessels under 25 meters (82 feet) in length. When the EPA testing is complete, these requirements may be changed again.

6. Effects on MARAD Ships:6. Effects on MARAD Ships:6. Effects on MARAD Ships: The prohibition of use on non-aluminum boats under 25 meters in length was primarily for two reasons. The first was that these boats are clustered together in high concentrations in marinas and yacht basins where the cumulative release of TBT's exceed allowable concentrations. The second was that the economic impact on the user was considered to be small, since many small boat owners were reapplying TBT paints on the same 1 to 2 year schedule as with the more economical copper-based antifoulant paints. Since the paints containing tributyltins are more expensive than the copper-based paints, the only savings realized by the user would be over a long-term period.

Unfortunately for MARAD, many of our vessels are "clustered" together in the same manner as small boats. If MARAD used the paints containing TBT on our vessels we would be risking a concentrated release in these "cluster" areas that might exceed the allowable limits. Furthermore, the newly established release rates will reduce the amount of TBT released into the aquatic environment by 80%. This raises questions as to the effectiveness of these new TBT paints in controlling fouling.

The EPA is not expected to make a final determination on TBT for the next 1 to 4 years. As a result of future studies, the EPA may determine that additional restrictions are required. Due to the present volatility of TBT legislation, application of TBT paints is not advised at this time.

C. CLEAN WATER ACTC. CLEAN WATER ACTC. CLEAN WATER ACT

1. General:1. General:1. General: The Clean Water Act has been used in California to provide a very narrow interpretation of what constitutes pollutants. Because of the present interpretations, most of the waste resulting from blasting old coatings off of metal falls into the pollutant definition. At the present time, if MARAD contracts for blasting and coating the freeboard and boottopping areas of the sideshell, provision must be made to collect all spent grit and blast residue. Consequently, operations that were once carried out in the fleet or at dockside must now be carried out in the drydock. Indications are that other states will eventually follow California's lead and tighten up on their restrictions as well.

2. Effects on MARAD Ships:2. Effects on MARAD Ships:2. Effects on MARAD Ships: These regulations are already affecting contracts in the Western Region, and should they be adopted nationwide, will eventually affect all MARAD vessels. It is advisable to check with local authorities before contracting for any work of this nature.

D. SOLVENT EMISSIONSD. SOLVENT EMISSIONSD. SOLVENT EMISSIONS

1. Background:1. Background:1. Background: The passage of the Clean Air Act in 1970 involved the EPA in legislating solvents to be used in coatings. The original Act set emissions limits, but left the specifics of attaining these limits to each state. In California, the California Air Resources Board (CARB) developed a proposed model regulation restricting solvents, because studies had proven that all Volatile Organic Compounds (VOCs) contribute significantly to the formation of oxidants (smog). A modified version of the model ruling was adopted by the South Coast Air Quality Management District in southern California in 1979, and similar regulations will be adopted on September 1, 1989, in all other parts of California. Legislation is being considered in Congressional Committee to adopt the California standards nationwide. These regulations drastically reduce the allowable solvent content of most coatings.

2. Requirements:2. Requirements:2. Requirements: The California regulations state that no person may sell, offer for sale, or apply any coatings manufactured after September 1, 1989, which contain more than 420 grams of volatile organic compounds (VOC) per liter of coating for an air-dried single-component alkyd or vinyl coating, or 340 grams/liter for a two-component coating as applied. The term "as applied" has significance in that the VOC content is measured at the point of application, which includes any thinners added to the paint for ease of application. These limits are dropped even further to 340 grams/liter for alkyd-type paints effective September 1, 1991.

3. Effects on MARAD Ships:3. Effects on MARAD Ships:3. Effects on MARAD Ships: These regulations are already affecting contracts in the Western Region, and should they be adopted nationwide, will eventually affect all MARAD vessels. The best way to comply at this time is to use high solids coatings in preference to those that have a higher solvent content whenever possible. The paint manufacturers listed in Appendix A are already reformulating their paints to meet the new standards, and most of the coatings recommended are presently VOC compliant. As new coatings are approved, the appendix will be updated. Until all coatings recommended meet VOC requirements, check with manufacturers as to use of an alkyd or silicone alkyd topcoat as described previously.

GLOSSARYGLOSSARYGLOSSARY

Term/Phrase	Definition
Abrasion resistance	Resistance to mechanical damage/wear
Abrasive	Compound used for blast cleaning
Acrylic resin	A clear resin obtained by polymerizing various acrylic monomers
Activator	Catalyst; curing agent; reactor
Adhesion	The degree of attachment between a paint film and the surface to which it is applied
Air spray	Paint spray technique which uses air for atomization
Airless spray	Spray technique using hydraulic pressure instead of air for atomization
Aliphatic hydrocarbons	Solvents of relatively slow strength, derived from petroleum
Alkyd resin	Resin prepared by reacting alcohols and acids
Alligatoring	Type of paint failure caused by underfilm softness. Surface has the appearance of alligator skin
Amine	Organic substituted ammonia, or compound having NH_2 group
Amine adduct	Amine curing agent combined with resin
Anchor pattern	Surface profile and degree of roughness
Anode	An electrode of an electrolytic cell that has the greater tendency to sacrifice itself
Anti-corrosive paint	A paint designed to prevent the corrosion of steel or iron
Aromatic hydrocarbons	Solvents containing the cyclic benzene ring having moderate to high solvent strength, e.g. toluol, xylol.

Barrier coat	A coat where the film itself is used as the primary surface protection
Binder	The portion of the paint solution that binds the pigment particles together
Blast cleaning	The cleaning & roughening of a surface by projecting abrasives on to a surface with compressed air
Bleeding	The surfacing of color from undercoats
Blistering	Paint failure due to loss of adhesion. Blisters may contain liquid, gas, or crystals. May be caused by excessive voltage on impressed current protection
Blushing/Blooming	Paint failure causing a flat milky appearance on surface. Caused by thinners that evaporate too rapidly, or unevenly
Bonding	Adhesion
Brittleness	Degree of resistance to cracking or breaking by bending
Bubbling	Paint failure caused by trapped solvents or water under paint film
Catalyst	Curing agent; reactor; activator
Cathode	The electrode of an electrolytic cell which remains protected
Cathodic Protection	Corrosion protection using sacrificial anodes or impressed current.
Chalking	Paint deterioration at the surface from exposure to ultraviolet rays
Checking	Tiny cracks in the upper coats of paint films due to poor flexibility
Chipping/lifting	Paint failure where topcoat fails to adhere to undercoat
Chlorinated Rubber	Paint binder made by chlorinating polyisoprene
Coat	The coating applied to a surface in a single application

Cobwebbing	Paint failure caused by premature drying of the solvent causing a spider web effect
Cohesion	The forces which bind the parts of a paint film to each other
Color-fast	Non-fading
Compatibility	Ability to adhere properly to other coatings
Copolymers	Large molecules obtained by simultaneous polymerization of different monomers
Corrosion	Decay; oxidation; deterioration due to interaction with environment
Coverage	Area covered by unit volume at specified D.F.T.
Cracking	Splitting; disintegration of paint by breaks through film
Cratering	Formation of holes or deep depressions in paint film
Crawling	Shrinking of paint to form uneven surface
Critical Curing Times	Minimum and maximum intervals between coats, and after final coat for best adhesion
Crosslinking agent	The chemicals reaction by which substances unite to form films
Cross-spray	Spraying first in one direction and second at right angles
Curing	Setting up; hardening
Curing agent	Hardener; promoter; reactor; activator; catalyst
DFT	Dry Film Thickness; the thickness of the film layer after curing is complete
Delamination	Separation of layers
De-scaling(scaling)	The removal of millscale or caked rust from steel by mechanical means, sometimes assisted by flame cleaning

Dew Point	Temperature at which moisture condenses
Diluent	A volatile liquid which while not a solvent, may yet be used in conjunction with the true solvent without causing precipitation
Drier	Chemical which promotes oxidation or drying of paint
Dry Spray	Overspray or bounce back; sand finish due to spray particle being partially dried before reaching the surface
Drying time	Time interval between application and final cure
Dry to handle	Time interval between application and ability to pick up without damage
Dry to recoat	Time interval between application and ability to adhere to next coat satisfactorily
Dry to touch	Time interval between application and tack-free time
Drying oil	An oil, of which linseed and tung oil are the commonest examples, having the property of hardening by oxidation to a tough film, when exposed in the form of a thin layer to air
Dulling	Loss of gloss or sheen
Durability	The degree to which paints and paint materials withstand the destructive effect of the conditions to which they are subjected
Electrolysis	Decomposition by means of an electrical current
Electrolyte	A substance which dissociates into ions when in solution or a fused state and which will then conduct an electric current; i.e. salt water
Electrostatic spray	Spraying in which electric charge attracts paint to surface
Emulsion paint	Water base paint with an emulsified resin vehicle
Enamel	Pigmented varnish; any hard, glossy coating
Epoxy paint	A paint based on an epoxy resin; the designation is frequently qualified to indicate the nature of the crosslinking

	agent used, e.g., 'amine' polyamide' or 'isocyanate', where the crosslinking agents are polyamines, polyamides and isocyanates respectively
Epoxy resin	A synthetic resin containing epoxide groups
Epoxy ester	Epoxy modified with a drying oil
Erosion	Wearing away of paint films; heavy chalking tends to accelerate erosion
Ester	Reaction product of alcohol and acid
Etch	To roughen a surface by a chemical agent prior to painting in order to increase adhesion
Etch primer	Acid modified polyvinyl butyryl zinc chromate paint also called wash primer
Extender	Pigment with no obliteration characteristics
Elastomer	Polymer having rubber-like properties
Fading	Reduction in brightness of color; sometimes caused by a thin film of moisture under the paint
Fan pattern	Geometry of spray pattern
Feather edge	Tapered edge
Filiform corrosion	A form of corrosion under paint coatings on metals characterized by a thread-like form advancing by means of a growing head or point
Filler	Extender; bulking agent; inert pigment
Film build	Dry thickness characteristics per coat
Film former	A substance which forms a skin or membrane when dried from a liquid state
Film integrity	Degree of continuity of film

Fingering	Broken spray pattern; fingerlike
Fish eyes	Small round breaks in the coating surface resembling fish eyes that are caused by poor surface cleaning, or incompatible coatings
Flaking	Disintegration into small pieces or flakes
Flammability	Measure of ease of catching fire; ability to burn
Flash point	Minimum temperature of a liquid at which the vapors given off are sufficient to form a flammable mixture with air, under specified conditions of test
Floating	Separation of pigment colors on surface
Flow	The degree to which a wet paint film can flow out after application so as to eliminate brush marks and produce a uniform smooth surface on drying
Fogging	Misting
Forced drying	Acceleration of drying by increasing the temperature above ambient temperature accompanied by forced air circulation
Fungicide	Substance poisonous to fungi; retards or prevents fungi growth
Galvanic corrosion	Corrosion of dissimilar metals in electrical contact
Generic	Belonging to a particular family
Gloss	Sheen; ability to reflect; brightness; lustre
Gloss retention	Ability to retain original sheen
Grit	An abrasive obtained from slag and various other materials
Grit blasting	See 'blast cleaning'
Hardener	Curing agent; promoter; catalyst; crosslinking agent
Hardness	The degree a material will withstand pressure without deformation or scratching

High build	Producing thick dry films per coat
Holiday	Pinhole; discontinuity; small area left uncoated
Hydrophilic	Having an affinity for water; capable of uniting with or dissolving in water
Impact resistance	A measure of resistance to a blow; ability to resist deformation from impact
Incompatibility	Inability to mix with or adhere to another material
Inert pigment	A non-reactive pigment; filler
Inflammability	Measure of ease of catching fire; ability to burn; use of the word flammability is preferred to inflammability due to the possible interpretation of the prefix "in" use as negative
Inhibitive pigment	One which retards corrosion process
Inorganic	Containing no carbon
Inorganic coatings	Those employing inorganic binders of vehicles
Intercoat contamination	Presence of foreign matter between successive coats
Intercoat adhesion	Adhesion between successive coats of paint
Isocyanate resins	Resins characterized by NCO grouping; polyurethane resins
Ketones	Organic solvents containing CO grouping; commonly used ketones are Acetone-dimethyl ketone; MEK - methyl ethyl ketone; MIBK - methyl isobutyl ketone
Lacquer	Quick drying, low solids paint; usually nitrocellulose
Latex	Emulsion of a rubber-like polymer in water.
Leaching	The process of extraction of a soluble component; term used to describe toxicant release from AF paints
Leafing	Orientation of pigment flakes in horizontal planes

Mil	One one-thousandth of an inch; 0.001"
Millscale	The layer of oxidation produced during the hot rolling of steel. Usually requires abrasive blasting for removal
Mist Coat	Thin tack coat; thin adhesive coat
Monomer	The unit molecule from which a polymer is built up
Nonvolatile	Non-evaporating; the portion of a paint left after the solvent evaporates
Oleo-resinous	Varnishes composed of drying oils in conjunction with resins, which may be either natural or synthetic
Opacity	The ability of a paint to obliterate the color of the substrate
Orange Peel	Dimpled appearance of dried film resembling an orange peel
Organic	Containing carbon
Osmosis	Transfer of liquid through a paint film or other member
Oxidation	Reacting with oxygen; drying; burning; rusting
Peeling	Failure in which paint peels from substrate
Phenolic Resins	Particular group of film vehicles made from phenolformaldehyde
Pickling	A dipping process for cleaning metal; the pickling agent is usually acid
Pigments	Chemical compounds in fine particle form which give color, opacity, and toxicity to a paint
Pin-holing	Formation of small holes through the entire thickness of the coating due to insufficient paint atomization. Pin-holes are usually too small to be detected by the human eye
Plasticizer	Agent added to resin to increase flexibility
Polymer	A substance, the molecules of which consist of one or more structural units repeated any number of times; vinyl resins are examples of polymers

Polymerization	Formation of large molecules from small ones
Polyvinyl acetate	A synthetic resin used extensively in water-based paints; produced by the polymerization of vinyl acetate
Polyurethane resin	A synthetic resin produced by the reaction of a polyhydroxy reactant with polyisocyanate. These resins are usually supplied as two-pack products
Porosity	Ability of paint film to transmit vapors
Pot-life	Time interval after opening and mixing during which paint is usable with no difficulty
Prefabrication Primer	A quick-drying coating applied as a thin film to a surface immediately after cleaning to give protection during the period before, during and after fabrication
Profile	Cross section of surface contour
Resin	A natural or synthetic material contained in varnishes, lacquers and paints; the binder or film-former
Sagging	A downward movement of a paint film between the times of application and curing, resulting in an uneven coating thickness
Settling	Caking; sediment; solids settle to the bottom of the container if not mixed frequently
Shelf life	Maximum length of time material may be stored in usable condition
Skinning	Formation of a solid membrane on top of a liquid
Solids	Non-volatile portion of paint
Solvent	A liquid in which another substance may be dissolved; usually a petroleum product
Spray Pattern	Configuration of spray with gun held steady

Spreading rate	Coverage, usually at specified dry film thickness
Striping	Hand coating of corners, edges and hard to reach areas before/after each spray application
Substrate	Surface to be painted
Synthetic	Manufactured; not occurring naturally
Tack	Degree of stickiness
Thermoplastic	Coating which softens under heat
Thinners	Volatile liquids added to paints and varnishes to facilitate application by lowering their viscosity
Toluene/Toluol	An aromatic hydrocarbon solvent
Tooth	Profile; mechanical anchorage; surface roughness
Two pack	A coating which requires the mixing of two parts in the correct proportions for use. The mixture will then have a limited pot-life
Undercoat	The coat or coats applied to a surface after preparation, and before the application of a finish coat
Varnish	Paint vehicle; film former; binder
Vehicle	The liquid portion of paint in which the pigment is dispersed
Vinyl resin	A synthetic resin of the thermoplastic type obtained by the polymerization of monomers containing the vinyl group
Viscosity	A measure of fluidity
Volatile content	Percentage of materials which evaporate
Volume solids	Percentage of volume of solids in a paint
Water blasting	Blast cleaning using high velocity water
Water spotting	Surface defect caused by water droplets on uncured paint

WFT	Wet Film Thickness; the thickness of a paint film while still wet
Xylene/Xylol	Aromatic hydrocarbon solvent
Zinc rich primer	An anti-corrosive primer for iron and steel incorporating zinc dust in a concentration sufficient to give electrical conductivity in the dried film, thus enabling the zinc to corrode away and protect the substrate (cathodic protection)
Zinc silicate	A vehicle for inorganic zinc pigments in coatings

8. Section 34 - RESERVED

9. SECTION 35. OUTPORTING

35.1 ALARMS

Alarms that alert those in the immediate area that there is an emergency caused by fire, flood, or intrusion shall be installed. There may also be a system installed to for remote reporting of this information. For non-ROS vessels, ensure intrusion, fire, and flood alarms are operating.

35.2 CATHODIC PROTECTION

For non-ROS vessels, ensure existing hull protection system is operating during monthly site visits.

35.3 WATERTIGHT BOUNDARIES

Ensure proper maintenance of watertight boundaries, fumetight boundaries, and fire zones. Prior to entering boundaries and zones, the Ship Manager shall ensure adequate ventilation and ensure integrity of space or boundary has not been violated.

[END OF SECTION]

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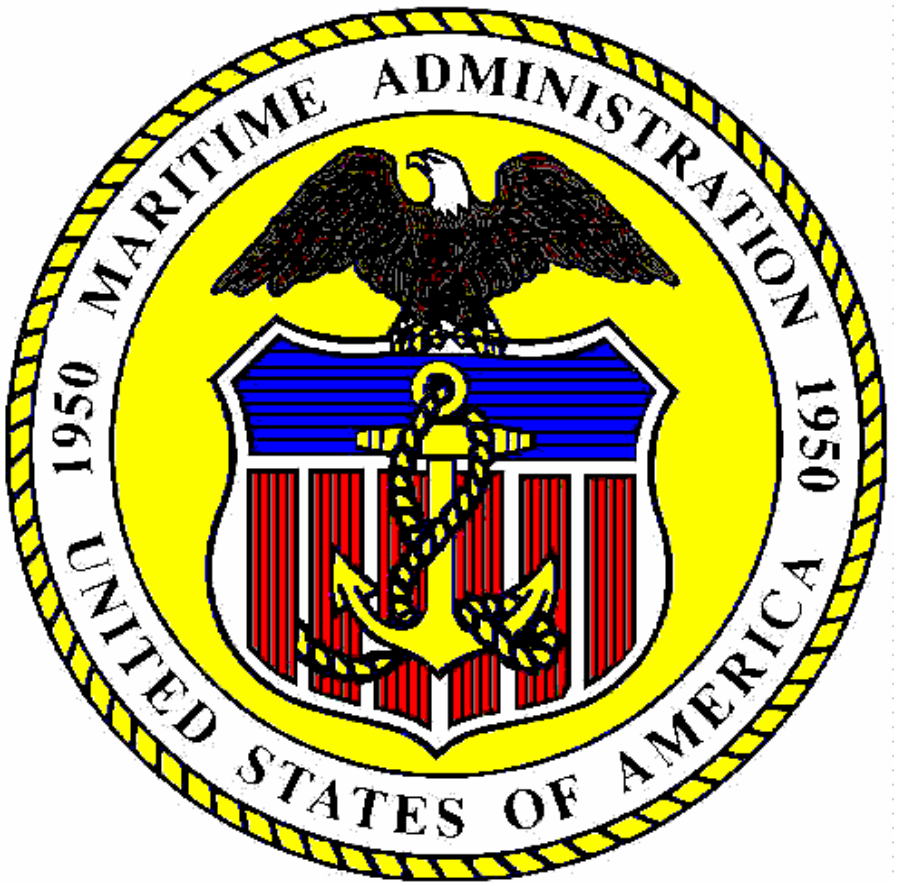
Ready Reserve Force Logistics Management Manual



Volume I
September 9, 2008

Table of Contents

RRF Logistics Management Manual

Volume I: RRF Shipboard Logistics Management

Chapter 1: Introduction to the RRF Logistics Support System

1.0 The Ready Reserve Force

The Ready Reserve Force (RRF) was established by the Maritime Administration (MARAD) in coordination with the U.S. Navy in 1976 as a support element for the deployment of U.S. forces. The RRF is an element of the National Defense Reserve Fleet (NDRF) that has been tasked to maintain an effective sealift capability in support of the Department of Defense (DOD). MARAD manages RRF vessel acquisitions, upgrades, activations, maintenance, and operations. RRF vessels are entrusted to contract ship managers, general agents, and a number of maritime academies.

1.1 RRF Logistics Management Manual (LMM)

1.1.1 Purpose

The *RRF Logistics Management Manual* provides logistics support guidance and operating procedures to MARAD Headquarters and Area personnel. It also provides authoritative guidance and direction to Ship Managers, general agents, surveyors, support contractors (as provided for in their respective contracts) and selected maritime academies that have custody of an RRF vessel. This manual shall also serve as a reference for those Government agencies whose functions and responsibilities require them to interact with MARAD and the RRF.

The *RRF Logistics Management Manual* addresses MARAD supply management policies, procedures and responsibilities within the context of the RRF Logistics Support System.[1] It also prescribes uniform configuration management and provisioning requirements, applications, objectives, and definitions for the RRF, and assigns responsibilities related thereto.

When there is an apparent conflict between the terms of the Ship Manager's contract or the Federal Acquisition Regulation (FAR) and this manual, the contract or the FAR must take precedence.

1.1.2 Terms

The term "Ship Manager" will be used in this manual to indicate general agents, ship managers, and Chief Engineers of RRF vessels operated by maritime academies. The term "Government" will be used to indicate managers and employees of the Maritime Administration. The term "Area" will refer to managers and employees of the Divisions of Atlantic, Gulf and Pacific Operations of the Maritime Administration. A Glossary of logistics terms used in this manual is provided in Appendix A. The meaning of common acronyms is provided in Appendix B.

1.1.3 Manual Organization

The *RRF Logistics Management Manual* is divided into two volumes:

a. Volume I: RRF Shipboard Logistics Management
b. Volume II: RRF Shore-Based Logistics Management

Chapters are numbered consecutively with paragraphs numbered in legal style. Users should examine the Table of Contents to obtain an overview of the contents of each chapter. Whenever possible, tables, figures and footnotes have been provided to clarify the processes or procedures contained in the text. Footnotes are numbered consecutively within each chapter. An index is provided at the end of each volume.

1.1.4 Changes to the Manual

Recommendations for changes to this manual are encouraged and should be sent to the Division of Logistics Support (MAR-614).

1.2 The RRF Logistics Support System Concept

The RRF Logistic Support System is built around three critical programs: The Shipboard Supply Management Program, the Configuration Management Program and the RRF Shore-Based Spares Program.[2]

[1] *Maritime Administrative Order 630-7*, dated June 4,2007.

[2] *Maritime Administrative Order 630-7*, dated June 4, 2007.

1.2.1 Shipboard Supply Management Program

The Shipboard Supply Management Program addresses the logistics functions performed aboard ship or in direct support of shipboard operations. It encompasses allowance and inventory management policy, procedures, and information related to shipboard spare parts, outfitting material, and technical documentation.

1.2.2 Configuration Management Program

The Configuration Management Program provides a systematic means for documenting the configuration of shipboard equipment and includes provisions for configuration identification, change control, spare parts provisioning and allowance determination. An active Configuration Management Program is necessary for effective logistics support.

1.2.3 Shore-Based Spares Program

The Shore-Based Spares (SBS) Program provides guidelines for managing inventories of RRF equipment and repair parts critical to mission readiness but not readily available on the open market. The MARAD SBS warehouses also provide convenient temporary storage for spare parts, controlled material, and technical documentation removed from vessels undergoing overhaul, slated for disposal, etc.

1.2.4 MARAD Logistics Support System

The RRF Management System (RMS) serves as MARAD's enterprise repository for all RRF equipment, spare part, outfitting, Accountable Property, technical manual, and vendor drawing data and information. RMS integrates maintenance, logistics and purchasing, providing life-cycle visibility of logistics material from acquisition until disposal. Within RMS, the Nautical Systems 5 (NS5) software and associated hardware provide readily available logistics-related data and information to Government and contractor personnel supporting RRF operations and maintenance.

1.2.5 Interagency Support

The Division of Logistics Support (MAR-614) is the central requisitioning point for spare parts available through the Federal Supply System (FSS).

1.3 Inspections and Reviews

MAR-614 conducts several types of formal and informal inspections as a way of monitoring the performance and effectiveness of the RRF Logistics Support Program.

1.3.1 Area Supply Readiness Assessment

MAR-614 will conduct periodic supply readiness assessments of ship-controlling Areas. The factors to be assessed will be published and provided in advance to each Area. The assessment will examine the degree to which Area practices conform to the policies and procedures contained in this manual, the Federal Acquisition Regulation (FAR), Maritime Administrative Orders, and other MARAD directives. Such evaluations will also assess the effectiveness of these policies and procedures in supporting the operational logistics needs of the Areas.

1.3.2 Logistics Management Reviews

Logistics Management Reviews (LMRs) examine and evaluate the contract performance of Ship Managers and normally focus on a specific vessel. LMRs are conducted using Performance Element 1-6: Logistics, contained in the Ship Manager Contract (SMC) Quality Assurance Surveillance Plan (QASP). In the case of maritime schools that operate RRF-owned vessels, LMRs will evaluate the control and management of federally owned property, while also assessing the effectiveness of the vessel's logistics management program. This manual, the FAR, and the contract itself are used as the basis for these evaluations.

Areas will perform "routine" LMRs of RRF vessels. MARAD HQ will periodically perform unannounced or "no-notice" LMRs on selected vessels to assure the logistics management program onboard the vessel complies with the Ship Manager's contract, the FAR and the operational support requirements of the RRF. HQ LMRs are also used to gauge the effectiveness of Area logistics management programs. The areas addressed during Logistics Management Reviews are listed in Performance Element 1-6: Logistics; MAR-614's QASP Execution Checklist is contained in Appendix C.

1.3.3 Other Inspections and Reviews

MAR-614 or an Area may conduct other inspections and reviews on an ad-hoc basis to address specific logistics readiness concerns. These inspections (which

may focus on a ship, a ship class or a MARAD Area Office), may be formally scheduled or conducted on a "no-notice" basis, as required.

1.3.4 Assist Visits

MAR-614 or an Area may conduct Assist Visits to ensure timely activation, perform training, seal drawers or other reasons. Assist visits will be coordinated in advance, with written or e-mail notification to the Chief Engineer and Ship Manager.

Minimizing the number of Temporary Seals on a vessel is in the interest of both the Maritime Administration and the Ship Manager. A large number of Temporary Seals poses a readiness risk due to uncertain inventory accuracy while deployed. However, since inventory accuracy is primarily a Ship Manager responsibility, Inventory Specialists will only apply permanent seals to those locations found to have 100% inventory accuracy. During an Assist Visit, any location where an error is found will be re-sealed with a Temporary Seal, with the Chief Engineer and Ship Manager notified of the findings. During an Assist Visit, the Inventory Specialist is not authorized to adjust the inventory quantity on hand.

1.4 Activity Phases

The life cycle of an RRF vessel may encompass many different events, including initial acquisition, routine maintenance periods, activation, and operation. Under the 2005 SMC, these stages in the life cycle have been simplified to two (2) *phases*, which are defined below:

a. Phase M: Maintenance
b. Phase O: Operation

1.5 RRF Readiness Ratings

MAR-610 assigns overall RRF readiness ratings, which are provided below for informational purposes.

a. C-1: No mission degrading deficiencies
b. C-2: Documented and correctable mission degrading deficiencies
c. C-3: Mission degrading deficiencies exist which cannot be corrected.
d. C-4: Major deficiencies prevent the ship from performing its primary mission, which cannot be corrected within the assigned period.
e. C-5: Scheduled major repairs in progress - unable to meet assigned readiness criteria.

1.6 Federal Government Property Regulations

All persons and activities involved in the RRF Logistics Support System may, at one time or another, find themselves accountable or responsible for Government property. The procedures contained in this manual are designed to accomplish the supply management mission while protecting this accountability. "Government property" is defined as all property owned by or leased to the Government, or acquired by the Government under the terms of a contract. It includes both Government-furnished property, and contractor-acquired property as defined in the Federal Acquisition Regulation (FAR). It includes all facilities, material, special tooling, special test equipment, and agency-peculiar property. The following publications and instructions provide requirements and guidance for the management of such property:

a. Federal Acquisition Regulation (FAR), 48 CFR Part 45. This publication prescribes policies and procedures for providing Government property to contractors; contractor's use and management of Government property; and reporting, redistributing, and disposing of contractor inventories of Government property.
b. Federal Management Regulation (FMR), 41 CFR Chapters 101 and 102. This publication prescribes regulations, policies, and procedures pertaining to the management of Government property.
c. Equipment Management and Control (DOT Order 4410.4). This order contains Department of Transportation (DOT) policy for the management, accountability, control, utilization, and disposal of Government-owned, leased, and/or borrowed equipment. It implements and supplements the FMR.
d. Accountability and Capitalization of Property (MAO 330-13). This order establishes policy for accountability and capitalization criteria for the Maritime Administration..

Chapter 2: RRF Logistics Organization and Responsibilities

2.0 Organizational Responsibilities

The following paragraphs describe in general terms the responsibilities of the organizations and staff positions supporting the RRF Logistics Support System (RRF/LSS).

2.1 MARAD Headquarters

MARAD Headquarters in Washington, D.C., provides overall RRF program policy, management, direction, and support through the offices and divisions described below:

2.1.1 Associate Administrator for National Security (MAR-600)

The Associate Administrator for National Security has overall responsibility for ensuring the coordination and implementation of the policies and procedures contained in this manual.

2.1.2 Office of Ship Operations (MAR-610)

The Director, Office of Ship Operations, serves as the RRF Program Manager and is responsible for the coordination and implementation of the policies contained in this manual. Responsibilities include:

a. Through management reports and general oversight, ensure that the RRF Logistic Support System effectively provides the requisite level of logistics to meet the mission and requirements of the RRF.
b. Provide adequate funding and personnel to support all aspects of the RRF Logistics Support System.
c. Approve issue of instructions, manuals, and other directives required to implement RRF/LSS policies and procedures.
d. Coordinate inter-agency support with the U.S. Transportation Command (USTRANSCOM), the Military Sealift Command (MSC), and other agencies.
e. Approve proposed spare parts provisioning actions for vessels undergoing conversion, upgrade, or sealift enhancement.

2.1.3 Chief, Division of Ship Maintenance and Repair (MAR-611)

The Chief, Division of Ship Maintenance and Repair, supervises RRF maintenance and repair systems, funding, and methodologies. Responsibilities include:

a. Provide technical assistance and guidance to MAR-614 in matters involving RRF logistics support.
b. Advise MAR-614 of all issues that may impact RRF logistics readiness.
c. Conduct a final review of excess material staged for disposal.
d. Review Allowance Change Requests (ACRs) over $500 per Unit Price.
e. Fund special programs.

2.1.4 Division of Logistics Support (MAR-614)

The Chief, Division of Logistics Support, serves as the RRF Logistics Support System Program Manager.[1] Responsibilities include:

a. Develop and implement the policies, procedures, and systems necessary to provide effective logistics support for the RRF.
b. Monitor and evaluate Area logistics support programs and activities.
c. Ensure that Ship Managers, maritime schools operating RRF ships, and SBS Warehouse operations comply with established logistics support policies and procedures.
d. Maintain the RRF Logistics Management Manual (LMM).
e. Supervise the management, development, and operation of RMS and associated systems.
f. Maintain and monitor the functionality and validity of RMS databases, in accordance with MAO 630-7 and the RRF Logistics Management Manual.
g. Fund the purchase of ACR material approved by MAR-611. Purchases are subject to the constraints of funds. Purchases to be conducted by MAR-614's Logistics Support contractor.

[1] *Maritime Administrative Order 630-7,* dated June 4, 2007, paragraph 4.05.

h. Coordinate logistics support requirements for new RRF vessel acquisitions, upgrades and conversions.
i. Monitor the security and storage of RRF spare parts, outfitting items, Accountable Property and Shore-Based Spares.
j. Schedule periodic Area Logistics Support Audits, RRF HQ LMRs, and validations of RRF vessel and SBS warehouse inventories.
k. Develop and implement RRF configuration management and provisioning programs.
l. Approve and direct the transfer of Shore-Based Spares among Areas.
m. Exercise technical and administrative supervision and control over the Shore-Based Spares Program.
n. Provide logistics support training and guidance to Area personnel as required.
o. Conduct shipboard Assist Visits as required.
p. Provide periodic financial accountability reports for Shipboard and Shore-Based Spares operations to the Chief, Division of Accounting Operations (MAR-333).
q. Serve as the designated Accountable Property Officer (APO) for all Shore-Based Spares, per MAO 330-13.
r. Serve as the Property Administrator for all Accountable Property and spare parts onboard RRF vessels.
s. Program and manage logistics support funds.

2.1.5 Division of Space and Management (MAR-313)

The Division of Supply and Space Management is responsible for all policy and procedures concerning matters of personal property management.

2.1.6 Division of Accounting Operations (MAR-333)

The Chief, Division of Accounting Operations, is responsible for maintaining financial accountability records for Shipboard and Shore-Based Spares based on periodic summary transaction reports received from MAR-614.

2.1.7 Office of Acquisition (MAR-380)

The Office of Acquisition provides contracting and purchasing support and guidance.

2.2 Area Offices

The Atlantic, Gulf, and Pacific Areas have significant management responsibilities under the RRF Logistics Support Program. Each Area is organized in a similar, but not identical manner.

2.2.1 Area Ship Operations and Maintenance Officer (SOMO)

The SOMO is the senior MARAD official in each Area. The SOMO is responsible for scheduling activations, yard periods, and other RRF vessel evolutions, and as such, must be aware of the logistics readiness status of the RRF vessels assigned to the Area. Responsibilities include:

a. Appoint a Logistics Management Officer (LMO) for the Area.
b. Appoint an Accountable Property Officer (APO) for shipboard spare parts and Accountable Property.
c. Approve changes in the shipboard configuration.
d. Ensure the logistics policies and procedures outlined in this manual are carried out.
e. Ensure Ship Manager turnovers are conducted properly.

2.2.2 Logistics Management Officer (LMO)

The Area LMO reports to the Area SOMO and liaises with MARAD Headquarters (MAR-614) on all logistics support-related matters. Responsibilities include:

a. Serve as the APO for all Accountable Property and spare parts on RRF vessels in the Area. Coordinate overall RRF logistics support functions within the Area.
b. Review and document the performance of the Ship Managers and school ships with respect to configuration management, inventory management and control of Accountable Property.

c. Review and document the Ship Manager's maintenance of RMS databases.
d. Ensure Area and Ship Manager personnel are competent in the execution of logistics management responsibilities, including the use of RMS and property management procedures.
e. Conduct periodic LMRs to ensure compliance with the logistics support requirements set forth in the Ship Manager Contract and the Logistics Management Manual.
f. Authorize and coordinate the removal of excess spare parts and Accountable Property from RRF vessels.
g. Review the results of Accountable Property inventories.
h. Manage and safeguard Area Shore-Based Spares inventory as directed by HQ and the Logistics Management Manual.
i. Responsible for the integrity of data entered into RMS.
j. Conduct a joint inventory of Accountable Property and spare parts upon award of a new Ship Manager contract, termination of a ship manager, transfer of a vessel from one Area to another, or when there is reason to believe that significant deficiencies exist in property or spare parts accountability.
k. Supervise and train all Area logistics support personnel.
l. Communicate and coordinate with MAR-614 on all Area logistics related - matters.
m. Conduct shipboard Assist Visits as required.
n. Keep the SOMO and MAR-614 informed of the operating status of the SBS warehouse.
o. Assure the safe operation and proper maintenance of the MARAD SBS warehouse facilities and Material Handling Equipment (MHE).
p. When authorized by MAR-614, review and evaluate the work of the MARAD logistics support contractor.
q. On an annual basis, provide a report to MARAD Headquarters (MAR-614) of all items surveyed as lost, damaged or destroyed in the Area.[4]

2.2.3 Marine Surveyors

Marine surveyors are engineering and management representatives assigned to each RRF vessel by the SOMO. They normally serve as the MARAD Contracting Officer's Technical Representative (COTR) or Alternate COTR (ACOTR) for assigned vessel(s). Responsibilities include:

a. Review and approve new purchases of Accountable Property.
b. Review and evaluate provisioning packages.
c. Ensure the Chief Engineer and the Port Engineer review provisioning packages.
d. Ensure that shipyard work packages include provisions for reporting equipment additions, deletions, and change-outs.
e. Ensure that all equipment change-out contracts provide for the proper disposal of scrap material, and the purchase of associated spare parts.
f. Ensure that funding for the replenishment of spare parts is identified and requested.
g. Participate in Headquarters and Area LMRs.

2.2.4 SBS Warehouse Manager

The Area LMO will appoint a Warehouse Manager for each MARAD SBS warehouse in the Area. The Warehouse Manager will report to the LMO on all logistics and warehouse management related issues. Responsibilities of the SBS Warehouse Manager are as follows:

a. Enter data into RMS, as required.
b. Identify and manage excess material.
c. Serve as the initial point of contact for GSA Sales.
d. Serve as a custodian for all Shore-Based Spares and equipment in his or her assigned warehouse.
e. Ensure the proper maintenance, cleanliness, security, and safety of warehouse facilities, MHE, and Shore-Based Spares.

2.2.5 Inventory Management Specialists

Under the direction of the LMO, inventory management specialists conduct Area directed LMRs to evaluate the performance of Ship Managers and assess the overall readiness of assigned RRF vessels. Duties may also include logistics training and monitoring the performance of the MARAD logistics support contractor.

[4] *Maritime Administrative Order 630-7*, dated June 4, 2007, paragraph 4.0.7

2.3 Ship Managers

All Ship Managers or state maritime academy representatives with current management responsibility of MARAD RRF property are considered "Property Custodians." As such, they are responsible for the custody and security of shipboard spare parts and Accountable Property in accordance with this manual, the FAR, the current Ship Manager's contract, or applicable school ship custody agreement.

Responsibilities include:

a. Update the equipment configuration, inventory management and Accountable Property information contained in RMS.
b. Supervise the receipt, protection, control, accountability, use and distribution of spare parts and Accountable Property in accordance with this manual.
c. Submit complete and descriptive Reports of Survey (DOT Form 4410.1) to the Area APO as required by DOT Order 4410.4.
d. Participate in Headquarters and Area LMRs.

Chapter 3: RRF Management System (RMS)

3.0 MARAD Management Information Systems

The following chapter briefly describes the current information system used by the RRF to manage vessel configuration and spare part inventories.

3.1 MARAD RRF Management System (RMS)

The MARAD RRF Management System consists of a number of information systems used by MARAD to support agency business processes. The principal system used by MARAD to manage RRF logistics data is based on the American Bureau of Shipping Nautical Systems software, Version 5, otherwise known as "NS5". This software application includes the following data:

a. Equipment configuration of RRF vessels
b. RRF shipboard spare parts, technical manuals, drawings and Accountable Property
c. Equipment configuration and property information for NDRF Vessels designated for retention (military useful or logistics support).
d. Spare parts and equipment stored in the three Shore-Based Spares (SBS) warehouses.

NS5 gives authorized MARAD users visibility of all RRF and NDRF spare parts and equipment data. It also provides the user with the capability to sort and view data in a variety of ways.

3.2 NS5 Module

NS5 allows users to access and revise the logistics information. NS5 is installed on all ROS-5 vessels. These vessels are referred to as having an "active NS5." ROS-10, ROS-20, and ROS-30 vessels normally do not have NS5 installed on the vessel. These vessels are referred to as having an "inactive" NS5. The data for these vessels can be viewed and updated on the ship manager's database, logistics contractor's databases, or in MARAD offices. NDRF ship databases can be viewed and updated through MARAD offices.

3.2.1 Activating and De-Activating RMS

When required for activation or other circumstances, a replicating active database can be installed on a vessel. Conversely, when it is no longer required, the vessel's NS5 database can be "de-activated."

3.2.2 Hardcopy Ship's Allowance Lists

In the past, vessels were required to maintain a hardcopy Ship's Allowance List (SAL). NS5 obviates the need to maintain this rather large document, and RRF ships are no longer required to retain a hardcopy of the SAL onboard.

3.3 Database Reporting Requirements

When installed, Ship Managers and maritime academies will maintain all equipment, technical manual, inventory, drawing and Accountable Property information using NS5. Each night, or more frequently as required, changes to the NS5 database are automatically replicated ashore to the NS5 Central Database.

3.3.1 Vessels with an Active NS5

Regardless of the Activity Phase of the vessel, the MAR-614 NS5 Database Administrator will monitor the replication status of each vessel on a daily basis. If necessary, the Database Administrator my request the vessel's Chief Engineer to take certain actions to help correct replication problems.

3.3.2 Vessels with an Inactive NS5

The Ship Manager of a vessel with an inactive NS5 must report all changes to the vessel's equipment configuration, spare parts inventory, and Accountable Property within ten (10) days of the date of the change.

For NDRF vessels, Reserve Fleet managers must report to the LMOs all changes to the vessel's equipment configuration, spare parts inventory, and Accountable Property within thirty (30) days of the date of the change. When NS5 becomes available at Reserve Fleet sites, Reserve Fleet managers will be responsible for updating NS5 for NDRF vessels.

Chapter 4: Shipboard Logistics Management

4.0 Sustainability and Accountability

The primary purpose of the RRF Logistics Support System (RRF/LSS) is to enable an RRF vessel to sustain itself operationally for 180 days.[1] This capability is maintained through the strict management and accountability of the shipboard spare parts.

4.1 Use of Shipboard Spare Parts

The Ship Manager is required to use shipboard spare parts to perform routine maintenance of RRF vessels.[2,3] However, in some situations the extensive use of shipboard spare parts to support *planned maintenance* is considered uneconomical. These situations are as follows:

4.1.1 Overhauls and Availabilities

Ship overhauls and availabilities are considered planned maintenance. Routinely used spare parts that are necessary to complete maintenance or equipment change-outs during these periods will be purchased in advance, or provided by the shipyard or subcontractor. Shipboard spare parts can be used to support an overhaul or availability only in emergency situations when the lack of a unique spare part would impede the progress of the overhaul or ship availability.[4]

The Ship Manager is required to use shipboard spare parts to perform routine maintenance of RRF vessels.

4.1.2 Scheduled Repairs Accomplished by Outside Subcontractors

Except in emergencies, contracts for routine maintenance accomplished by outside subcontractors must require the vendor to provide common or routinely used parts.

4.2 Control and Accountability of Shipboard Spare Parts

4.2.1 The RMS Module is an Accountable Record

RMS constitutes the accountable record for the receipt and issue of all shipboard spare parts. The Ship Manager or Chief Engineer of a school ship will properly maintain RMS at all times.[5]

4.2.2 Care and Safekeeping of Government Property

The Ship Manager or Chief Engineer of a school ship is responsible for the care and safe keeping of all spare parts on the vessel. This includes spare parts in boxes or drawers originally sealed by the Government, open boxes, and boxes temporarily sealed by the Ship Manager.[6]

4.2.3 Seals

Seals are used to establish and maintain the accountability spare parts stored in boxes, cabinet drawers and storerooms. Although the physical barrier presented by a seal depends on the type of seal used, the purpose of the seal is to indicate whether a box, drawer or space has been entered.

The Government has sealed most boxes and drawers on RRF vessels. Seals applied by a Government representatives are referred to as "Permanent Seals," and have a unique number and appear different in color or numeration than seals provided to Ship Managers. The Government is NOT required to seal boxes and may choose not to do so. The absence of a seal, a broken

[1] *Maritime Administrative Order 630-7*, dated June 4, 2007, paragraph 5.02.2.
[2] *Maritime Administration Policy Decision Memo 97-5*, dated August 12, 1997.
[3] CFR 101-26.107
[4] *Maritime Administration Policy Decision Memo 97-5*, dated August 12, 1997.
[5] *Federal Acquisition Regulations* (FAR) Subpart 45.505 Records and Reports of Government Property.
[6] *Federal Acquisition Regulations* (FAR) Subpart 45.5 Management of Government Property in the Possession of Contractors.

seal, or a seal with a number different from the number recorded in the Seal Log (a database contained in RMS) indicates the accountability for that particular box, drawer or space may have been compromised.

4.2.4 Maintaining the Accountability of Spare Parts Boxes

The Ship Manager or maritime academy is responsible for properly maintaining the RMS database of all boxes or drawers unsealed by the ship's crew until they are re-sealed with a Permanent Seal by the Government. The overall minimum Repair Parts inventory standard for boxes or drawers unsealed by the ship's crew is 95%.

4.2.5 Opening Sealed Boxes and Drawers

When a Ship Manager needs to obtain a spare part, the ship's crew will locate the appropriate box or drawer using RMS, cut the seal, and retrieve the part. Except as provided for in paragraph **4.2.9**, the spare parts box or drawer will be sealed immediately using a unique, numbered seal provided to the Ship Manager by the Area LMO, called a "Temporary Seal." Open spare parts boxes or drawers must not be left unattended.[7]

Open spare parts boxes or drawers must not be left unattended.

4.2.6 Changes to Seal Logs

After the ship's crew enters a sealed spare parts box or drawer, the Ship Manager will update the vessel's RMS Seal Log. The Ship Manager will record the following in the vessel's Seal Log:

a. The identification number of the seal cut to obtain the part;
b. The number of the Temporary Seal affixed by the Ship Manager; and
c. Any other pertinent information required by the *NS5 Shipboard User Guide*.

4.2.7 Government Sampling and Re-sealing of Spare Parts Boxes

During an Assist Visit, the Area LMO, or members of the Area logistics staff *may* (but are not required to) remove Temporary Seals applied by the Ship Manager and sample the contents of the spare parts boxes or drawers. If the drawer inventory accuracy is 100%, the LMO or the Area logistics staff will then apply a Permanent Seal and update RMS. Boxes or drawers with errors will be resealed with Temporary Seals, with notification to the Ship Manager and Chief Engineer.

4.2.8 Contractor Application of Permanent Seals

Under no circumstances will the Ship Manager apply Permanent Seals or document the application of Permanent Seals in RMS.

On rare occasions Permanent Seals may be sent to an RRF vessel in advance of a visit by MARAD logistics personnel. These packages will be held in the custody of the Chief Engineer until MARAD representatives arrive.

4.2.9 Padlocks

Padlocks must not normally be used to secure MARAD spare parts boxes or drawers. The Ship Manager may, on occasion, use a padlock to temporarily lock an open box or drawer that holds parts for an ongoing repair. However, once the repair is complete the Ship Manager must re-seal the box or drawer with a Temporary Seal provided by the LMO. The large-scale use of padlocks to secure spare parts boxes or drawers is not authorized.

4.2.10 Storeroom Security and Cleanliness

When not in use, storerooms on ROS-5 day vessels will be locked, where this is physically possible. Storerooms on RRF-10 and NDRF Retention ships should be locked, and sealed, where possible.

Storerooms will be kept neat and clean. All repair parts listed in RMS must be properly stowed. Those parts that are too large to fit in a drawer must be mounted on a bulkhead, or placed in a secure location. Hazardous items will be stowed in accordance with Appendix D.

7 Federal Acquisition Regulations (FAR), Subpart 45.502, Contractor Responsibility

4.3 Material Issue

To issue material, the ship's crew will cut the security seal and remove the needed item. After the part has been issued, the ship's crew must inventory the contents of the box or drawer and apply a Temporary Seal. This process, called a *perpetual inventory*, is the approved inventory methodology for use on the Ship Manager's contract.[7] Ship Managers are always free to inventory any spare parts box or drawer; however, this does not relieve them of the responsibility to conduct a perpetual inventory when the box is unsealed.

The following will be documented in RMS after a perpetual inventory of a box or drawer has been conducted:

a. Items issued for ship repairs
b. Items found to be missing
c. Items in the box or drawer but not listed in RMS.

After a part has been issued, the ship's crew must inventory the contents of the box or drawer and apply a Temporary Seal.

4.4 Contractor Responsibility to Initiate the Replenishment of Spare Parts

If a repair part line item falls below its Minimum Level (or Allowance) in RMS, or the Quantity On Hand equals zero (0), the Ship Manager must either:

a. Generate a purchase order to replenish the item up to its Minimum Level or previous balance; or
b. Change the Minimum Level (allowance) where authorized; see Paragraph 6.2.1.

If additional funding is required, the Ship Manager must generate an RMS requisition to fund the purchase of replacement spare parts.

[8] *Federal Acquisition Regulations* (FAR) Subpart 45.508, Physical Inventories.

4.5 Spare Parts Replenishment from SBS and DLA

4.5.1 SBS Warehouses

MARAD maintains three Area warehouses that contain a large quantity of unused/servicable spare parts and equipment that have been removed from RRF vessels. This inventory of MARAD spare parts is called Shore-Based Spares (SBS). SBS is considered the "first source of supply."

Ship Managers are required to screen SBS before buying any part for the maintenance of an RRF vessel.

With the recent transfer of the Fast Sealift Ships (FSSs), a set of Navy-owned SBS transferred with them as well.

4.5.2 Shore-Based Spares is a Mandatory Source of RRF Spare Parts

To reduce RRF maintenance costs, Ship Managers are *required* to screen the inventory of all MARAD and FSS SBS warehouses before buying *any* part needed for the maintenance of the vessel (emergencies excluded).[8] If the needed part is available from an SBS warehouse, the Ship Manager *must* request the item. Most items will be shipped to RRF vessels at no cost.

4.5.3 Requesting an Item from SBS

All material requisition can be screened against an SBS database provided quarterly to each ship and Ship Manager. Items can then be requisitioned in RMS with the Chief Engineer adding the remarks "For Issue by DAO/DGO/DPO/FSS Warehouse" in the requisition's Remarks Block. The Port Engineer would review the requisition, assigning the status "For Transfer" to the requisition. After the next replication cycle, this requisition will appear in NS5 under the menu "Requisitions for Material Transfer". The Warehouse Manager will review the request and then either issue the item from stock, or forward the request to another Area warehouse holding the item. SBS items are available on a "first come, first serve" basis, unless they are being held for a specific program (such as OPDS) or vessel.

[8] CFR 101-26.107

4.5.4 Required Remarks on All Spare Parts Purchase Requests

All purchase requests for spare parts *must* contain a statement certifying that Shore-Based Spares have been screened.

4.5.5 Use of SBS to Support Federal or MARAD-owned School Ships

It is strongly recommended that school ships screen SBS before purchasing spare parts. As with other RRF vessels, most parts held in the three SBS warehouses will be forwarded to federally owned school ships at no cost.

4.5.6 Obtaining Items from GSA or the Defense Logistics Agency (DLA)

In rare cases, items may only be obtained from DLA or GSA sources. This is particularly true of former Coast Guard, Navy or MSC ships. These items can be obtained by contacting the Area LMO. When requesting DLA or GSA items, the following information will be required by the LMO to process the request:

a. Vessel Name and shipping address
b. Nomenclature of the part
c. National or Federal Stock Number (NSN/FSN)
d. Manufacturer
e. Quantity required
f. Unit of Issue

The LMO, working with MAR-614, will determine the availability of the item(s), and if funding permits, submit a requisition into the Federal Supply System (FSS). Items requisitioned from FSS are normally delivered to the Area warehouse for onward shipment to the requesting vessel.

4.6 Material Receipt

4.6.1 Spare Parts Purchased by the Ship Manager

The Ship Manager is responsible for the proper inventory, receipt, inspection and handling of all spare parts purchased by the Ship Manager for the Government.[9] This includes the resolution of all shortages and overages as well as the management and proper return of non-conforming material.

4.6.2 Stowing Spare Parts

After a newly purchased item has been inspected, the Ship Manager must properly label the part, stow it in a spare parts box or drawer, and update RMS within ten (10) working days.[10] The Ship Manager will ensure that all pricing information is entered into RMS.[11]

4.6.3 Labels

All MARAD spare parts will be labeled.[12] The label will contain the following information:

a. The assigned barcode for the item
b. Item name or description
c. Part number
d. Unit of issue

Additional information, such as manufacturer or storage location is optional.

4.6.4 "Push" Material

On many occasions MAR-614 will procure and ship spare parts and other specialized equipment (such as force protection gear) directly to RRF vessels. These items, also called "push" material, must be placed in a spare parts box or drawer, and RMS updated within ten (10) working days of receipt of the material.[13]

[9] *Federal Acquisition Regulations* (FAR), Subpart 45.502, Discrepancies Incident to Shipment.

[10] *Federal Acquisition Regulations* (FAR), Subpart 45.506(a), Identification.

[11] *Federal Acquisition Regulations* (FAR), Subpart 45.505, Records of Pricing Information.

[12] *Federal Acquisition Regulations* (FAR), Subpart 45.506(a)(1), Identification.

[13] *Federal Acquisition Regulations* (FAR), Subpart 45.506(a), Identification.

4.7 Transferring Items

4.7.1 Transferring Items to Other RRF Vessels

Spare parts and equipment may be transferred between RRF vessels as long as:

a. Operational consent by the controlling personnel involved has been given (See Table 4-1);
b. The transfer is properly documented on an RMS Transfer Order (TO) (see Figure 4-1) or DD1149. (see Figure 4-2)

	Within the Area	Among Different Areas
Equipment	Supervisory Marine Surveyor or SOMO	SOMO
Parts	Port Engineer for own SMC ships or Supervisory Marine Surveyor	Supervisory Marine Surveyor or SOMO

Table 4-1: Authority to transfer parts and equipment to other RRF vessels.

It is the responsibility of the transferring MARAD surveyor to obtain authority to remove spare parts from a vessel. (Note: The transfer of "*excess*" spare parts and equipment from RRF ships to Area SBS warehouses is discussed in Chapter 7.)

Guidance for creating, issuing and taking delivery of Transfer Orders can be found in Sections 1 and 2 of the "Transfer Order and Warehouse Management Procedures" manual.

4.8 Required Files

The Ship Manager must retain the following accountable records:

4.8.1 Surveys and Transfer Orders

The Chief Engineer of the vessel will retain a copy of all Surveys (DOT 4410) and Transfer Orders submitted to the Area LMO.

4.8.2 Receipt and Shipping Documents File

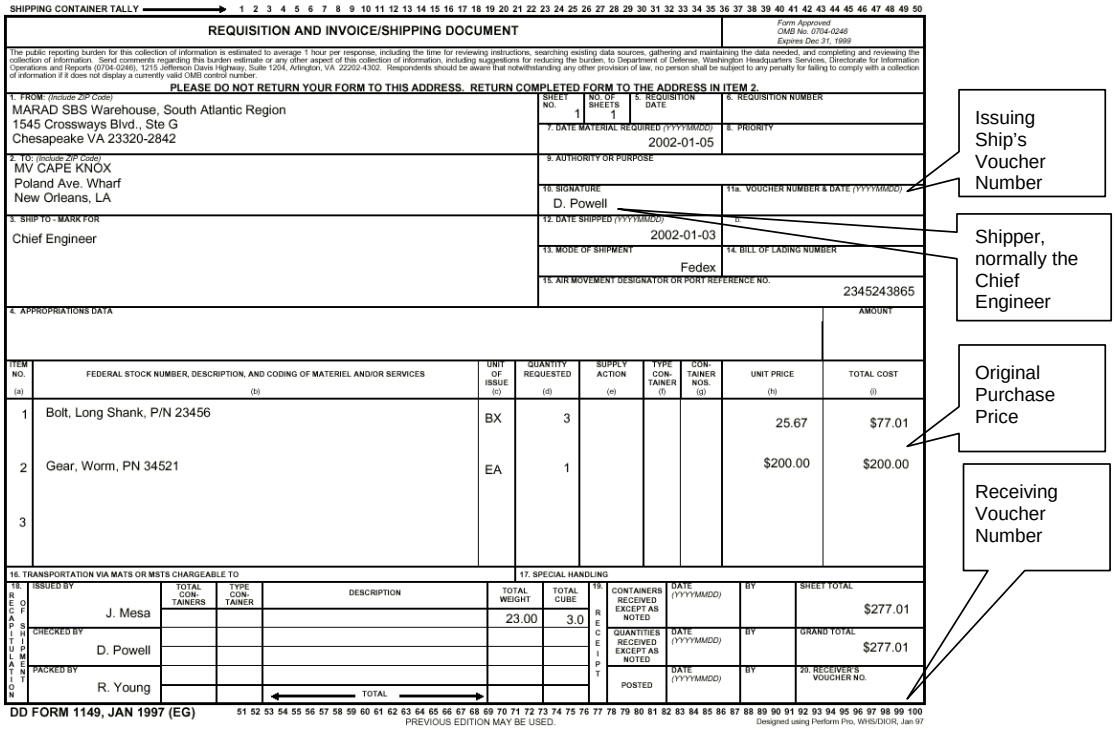
The Chief Engineer will retain a copy of all, DD1149s, DD1348s, or other shipping documents both *initiated* or *received* by each vessel. This includes documents used to transfer or receive items from a DRMO.

Appendix E provides a complete list of logistics forms used by RRF vessels. A copy of each form is provided in the back of the manual.

Figure 4-1: RMS Transfer Order

Transfer Order(TO) No.: 9500005	Fiscal Effective Date: 12/13/2006		Printed On: 12/27/2006
Location: MARAD WAREHOUSE - CR **Account No.:** [040-002] Warehouse **Project No.:** MAR-CR-WHSE		**Location:** CAPE KENNEDY **Account No.:** [010-008] Ship Support **Project No.:** KEY-KEN-07-1008	
Ship To: CAPE KENNEDY DOT MARITIME ADMINISTRATION, POLAND AVE WHARF, BERTH #3, DOOR 38, NEW ORLEANS, LA 70117 **Ship Via:** TRACEABLE MEANS **Expected Delivery:**		**Contact:** CHRIS KEEFE **Tel.:** (504) 944-6300 **Total Cost:** 60.00 **Expedite:**	
SOURCE (MARAD WAREHOUSE - CR)	**UNIT COST**	**QUANTITY**	DESTINATION (CAPE KENNEDY)
S: BELT, 91626-04 **P No.:** EQ: Parts **ST:** AC: 040-002 PJ: MAR-CR-WHSE MI:- BELT, 91626-04	23.0000	2.00	S: BELT **P No.:** EQ: DEHUMIDIFIER, (NO.1) **ST:** AC: 010-005 PJ: KEY-KEN-07-1005 MI:- BELT
S: FILTER, 95007-32 **P No.:** EQ: Parts **ST:** AC: 040-002 PJ: MAR-CR-WHSE MI:- FILTER, 95007-32	14.0000	1.00	S: FILTER **P No.:** EQ: DEHUMIDIFIER, (NO.1) **ST:** AC: 010-005 PJ: KEY-KEN-07-1005 MI:- FILTER

Figure 4-2: Preparation of a DD 1149



SHIPPING CONTAINER TALLY → 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50

REQUISITION AND INVOICE/SHIPPING DOCUMENT

Form Approved OMB No. 0704-0246 Expires Dec 31, 1999

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0246), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

PLEASE DO NOT RETURN YOUR FORM TO THIS ADDRESS. RETURN COMPLETED FORM TO THE ADDRESS IN ITEM 2.

1. FROM: (Include ZIP Code) MARAD SBS Warehouse, South Atlantic Region 1545 Crossways Blvd., Ste G Chesapeake VA 23320-2842	SHEET NO. 1	NO. OF SHEETS 1	5. REQUISITION DATE	6. REQUISITION NUMBER
	7. DATE MATERIAL REQUIRED (YYYYMMDD) 2002-01-05			8. PRIORITY
2. TO: (Include ZIP Code) MV CAPE KNOX Poland Ave. Wharf New Orleans, LA	9. AUTHORITY OR PURPOSE			
	10. SIGNATURE D. Powell			11a. VOUCHER NUMBER & DATE (YYYYMMDD)
3. SHIP TO - MARK FOR Chief Engineer	12. DATE SHIPPED (YYYYMMDD) 2002-01-03			11b.
	13. MODE OF SHIPMENT Fedex			14. BILL OF LADING NUMBER
	15. AIR MOVEMENT DESIGNATOR OR PORT REFERENCE NO. 2345243865			

4. APPROPRIATIONS DATA — AMOUNT

ITEM NO. (a)	FEDERAL STOCK NUMBER, DESCRIPTION, AND CODING OF MATERIEL AND/OR SERVICES (b)	UNIT OF ISSUE (c)	QUANTITY REQUESTED (d)	SUPPLY ACTION (e)	TYPE CONTAINER (f)	CONTAINER NOS. (g)	UNIT PRICE (h)	TOTAL COST (i)
1	Bolt, Long Shank, P/N 23456	BX	3				25.67	$77.01
2	Gear, Worm, PN 34521	EA	1				$200.00	$200.00
3								

16. TRANSPORTATION VIA MATS OR MSTS CHARGEABLE TO — 17. SPECIAL HANDLING

18. RECAPITULATION OF SHIPMENT	ISSUED BY	TOTAL CONTAINERS	TYPE CONTAINER	DESCRIPTION	TOTAL WEIGHT	TOTAL CUBE
	J. Mesa				23.00	3.0
	CHECKED BY D. Powell					
	PACKED BY R. Young			← TOTAL →		

19. RECEIPT				
	CONTAINERS RECEIVED EXCEPT AS NOTED	DATE (YYYYMMDD)	BY	SHEET TOTAL $277.01
	QUANTITIES RECEIVED EXCEPT AS NOTED	DATE (YYYYMMDD)	BY	GRAND TOTAL $277.01
	POSTED	DATE (YYYYMMDD)	BY	20. RECEIVER'S VOUCHER NO.

DD FORM 1149, JAN 1997 (EG) 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

PREVIOUS EDITION MAY BE USED. Designed using Perform Pro, WHS/DIOR, Jan 97

Issuing Ship's Voucher Number

Shipper, normally the Chief Engineer

Original Purchase Price

Receiving Voucher Number

Chapter 5: Accountable Property

5.0 Outfitting Material

In addition to installed equipment and spare parts, each RRF vessel uses a large number of other portable equipment and support items necessary for the safe and effective operation of the vessel. These types of material are referred to collectively as "*Outfitting Material*." One of the most highly visible categories of outfitting is "Accountable Property." The procedures for managing Accountable Property differ in many respects from those for spare parts, and are therefore addressed separately in this chapter.

5.1 Accountable Property

5.1.1 Items Managed as Accountable Property

A category of outfitting items that are formally managed in RMS is referred to as "Accountable Property." Historically, these items have been referred to as "controlled material," "controlled equipage" and "high value items", however, these terms are no longer used; all of these items are collectively referred to and managed as Accountable Property.

Accountable Property consists of:

(a) All expendable and non-expendable equipment with an original acquisition price of greater than $2,500.[1]

(b) All "Sensitive Items" listed in Table 5-1 with an original acquisition cost of $100.00 or more.

Note: Some Force Protection items are valued at less than $100.00, however these items are to be managed as a kit, which has a total value in excess of the $100.00 threshold.

5.1.2 Capitalized Assets

Capitalized Assets are a special subset of Accountable Property. They are items of Accountable Property whose purchase price is equal to or greater than $25,000. All Capitalized Assets contain a tracking number, such as MAR61400023, in the MARAD No. field of the RMS Part Record. This tracking number is only assigned by MAR-614.

If a new Capitalized Asset is purchased or transferred onboard, the Ship Manager notify the LMO within ten (10) days of receipt and identify the Purchase Order number or Transfer Order number.

Quarterly, during the first ten days of March, June, September and December the Ship Manager will inventory and apply a new NS5 label on all Capitalized Assets on their vessels.

5.1.3 Items Specifically Excluded from Accountable Property Records

The following items are excluded from Accountable Property because they are accounted for by other means, or are uneconomical to track using formal accountability records:

(a) Consumable items
(b) Equipment or fixtures bolted, attached or "hard-wired" to the vessel itself
(c) Hawsers, mooring cables and lines
(d) Lifeboats and Zodiac watercraft (please note that the Zodiac's outboard engines *are* Accountable Property, see Table 5-1)
(e) Barges
(f) Manifested cargo and cargo containers
(g) Weapons and ammunition
(h) Any spare part, special tool or outfitting item in the vessel's spare parts inventory and recorded in RMS
(i) Chemical, biological and radiological defense (CBRD) items
(j) Any item with an original purchase price of LESS than $100.00.

Even if an item is listed in Table 5-1, no item with an original purchase price of less than $100.00 will be managed as Accountable Property. *Ship Managers are not to add additional items with a purchase price of less than $100.00 (such as low cost office equipment) to this accountable register.*

5.1.4 Official Record of Accountable Property

The official record of the vessel's Accountable Property is RMS.

[1] *Department of Transportation Personal Property Bulletin PP 98-01*, dated October 15, 1998.

5.2 Custodial Responsibilities

5.2.1 Property Custodians

The term "Property Custodian" refers to Ship Managers and the Chief Engineers of school ships that possess MARAD property. Property Custodians are responsible for the custody and security of all shipboard Outfitting Material.[2]

5.2.2 Ship Manager Custodial Responsibilities

The Ship Manager Property Custodian will:

(a) Maintain the Accountable Property database contained in RMS.
(b) Conduct required inventories of Accountable Property on board the vessel.
(c) Supervise the receipt, protection, control, accountability, use, and distribution of all outfitting material.
(d) Submit Surveys (DOT Form 4410) and request disposition instructions for excess property, as necessary.

5.2.3 Maritime Academy Custodial Responsibilities

The Maritime Academy Property Custodians will:

(a) Maintain the Accountable Property database contained in PC-SAL or RMS, when installed.
(b) Conduct an annual inventory of all state and federal Accountable Property on board the vessel each September.
(c) Supervise the receipt, protection, control, accountability, use, and distribution of all federally owned outfitting materials.
(d) Submit Surveys (DOT Form 4410) and request disposition instructions for excess property, as necessary.

Ship Managers are not authorized to delete or hide any item from the vessel's RMS Accountable Property database.

[2] *Maritime Administrative Order 630-7*, dated June 4, 2007.

5.2.4 Maintenance of RMS Accountable Property Database

Except as provided for in Sections **5.2.6** below, the maintenance of the RMS Accountable Property database is the responsibility of the Ship Manager or school ship Property Custodian. The inventory standard for Accountable Property is 100%.

5.2.5 New Accountable Property

Accountable Property that has been purchased by the Ship Manager for the Government or transferred from another Government activity will be documented in RMS within ten (10) working days of the item's receipt on board the vessel.

5.2.6 Removing Accountable Property

Ship Managers and school ship custodians will not delete any item of Accountable Property from the vessel's RMS Accountable Property database. That responsibility is reserved for MARAD Area logistics representatives.

5.2.7 Labeling of Government Property

An official label will be securely affixed to all Accountable Property[3] in the custody of a Ship Manager or maritime academy.[4] To ensure that state and federal property can be clearly distinguished, all state property on board RRF vessels will be marked in accordance with state property regulations.

MARAD Accountable Property labels will contain the following information:

(a) The assigned barcode for the item
(b) The phrase "Accountable Property-MARAD"

Other information, such as manufacturer, location, serial number and a detailed description are optional.

5.3 Required Inventory of Accountable Property

5.3.1 Annual Inventory by Ship Managers

An inventory of all Accountable Property will be conducted annually by the Ship Manager within thirty days (30) of the anniversary of the Ship

[3] *Federal Acquisition Regulations (FAR), Subpart 45.506(a)(1), Identification.*
[4] *Federal Acquisition Regulations (FAR) Subpart 45.506(a), Identification.*

Manager's Notice to Proceed (NTP).[5] This also applies to ROS-5 and crewed RRF-10 day vessels.

During this inventory the Ship Manager will physically locate, sight, and count each item of Accountable Property listed in RMS.

A signed statement verifying that a physical inventory of Accountable Property was completed along with a list of discrepancies[6] must be forwarded to both the Area SOMO and posted to the J4 Deliverables in RMS within 30 days of completing the inventory.

The Area will initiate a follow-up letter to the Ship Manager if certification from the Ship Manager is not received within thirty (30) days of the anniversary of the contract NTP.

5.3.2 Return from Activation

The Ship Manager must conduct a physical inventory of all Accountable Property immediately following deactivation of a vessel. This requirement includes sea trials. This is an additional requirement *beyond the required annual inventory*. A signed statement verifying that a physical inventory of Accountable Property was completed along with a list of discrepancies must be forwarded to the Area SOMO with a copy to the Area LMO. The Area will initiate a follow-up letter to the Ship Manager if certification is not received within thirty (30) days of the deactivation. This requirement does not apply to school ships.

5.3.3 Capitalized Assets

The Ship Manager will conduct a physical inventory of all Capitalized Assets quarterly, Inventories are to be conducted during the first ten (10) calendar days of March, June, September and December. New RMS Accountable Property labels will be printed out and affixed to each capitalized asset. Since labels print out with the current date, their presence on the item constitutes proof that the inventory was conducted.

5.3.4 Annual Inventory by Maritime Academies

Maritime academies will inventory *all state and federal property* held aboard Maritime Administration owned vessels at least once a year in September. A copy of this inventory will be forwarded to the Area SOMO with a copy to the Region LMO.

5.3.5 Reconciliation of Accountable Property Inventories

Physical inventories of Accountable Property will be compared to the official record in RMS. An attempt will be made to reconcile all inventory differences (e.g., overages or shortages) by conducting a re-inventory of the material and researching associated records/documentation.

Shortages that cannot be reconciled will be reported on a DOT Survey Form 4410 within five (5) working days from the date the loss was discovered. (Note: Guidelines for preparing this form are provided in Chapter 7.) *Under no circumstances will an Accountable Property record be deleted or removed from RMS by the Ship Manager.* Overages will be added to RMS with appropriate remarks.

[5] *Federal Acquisition Regulations (FAR) Subpart 45.508-2, Reporting Results of Inventories.*

Sensitive Items

Aerial Lifts, Motorized *(also motorized platforms)*
Barometers, aneroid and recording
Binoculars
Cameras *(all types)*
Chronometers, Marine *(excludes common wall clocks)*
Compasses *(including diving compasses)*
CPUs *(not keyboards, mice or speakers))*
Copy Machines *(all types)*
Defibrillators, Automatic External
DVD Players or Recorders
Fax Machines
Forklifts
Force Protection Gear *(as a complete set)*
Gauges *(including scuba depth gauges)*
Guns, Line-throwing *(only - not weapons)*
Historical Artifacts *(such as brass navigational instruments)*
Microscopes
Monitors, Computer and Video
Motors, Outboard
PDAs *(Personal Digital Assistants)*
Printers
Radios, Handheld *(Transceivers, handheld)*
Radiological Survey and Monitoring Equipment
Recorders, Portable *(tape or wire)*
Regulators *(scuba equipment)*
Scuba Gear and Sets *(diving equipment, all types)*
Sweepers, Motorized
Sextants *(all types)*
Sights *(including night vision and hand-held)*
Stadimeters
Telephones, Cellular
Telescopes *(Boresights)*
Optical Equipment (*Telescopes, Monoscopes, Range Finders, etc.)*
Televisions
Timers, Stop and Ordnance
Video Cassette Recorders *(VCRs)*
Watches, Pocket, Comparing and Navigation
Watches, Wrist *(conventional and underwater)*
Welding Equipment, Portable

Table 5-1: List of Sensitive Items

Chapter 6: Configuration Management

6.0 Shipboard Configuration Management

The objective of shipboard configuration management is to maintain the accuracy of a vessel's installed equipment database such that spare parts necessary to support the vessel for 180 days at sea can be obtained.

6.1 Equipment Mission Criticality

Each system, equipment and component on board an RRF vessel has been assigned a Mission Criticality Code (MCC) to denote its importance to the mission of the vessel. MAR-614 also uses these codes to prioritize the procurement of centrally funded spare parts. MCCs range from A (most critical) to D (least critical). A complete list of Equipment Mission Criticality Codes is provided in Table 6-1.

Alternatives for Mission Accomplishment			Impact If Alternatives Fail
I	II	III	
B	A	A	Total loss of mobility
C	B	A	Severe Degradation of mobility or a total loss of a primary mission
D	C	B	Severe degradation of a primary mission
D	D	C	Total loss or severe degradation of a secondary mission
D	D	D	Minor mission impact

Notes:
Alternative I: Redundant systems, equipment or components available.
Alternative II: Alternatives (excluding redundancies) available.
Alternatives III: Neither redundancies nor other alternatives available.

Table 6-1: Equipment Criticality Matrix

Changes to the Equipment Criticality codes are best made jointly by the Chief Engineer, the Port Engineer and the MARAD Surveyor to ensure consistency within each Class.

6.2 Configuration Management Database

6.2.1 Requirement to Maintain the Vessel's Installed Equipment Database

The Ship Manager, or Chief Engineer of a school ship, is required to update the installed equipment database contained in RMS within five (5) working days[1] of the removal, modification or installation of shipboard equipment. Aside from changeouts due to equipment failure, most configuration changes are planned evolutions developed through the annual Resource Management Board (RMB) budget review process.

6.2.1.1 Procurement of New Spare Parts in Conjunction with the Installation of New Equipment

Contracts initiated by Ship Managers and MARAD Surveyors for new equipment must include spare parts and technical manuals needed to meet MARAD's 180-day at sea mission sustainability requirement.[2]

Contracts initiated by Ship Managers and MARAD Surveyors for new shipboard equipment must include spare parts and technical manuals needed to meet MARAD's 180-day at sea sustainability goal.

6.2.1.2 Requirement to Review Critical Spares and Maintain the Vessel's Spare Parts Support

To support MARAD's stated goal of 180-day sustainability, Ship Managers will review critical spares for MCC Code "A" equipments and, as necessary, make changes and recommend additions to spare parts support. Section 6.3 covers the various types of Spare Parts situations possible. .

[1] *Federal Acquisition Regulations (FAR) Subpart 45.506, Identification*
[2] *Maritime Administration Policy Decision Memo 97-5*, dated August 12, 1997.

6.3 Management of Shipboard Allowances

Spare parts held in the ship's inventory are based on a MARAD approved allowance computation formula reflected in the primary database provided in RMS. Changes to these allowances normally result from the following:

a. Observations and recommendations by the Chief Engineer, such as the identification of Critical Spare Parts.
b. Parts usage information gathered from maintenance history.
c. Changes in equipment configuration.
d. Programmed efforts to standardize shipboard allowances.
e. Other adjustments necessary to assure 180-day mission sustainability.

With the implementation of RMS came the ability to identify critical spares on the Part Record. However, since Equipment Criticality Codes were not imported into RMS until recently, proper identification of critical spares could not be accomplished. Critical Spares are defined as those spare parts supporting Criticality Code "A" and "B" equipments. Once identified in RMS, Ship Managers are responsible for follow-on management. For consistency within each Class, MAR-614 recommends close participation of the Port Engineer in this evolution.

In many cases, the Ship Manager is free to adjust existing spare part allowances while other changes may require MAR-611/614 approval.

6.3.1 Increases in Allowances that Do Not Require MARAD Approval

The following allowance increases do not require prior approval from MAR-611/614:

a. A spare part with an acquisition cost of less than $500.00, purchased locally with funds held by the Ship Manager, does not require prior approval by MAR-611/614. *However, the Ship Manager is required to update either the Minimum or Reorder level on the Part Record to document the increase or establish the new allowance in RMS (see Table 6-1).*
b. New spare parts purchased or provided as part of the installation of any new equipment automatically establish new allowances without prior approval. However, at a minimum, the Ship Manager is responsible for ensuing the Minimum Level field on the NS5 Part Record reflects the initial allowance.

6.3.2 Increases in School Ship Allowances

Spare parts purchased locally with school ship funds, or funds provided to maritime academies by MARAD, do not require prior approval by MAR-611/614. Similarly, new allowances are automatically established and approved whenever a school ship purchases spare parts as part of the installation of new equipment. .

6.3.3 Increases in Allowances Funded by MAR-614

Ship Managers or surveyors may request that MAR-614 fund an increase to an existing allowance, or establish a new allowance. If approved, MAR-614 will coordinate procurement of the spare part and follow-on shipment to the vessel. Procurement of a spare part via an Allowance Change Request (ACR) is dependent on available funding and the criticality of the part to the applicable equipment/system. All ACRs with a Unit Price equal to or greater than $500 should be forwarded to the Area LMO via the Port Engineer, along with a copy to the assigned Surveyor. Chief Engineers should fill out the ACR, MARAD Form MA-984 (Figure 6-1). LMOs will work with the Surveyor to complete their review within ten (10) working days, forwarding approved ACRs to MAR-614.

6.3.4 Decreases in Allowances

Decreases in repair parts allowances for installed equipment are at the discretion of the Chief Engineer; update the Minimum or Reorder Level on the RMS Part Record. A summary of allowance change request actions is provided in Table 6-1.

Request	Action
Increase an allowance with a unit price less than $500	Requires no prior approval from MAR-611 /614. Update Minimum or Reorder level on the RMS Part Record.
Increase an allowance with a unit price equal to or greater than $500	Requires approval from MAR-611/614. Request this increase via an ACR submitted to the Area LMO, then to MAR-614.
Decrease in allowance	Requires no prior approval from MAR-611/614. Update Minimum or Reorder Level on the RMS Part Record.

Table 6-1: Authorization to Change Allowances

6.4 Provisioning

6.4.1 Ship Managers are Responsible for Provisioning RRF Vessels

It is the primary responsibility of the Ship Manager to identify and purchase spare parts to sustain RRF vessels for 180 days at sea. Within the restrictions set forth in Section 6.3 above, the Ship Manager will identify spare part allowances that need to be adjusted, submit ACRs, enter the appropriate changes in RMS, and request funding to procure the required spare parts.

It is the primary responsibility of Ship Managers to identify and purchase spare parts to sustain RRF vessels for 180 days.

6.4.2 MAR-614 Provisioning Packages

To assist the vessel, MARAD may initiate a technical review of the spare parts support for a specific piece of equipment installed on an RRF vessel. This review, also called "provisioning," normally leads to the establishment of revised spare part allowances and the procurement of additional spare parts by MAR-614. However, before MAR-614 initiates parts allowance changes, a “provisioning package” will be prepared and forwarded to the vessel for review.

Ship Managers or Surveyors may request MAR-614 provision a specific system or equipment.

6.4.3 Review of Provisioning Packages

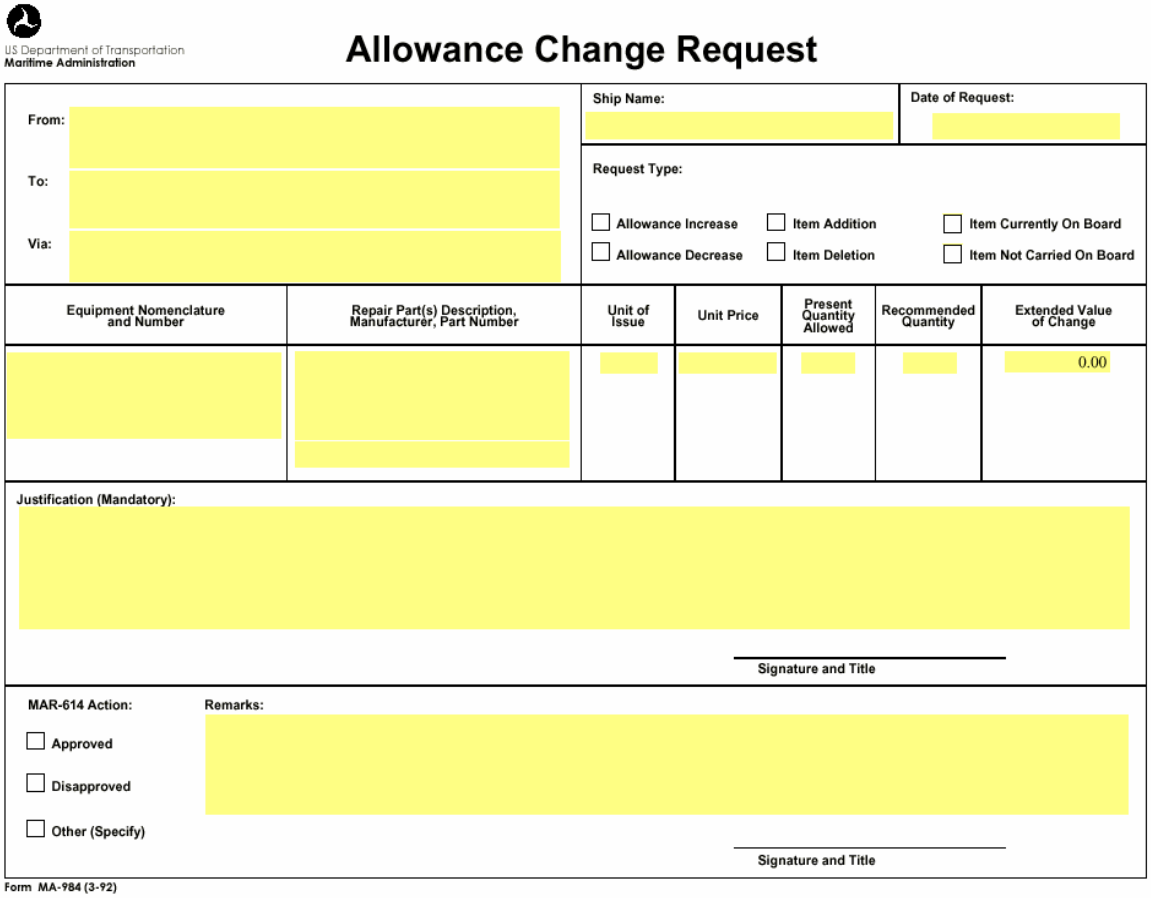
The Ship Manager must review recommended allowances listed in MARAD provisioning packages prior to submission to MAR-614. Appendix F lists those types of equipments that are designated non-validation worthy due to their non-critical nature or ease of replacement.

6.5 Accounting for Technical Documentation

6.5.1 Ship Managers are Accountable for Maintaining Technical Manuals and Drawings

It is the primary responsibility of the Ship Manager to maintain their inventory of Technical Manuals and Drawings which support the Configuration Management of the vessel. Inventories of both types of property are in NS5 and it is the responsibility of the Ship Manager to maintain these inventories. If, for some reason, a Tech Manual or Drawing Inventory was not performed during a Logistics Overhaul, inform the assigned Inventory Specialist and an inventory will be scheduled

The minimum inventory standard for maintaining Tech Manuals and Drawings is the same as Repair Parts, 95%. Master copies of Tech Manuals and Drawings should be maintained in locked spaces or file cabinets, if possible. MAR-614 also recommends establishing a Checkout Log to identify who may have checked out a particular Tech Manual or Drawing.



US Department of Transportation
Maritime Administration

Allowance Change Request

From:
To:
Via:

Ship Name:

Date of Request:

Request Type:

☐ Allowance Increase ☐ Item Addition ☐ Item Currently On Board
☐ Allowance Decrease ☐ Item Deletion ☐ Item Not Carried On Board

Equipment Nomenclature and Number	Repair Part(s) Description, Manufacturer, Part Number	Unit of Issue	Unit Price	Present Quantity Allowed	Recommended Quantity	Extended Value of Change
						0.00

Justification (Mandatory):

Signature and Title

MAR-614 Action:

☐ Approved
☐ Disapproved
☐ Other (Specify)

Remarks:

Signature and Title

Form MA-984 (3-92)

Figure 6 -1: Allowance Change Request (MA-984)

Chapter 7: Reporting Shipboard Excess Material

7.0 Management of Shipboard Excess Material

This chapter discusses the management and reporting of Accountable Property, Spare Parts, Equipment and scrap metal onboard RRF vessels that is no longer required to support shipboard operations or maintenance..

7.1 Reporting Serviceable Items

Serviceable (still usable) spare parts, outfitting material, and equipment that are no longer required onboard an RRF vessel are considered to be "excess." To reduce fleet maintenance costs, these items are to be reported to the Ares LMO on an RMS Transfer Order for redistribution to Shore-Based Spares, distribution to other RRF vessels, or disposal, as appropriate. An example of a Transfer Order is provided as Fig. 7-1. *Please note that excess material is not to be sent to the Area SBS warehouse without the prior approval of the Area LMO. See RMS Transfer Order and Warehouse Management Procedures Guide, Section 1.*

7.2 Reporting Unserviceable Items

Unserviceable items are also considered "excess material". Where possible and economical, Ship Managers are to make every effort to conserve unserviceable or scrap material for reuse or resale by the General Services Administration (GSA). Table 7-1 provides guidance to users in selecting the correct form to report excess material.

7.2.1 Items Damaged by the Ship's Crew

Accountable Property that has been damaged or destroyed while in the custody of the Ship Manager or maritime academy must be reported to MARAD within five (5) working days on a Report of Survey DOT Form 4410. *(This requirement does not apply to normal "wear and tear.")* Damaged or destroyed items will, where possible and safe, be segregated and held onsite until the Area LMO provides disposition instructions.

Special care will be taken when preparing a Report of Survey. The Ship Manager or maritime academy must:

a. Submit all survey forms promptly
b. Use the electronic DOT Forms 4410;
c. Provide a *detailed* description of how the loss or damage to Government property occurred
d. Attach the survey to the RMS Part Record,
e. Forward the signed hardcopy survey to the vessel's Port Engineer
f. Once reviewed, Port Engineer will forward to the LMO, with a copy to the Ship's Surveyor and MAR-614.

A copy of DOT Form 4410 is provided as Fig. 7-2. Basic instructions for the preparation of a DOT Form 4410 are provided in Fig. 7-3.

7.2.2 Unserviceable Accountable Property

Accountable Property that has become unserviceable due to "normal wear and tear" must be reported to the Area LMO on a Transfer Order (TO) for disposal.

Item to be Disposed	Form to be Prepared
Serviceable equipment, spare parts or Accountable Property.	Report to Area LMO to initiate an RMS Transfer Order (TO).
Items that have been lost, damaged or destroyed. (*Excludes normal wear and tear*)	Report circumstances of loss or damage on DOT Form 4410.1 to PE, then to LMO & MAR-614 .
Excess or worn Accountable Property	Report to Area LMO to initiate an RMS TO.
Recyclable metals or items with commercial resale value.	Report to Area LMO to initiate an RMS TO.
Non-recyclable items with no residual or commercial resale value.	None. Dispose of in a safe manner consistent with local, state and federal environmental protection regulations.

Table 7-1: Forms for Reporting Excess Material.

7.2.3 Scrap Metal

Scrap metal that can be recycled must be accumulated and reported to the Area LMO. *Unlike Accountable Property, a pallet load is normally considered the minimum reportable quantity for scrap metal.* GSA maintains contracts with local scrap dealers in most geographic areas. These contracts allow the Area LMO to request the pick-up of valuable metals directly from the pier. Unless the Surveyor has determined that it is not economically feasible, Ship Managers must collect like scrap metal and request authorization to ship these items to the Area LMO for disposal; if approved, LMO will create an RMS Transfer Order.

The following metals are to be retained and reported as scrap:

a. Gold
b. Silver
c. Aluminum
d. Tin
e. Steel
f. Copper

7.2.4 Non-recyclable Items with Commercial Resale Value

Many non-recyclable items still possess commercial value and can be sold by GSA. Examples include unserviceable electronic, computer and copier equipment. Excess material that falls into this category will be reported to the Area LMO to initiate an RMS TO for disposal.

7.2.5 Non-recyclable Items with No Residual Commercial Resale Value

Unserviceable spare parts and equipment that have *no commercial resale or scrap value* do not need to be reported to the Area LMO. They must, however, be disposed of in a safe manner consistent with local, state and federal environmental protection regulations.

7.3 Reporting Lost Government Property

As discussed in Chapter 5, all Accountable Property, and all spare parts and equipment with a original purchase price of greater than $100.00, that is lost while in the custody of the Ship Manager or maritime academy will be reported to the appropriate MARAD LMO, copy to MAR-614, on a DOT Form 4410.[1] The Report of Survey will be forwarded to MARAD within five (5) working days of the discovery of the loss.

7.4 Contracts to Include the Removal and Disposal of Obsolete Equipment and Spare Parts

When a subcontractor is replacing RRF equipment, the contract must include the removal and disposal of the obsolete equipment as a part of the contract. If the disposal of the excess equipment is not accomplished concurrent with the installation of the new equipment, then the item(s) must be reported to the Area LMO for disposal.

7.5 Hazardous Material

The management and disposal of hazardous materials is not within the scope of this manual. When disposing of excess hazardous material, please refer to existing MARAD, DOT and EPA hazardous materials management regulations. DO NOT send hazardous material to any MARAD SBS warehouse.

7.6 Use of Defense Reutilization and Marketing Office (DRMO)

RRF vessels are authorized to use Government DRMOs. However, Ship Managers are not to forward items to these activities without first obtaining approval from the Area LMO. The Area LMO and MAR-614 will assemble the required DRMO disposal documentation and forward it to the vessel for further processing of the material.

[1] *Federal Acquisition Regulations* (FAR) Subpart 45.505 Records and reports of Government property.

7.7 Sale, Donation or Loan of RRF Property

Except as provided for in Section 7.4, the sale, donation, or loan of any piece of RRF property by the Ship Surveyor or Ship Manager is *not authorized.* The General Services Administration (GSA) is the only activity authorized to sell Government personal property. All requests to donate RRF property should be forwarded to the Area LMO. The written approval of the Maritime Administrator, the Director of the Office of Ship Operations, or the SOMO must be obtained before any RFF property can be *loaned* to any commercial or state activity.[2]

7.8 Removal of Equipment and Government Property on NDRF Vessels

RRF vessels that are no longer needed for current RRF Operations are transferred to National Defense Reserve Fleet (NDRF) berths in one of three locations, James River, VA, Beaumont, TX, or Suisun Bay, CA. Since these vessels may be recalled to active RRF operations, all requests to remove equipment or government property must be specific and made in writing to the Director of Ship Operations, MAR-610, with copies to MAR-612 (Division of Sealift Operations) and MAR-614.

7.8.1 Documentation of Removed Equipment and Government Property

Once MAR-610 has approved the removal request, a complete list of removed equipment, spare parts, accountable property, technical manuals and drawings will be made and receipted for prior to shipment of any material. The original copy will be maintained by the Reserve Fleet Office, with copies sent to MAR-612 and MAR-614. If the vessel is in RMS, the Reserve Fleet Office will update RMS. If, for some reason, the Reserve Fleet Office cannot update RMS, the office will notify MAR-614 who will perform that function.

[2] *Maritime Administrative Order 330-13*, dated July 28, 2008.

Transfer Order(TO) No.: 9500005	Fiscal Effective Date: 12/13/2006		Printed On: 12/27/2006
Location: MARAD WAREHOUSE - CR **Account No.:** [040-002] Warehouse **Project No.:** MAR-CR-WHSE		**Location:** CAPE KENNEDY **Account No.:** [010-008] Ship Support **Project No.:** KEY-KEN-07-1008	
Ship To: CAPE KENNEDY DOT MARITIME ADMINISTRATION, POLAND AVE WHARF, BERTH #3, DOOR 38, NEW ORLEANS, LA 70117 **Ship Via:** TRACEABLE MEANS **Expected Delivery:**		**Contact:** CHRIS KEEFE **Tel.:** (504) 944-6300 **Total Cost:** 60.00 **Expedite:**	
SOURCE (MARAD WAREHOUSE - CR)	**UNIT COST**	**QUANTITY**	DESTINATION (CAPE KENNEDY)
S: BELT, 91626-04 **P No.:** EQ: Parts **ST:** AC: 040-002 PJ: MAR-CR-WHSE MI:- BELT, 91626-04	23.0000	2.00	S: BELT **P No.:** EQ: DEHUMIDIFIER, (NO.1) **ST:** AC: 010-005 PJ: KEY-KEN-07-1005 MI:- BELT
S: FILTER, 95007-32 **P No.:** EQ: Parts **ST:** AC: 040-002 PJ: MAR-CR-WHSE MI:- FILTER, 95007-32	14.0000	1.00	S: FILTER **P No.:** EQ: DEHUMIDIFIER, (NO.1) **ST:** AC: 010-005 PJ: KEY-KEN-07-1005 MI:- FILTER

Figure 7-1: RMS Transfer Order.

Clear Form | Save Form | Print Form

U.S. Department of Transportation
Office of the Secretary of Transportation

REPORT OF SURVEY FOR LOST, DAMAGED, OR DESTROYED PERSONAL PROPERTY

(Submit a separate report for each category--lost, damaged, or destroyed)

Date Prepared	Survey Case Number

Primary Organization Unit *(Dept. Element)*	Office or Station Reporting *(Org. Symbol)*	Location

STOCK NUMBER AND DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL COST
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
		GRAND TOTAL	$ 0.00

Explain the circumstances causing this report to be filed. Attach additional pages, statements, or exhibits as necessary.

The information given above is true and correct to the best of my knowledge and belief.

Signature of Property Custodian (or person preparing the report.)

Typed Name, Title and Date

SUPERVISOR'S STATEMENT.

☐ I have reviewed the information above and the supporting statement(s) and have nothing further to offer.

☐ I have an additional statement *(attached)*.

Signature of Supervisor

Typed Name, Title and Date

PROPERTY MANAGEMENT OFFICER'S STATEMENT.

I have reviewed the information in this report; the description and pricing is correct; a survey report case number has been assigned and recorded; and the following actions have been taken to correct the circumstances reported above. *(Attach pages as necessary).*

Referred to Survey Officer/Survey Board on _____ (date).

Signature

Typed Name, Title and Date

Form DOT F 4410.1 (6-90) Report of Survey for Lost, Damaged, or Destroyed Personal Property

Figure 7-2: Report of Survey, DOT Form 4410.

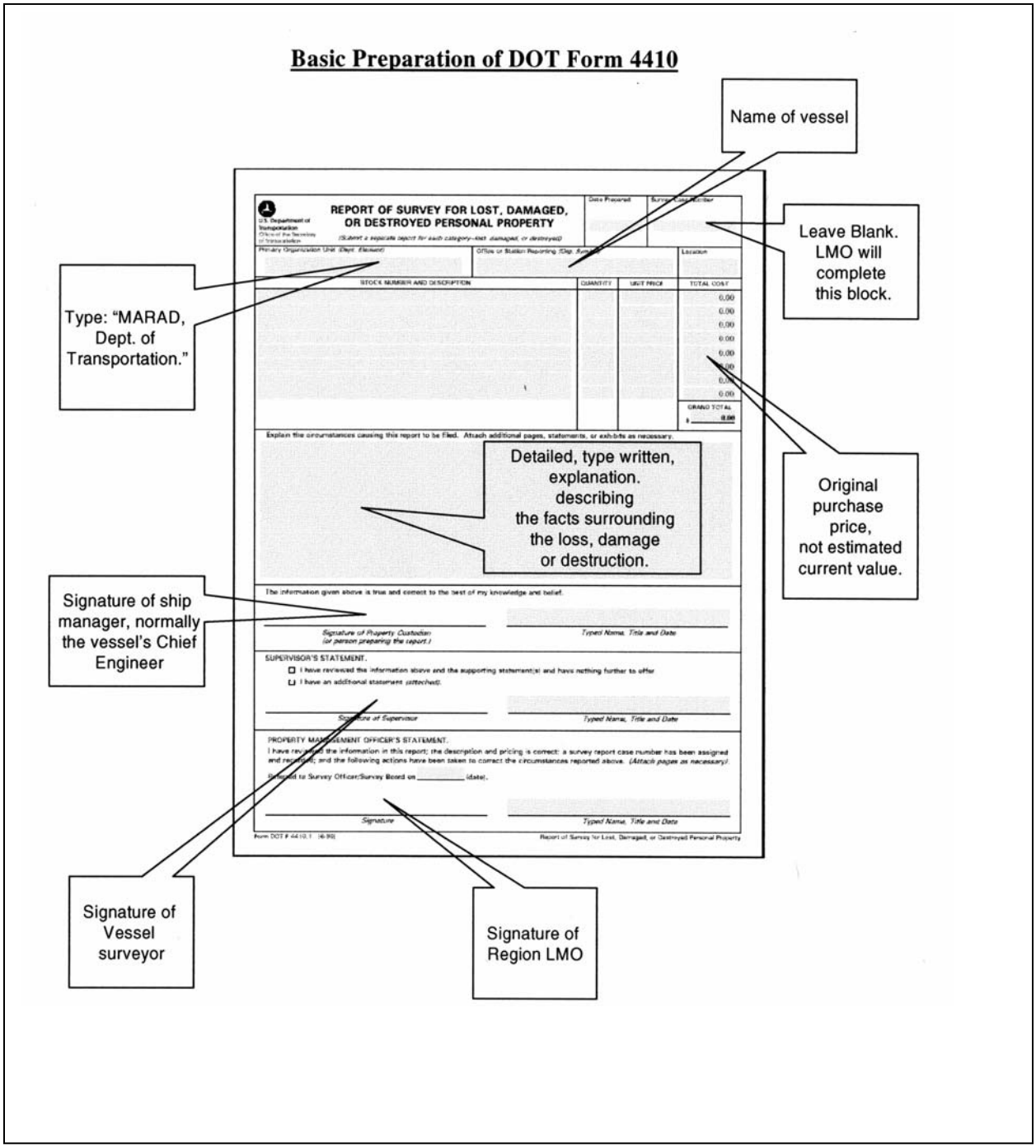


Figure 7-3: Preparation of the DOT Form 4410.

Chapter 8: Ship Manager Turnover and Inventory Accuracy

8.0 Inventory Standards and Methodology

The inventory of repair parts on board an RRF vessel is a valuable national asset. The accuracy or "validity" of a vessel's RMS database is an indicator of the quality of that asset. This chapter discusses the inventory accuracy standards to be maintained by the Ship Manager and the methodology used in determining a vessel's inventory accuracy.

8.1 Acceptance and Termination Inventories

8.1.1 Acceptance Inventory

During the Ship Manager turnover, and after a formal "Notice to Proceed" (NTP) has been issued by the Maritime Administration, a survey of the vessel's spare parts inventory and logistics database must be conducted. This survey, called a Logistics Inventory Validation (LIV), consists of the following actions:

- A 100% inventory of the vessel's Accountable Property.
- A statistically random sampling of ALL the vessel's spare parts contained in boxes, cabinets and drawers (both sealed and unsealed).
- A 10% random sampling of the vessel's drawings and technical documentation.

The size of the spare parts sample to be obtained will be determined by using Appendix G of this manual, or as determined by the Property Adminstrator. The results of the LIV will then be documented on an MA-1013B (see Appendix E) by the Area LMO. The region will forward a copy of the MA-1013B to the Property Adminstrator.

8.1.2 Termination Inventory

At the conclusion of the Ship Manager's contract, another LIV will be conducted in accordance with FAR 45.508-1. The results of this LIV will be documented on an MA-1013B by the Area LMO. The Area LMO will forward a copy of the MA-1013B to the Property Adminstrator.

8.1.3 Use of Previous Inventory Samples

Under no circumstance will the results of inventories gathered before the NTP (i.e., during a previous LMR) be used in place of the contractually required sampling provided for in Sections 8.1.1 and 8.1.2 above.

8.1.4 Waiver of Required Acceptance and Termination Inventories

In accordance with FAR 45.508-1, requests to waive start-up and termination inventories should be forwarded to MAR-614, the Property Administrator of the Ship Manger's contract. MAR-614 will review the request and forward a recommendation to MAR-380, the Procurement Contracting Officer, for final determination.

8.2 Management of Shipboard Allowances

Beginning on the sixty-first day after the NTP, the Ship Manager must maintain an inventory of no less than 95% for spare parts stored in boxes, drawers and cabinets that have NOT BEEN SEALED BY THE GOVERNMENT. This would include storage locations that are currently open, secured with a padlock or sealed with a "temporary" seal applied by the Ship Manager. This standard applies to all Phase "O", ROS-5 and crewed RRF-10 vessels.

The Ship Manager must maintain an inventory validity of *not less* than 95% for spare parts.

8.3 Inventory Errors

An inventory error occurs when a material difference exists between the RMS database and the results of the physical inventory of a spare part line item. Material differences include:

a. Storage location(s)
b. Quantity
c. Part number[1]
d. Nomenclature or name

Regardless of the number of differences noted, a single line item can produce no more than one (1) error. (For additional examples, see Table 8-1.)

8.4 Computing Inventory Accuracy

Inventory accuracy is calculated by dividing the total number of correct line items by the total number of line items inventoried (i.e., physically inspected) as shown below:

$$\text{\% Accurate} = \frac{\text{\# of Line Items Correct}}{\text{\# of Line Items Counted}}$$

For example:

- One hundred (100) line items are sampled, and three (3) line items are found to have material differences. Therefore, the inventory accuracy of the sample would be 97% (97 divided by 100).

- One line item is inspected, and is found to be correct. However, an extra line item is found in the location with the line item inspected. The accuracy rate would be 50% (one correct item divided by two inspected items).

The second example shows how undocumented items can cause errors.

8.4.1 Line Items with a Balance of Zero

Frequently, line items with a zero balance will be assigned locations in RMS. Line items with a zero balance will not be used in calculating a vessel's inventory accuracy *unless undocumented items are located during the inventory.*

Examples of Possible Inventory Errors				
RMS **Database**		**Inspection Findings** (*Characteristics Data from Label*)		**Error Count**
Nomenclature **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 **3**	**Nomenclature** **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 **2** ←	Quantity Error: Counted as **1** Error
Nomenclature **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 **3**	**Nomenclature** **Part Number** **Manufacturer** **Location** **Quantity**	*Part Not Found* **0** ←	Quantity/Location Error: Counted as **1** Error
Nomenclature **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 **3**	**Nomenclature** **Part Number** **Manufacturer** **Location** **Quantity**	Wheel ← 6306 ZZ SKF EM-33 **4** ←	Nomenclature and Quantity Error: Counted as **1** Error
Nomenclature **Part Number** **Manufacturer** **Location** **Quantity**	*Item Not Listed In RMS*	**Nomenclature** **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 **3** ←	Location Error: Counted as **1** Error
Nomenclature **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball 6306 ZZ SKF EM-33 3	**Nomenclature** **Part Number** **Manufacturer** **Location** **Quantity**	Bearing, Ball **6406 ZZ** ← SKF EM-33 3	Quantity Error: Counted as **1** Error

Table 8-1: Examples of Possible Inventory Errors

9.0 Specialized Outfitting

The following chapter discusses two types of specialized outfitting managed by the RRF: Modular Cargo Delivery Station (MCDS), which is used to transfer cargo between ships; and Offshore Petroleum Discharge System (OPDS), which transfers petroleum products to units on the shore. These systems are supported by unique outfitting items that are subject to tailored supply procedures, different from other RRF property.

9.1 Modular Cargo Delivery Station (MCDS)

The Modular Cargo Delivery Station (MCDS) enables RRF vessels to participate in an underway replenishment (UNREP). This replenishment occurs by means of a highline that connects the MCDS vessel with another vessel. Most MCDS capable ships are also capable of vertical replenishment (VERTREP) when equipped with a helicopter deck and special outfitting.

This section deals with the supply management responsibilities for MCDS specialized equipment, spare parts and outfitting.

The following items make up the MCDS/VERTREP systems:

a. Installed MCDS Equipment
b. MCDS Spare Parts
c. Underway Replenishment (UNREP) Locker Outfitting
d. Helicopter Crash/Rescue Outfitting
e. Connected Replenishment (CONREP) Material Handling Equipment (MHE)/UNREP Ordnance Handling Equipment (OHE).

MCDS capable ships are identified in the monthly National Defense Reserve Fleet (NDRF) Inventory list published by MAR-612.

9.1.1 MCDS Organizational Support Responsibilities

The supply management responsibilities for MCDS material are shared among the Chief Engineer, the Chief Mate and, to a limited extent, the U.S. Navy Team (when embarked).

9.1.2 Chief Engineer

The Chief Engineer is responsible for maintaining the configuration of MCDS equipment, and the accountability of MCDS engineering spare parts (i.e., non-outfitting items).

9.1.3 Chief Mate

The Chief Mate is responsible for maintaining the accountability of MCDS outfitting. During an exercise when a Navy Cargo Afloat Rig Team (CART) is deployed with the vessel, the CART Team will be given access to all UNREP, HELO Crash/Rescue, and CONREP outfitting items. Following the exercise, the Chief Mate will document in RMS any items that were lost, damaged, destroyed, or consumed by the Navy during the evolution.

9.1.4 Separate Storage

To avoid mixing databases, the two inventories will be stored in separate spare parts boxes or cabinet drawers. Under no circumstances will HM&E spare parts, managed by the Chief Engineer, be stored in the same box or cabinet drawer with MCDS outfitting items managed by the Chief Mate.

9.2 Off-Shore Petroleum Discharge System (OPDS)

The Off-Shore Petroleum Discharge System (OPDS) gives the RRF the capability to pump petroleum products and other liquids from an RRF vessel to ground forces on the shore.

The following items make up the OPDS system:

a. Installed OPDS Equipment
b. OPDS Spare Parts
c. OPDS Outfitting
d. OPDS Utility Boat (OUB) Outfitting
e. OUB Spare Parts

OPDS capable ships are identified in the monthly NDRF Inventory list published by MAR-612.

9.2.1 OPDS Organizational Support Responsibilities

The day-to-day shipboard supply management responsibilities for OPDS equipment, outfitting and spare parts are shared among the Chief Engineer, the Chief Mate and, when embarked, the U.S. Navy detachments (see Appendix H). The Chief Engineer and the Chief Mate each have been given a separate RMS to allow them to independently manage their assigned equipment, outfitting material and spare parts.

9.2.2 Chief Engineer

The Chief Engineer is responsible for maintaining the configuration of OPDS equipment, and the accountability of OPDS engineering spare parts (i.e., non-outfitting items).

9.2.3 Chief Mate

The Chief Mate is responsible for maintaining the accountability of OPDS outfitting. When a Navy detachment is onboard, they will be given access to all OPDS outfitting items. Following an OPDS exercise, the Chief Mate will document in RMS any items that were lost, damaged, destroyed, or consumed by the Navy detachment during the evolution.

9.2.4 Separate Storage

To avoid mixing databases, the two inventories will be stored in separate spare parts boxes or cabinet drawers. Under no circumstances will HM&E spare parts, managed by the Chief Engineer, be stored in the same box or cabinet drawer with OPDS outfitting items managed by the Chief Mate.

Appendix A: Glossary of Logistics Management Terms

Accountable Property Personal property with a value of $2,500 or more and sensitive items listed in Table 5-1. Accountable Property is to be formally tracked in RMS or PC-SAL by the ship manager or the school ship. The term “accountable property” replaces the terms high value, control material and controlled equipage.

Activity Phase A formal designation applied by MARAD to RRF ships that indicates their current assigned operational status. There are now only two Activity Phases for RRF ships, “M” and “O”.

Allowance Item This term refers to items that appear in an authorized allowance document (i.e. SAL, BAL, or COSAL) with an allowed quantity of 1 or more. In NS5, the allowance quantity is shown as the “Minimum Level”.

Artifact An Item of value with unique or historic characteristics, such as engine order telegraphs, bells, wheels, and selected works of art; other marine related items of value that may be commercially marketable, such as clocks, sextants, and other navigational aids; or items of considerable value such as silver.

Assembly A number of parts or subassemblies, or any combination thereof, joined together to perform a specific function and are capable of disassembly. The distinction between an assembly and a subassembly is made by individual applications, i.e., an assembly in one instance may be a subassembly in another when it forms a portion of a higher level assembly.

Builder's Allowance List (BAL) The BAL is a document produced by the original builder of a ship that lists the equipment and components installed in the ship to perform its operational mission; the spare parts and special tools required for their operation, overhaul and repair; and allowance quantities. It is used only when a Shipboard Allowance List (SAL) is not available.

Capitalized Asset Capitalized Assets are items of Accountable Property whose purchase price is equal to or greater than $25,000. Typical examples of capitalized assets are large forklifts and motorized power sweepers.

Configuration Management The management practices and procedures that include Configuration Identification, Configuration Change Control, Configuration Status Accounting, and provisioning.

Configuration Record The official repository of configuration data for the RRF. The term also refers to the individual data record for a configuration item of equipment/equipage.

Configuration The functional and physical characteristics of material as described in technical documents and achieved in a product.

Configuration Identification The selection of the documents, the documents, the data contained in the documents, supply and catalog identifiers, and the labeling affixed to the item. The documents identify and define the item's functional and physical characteristics in the form of specifications, drawings, associated lists, logic diagrams, flow charts, technical manuals, interface control documents, test and evaluation plans and reports, and documents referenced therein. The baseline, plus approved changes from that baseline, constitutes the current configuration identification.

Configuration Baseline A configuration identification document or a set of such documents formally designated by the Government and fixed at a specific time. The configuration baseline, plus approved changes from that baseline, constitutes the current configuration identification.

Configuration Change A general term that signifies that the configuration of an item has been or will be changed through the configuration control process

Configuration Control The systematic justification, preparation, submission, coordination, evaluation, approval, or disapproval of a proposed change and the implementation of a configuration change after formal establishment of an item's configuration identification.

Controlled Equipage This term is no longer used, see “Accountable Property**.”**

Consumables Consumables include those articles, commodities and supplies required in the maintenance and operation of the ship and the living and berthing of passengers, officers and crew, including

- articles and commodities that are consumed in their initial use
- articles and commodities whose term of usage or life is so short that after initial use, such items can not be recovered for re-issue, or are practically valueless for sale or transfer; and
- articles and commodities of general use which after installation, lose their identity and become part of a system or a part of a larger piece of equipment.

Coordinated Shipboard Allowance List The COSAL is a document produced by the U.S. Navy that lists the equipment and components installed in a ship to perform its operational mission, the spare parts and special tools required for their operation, overhaul and repair, and allowance quantities. It is used only when a SAL is not available.

Deficiency This term, usually used as a plural "deficiencies," refers to items whose on-hand quantity is less than the allowance quantity (NS5 Minimum Level) established for the item. It is usually applied to spare parts but can be used for other items as well.

Equipage This term refers to those non-installed and relatively durable items that are located in operating spaces or other designated areas to support recurring operational, maintenance, or administrative functions, or to provide for the health, comfort, or safety of the crew. Equipage does not encompass installed mechanical, electrical, or electronic equipment, components, or systems. Also see “Accountable Property.”

Equipment The term "Equipment" refers to any functional unit of hull, mechanical, electrical, or electronic type material that is operated singly or as a component of a system and which appears in the NS5 Equipment Hierarchy.

Expendables Those articles that are portable, semi-portable, and detachable and are used in the normal day-to-day operation and maintenance of the ship. Such items are subject to casual or gradual deterioration and replacement, but are not readily consumed by usage and are not subject to economical repair. Examples include: hawsers, towing and mooring wire cables, hand tools and certain portable power tools, certain inexpensive test equipment, shackles, slings, cargo securing gear, linens, silverware, crockery, draperies and curtains, desks, chairs, etc.

Form, Fit, and Function A collective term that describes the configuration comprising the physical and functional characteristics of an item as an entity. The description does not include any characteristics or details of the internal parts making up the item.

Form refers to a defined configuration for satisfying mission needs.

Fit refers to the ability for an item to interface with or be an integral part of another item.

Function refers to the manner in which an item performs its mission, e.g., a vessel that is designed to carry containerized cargo.

General Agent Party to a General Agency (Services) Agreement. References to Ship Manager throughout this manual include General Agent.

High-Value Items Also see “Accountable Property.”

Insurance Item Equipment normally stored in Shore-based Spares that is critical for RRF readiness and that is not normally or readily available from commercial sources (open market).

Inventory Accuracy The number of correct inventory records divided by the total number of line items inventoried expressed as a percentage.

Non-expendables Those articles and equipage that are required for the maintenance and operation of the ship but are subject to special controls or to economical repair when no longer serviceable, rather than being disposed of and replaced. Included in this category are Accountable Property items such as binoculars, chronometers, sextants, etc. .

Not-carried Items This term refers to items that do not appear in an authorized allowance list (SAL, BAL, or COSAL).

Not in Stock Items This term refers to allowance items that have an onboard stock balance of zero.

NS5 The principal software system used to manage RRF logistics data is the American Bureau of Shipping's Nautical Systems software, Version 5, otherwise known as "NS5".

Outfitting Material This term refers to all non-installed equipment and supplies, less the spare parts identified in the SAL. Outfit items include, but are not limited to maintenance and mission essential material and all items required by the U.S. Coast Guard and the American Bureau of Shipping (ABS), and any other regulatory body.

Projected Supply Effectiveness The percentage of line items within the total number of line items, which have no deficiencies in quantity.

Repairables Components, modules, assemblies, subassemblies or equipment that can be economically restored to perform their required functions by corrective maintenance.

RMS The RRF Management System (RMS) consists of a number of information systems used by MARAD to support agency business processes. The principal system used by MARAD to manage RRF logistics data is NS5.

Ship Manager Party to a Ship Manager Contract.

Shipboard Allowance List (SAL) The SAL is the authoritative document aboard RRF ships that lists the equipment and components installed in a ship to perform its operational mission and the allowed spare parts and special tools required for their operation, overhaul and repair. The SAL information has now been converted into NS5..

Spares This term refers to any item or items, including modules and consumable-type materials that have an equipment application and which appear in a Shipboard Allowance List (SAL).

Spare Parts This term refers to any item or items, including modules and consumable-type materials that have an equipment application and which appear in a Shipboard Allowance List (SAL). In this manual, the terms "Spares," "Repair Parts," and "Spares and Repair Parts" are used interchangeably.

Stock This term refers to spare parts located in shipboard storage (as distinct from parts installed in equipment).

Validation The process of determining (or verifying) the physical characteristics of an equipment configuration item for the purpose of configuration identification.

Appendix B: Acronyms

ABS American Bureau of Shipping

ACOTR Assistant Contracting Officer's Technical Representative

ACR Allowance Change Request

AEL Allowance Equipage List

APL Allowance Parts List

APO Accountable Property Officer

BAL Builder's Allowance List

CAGE Commercial and Government Entity

CBRD Chemical Biological Radiological Defense

CFP Contractor-Furnished Property

CFR Code of Federal Regulations

CM Configuration Management

COSAL Coordinated Shipboard Allowance List

COTR Contracting Officer's Technical Representative

DAAS Defense Automatic Addressing System

DLA Defense Logistics Agency

DODAAC Department of Defense Activity Address Code

DOT Department of Transportation

FAR Federal Acquisition Regulations

FEDSTRIP Federal Standard Requisitioning and Issue Procedures

FPMR Federal Property Management Regulations

FSC Federal Supply Classification

FSCM Federal Supply Code for Manufacturers

FSS Fast Sealift Ship, also Federal Supply System

GFM Government Furnished Material

GSA General Services Administration

HM&E Hull, Mechanical, and Electrical

IOL Initial Outfitting List

LIV Logistics Inventory Validation

LMO Logistics Management Officer

LMR Logistics Management Review

MAAP Maritime Administration Acquisition Procedures

MAO Maritime Administrative Order

MARAD Maritime Administration

MCDS Modular Cargo Delivery Station

MEI Master Equipment Index

MHE Material Handling Equipment

MICN MARAD Item Control Number

MILSTRIP Military Standard Requisitioning and Issue Procedures

MIS Management Information System

MRU Minimum Replacement Unit

MSC Military Sealift Command

NDRF National Defense Reserve Fleet

NIIN National Item Identification Number

NSN National Stock Number

NS5 Nautical System's software, Version 5

NTP Notice to Proceed

OPDS Offshore Petroleum Discharge System

PHS&T Packaging, Handling, Storage, and Transportation

QASP Quality Assurance Surveillance Program

ROS Reduced Operating Status

RMS RRF Management System

RRF Ready Reserve Force

SAC System Application Code

SAL Shipboard Allowance List

SBS Shore-Based Spares System

SMC Ship Manager Contract

SOLAS International Convention for the Safety of Life at Sea

SOMO Ship Operations and Maintenance Officer

SOW Statement of Work

TAR Transportation Acquisition Regulations

TD&E Tear Down and Evaluation

UI Unit of Issue

USCG United States Coast Guard

USN United States Navy

USNRC United States Nuclear Regulatory Commission

USNS United States Naval Ship

QUALITY ASSURANCE SURVEILLANCE PLAN STANDARD INSPECTION PROCEDURES	
Performance Element 1-6: Logistics	
Performance Objective: Manage, maintain and replenish ship support material and property necessary to sustain RRF vessels for 180 days.	
Reviewing Official: LMO, COTR, MAR-614	**Method of Surveillance**: Random or Scheduled Inspections; Review of NS5; Visual Inspection of equipment, systems and documentation; Review of CDRLs; Random Sampling.
Frequency of Inspection: 1. Region LMO: Inspections no less than once every six months for ROS 4-5 day vessels and no less than once every two years for all other RRF vessels. Monthly or more, if inconsistencies are found. 2. Headquarters: Random inspections no less than once every two years for ROS 4-5 day vessels, and as necessary for all other RRF vessels.	
Sampling Procedures: Prior to the visiting vessels, print out random samples for the Repair Parts, Tech Manual and Drawing Inventories; print out a listing of all Accountable Property. Review NS5 for Ship Manager Deliverables, Inventory Adjustments and Spares Usage. On board vessel, conduct inventories and interview CE, PE and CM.	

Standard Inspection Procedures

1) Does the Ship Manager maintain the vessel's inventory accuracy at or above the levels prescribed in TE-5?

Inspection Procedure:

(a) Conduct a random sample of Repair Parts in Open and Temporary Sealed repair part locations and bulkhead mounted spare locations, a minimum of 20 Locations and 300 Line Items.
(b) Note the number of Open and Temporary Sealed Locations: _____
(c) Note the number of Repair Parts Sampled (RPS): _____
(d) Number of Errors: _____
(e) Check the Spares Usage Over Time and Inventory Adjustment Reports to see if errors were caused by the migration from NS5.1.3 to NS5.2. Number of Migration Errors: _____
(f) Compute the Final Error Count (FEC): _____
(g) Repair Part Inventory Accuracy (%) (1 – (FEC/RPS)): _____%
(h) Inventory Accuracy 98% - 100% = Exceeds Standard.
Inventory Accuracy 95% - 97.9% = Meets Standard.

Inspection Tools:

- NS5 Seal Log.
- Parts Inventory By Location printouts.
- Spares Usage Over Time reports.
- Inventory Adjustment Report.

Remarks:
_____
_____
_____
_____
_____

2) Is the Ship Manager maintaining the vessel's technical documentation?
Note the number of unaccounted for Technical Manuals.

Inspection Procedure:

(a) Conduct a random sample of at least fifty (50) Technical Manuals.
(b) Note the number of Technical Manuals Sampled (TMS): _____
(c) Number of Errors: _____
(d) Check the Inventory Adjustment Report to see if errors were caused by the migration from NS5.1.3 to NS5.2. Number of Migration Errors: _____
(e) Note: Normally, a ship will have a "Master" and a "Working" set of TMs and should have a Tech Manual Checkout Log. LMOs are to use judgment to allow ships to correct errors in the "Working" TM set.
(f) Compute the Final Error Count (FEC): _____
(g) Tech Manual Inventory Accountability (%) (1 – (FEC/TMS)): _____%
(h) TM Inventory Accountability 98% - 100% = Exceeds Standard.
TM Inventory Accountability 95% - 97.9% = Meets Standard.

Inspection Tools:

- TM Listing (Printout)
- TM Checkout Log
- Inventory Adjustment Report.

Remarks:
_____
_____
_____

3) Is the Ship Manager maintaining the vessel's technical documentation?
Note the number of unaccounted for Drawings.

Inspection Procedure:

(a) Conduct a random sample of at least fifty (50) Drawings.
(b) Note the number of Drawings Sampled (DS): _____
(c) Number of Errors: _____
(d) Check the Inventory Adjustment Report to see if errors were caused by the migration from NS5.1.3 to NS5.2. Number of Migration Errors: _____
(e) Compute the Final Error Count (FEC): _____
(f) Drawing Inventory Accountability (%) (1 – (FEC/DS)): _____%
(g) Drawing Inventory Accountability 98% - 100% = Exceeds Standard.
Drawing Inventory Accountability 95% - 97.9% = Meets Standard.

Inspection Tools:

- Drawing Listing (Printout)
- Drawing Checkout Log
- Inventory Adjustment Report.

Remarks:
_____
_____
_____
_____

4) Is the Ship Manager actively reviewing consumed items for stock replenishment in accordance with the Ship Manager's Property Control System?

Inspection Procedure:

(a) Review Inventory Adjustment Report for Repair Parts consumed on Work Orders.
(b) Number of Repair Parts consumed on Work Orders: _____
(c) Number of Zero Balance Items: _____
(d) Zero Balance %: _____
(e) Review requisitions over three (3) Months Old; also check with CHENG for Outstanding Requisition validation documentation.
(f) All Requisitions over three (3) Months old Validated = Exceeds Standard.
All Requisitions over six (6) Months old Validated = Meets Standard.

Inspection Tools:

- Inventory Adjustment Report
- SM Property Control System
- NS5 Outstanding Requisitions

Remarks:
_____
_____
_____
_____
_____

5) Did the SM maintain the storerooms in a neat and clean condition, and secured, when possible?

Inspection Procedure:

(a) Review the condition of the storerooms during the Repair Parts Inventory process.
(b) Use a digital camera to document the conditions found.
(c) Exceeds Standard = Storerooms are maintained in a neat and **thoroughly** clean condition **and** Storerooms that can be locked are locked,
Meets Standard = Storerooms are maintained in a neat condition; but **not thoroughly** clean. Storerooms that can be locked are locked.

Inspection Tools:

- Digital Camera

Remarks:
_____
_____
_____
_____
_____

6) Are Padlocks not being used, except in the case of ongoing repairs?

Inspection Procedure:

(a) Prior to visiting the vessel, check the NS5 Seal Log for Locations with Padlocks.
(b) During the Repair Parts Inventory process, check for additional Locations with Padlocks.
(c) Interview CHENG to determine which equipments have ongoing repairs.
(d) Select one (1) to three (3) repair parts from a padlocked location, tracking the part back to its parent equipment(s).
(e) Review Equipment Maintenance History Tab to determine if there are ongoing repairs.
(f) Exceeds Standard = Padlocks used on zero (0) Locations, other than for Locations supporting ongoing repairs.
Meets Standard = Padlocks used on no more than five (5) Locations, other than for Locations supporting ongoing repairs.

Inspection Tools:

- NS5 Seal Log

Remarks:
_____
_____
_____
_____
_____

7) Did the SM update the vessel's configuration for all new equipment purchased or old equipment removed/replaced?

Inspection Procedure:

(a) Prior to visiting the vessel, check the Ship Cost Details by Account Report for potential configuration changes.
(b) Prior to visiting vessel, check the Inventory Adjustment Report for Transfer Order (TO) transactions which might indicate offload of an equipment and its excess parts.
(c) Ask the CHENG to provide TO and any DD-1149 documentation.
(d) Exceeds Standard = SM had **Zero (0) major** discrepancies **and** all new equipments are procured with 180 days of repair parts support.
Meets Standard = SM had only **One (1) major** discrepancy **and** Five (5) or less minor discrepancies.

Inspection Tools:

- Ship Cost Details By Account Report
- Issued Purchase Orders Menu
- Inventory Adjustment Report

Remarks:
_____
_____
_____
_____

8) Did the Ship Manager report Accountable Property inventories accurately and timely?

Inspection Procedure:

(a) Prior to visiting the vessel, check the Ship Manager Deliverables in NS5 to see when the Annual Accountable Property inventory was delivered.
(b) Prior to visiting vessel, check the operational history of the vessel to see if the vessel was deactivated during the reporting period and check to see if an Accountable Property inventory was provided within thirty (30) days of deactivation.
(c) Exceeds Standard = Final, annotated, Accountable Property inventory count sheets are on file in NS5 **and** available for review prior to August 3 in case of the Annual Inventory **and** within thirty-three (33) working days after a deactivation.
Meets Standard = Accountable Property inventory reports are no more than five (5) days late, within thirty-five (35) working days after a deactivation.

Inspection Tools:

- NS5 Standard Jobs - Ship Manager Deliverables
- MARAD Readiness Reports
- E-Mail records recording receipt of Deactivation Accountable Property inventories.

Remarks:
_____
_____
_____
_____
_____

9) Is the Ship Manager accurately completing and timely submitting Reports of Survey documents for missing, lost or damaged property?

Inspection Procedure:

(a) Prior to visiting the vessel, check the Surveys received determine if they were reported within the minimum five (5) days of the occurrence or discovery.
(b) Check to see if the surveys, as submitted, were completed full and accurately so that the Area Survey Board will not need to seek additional information from the vessel.
(c) Exceeds Standard = Survey is submitted within two (2) days of discovery/occurrence and survey is accurately and fully completed.
Meets Standard = Survey is submitted within five (5) days of discovery/occurrence.

Inspection Tools:

- Mail or E-Mail records recording receipt of Reports of Survey.

Remarks:
_____
_____
_____
_____
_____

10) Did the SM account for all items of Accountable Property? -

Inspection Procedure:

(a) Prior to visiting the vessel, check to see how many Reports of Survey were submitted. _____
(b) Prior to visiting the vessel, check the Inventory Adjustment Report to check on inventory changes for Accountable Property items.
(c) Interview CHENG to explain any discrepancies found during pre-QASP AP review.
(b) Conduct, at a minimum, an inventory of the top ten (10) high dollar value items of Accountable Property. At LMO's discretion, the inventory specialist may conduct up to a 100% Accountable Property inventory.
(c) Note the number of Accountable Property items Sampled (APS): _____
(d) Number of Missing or Stolen items: _____
(e) Exceeds Standard = Zero (0) Missing or Stolen items of Accountable Property.
Meets Standard = 100% of Accountable Property accounted for.

Inspection Tools:

- Records of Reports of Survey submitted
- Inventory Adjustment Report
- NS5 Accountable Property Listing

Remarks:
_____
_____
_____
_____
_____
_____
_____

11) Is the Ship Manager entering pricing information into NS5 IAW TE-5?

Inspection Procedure:

(a) Prior to visiting the vessel, check the Purchase Orders Issue menu in NS5, reviewing for Purchase Orders for Materials (Type "M") that are related to an installed equipment and that were Delivered during the current reporting period.
(b) Open up the "Documents" tab and see if the Purchase Order started with a Work Order.
(c) Open the "Materials" tab, noting the number of Repair Parts with Type "S" (Stock) and the Repair Parts with Type "T" (Type In).
(d) PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____
PO No. _____ Started as W/O __Y / N__ No. Type "S" _____ No. Type "T" _____

(e) Number of Purchase Orders Sampled (POS): _____
(f) Number of POs that started as Work Orders (POWO): _____
(g) Percentage of POs that started as Work Orders (POWO/POS): _____%
(h) Number of Type "S" Repair Parts found (RPS): _____
(i) Number of Type "T" Repair Parts found (RPT): _____
(j) Total Number of Repair Parts Purchased – RPP = (RPS + RPT): _____
(k) Percentage of Repair Part POs that started at Part Record (RPT/RPP): _____%
(l) Exceeds Standard = At least 85% of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record.
Meets Standard = At least 70% of the Purchase Orders for stocked and non-stocked repair parts start with a Work Order and originate at the part record.

Inspection Tools:

- Issued Purchase Orders Menu

Remarks:
_____
_____
_____
_____
_____

12) Does the Ship Manager verify parts are unavailable in SBS prior to commercial purchase?

Inspection Procedure:

(a) Using the Repair Parts identified in #11 above, check Shore Based Spares to determine if those Repair Parts were available when the Requisition was generated.
(b) If part is found in SBS, run the Time Phased Parts Usage Report to determine if the part was available at the time the Purchase Order was issued.
(c) PO No. _____ REQN Create Date _____ Part Number: _____
PO No. _____ REQN Create Date _____ Part Number: _____
PO No. _____ REQN Create Date _____ Part Number: _____
PO No. _____ REQN Create Date _____ Part Number: _____
PO No. _____ REQN Create Date _____ Part Number: _____
PO No. _____ REQN Create Date _____ Part Number: _____
(d) Total Number of Repair Parts found available in SBS (AVSBS) :_____
(e) SBS Availability Percentage (AVSBS/RPP): _____
(f) Exceeds Standards: 2% or less were available in SBS
Meets Standards: 2.1% to 5.0% were available in SBS

Inspection Tools:

- Issued Purchase Orders Menu
- Repair Parts used in #11
- Time Phased Usage Report

Remarks:
_____
_____
_____
_____
_____

13) Did the SM comply fully with otherTE-5 requirements not listed above?

Inspection Procedure:

(a) By observation or interview, did the inventory specialist discover any major violations of TE-5 not already reported above.
(b) Examples of major violations could include (1) failure to Inventory Locations upon opening, (2) failure to Stow Repair Parts and Accountable Property in a timely manner, (3) failure to account for Government Property removed from the vessel and (4) failure to generate Material Purchase Orders when ordering spare parts.
(c) Exceeds Standards: Zero (0) Major Discrepancies.
Meets Standards: One (1) Major Discrepancy.

Inspection Tools:

- Objective Quality Evidence (OQE)

Remarks:
_____
_____
_____
_____
_____

Evaluator's Summary Assessment

Appendix D: Stowage of Hazardous And Other Special Materials

Hazardous Liquids

Certain materials with inherent hazardous or other unique properties require special stowage facilities and handling precautions, as described in the following paragraphs.

Acid

Liquid acid will be stowed in an acid locker or other designated storage location. An acid locker is a leak-proof, lead-lined box, chest, or locker especially designed for stowing bottles or carboys of acid. Acid lockers will be kept in the Flammable Liquids storeroom; however, acid lockers that contain only medical acids may be kept in a medical storeroom. Corrosive acids are acute fire hazards and therefore should be stowed separately from oxidizing or flammable materials. Corrosive acids or vapors must not be allowed to come in contact with the skin or eyes. Personnel required to handle such material will wear rubber gloves, rubber aprons, and goggles (as necessary) to protect themselves and their clothing from acid burns.

Alcohol

Since most commonly used alcohols have a flash point below 100 degrees Fahrenheit, all alcohol will be stowed in the Flammable Liquids storeroom. Not all alcohol is readily identifiable by name. For example, many lacquer thinners have methanol (wood alcohol), which is extremely poisonous, as the principal ingredient.

Oxidizing Material

Many shipboard fires with resultant fatalities have been attributed to improper stowage or handling of oxidizing materials, particularly calcium hypochlorite. Nitric acid, a strong oxidizer, will be stowed in the acid locker (see paragraph 12.6.1). Oxygen and chlorine gases will be stowed in the same manner as calcium hypochlorite (discussed below). All other oxidizers will be stowed in a dry compartment, away from combustible materials. Calcium hypochlorite is a bleaching agent and disinfectant. On board the vessel it is used for the purification of potable water, sewage treatment and biological and chemical agent decontamination. Calcium hypochlorite itself is noncombustible; however, it is a strong oxidizing agent that will generate heat, liberate chlorine, and cause fire when stowed in contact with paints, oils, greases, detergents, acids, alkalines, antifreeze, fabrics and other organic and combustible materials. Calcium hypochlorite will normally be segregated and stored in a locked bin or locker with appropriate labeling. Bins or lockers should be located at least five (5) feet away from any heat source or surface that may exceed 140 degrees Fahrenheit, and are not subject to condensation or water accumulation. The area shall not be used to store paints, oils, greases, or combustible organic materials. Calcium hypochlorite should never be stored in any machinery space. Spills or contaminated calcium hypochlorite may be disposed of into water, flushed to the drain, or to the bilge. There is no fire hazard from dissolved calcium hypochlorite even in an oily bilge. Sweepings should be dumped immediately into the water (never in a trash can), and the broom or brush rinsed immediately. Sweepings must not be carried dry for disposal because the dust is dangerous in shipboard drafts. Calcium hypochlorite should not be used as laundry bleach. Organic chlorine laundry bleach is available for shipboard use. While less hazardous than calcium hypochlorite, under conditions of high heat and humidity it can emit fumes that could be hazardous to personnel. Store this bleach in a cool, dry place as far away as possible from conditions of high heat and humidity.

Compressed Gases

Compressed gases must be stowed on the weather deck, unless the vessel has below deck stowage spaces specifically designed for such material. Compressed gas cylinders will be stowed vertically and securely (with valve protection caps in place), away from other flammable materials (especially grease and oil). When compressed gases are stowed on the weather deck, the cylinders will be protected from direct rays of the sun, or accumulation of snow and ice. When compressed gases are stowed below deck, any leaking fumes must be prevented from entering ventilation air-intakes leading to working or living spaces. Since there is usually some gas remaining in most cylinders considered to be empty, "empty" cylinders will be stowed and handled with the same precautions as full cylinders. Compressed gases, particularly the flammable and explosive gases, must be handled with extreme care. Some general rules for handling compressed gas cylinders are:

1. Take every precaution to prevent cylinders from being dropped or forcibly struck against hard surfaces (including other cylinders). Do not tamper with the safety devices in cylinder discharge valves; and when cylinders are not in use, be sure that the valve protection caps are

always securely attached. (If the valve of a compressed gas cylinder should be snapped off, the released energy would cause the cylinder to behave as a missile. For example: A cylinder that is pressurized to 2,200 pounds [psi] can travel 2,600 feet in free flight; which in a confined space could be disastrous).

2. Prevent cylinders from coming into contact with fire, sparks, or electrical circuits (an exploded steel cylinder would have the same destructive effect as an exploding bomb).
3. Do not drag or slide cylinders that are to be moved. Secure and move them in appropriately designed hand trucks, or if hand trucks are not available, tilt the cylinders and carefully roll them on the bottom edge.
4. Secure cylinders in a cradle, pallet, or rack when they are loaded or off-loaded with a crane or derrick. Never hoist cylinders with electromagnets, hooks, or lines attached to the valve protection cap.
5. Do not alter or deface the numbers, colors, or other markings on the cylinders; do not add markings without approval of the chief engineer; and do not issue cylinders if their contents cannot be identified.

Acetylene

Acetylene is inherently unstable, and may explode when subjected to heat or shock, or upon contact with chlorine, certain metals (i.e., copper, silver, and mercury). Therefore, acetylene must be stowed separately from oxygen or any other materials with which it forms an explosive compound. The gas must never be allowed to escape into an enclosed area and the cylinders must be protected from flames, sparks, lightning, and static electricity. Testing for suspected leaks should be done with soapy water. In moderate concentrations, acetylene may act as an intoxicant. In higher concentra-tions, it will cause unconsciousness, and ultimately asphyxiation. Some grades of acetylene also contain many impurities, therefore breathing of acetylene in any concentration for any length of time must be avoided. Acetylene in cylinders is dissolved in acetone, which has a tendency to flow into the valve if the cylinders are stowed horizontally. For this reason, acetylene must only be stowed and used in an upright position, valve end up. When it is known or suspected that acetylene cylinders have been stowed on their sides, they will not be used until they have been in a vertical position for at least two (2) hours.

Oxygen and Chlorine

Oxygen and chlorine are oxidizing gases that, because they can burn without an external air source, strongly support combustion. (Chlorine is also poisonous). Oxygen and chlorine cylinders must be stowed on the weather deck, or in a separate watertight storeroom that has at least one compartment between it and any space that is used for the stowage of combustibles such as flammable liquids or gases, paint, gasoline, and oil.

Nonflammable Gases

Helium, nitrogen, carbon dioxide, and argon are nonflammable gases which, because of their inert characteristics, may be stowed with flammable or oxidizing gases. However, since these non-flammable gases will not support respiration (a sufficient quantity in a closed space will cause asphyxiation), they must be stored on the weather deck, or in other well-ventilated spaces. The same precautions are appropriate for halocarbon liquids because of their high vapor pressure, lack of odor, and tendency to displace air, causing suffocation. Halocarbon liquids are compounds of carbon containing any of the halogen elements (fluorine, chlorine, bromine, iodine, or astatine - i.e., monochlorodiflouro-methane).

Aerosol Products

Aerosol products are liquids, solutions, or powders suspended in a gas propellant and contained in dispensers equipped with release valves. Containers of aerosol are used for the dispensing of paints, enamels, lacquers, insecticides, silicones, rust preventives, etc. The aerosol propellants may be low boiling-point halogenated hydrocarbons or other hydrocarbons such as liquified propane or isobutane. Aerosol cylinders will burst if exposed to heat sources in excess of 120 degrees Fahrenheit, and are prone to leakage if subjected to impact. Aerosol products, therefore, should be stowed in the Flammable Liquid storeroom, or in cabinets away from oxidizing materials; and mechanical ventilation will be used, when necessary, to remove accumulated vapors.

Flammable or Combustible Material

Flammable liquids have a flash point of 100 degrees Fahrenheit or below; combustible liquids, greases, and pastes have a flash point of 200 degrees

Fahrenheit or below. Items that are flammable and/or combustible include:

- gasoline, oils, kerosene, and other petroleum products
- chemicals
- stencil paints, marking inks, and printer's ink
- solvents, thinners, primers, compounds, varnishes, and lacquers
- alcohol, acetone, ether, and naphtha
- greases and pastes.

Except for drummed petroleum, flammable liquids and other flammable or combustible material will be stowed in the Flammable Liquid storeroom.

The Flammable Liquid storeroom normally will be located at either end of the vessel, below the full load waterline, and will ideally be equipped with an automatic fire alarm and CO_2 system. This storeroom should also have incandescent and explosion proof overhead lights (protected by lamp guards), with the switch outside the compartment; and non-sparking vent fans, with the controllers outside the compartment.

Radioactive Material

Radioactive instruments, electron tubes, and certain other items are labeled with the conventional United States Nuclear Regulatory Commission (USNRC) radiation symbol, which must not be removed or obliterated. The radiation levels of radioactive material depend upon the type and concentration of isotopes in each unit, and the number of units stowed together. Any area used for stowage of radioactive material (or each bin if there is no designated area) will be conspicuously posted with the standard radiation symbol and the words **"CAUTION - RADIOACTIVE MATERIAL,"** and as a minimum, will be monitored when initial or replenishment stocks of radioactive items are being stowed. Rubber gloves and extreme caution will be used in handling damaged or broken radioactive instruments (i.e., electron tubes, etc.), to prevent absorption of dangerous radioactive particles through skin abrasions. Any suspected radiation hazard will be promptly reported to the ship master, the cognizant MARAD marine surveyor, and the medical safety representative (as applicable).

Toxic Substances

A toxic (poisonous) substance may cause discomfort, asphyxiation, and death if ingested/inhaled, or if absorbed through the skin. Therefore, adequate precautions must be taken to prevent such dangers when stowing or issuing toxic materials. Toxic substances will be stowed in a cool, well-ventilated area, separated from acids; and will be protected from fire hazards or impacts which may break seals or damage containers. Each case, carton, and individual container of toxic material must be labeled with a warning as shown below:

POISON!
IF TAKEN INTERNALLY,
WILL CAUSE SERIOUS ILLNESS
AND POSSIBLE DEATH!

It is particularly important to ensure that containers of poisonous liquids (i.e., industrial alcohol) are clearly identified and labeled to prevent human consumption, which can be fatal.

Miscellaneous Material

The categories of material in the following paragraphs require special storage and handling precautions:

Delicate Instruments

Delicate instruments, which usually are expensive and easily damaged, require especially careful handling and protective stowage. Delicate instruments will be kept in a dry atmosphere, away from magnetron tubes or other magnetic devices; and (when possible), the storeroom temperature should be 70^{o} Fahrenheit or below.

Drummed Products

Whether on board drummed products are flammable liquids or non-flammable material, the drums will be stowed on end with the bung end up. An adequate identification of the contents will be legibly indicated on the side of each drum; and if stowed on the weather deck, they will be covered with a tarpaulin (when practicable). Drummed products will be

inspected at least weekly to ensure that the bungs are tight and that there are no leaks or corrosion.

Electron Tubes

Electron tubes can easily be broken and therefore must be handled carefully and adequately packaged when being stowed or issued. Electron tubes susceptible to damage from moisture are normally packed in moisture-proof barriers, frequently with a desiccant or other dehydrating agent. Humidity indicator cards or plugs are provided for inspecting the effectiveness of the desiccant. Such indicators turn from blue to pink as moisture is absorbed; and when they become pink, the desiccant must be replaced. The cartons, cushioning, and other protective packing and packaging in which electron tubes were received will not be removed in stowage unless it is absolutely necessary because of space limitations. When an electron tube container must be reduced in size, positive identity of the tube and as much of the packaging as possible will be retained. When space is not a factor, the original pack and packaging of an electron tube will be opened only if it is reasonably certain that the packaged tube is not the one identified by the part number on the container.

1. Radioactive electron tubes. Instructions for the stowage and handling of radioactive material, including radioactive electron tubes, are provided in paragraph 12.6.7.
2. Magnetrons. Magnetrons are diode vacuum tubes in which the flow of electrons is controlled by an externally applied magnetic field. Special precautions will be taken to prevent magnetrons, with permanently attached magnets, from damaging magnetically sensitive instruments (i.e., compasses [electronic or mechanical], and wristwatches - which should not be worn when handling magnetrons).

Metals

Bar stock, sheet metal, angle iron, tubing, pipe and other metals will be kept in racks specifically designed for the stowage of such metals. The racks should be installed fore-and-aft to minimize shifting of the stowed material when the vessel is underway. Polished sheet metal and aluminum tubing are easily scratched and dented, and therefore must be carefully handled and secured in the rack. Gloves should always be worn when handling metals to protect the hands from injury, and to protect certain metals with polished surfaces from acid stains, which can be caused by perspiration. When practicable, non-corrosive, grease-proof material will be used to separate dissimilar metals that are required to be stowed together, inasmuch as direct contact between different metals may cause corrosion due to electrolysis.

Since any required re-identification of metals by chemical analysis is usually impractical (or too costly), many metals that lose their identification markings are likely to become unusable. Positive identification of metals to be used in high pressure steam systems (or other critical shipboard systems) is absolutely necessary. Correct part numbers, specification markings, manufacturer's markings, or other identification must be legibly indicated on each piece of metal in stowage, and on each piece of metal removed from stowage for use.

Motors and Generators

Motors and generators will be stowed in their original containers (if available). If the original containers are not available, motors and generators will be protected from dust and humidity by enclosing them in a crate or plastic wrap, which includes an ample amount of desiccant; or (as a minimum), by coating their exposed shafts with grease and then wrapping the shafts with grease-proof paper.

Liquid Dielectric Capacitors

Most liquid dielectric capacitors (especially "pyranol" types) are supplied with a piece of fine bus wire, which is attached for the purpose of grounding the capacitor prior to its use in a de-energized or disconnected circuit. This wire must not become detached in stowage, nor will it be removed by anyone other than the technician (when the capacitor is ready for use).

Appendix E: RRF Logistics Forms

The following forms are used by MARAD to support and maintain the logistics system of vessels in the RRF:

Form Number	Name
MA-984 (8-02)	Allowance Change Request
MA-1013B (2-06)	Logistics Inventory Validation Report
DOT Form 4410.1 (6-90)	Report of Survey for Lost Damaged or Destroyed Personal Property
DD Form 1149 (7-06)	Requisition and Invoice/Shipping Document
Not Applicable	Transfer Order

US Department of Transportation
Maritime Administration

Allowance Change Request

From:	Ship Name:	Date of Request:
To:	Request Type:	
Via:	☐ Allowance Increase ☐ Item Addition ☐ Item Currently On Board ☐ Allowance Decrease ☐ Item Deletion ☐ Item Not Carried On Board	

Equipment Nomenclature and Number	Repair Part(s) Description, Manufacturer, Part Number	Unit of Issue	Unit Price	Present Quantity Allowed	Recommended Quantity	Extended Value of Change
		EA				0.00

Justification (Mandatory):

_____
Signature and Title

Region Action: **Remarks:**

☐ Approved

☐ Disapproved

☐ Request MAR-614 procure parts listed above

_____
Signature and Title

Form MA-984 (8-02)

U.S.Department of Transportation
Maritime Administration

Logistics Inventory Validation Report

To be completed within 60 days after Notice To Proceed

Instructions

This form shall be used to document the condition of RRF vessels when custody is transferred. The form will be completed *jointly* by representatives of the Maritime Administration (MARAD) and the Ship Manager who is assuming or transferring custody. All blocks on the form will be completed. If a block is not applicable, enter "N/A" in the block. Enter the date(s) of the validation on each page.

Both the MARAD representative and the Ship Manager's senior representative must sign the form on page 4. When different sections of the validation are conducted by different representatives, the responsible representative will sign his or her name in the "Comments" block for the section.

If space for comments is insufficient, continue comments in Section VII (Overall Acceptance of Logistics Condition of Vessel) on page 4, or attach a separate sheet of paper.

Part I: General Information

MARAD Contract Number	Vessel Name	Date

Ship Manager — Owning Region: ☐ South Atlantic ☐ Central ☐ Western

Is a designated NS5 computer on board?	☐ Yes	☐ No	☐ Government-Furnished Equipment (GFE)	☐ Contractor-Furnished Equipment (CFE)
Is the current NS5 program installed on board?	☐ Yes	☐ No	Version & Date:	
Is a copy of the NS5 *User Guide* on board?	☐ Yes	☐ No	Release date:	
Have technical manuals been inventoried and indexed?	☐ Yes	☐ No	Date inventoried:	
Have blueprints and vendor plans been inventoried and indexed?	☐ Yes	☐ No	Date of Inventory/index:	
Is the *RRF Logistics Management Manual* on board?	☐ Yes	☐ No	Date of latest change:	

Part II: Spare Parts Inventory

Number of parts inventoried:

Number of quantity discrepancies:

Inventory Validity (%):

MARAD Comments:

Ship Manager's Comments:

Vessel Name	Date

Part III: Accountable Property Inventory

Number of Accountable Property items inventoried: _____

☐ Accountable Property database has been reconciled:

☐ Accountable Property Inventory is attached.

MARAD Comments:

Ship Manager's Comments:

Part IV: Outfitting Lists

Deck department list provided? ☐ Yes ☐ No

Steward department list provided? ☐ Yes ☐ No

Engine department list provided? ☐ Yes ☐ No

Availability of Outfitting:

☐ <25% ☐ 25-50% ☐ 50-75% ☐ 75-100%

MARAD Comments:

Ship Manager's Comments:

Vessel Name	Date

Part V: Technical Documentation

☐ Technical Manual Sample (%): _____

☐ Drawing Sample (%): _____

MARAD Comments:

Ship Manager's Comments:

Part VI: Security of Government-Furnished Property (GFP)

All storerooms, cages, spare parts boxes, etc. are locked, sealed, or otherwise secured, except as noted below. Identify any spare part boxes, lockers, or storerooms that cannot be properly secured at the time of vessel turnover.

MARAD Comments:

Ship Manager's Comments:

Vessel Name	Date

Part VII: Overall Acceptance of Logistics Condition of Vessel

MARAD Comments:

Ship Manager's Comments:

Personal PropertyTransferred by **MARAD Representative:**	Personal Property Accepted by **Ship Manager's Representative:**
Print Name	Print Name
Title	Title
Signature & Date	Signature & Date

U.S. Department of Transportation
Office of the Secretary of Transportation

REPORT OF SURVEY FOR LOST, DAMAGED, OR DESTROYED PERSONAL PROPERTY

(Submit a separate report for each category--lost, damaged, or destroyed)

Date Prepared	Survey Case Number

Primary Organization Unit *(Dept. Element)*	Office or Station Reporting *(Org. Symbol)*	Location

STOCK NUMBER AND DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL COST
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
			GRAND TOTAL $ 0.00

Explain the circumstances causing this report to be filed. Attach additional pages, statements, or exhibits as necessary.

The information given above is true and correct to the best of my knowledge and belief.

Signature of Property Custodian (or person preparing the report.)

Typed Name, Title and Date

SUPERVISOR'S STATEMENT.

☐ I have reviewed the information above and the supporting statement(s) and have nothing further to offer.

☐ I have an additional statement *(attached)*.

Signature of Supervisor

Typed Name, Title and Date

PROPERTY MANAGEMENT OFFICER'S STATEMENT.

I have reviewed the information in this report; the description and pricing is correct; a survey report case number has been assigned and recorded; and the following actions have been taken to correct the circumstances reported above. *(Attach pages as necessary)*.

Referred to Survey Officer/Survey Board on _____ (date).

Signature

Typed Name, Title and Date

FACTS, CONDITIONS FINDINGS, ETC. of the Survey Officer or Survey Board. *(use additional sheets if necessary).*

I (we) have examined all available evidence as outlined in the attached exhibits and have personally investigated the same and it is my (our) belief that the article(s) listed, total cost $_____ was (were)

(If pecuniary liability is recommended include name(s) of person(s) to be held and the amount(s).

_____ _____
Typed Name and Signature of Chairman or Survey Officer *Date*

_____ _____ _____ _____
Member *Date* *Member* *Date*

_____ _____ _____ _____
Member *Date* *Member* *Date*

APPROVING OFFICIAL'S Conclusions and disposition instructions.

☐ a. Concur

☐ b. Do not concur. *(State action to be taken.)*

_____ _____ _____
Signature *Typed Name and Title* *Date*

FINAL ACTION

The instructions of the Approving Official regarding disposition of the property have been accomplished and appropriate disposal action taken, abandonment, or destruction has been accomplished and witnessed as indicated. Property Accountability records have been properly adjusted and voucher(s) processed to adjust the fiscal records.

Property Management Officer _____ _____
Signature *Date*

DESTRUCTION OR ABANDONMENT WAS ACCOMPLISHED BY _____ IN MY PRESENCE.

Witness _____ _____ _____
Signature *Typed Name and Title* *Date*

SHIPPING CONTAINER TALLY ——— 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50

REQUISITION AND INVOICE/SHIPPING DOCUMENT

OMB No. 0704-0246
OMB approval expires Apr 30, 2009

PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ORGANIZATION. RETURN COMPLETED FORM TO THE ADDRESS IN ITEM 2.

1. FROM: *(Include ZIP Code)*	SHEET NO.	NO. OF SHEETS	5. REQUISITION DATE	6. REQUISITION NUMBER
	7. DATE MATERIAL REQUIRED *(YYYYMMDD)*			8. PRIORITY
2. TO: *(Include ZIP Code)*	9. AUTHORITY OR PURPOSE			
	10. SIGNATURE			11a. VOUCHER NUMBER & DATE *(YYYYMMDD)*
3. SHIP TO - MARK FOR	12. DATE SHIPPED *(YYYYMMDD)*			b.
	13. MODE OF SHIPMENT			14. BILL OF LADING NUMBER
	15. AIR MOVEMENT DESIGNATOR OR PORT REFERENCE NO.			
4. APPROPRIATIONS DATA				AMOUNT

ITEM NO. (a)	FEDERAL STOCK NUMBER, DESCRIPTION, AND CODING OF MATERIEL AND/OR SERVICES (b)	UNIT OF ISSUE (c)	QUANTITY REQUESTED (d)	SUPPLY ACTION (e)	TYPE CON-TAINER (f)	CON-TAINER NOS. (g)	UNIT PRICE (h)	TOTAL COST (i)
								0.00
								0.00
								0.00
								0.00
								0.00

16. TRANSPORTATION VIA AMC OR MSC CHARGEABLE TO

17. SPECIAL HANDLING

18. RECAPITULATION OF SHIPMENT	ISSUED BY	TOTAL CON-TAINERS	TYPE CON-TAINER	DESCRIPTION	TOTAL WEIGHT	TOTAL CUBE
	CHECKED BY					
	PACKED BY					
				← TOTAL →		

19. RECEIPT				
	CONTAINERS RECEIVED EXCEPT AS NOTED	DATE *(YYYYMMDD)*	BY	SHEET TOTAL 0.00
	QUANTITIES RECEIVED EXCEPT AS NOTED	DATE *(YYYYMMDD)*	BY	GRAND TOTAL
	POSTED	DATE *(YYYYMMDD)*	BY	20. RECEIVER'S VOUCHER NO.

DD FORM 1149, JUL 2006

51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

PREVIOUS EDITION IS OBSOLETE.

Adobe Designer 7.0

DRAFT

Transfer Order(TO) No.: 9500005 **Fiscal Effective Date: 12/13/2006** Printed On: 12/27/2006

Location: MARAD WAREHOUSE - CR **Account No.:** [040-002] Warehouse **Project No.:** MAR-CR-WHSE	**Location:** CAPE KENNEDY **Account No.:** [010-008] Ship Support **Project No.:** KEY-KEN-07-1008
Ship To: DOT, MARITIME ADMINISTRATION CENTRAL REGION WAREHOUSE, POLAND AVE WHARF, BERTH 3 DOOR 38, NEW ORLEANS, LA 70146 **Ship Via:** TRACEABLE MEANS **Expected Delivery:**	**Contact:** STEWART BROOKS **Tel.:** (504) 940-1000 **Total Cost:** 60.00 **Expedite:**

SOURCE (MARAD WAREHOUSE - CR)	UNIT COST	QUANTITY	DESTINATION (CAPE KENNEDY)
S: BELT, 91626-04 P No.: EQ: Parts ST: AC: 040-002 PJ: MAR-CR-WHSE MI:- BELT, 91626-04	23.0000	2.00	S: BELT P No.: EQ: DEHUMIDIFIER, (NO.1) ST: AC: 010-005 PJ: KEY-KEN-07-1005 MI:- BELT
S: FILTER, 95007-32 P No.: EQ: Parts ST: AC: 040-002 PJ: MAR-CR-WHSE MI:- FILTER, 95007-32	14.0000	1.00	S: FILTER P No.: EQ: DEHUMIDIFIER, (NO.1) ST: AC: 010-005 PJ: KEY-KEN-07-1005 MI:- FILTER

Appendix F: Non-Validation Worthy Equipment

The following equipment and components are designated non-validation worthy due to their non-critical nature, low failure rate, commonality, or ease of replacement and repairability. This list is not all-inclusive and recommendations for additions, deletions, or changes may be submitted to MAR-614.

Access closures - manually operated (doors, hatches and scuttles)
Accumulators, receivers, flasks, for air, refrigerant, and other fluids
AC/DC power supplies integral to equipment
Air conditioning units, stateroom porthole type
Amplifiers integral to an equipment
Anchors, anchor chain, and lines
Battery chargers, unless installed
Batteries, portable
Bells associated with an alarm system
Circuit breakers, less than 100 amps
Computers not integral to a system
Connectors
Controlled Material items
Cooling coils, air duct type
Couplings, with the exception of those that are part of the main propulsion shafting, main turbines, generators, and diesel engines
Cylinders for watertight doors
Dial telephone sets
Dimmers/rheostats - controlling status board lights
Distribution boxes
Electrical connection boxes
Exciters, except power generator exciters
Expansion joints and flexible pipe couplings
Fans and brackets, open-bladed, bulkhead mounted, and portable filters
Fuse boxes
Gauges and meters
Header assemblies
Heaters for habitability spaces
Household type washers and dryers
Indicators, sight liquid
Interconnecting boxes
Junction boxes
Lighting, with the exception of navigation, aircraft facility, special cargo installations, and searchlights
Nozzles, firehose type
Office equipment
Panels, with the exception of control and monitoring panels for critical systems such as vessel's whistle, fire fighting systems, main engine controls, boiler controls, salinity indicating systems, and alarm panels
Plotting boards - other than tactical display
Plumbing fixtures
Portable galley equipment
Portable equipment, with the exception of materials handling equipment such as forklifts
Radio frequency filters
Relay and relay arms - other than reverse current (type CON and CRN)
Shop equipment
Solenoid, valve
Sprinkler heads
Strainers
Stuffing boxes
Switch boxes
Switches
Tanks, miscellaneous
Tank level indicators
Terminal boxes
Thermometers
Transformers - other than power distribution and lighting
Traps
Urinals/water closets/lavatories
Valves less than four inches, except fuel oil emergency shut-off valves, boiler safety valves, and blow-off valves, and hydraulic/air/electric motor-operated valves
Ventilation motors under 3 horsepower, and associated fans, controllers, and heat exchangers; except those installed to ventilate engine rooms, machinery spaces, cargo spaces, flammable storage, battery storage, and charging rooms, and other hazardous spaces.

Appendix G: Sample Sizes at 95% Confidence Level and 5% Precision

Population Size	Sample Size	Population Size	Sample Size	Population Size	Sample Size	Population Size	Sample Size
100		**4,000**		**8,000**		**12,000**	
1 - 100	80	4,001 - 4,100	352	8,001 - 8,100	367	12,001 - 12,100	373
101 - 200	132	4,101 - 4,200	353	8,101 - 8,200	367	12,101 - 12,200	373
201 - 300	169	4,201 - 4,300	353	8,201 - 8,300	368	12,201 - 12,300	373
301 - 400	197	4,301 - 4,400	354	8,301 - 8,400	368	12,301 - 12,400	373
401 - 500	218	4,401 - 4,500	355	8,401 - 8,500	368	12,401 - 12,500	373
501 - 600	235	4,501 - 4,600	355	8,501 - 8,600	368	12,501 - 12,600	373
601 - 700	249	4,601 - 4,700	356	8,601 - 8,700	368	12,601 - 12,700	373
701 - 800	260	4,701 - 4,800	356	8,701 - 8,800	369	12,701 - 12,800	373
801 - 900	270	4,801 - 4,900	357	8,801 - 8,900	369	12,801 - 12,900	374
901 - 1,000	278	4,901 - 5,000	357	8,901 - 9,000	369	12,901 - 13,000	374
1,000		**5,000**		**9,000**		**13,000**	
1,001 - 1,100	285	5,001 - 5,100	358	9,001 - 9,100	369	13,001 - 13,100	374
1,101 - 1,200	292	5,101 - 5,200	358	9,101 - 9,200	369	13,101 - 13,200	374
1,201 - 1,300	297	5,201 - 5,300	359	9,201 - 9,300	369	13,201 - 13,300	374
1,301 - 1,400	302	5,301 - 5,400	359	9,301 - 9,400	370	13,301 - 13,400	374
1,401 - 1,500	306	5,401 - 5,500	360	9,401 - 9,500	370	13,401 - 13,500	374
1,501 - 1,600	310	5,501 - 5,600	360	9,501 - 9,600	370	13,501 - 13,600	374
1,601 - 1,700	314	5,601 - 5,700	360	9,601 - 9,700	370	13,601 - 13,700	374
1,701 - 1,800	317	5,701 - 5,800	361	9,701 - 9,800	370	13,701 - 13,800	374
1,801 - 1,900	320	5,801 - 5,900	361	9,801 - 9,900	370	13,801 - 13,900	374
1,901 - 2,000	323	5,901 - 6,000	362	9,901 - 10,000	370	13,901 - 14,000	374
2,000		**6,000**		**10,000**		**14,000**	
2,001 - 2,100	325	6,001 - 6,100	362	10,001 - 10,100	371	14,001 - 14,100	374
2,101 - 2,200	328	6,101 - 6,200	362	10,101 - 10,200	371	14,101 - 14,200	375
2,201 - 2,300	330	6,201 - 6,300	363	10,201 - 10,300	371	14,201 - 14,300	375
2,301 - 2,400	332	6,301 - 6,400	363	10,301 - 10,400	371	14,301 - 14,400	375
2,401 - 2,500	334	6,401 - 6,500	363	10,401 - 10,500	371	14,401 - 14,500	375
2,501 - 2,600	335	6,501 - 6,600	364	10,501 - 10,600	371	14,501 - 14,600	375
2,601 - 2,700	337	6,601 - 6,700	364	10,601 - 10,700	371	14,601 - 14,700	375
2,701 - 2,800	338	6,701 - 6,800	364	10,701 - 10,800	371	14,701 - 14,800	375
2,801 - 2,900	340	6,801 - 6,900	364	10,801 - 10,900	372	14,801 - 14,900	375
2,901 - 3,000	341	6,901 - 7,000	365	10,901 - 11,000	372	14,901 - 15,000	375
3,000		**7,000**		**11,000**			
3,001 - 3,100	342	7,001 - 7,100	365	11,001 - 11,100	372		
3,101 - 3,200	344	7,101 - 7,200	365	11,101 - 11,200	372		
3,201 - 3,300	345	7,201 - 7,300	365	11,201 - 11,300	372		
3,301 - 3,400	346	7,301 - 7,400	366	11,301 - 11,400	372		
3,401 - 3,500	347	7,401 - 7,500	366	11,401 - 11,500	372		
3,501 - 3,600	348	7,501 - 7,600	366	11,501 - 11,600	372		
3,601 - 3,700	349	7,601 - 7,700	366	11,601 - 11,700	372		
3,701 - 3,800	349	7,701 - 7,800	367	11,701 - 11,800	373		
3,801 - 3,900	350	7,801 - 7,900	367	11,801 - 11,900	373		
3,901 - 4,000	351	7,901 - 8,000	367	11,901 - 12,000	373		

Appendix H: PMS325 Letter dated 25 July, 2000

DEPARTMENT OF THE NAVY
PROGRAM EXECUTIVE OFFICE
EXPEDITIONARY WARFARE
2531 JEFFERSON DAVIS HIGHWAY
ARLINGTON VA 22242-5171

IN REPLY REFER TO
4000
Ser 325R32/ 0668
25 JULY 2000

From: Program Executive Officer, Expeditionary Warfare (PMS325)

To: Distribution

Subj: OFFSHORE PETROLEUM DISCHARGE SYSTEM (OPDS) CONFIGURATION MANAGEMENT TANKER READINESS GUIDANCE

Ref: (a) CNO ltr Ser N4222D/4U592234 of 14 Jul 94 (NOTAL)
(b) NAVSEA ltr Ser 38532/229 of 7 Apr 95
(c) PEO-EXW ltr Ser 38532/1068 of 29 SEP 99

Encl: (1) OPDS Configuration Management Plan (CMP) of Jul 00
with APPENDIX A: OPDS MATERIAL ASSESSMENT PLAN and APPENDIX B: OPDS OUTFITTING MATERIAL MANAGEMENT PLAN (Distributed electronically)
(2) OPDS Outfitting Allowance Lists for OPDS Tanker Material Assessments (Distributed electronically)
(3) OPDS Outfitting Material Management Plan Custody Lists (Distributed electronically)

1. Reference (a) provided guidance to NAVSEA for establishment of OPDS lifecycle management including OPDS Configuration Management. Reference (b) promulgated the OPDS Configuration Management Plan (CMP). The CMP describes the scope of OPDS including the tankers, equipment, organizational responsibilities, and procedures for implementing changes. Reference (b) further stated that the scope of the effort and organizational responsibilities could change over time, and that the document may require revision to reflect mutually agreed upon changes. Numerous upgrades and changes to the OPDS have occurred since July 1995 and have resulted in the requirement to revise the OPDS Configuration Management Plan. Reference (c) was the most recent revision to the CMP and included guidance for conducting configuration audits, establishing of OPDS allowances, and monitoring tanker readiness.

Appendix H: PMS325 Letter dated 25 July, 2000

Reference (c) did not provide written guidance for performing tanker readiness assessments or procedures for documenting acccuntability of OPDS equipment, outfitting gear, and tools issued to conduct OPDS operations.

2. Enclosure (1) was provided for review and comment to CNO (N422D), MARAD (MAR611), EWTGPAC (CODE 7), NBG1, NBG2, ACB1, ACB2, UCT1, and UCT2, and revised to incorporate the comments. Accordingly, this revised plan including Appendix A (OPDS MATERIAL ASSESSMENT PLAN) and Appendix B (OPDS OUTFITTING MATERIAL MANAGEMENT PLAN) is effective the date of this letter. It will remain in effect until such time as any of the above organizations provides a
Subj: OFFSHORE PETROLEUM DISCHARGE SYSTEM (OPDS) CONFIGURATION MANAGEMENT TANKER READINESS GUIDENCE

written request to NAVSEA (PEO-EXW, PMS325R) to modify or cancel this plan.

3. Enclosure (2) supports Appendix A and enclosure (3) supports Appendix B and are effective the date of this letter. These enclosures shall be updated as changes occur to the OPDS equipment, outfitting gear, and tools. Revisions to these enclosures will be issued without re-issuing the basic CMP or the Appendixes.

4. Since this document with all enclosures exceeds 100 pages, it will be distributed electronically. The hard copy of this cover letter to each addressee is for record purposes.

5. The PEO-EXW point of contact is Mr. Jim Martin, PMS325R32, commercial telephone (703) 602-0920.

M. D. FINK
By direction

Appendix H: PMS325 Letter dated 25 July, 2000

Distribution:
CNO (N422D) (Satterly.Tom@HQ.NAVY.MIL)
COMNAVBEACHGRU ONE (CNBG1BOX@nosc.mil)
COMNAVBEACHGRU TWO (lmahoney@hq.cnsl.spear.navy.mil)
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UCT ONE (Rosnerjc@2ncb.navy.mil)
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MARAD (MAR611) (Paul.Gilmour@marad.dot.gov)
EWTGPAC (CODE 7) (donlonse@ewtgpac.navy.mil)
(whitegt@ewtgpac.navy.mil)
CESO (CODE 47) (herdr@slc.navfac.navy.mil) (lutmangl@slc.navfac.navy.mil)

Copy to:
EWTGPAC (D. Hall) (dhall@electriciti.com)
TMA (haraldsen_leif@tmac.com)

Blind copy to:
PMS325R, C, Reading File, 3, 32 (2)

Index for Volume I

Index for Volume I