

SOLICITATION / CONTRACT / ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER		PAGE 1 OF 35	
2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE 09/21/2010	4. ORDER NUMBER DTMA2P10171	5. SOLICITATION NUMBER DTMA2Q10063
7. FOR SOLICITATION INFORMATION CALL: a. NAME Glen Spears		b. TELEPHONE NUMBER (No collect calls) (757) 441-3245 ext.	8. SOLICITATION ISSUE DATE 09/30/2010 9. OFFER DUE DATE/ LOCAL TIME 09/03/2010 2:00 pm

9. ISSUED BY
 DOT/Maritime Administration, SAR Acquisition
 Office of Acquisition, MRG-7200
 7737 Hampton Boulevard, Building 4D, Room 211
 Norfolk, VA 23505
 TEL: (757) 441-3245 ext.
 FAX: (757) 441-6080 ext.

10. THIS ACQUISITION IS
 UNRESTRICTED OR SET ASIDE: 0.00% FOR:
 SMALL BUSINESS EMERGING SMALL BUSINESS
 HUBZONE SMALL BUSINESS 8(A)
 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
 NAICS: 336611
 SIZE STANDARD:

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED
 SEE SCHEDULE

12. DISCOUNT TERMS

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)

13b. RATING

14. METHOD OF SOLICITATION
 RFQ IFB RFP

15. DELIVER TO
 CODE
 James River Reserve Fleet, Fleet Operations Group, MRG-7715
 End of Harrison Road, Bldg. 2608
 Fort Eustis, VA 23604
 Attn: Martin Walker

16. ADMINISTERED BY
 CODE 00092
 DOT/Maritime Administration, Atlantic Division Acquisition
 Office of Acquisition, MRG-7200, 7737 Hampton Boulevard, Building 19, Suite 300
 Norfolk, VA 23505

17a. CONTRACTOR/OFFEROR
 CODE * FACILITY CODE
 Associated Naval Architects
 3400 SHIPWRIGHT ST
 PORTSMOUTH, VA 23703-2428
 TELEPHONE NO. (757) 484-5320 ext.

18a. PAYMENT WILL BE MADE BY
 CODE
 DOT/Enterprise Services Center (ESC) O/O/FAA, Oklahoma City
 MARAD A/P SAR Invoices Branch, AMZ-150 PO Box 26710,
 Oklahoma City, OK 73125

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED
 SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
(Use Reverse and/or Attach Additional Sheets as Necessary)					

25. ACCOUNTING AND APPROPRIATION DATA
 2010 - 70 - X4303 - RRF 971 - 76 - FCM0 - 0 - 0000 - 000000 - 70 - 106171 - 76 - FCM0 - 25421 - 8100 - 8600 -

26. TOTAL AWARD AMOUNT (For Govt. Use Only)
 \$ 145,450.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ARE ARE NOT ATTACHED

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA ARE ARE NOT ATTACHED

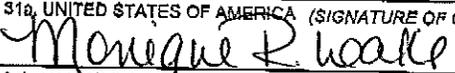
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN _____ COPIES TO ISSUING OFFICE, CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29. AWARD OF CONTRACT: REF. _____ your quote OFFER
 DATED 09/31/2010, YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR


30b. NAME AND TITLE OF SIGNER (Type or print)
 R.A. Davis, President

30c. DATE SIGNED
 9/21/2010

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)


31b. NAME OF CONTRACTING OFFICER (Type or print)
 Monique Leake

31c. DATE SIGNED
 9-21-2010

AUTHORIZED FOR LOCAL REPRODUCTION
 PREVIOUS EDITION IS NOT USABLE

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

RECEIVED INSPECTED ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
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32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
	32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT	37. CHECK NUMBER
<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL			<input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	

38. S/R ACCOUNT NUMBER	39. S/R VOUCHER NUMBER	40. PAID BY
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41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT	42a. RECEIVED BY <i>(Print)</i>
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE
	42b. RECEIVED AT <i>(Location)</i>
	42c. DATE REC'D <i>(YY/MM/DD)</i>
	42d. TOTAL CONTAINERS

Line Item Summary	Document Number DTMA2P10171	Title FB-217 Drydocking	Page 3 of 35
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Total Funding: \$145,450.00

FYs	Fund	Budget Org	Sub	Object Class	Sub	Program	Cost Org	Sub	Proj/Job No.	Sub	Reporting Category
2010 70	X4303	RRF 971	76	FCM0	0	0000	000000	70	106171	76	FCM0
Division	Closed FYs		Cancelled Fund								
25421	6100	6600									

Line Item Number	Description	Delivery Date (Start Date to End Date)	Quantity	Unit of Issue	Unit Price	Total Cost (Includes Discounts)
<i>DUNS #003174885</i>						
<i>COTR is Chris Hudgins; Phone Number 757-887-3233 X17</i>						
0001	GENERAL SERVICES	(09/27/2010 to 10/28/2010)	30.00	DAY	\$325.000	\$ 9,750.00
	See STATEMENT OF WORK					
0002	DRYDOCK	(09/27/2010 to 10/28/2010)	1.00	JOB	\$14,510.000	\$ 14,510.00
0003	GAS FREE CERTIFICATE	(09/27/2010 to 10/28/2010)	1.00	LOT	\$5,860.000	\$ 5,860.00
0004	CATHODIC PROTECTION	(09/27/2010 to 10/28/2010)	1.00	JOB	\$3,130.000	\$ 3,130.00
0005	HULL UT SURVEY	(09/27/2010 to 10/28/2010)	1.00	JOB	\$495.000	\$ 495.00

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Total Funding: \$145,450.00

FYs	Fund	Budget Org	Sub	Object Class	Sub	Program	Cost Org	Sub	Proj/Job No.	Sub	Reporting Category
2010 70	X4303	RRF 971	76	FCM0	0	0000	000000	70	106171	76	FCM0
Division	Closed FYs		Cancelled Fund								
25421	6100	6600									

Line Item Number	Description	Delivery Date (Start Date to End Date)	Quantity	Unit of Issue	Unit Price	Total Cost (Includes Discounts)
0006	HULL CLEANING AND PAINTING	(09/27/2010 to 10/28/2010)	1.00	JOB	\$40,720.000	\$ 40,720.00
0007	CROP AND RENEW EXISTING WATERTIGHT HATCHES	(09/27/2010 to 10/28/2010)	1.00	JOB	\$25,985.000	\$ 25,985.00
0008	SUPPLEMENTAL STEEL RENEWALS	(09/27/2010 to 10/28/2010)	0.00	JOB	\$.000	\$ 0.00
	NOT SEPARATELY PRICED					
0008AA	Single Shapes	(09/27/2010 to 10/28/2010)	500.00	LBS	\$12.000	\$ 6,000.00
	THIS IS A NOT-TO-EXCEED AMOUNT					
0008AB	Frames and Internals	(09/27/2010 to 10/28/2010)	500.00	LBS	\$6.000	\$ 3,000.00
	THIS IS A NOT-TO-EXCEED AMOUNT					

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Total Funding: \$145,450.00

FYs	Fund	Budget Org	Sub	Object Class	Sub	Program	Cost Org	Sub	Proj/Job No.	Sub	Reporting Category
2010 70	X4303	RRF 971	76	FCM0	0	0000	000000	70	106171	76	FCM0
Division	Closed FYs		Cancelled Fund								
25421	6100	6600									

Line Item Number	Description	Delivery Date (Start Date to End Date)	Quantity	Unit of Issue	Unit Price	Total Cost (Includes Discounts)
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0008AC	FLAT STEEL	(09/27/2010 to 10/28/2010)	500.00	LBS	\$8.000	\$ 4,000.00
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0009	SUPPLEMENTAL LABOR	(09/27/2010 to 10/28/2010)	600.00	MH	\$50.000	\$ 30,000.00
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The Government may have supplemental requirements due to emergent or additional work. Provide a quote for six hundred supplemental labor hours. The government reserves the right to order any quantity as required at this price for the duration of the contract. The supplemental labor rate shall be a yard wide, composite straight time/overtime labor rate and includes the fully burdened composite labor rate applicable to all skilled, unskilled, management, supervision, overhead, G&A, profit, contractor and sub contractor, quality assurance, delay and disruption, bonding, insurance etc. The yard wide composite rate shall be binding during the entire period of this contract for all supplemental work.

0010	SUPPLEMENTAL MATERIAL	(09/27/2010 to 10/28/2010)	1.00	NTE	\$2,000.000	\$ 2,000.00
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The allowance for supplemental material is for direct costs only. Any allowance for handling, equipment, profit and overhead is to be included in the associated supplemental labor rate. Supplemental material will be payable to the contractor only to the extent authorized as part of supplemental growth work.

Total Cost: \$145,450.00

In order for an invoice to be processed for payment, it must include your Federal ID Number, Purchase Order Number, and Invoice Number. Without these numbers, your invoice will be returned and payment will be delayed.

**Contract Level
Funding Summary**

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\$145,450.00

Total Funding: \$145,450.00

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COMMERCIAL CLAUSES

1 STATEMENT OF WORK

STATEMENT OF WORK
DRYDOCKING AND REPAIR
FB-217 SWOB BARGE
LENGTH OVERALL 108 FEET
BREADTH 28 FEET
DRAFT. LIGHT 8 FEET
STEEL HULL

STATEMENT OF WORK

SITE VISIT - Potential Offerors are highly encouraged to inspect the vessel thoroughly before submitting their price quotation. All vessel inspections are done Monday - Thursday by appointment only at the James River Reserve Fleet, Fort Eustis, VA. To arrange an appointment to inspect the Vessel, contact Mr. Chris Hudgins at (757) 887-3233 ext. 17.

0001 - SERVICES

Contractor is to provide all labor and material required to perform a dry docking of FB-217 SWOB Barge according to the following Statement of Work. The craft will be delivered and tendered to the contractor at his facility within three working days of notice to proceed. MARAD will deliver the FB-217 to the contractor's facility which shall be located within 30 nautical miles of the James River Reserve Fleet. MARAD will assume custody and take re-delivery of the craft at the same contractor's facility after all work is performed and accepted. MARAD intends to have a representative on site during most production days while the craft is at the contractor's facility. MARAD will provide its own crew for operating the craft. The contractor will provide the following services to support this project:

1. Provide, deploy and retrieve all Oil Containment Boom as may be required while the craft is at the contractor's facility. Provide the services of an oil spill clean up company (OSRO) if any discharge occurs while the craft is at the contractor's facility. Spills and pollution discharges shall be the sole responsibility of the contractor for clean-up.
2. Provide an office space near the dry dock or marine railway for use by the Owner's representative or representatives during the course of this contract with a desk and three chairs. Supply, install, connect and maintain for the duration of the shipyard period one separate telephone and FAX service line in the owner representative office. The line must have unrestricted long distance service capability. The Contractor shall provide all cables, fittings, jacks, telephones and FAX in order to install the complete system. Contractor shall include all costs involved with providing and maintaining the telephone and FAX including any service charges for the duration of the contract period. For estimating purposes, Contractor shall estimate \$50.00 per day for long distance telephone calls.
3. The Contractor shall provide all line handlers to moor the vessel upon arrival, to cast off the vessel during the final departure, and during all shifts within the Contractor's facility. The Contractor must supply all heaving lines and stoppers during the mooring operations. Note: The Vessel crew will man the craft during arrival and departure from yard. The Contractor shall supply and secure in position at all times, one (1) gangway with proper handrails and security nets to allow easy access to and from the vessel. The gangway shall be set up at a location approved by the Owner's Representative.
4. When required, the contractor shall provide the services of a crane, crane operator, and rigger to assist in the performance of all work items required by this contract. All costs incurred by the use of the crane will be the sole responsibility of the Contractor. As a minimum, the crane should have a 5 ton capacity and a sufficient reach to land a load on the main deck of the craft. The Contractor must supply all lifting gear (spreader bars, straps, etc.) and operators and riggers required to support all crane service.
5. The Contractor must provide fire protection to the vessel upon arrival at Contractor's facility. Fire Protection shall comply with the National Fire Protection Association, "Standard for Fire Protection of Vessels during Construction, Repair, and Lay-up", NFPA 312.
6. The Contractor shall furnish and ensure a trained dedicated fire watch is at the work site during the performance of any hot work operations throughout the period of performance of the contract. The fire watch shall have the sole responsibility of fire safety.

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The fire watch shall not perform other work while assigned to the fire watch. All fire watches must be equipped with appropriate fire extinguishers and/or other fire fighting gear. The Contractor will not be allowed to use the craft's fire extinguishers. Strict adherence to rules and regulations of Certified Gas Chemist and NFPA regulations shall be instituted during the entire repair period.

7. All new and disturbed steel or other surfaces on this vessel resulting from the performance of work items in this package shall be prepared and recoated per the coating requirements listed in this specification. Surfaces are to be prepared by sanding, grinding, blasting or mechanical scaling as may be specified. At a minimum, surface preparation for steel shall be to SSPC (Steel Structure Painting Council) specification. All coatings used must be compatible to the existing coatings. As a minimum requirement for any painting, including touch-ups of damaged or otherwise affected areas, surfaces shall be prepared free of all loose rust, dirt, oil and grease. Touch-up painting shall be done using similar coating materials and systems to that existing, and shall match the surrounding area to the maximum extent practical. Any existing system or equipment markings shall be protected or re-applied according to the above guidelines.

8. It shall be the responsibility of the Contractor to confirm with the Owner's Representative all or any sizes, shapes, types, dimensions, colors, materials, parts, technical requirements, data and/or processes required to effectively make associated repairs and/or modifications per these specifications prior to the commencement of work.

9. All material, equipment, etc., used in the performance of the specifications shall be at least equal to that of the original, be certified by an established industry-wide recognized standard for marine application. In addition, all Contractor furnished bolting shall be U.S. Thread National Course or National Fine.

10. All equipment, machinery, systems, tankage etc. opened in the performance of these specifications, including all interference's, removals etc., in way of; shall be closed-up, reinstalled, replaced etc., as original with new gaskets, packing, fasteners, etc. including caulking and washers to studs of manholes, access covers, etc. Said equipment, machinery, systems, tankage, etc. shall be tested in accordance with accepted practices to prove tightness and proper operations upon completion of work.

11. All new, disturbed and/or soiled materials, surfaces, equipment, etc., affected by the accomplishment of these specifications shall be properly cleaned, prepared, coated/recoated, re-lagged/re-insulated, etc., as applicable and original. All spaces, equipment, machinery, tanks, accommodations, affected by repairs shall be left in a clean and orderly condition and ready to serve their intended purposes. The vessel shall be re-delivered in a condition at least equal to when received by the Contractor. A mutual inspection of the entire vessel by the Owner's Representative, and the Contractor, is to be conducted before commencement and upon completion of contract. Owner's Representative shall decide all disputed matters.

12. Except when specified in writing from the Owner's Representative, the Contractor shall not use any of the vessel's spare parts, equipage, material or equipment in the performance of specifications, including mooring lines, etc. Any spare parts, equipage, material, etc. authorized for use by the Owners Representative to the contractor are to be replaced, at the Contractor's expense, prior to the completion of the contract. The Contractor shall be responsible for all deficiencies and the prompt and proper restoration of same and all deficiencies arising from the Contractor's use of the vessel equipage, machinery, etc.

13. Some of the vessel's Crew will be onboard the craft periodically and shall have free access to and from shore. The vessels crew will not be feeding and sleeping aboard, but the crew shall be free to do regular maintenance and repairs to all machinery and equipment. By no means will crew work be allowed to interfere with contract work.

14. The Contractor shall provide the necessary labor, material and equipment to remove all garbage, trash, and debris from the ship on a daily basis. Dispose of the garbage, trash, and debris in accordance with local, state and federal regulations. The Contractor must clean up all work sites onboard the Craft on a daily basis. As a minimum, the clean up shall include the removal and disposal of all trash and debris. Upon completion of all work, the Contractor must ensure the cleanliness of the Craft is equal or better than the original condition found during the initial cleanliness inspection. The Owner's Representative and Contractor's Representative shall perform a final and joint inspection of the Craft before the vessel departs the contractor's facility.

15. The Contractor shall supply sufficient compressed air during the entire period of performance of the contract. The compressed air shall be free of moisture and oil. As a minimum, the Contractor must provide sufficient engine room and main deck air manifolds, as well as all necessary hoses and fittings, to meet the required needs of the Contractor and craft crew.

16. The Contractor shall furnish all labor, material and equipment to set-up temporary lighting in all spaces and tanks where work is to be carried out. The temporary lights shall be installed to support shipyard personnel and the Craft crew. The Contractor will be responsible to provide and set up temporary lighting as directed by the Owner's Representative.

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17. The Contractor shall furnish labor and material to connect and supply power in quantity sufficient to light the vessel and operate any equipment needed to accomplish the specification while vessel is berthed at the Contractor's facility. The Contractor must provide all lugs and cable necessary to make all connections.

0002 - DRYDOCK

The Contractor shall furnish the necessary labor, material and equipment to safely dock and undock MARAD Tug Boat TD 21 for cleaning, painting, examination and repairs as required. Docking blocks shall be arranged per Government furnished docking plan. Fleet the vessel or shift the blocks to accomplish complete cleaning and painting as specified in item 0005. The contractor is responsible for providing their proposed drydocking plan showing blocking arrangement prior to drydocking the vessel.

0003 - GAS FREE CERTIFICATE

Provide services of qualified Marine Chemist who shall certify the engine room and all other tanks and spaces required to be opened or gas free "safe for men/safe for hot work". The certificate is to be maintained by Ship Yard Competent Person during entire period of availability. Prior to the start of all hot work or enclosed space inspections, the Contractor must provide the services of a Certified Marine Chemist to monitor the gas free state and to issue a gas free certificate (for all spaces where hot work or inspections are to be performed). No hot work shall be permitted, until the compartment involved and surrounding areas have received a "Safe for Men - Safe for Hot Work" certificate issued by the Certified Marine Chemist. All compartments must be re-certified and all gas free certificates must be updated every 24 hours or whenever conditions change in the vicinity of the hot work. A certified shipyard competent person may be used to re-certify a space only if the re-certification falls within the 24-hour limit and conditions have not changed in the space. The Contractor must provide the services of a Marine Chemist to certify "Safe for Men" for all cofferdams, ballast tanks, void spaces, fuel tanks, water tanks, pressure vessels, etc., which must be entered during the period of performance of the contract. The tanks that must be certified include all tanks that are required to be opened for inspection and for shipyard repairs. The Contractor must remove all access covers to the tanks as necessary in support of this item and close all accesses as original after the work and/or inspections have been completed. The tanks must be closed in good order using all new gaskets and providing new fasteners, as required. The Contractor shall vent all spaces using forced ventilation to obtain the "Safe for Men" atmosphere required to obtain the certification of the tanks by the Marine Chemist. Three (3) copies of all Gas Free Certificates must be made available. Each copy must be delivered to the proper person, or location, before entry and/or start of hot work. Distribution of the certificate copies is as follows:

- " One copy to Owner's Representative;
- " One copy for display at Gangway;
- " One copy to be posted at the work site.

The Contractor must develop a check-off list, which contains all tanks that are opened during the period of performance of the contract. The check-off list must include the name of the tanks, the location of the tanks, the date the tanks were opened, and the date the tanks were closed. Submit an updated copy of the check-off list to the Owner's Representative at the end of the contract on a daily basis. The Contractor shall provide labor, material, and equipment to pump and maintain all bilges dry throughout the vessel (including holds and machinery spaces) for the duration of the shipyard period. The bilges must be left in a dry condition at the end of each workday. The Contractor will be responsible to sample all bilge water suspected of containing contaminants and dispose of the water in accordance with all local, state and federal regulations. The Contractor shall provide oil boom retention as necessary during any oil or slops transfer operations.

0004 - CATHODIC PROTECTION

Renew approximately twenty four (24) twenty three pound 12" x 6" x 1/4", sacrificial anodes. Surface prep and paint any coating disturbed in during the replacement.

0005 - HULL UT SURVEY

Take and record seventy five (75) random UT readings, as designated by MarAd COTR, of shell plates in five (5) belts at approximate frames 2, 6, 10, 20, and 49. Submit a sketch showing the location and value of all readings, original thickness and percentage of wastage. Original thickness was .375 inches. Accomplish hull gauging as soon as docking and washing of hull has been completed so that steel renewals can be identified if required. Shell expansion drawing and last set of readings will be furnished by COTR.

0006 - HULL CLEANING AND PAINTING

High pressure water wash (3,500 psi) using a sweep nozzle the entire hull including the rudder from the keel up to and including the bulwarks immediately upon docking to remove surface contaminants, marine growth and loose and flaking paint to SSPC-SP-6. Allow for one hundred and twenty square feet (120 sq. ft.) of uncoated area to be blasted to SSPC-SP-10. Remove all strainer plates, blast

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and coat strainers and sea chests as specified for underwater hull. Reinstall strainer plates using new properly sized stainless steel fasteners and hardware. Mask and plug all hull openings to prevent contamination of the vessels systems, mask the rubber fendering, cover and mask all deck equipment, port lights, hatches and openings to interior of craft.

CHECK POINT - Notify the MARAD COTR that all surfaces are prepared and ready for inspection prior to applying coating system. Note attached photographs from last dry docking. Contractor to supply the services of the paint manufacturer's representative, all paint and all materials to apply the following coating system:

- A. Underwater Hull from keel to waterline:
 - a. apply on spot coat and one full coat @ 4 mil DFT of PPG Amercoat 235 surface tolerant epoxy or equivalent for a total of 8 mil DFT.
 - b. apply two (3) coats @ 4 mil DFT PPG ABC 3 anti-fouling or equivalent for a total of 12 mil DFT. Each coat will be for a different color as follows bottom coat FS 35095, middle coat FS 31302, and FS 10076
- B. Freeboard from waterline to top of rail:
 - a. apply one (1) coat @ 2.5 mil DFT, government furnished AMERCOAT 229T, color FS 37031
- C. Paint all draft marks in white paint.

The contractor is responsible for determining the square footage and quantities of all paint and materials to this item describes the hydro blasting and coating the exterior of the hull, from the keel to the deck edge. During this process, an Owner-furnished technical representative will monitor and advise the Owner's Representative of all production efforts by the contractor. It shall be the responsibility of the contractor to ascertain the correct square footage prior to submitting a bid for this item. The contractor should prepare his/her estimate accordingly. The contractor shall to high pressure fresh water wash the underwater hull from the keel to the water line. The contractor shall use a minimum of 5,000 PSIG, at the nozzle, of fresh water pressure. The contractor shall also provide adequate staging or man-lifts to ensure that the operators can and do maintain a maximum distance of 6" from the hull with the water blasting nozzle or lance. The intent of this item is to remove all marine growth from the underwater hull using scrapers as necessary. All areas of oil or grease are to be thoroughly cleaned to the requirements of "SOLVENT CLEANING STANDARD SSPC-SP1". All damaged and failed coatings shall be completely removed by hydro blasting to International Paint Standard HB 1/2. All areas to be hydro blasted as part of this item shall have edges properly feathered in to ensure tight adhesion of the intact remaining paint system and the new coatings. The Contractor is to make the necessary arrangements to protect the various parts of the hull and house from hydro blasting and painting residue. Temporarily blank, mask or plug all penetrations into the craft including, but not limited to, Port lights, light fixtures, windows, doors, manholes, scuttles, hatches, vent louvers, air escapes, sounding tubes, scuppers, drains, vents and vent ducting in order to prevent intrusion of any water, dirt, removed material or paint while hydro blasting and spray painting is in progress. Cover all areas not to be coated. Maintain the envelope until completion of all such work. Contractor shall schedule production work so as to limit entry into the craft during periods of blasting, and spray painting. Repair or replacement of any such structures/equipment not protected prior to blasting will be the responsibility of the contractor. Additionally, the contractor shall be responsible for the removal of all masking at painting completion and the clean up of any overspray.

NOTE: For blasting and coating purposes, sea chests are to be included as part of the "HULL BLASTING & COATING" item of this specification. The craft's propeller shall be wrapped or removed and kept protected during this evolution.

GENERAL CONDITIONS AND SPECIFICATIONS FOR PAINTING

In addition to the guidelines that follow, all recommendations of Steel Structures Paint Council, the International Paint Manufacturer's Representative and any and all environmental regulations shall be strictly adhered to. A conference will be held by the Owner's Representative, the Contractor, and the International Paint Manufacturer's Representative for the purpose of establishing criteria and agreements pertaining to surface preparation and painting application. Subjects of discussion shall include, but not limited to, the following: role of International Paint Manufacturer's Representative, method of measuring coating thickness, procedures for inspecting each surface prior to its being painted, and other aspects of this subject leading to maximum assurance that coating will be applied successfully and in accordance with this specification. Minutes of this meeting are to be taken by Contractor and a copy forwarded to the Owner's Representative. The meeting minutes shall be initialed by the Contractor, the Contractor's Painting Subcontractor(s), and the Owner's Representative. Upon completion of the 3,500 PSIG water washing of the hull, a joint inspection of the hull shall be performed with the Owner's Representative, The Owner's Paint Representative, and the Contractor in attendance. The purpose of the joint inspection shall be to identify the areas of failed coatings, which will require the hydro blasting to International Paint Standard HB 2 1/2 and re-coating. The Manufacturers Paint Representative will prepare the formal coating schedule outlining the procedures, product designations, product data sheets and dry film thickness for all areas identified in these specifications.

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The Contractor is responsible for determining the correct square footage for ordering the proper amount of paint and for bidding purposes. Contractor to furnish all equipment, materials, and International coatings (paint). The grades of surface preparation to be used in conjunction with these specifications conform to the standards of the: "Steel Structures Painting Council" (SSPC) outlined as follows:

- (1) SOLVENT CLEANING STANDARD SSPC-SP-1
- (2) POWER TOOL CLEANING STANDARD SSPC-SP-3
- (3) International Paint Standard HB 2½ Hydroblasting

A. COATING SYSTEM APPLICATION GUIDELINES

All coatings shall be furnished by the Contractor and applied in compliance with "International Paint Representative Recommendations for Maintenance of Existing Coating Systems". No application of coatings is to be made until the prepared surfaces are approved by the Paint Representative and Owner's Representative. Areas found to contain runs, over-spray, roughness or any other film irregularities are to be repaired and/or re-coated as directed. Application instructions of the Paint Manufacturer and their on site representative shall be explicitly adhered to. Coatings must be thoroughly mixed prior to and during application to ensure that all high solids inorganic zincs are continuously agitated during application to ensure proper suspension of solids. Thinning shall only be done in accordance with the Paint Manufacturer's recommendations. Final dry film thickness shall be as designated in the appropriate coating schedule. This shall be confirmed in the presence of the Owner's Representative by ultrasonic measuring instruments following each coating application and two (2) copies of all coating Reports shall be furnished.

NOTE: Excess thinning of coating will not be permitted. The contractor shall ensure that his equipment is suitably sized to ensure proper spray patterns within the allowable thinning range. All coatings shall be applied according to the coatings manufacturer's technical representative. All technical information contained in the technical data sheet shall be strictly adhered to. Any deviations must be submitted in writing and pre approved by the owners representative. This is to include, but not be limited to:

- (a) Minimum dry film thickness (DFT) required.
- (b) Minimum and maximum surface/ambient temperatures.
- (c) Minimum and maximum relative humidity.
- (d) Spray equipment.
- (e) Clean-up solvents.
- (f) Minimum and maximum recoat times.
- (g) Mixing and thinning.

All coatings will be applied by airless spray, with the exception of hand-stripping as outlined hereafter. A copy of the manufacturer's technical and safety data sheets will be provided to the Owner's Representative prior to the application of any coating. Staging for painting is to be absolutely free from abrasive grit, dirt and rust prior to application of coatings. Steel temperature to be a minimum of five (5) degrees Fahrenheit above the dew point of the surrounding air prior to the application of barrier coats and first coat of primer. No application is to be done when condensation is present on the surface or when the humidity is greater than 80%. Prior to each application of coating, the contractor shall hand-stripe all weld seams using a finger roller with the next coating to be applied. This is to include the first or prime coat. Coatings shall be allowed sufficient time to cure prior to commencement of subsequent hydro blasting operations in order to preclude dirt, grit and dust inclusion in the coating. Any areas found to have dirt, grit or dust inclusion shall be re-blasted by the contractor as directed by the Owner's Representative or his designee. All costs associated with re-blasting will be borne by the contractor. Coating start and stop points shall be overlapped to avoid excessive build-up, especially on the side shell areas. The contractor shall supply adequate lighting and wet film thickness gauges to the painters and will supervise the use thereof to ensure maximum quality. The Owner's Representative or his designee will inspect all evolutions involved with this item. The contractor will provide as much advance notice as possible, but not less than six (6) hours. The Contractor shall develop a check point list based on the requirements of this specification, and furnish two copies to the port engineer. The Contractor shall present the check list at the initial paint conference for approval by the Owner's Representative. A sign-off system shall be developed by the contractor for each check point listed. These sign-off slips shall contain the date, time, ambient temperature, surface temperature, dew point, relative humidity, and batch number of the coating, as well as the signatures of the contractor and Owner-furnished technical representative. Completed sign-off slips shall be provided to the Owner's Representative. The basic color requirements are as follows:

- (1) FREEBOARD - BLACK
- (3) KEEL TO WATER LINE- DARK RED
- (5) NAMES, DRAFTS, ETC. - WHITE

Each individual prime coat is to be tinted to a different shade for identification purposes. All coating to be cut in neatly to adjacent contrasting colors. Inspections: The following check points shall be established by the contractor and incorporated into the daily production schedule:

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1. Vessel Protection: Prior to commencement of any abrasive blasting.
2. Surface Preparation: Prior to the application of coating, after blasting, and prior to each subsequent application of the coating system.

NOTE: Prior to the prime or first coat of the coatings system and prior to calling for an inspection, all areas to be coated shall be blown down with clean, dry air, including keel blocks in way of areas to be coated. The same procedure is to be followed for each subsequent application of the coating system. Drydock Clean-Up: Prior to application of the second coat of the anti-corrosive on the vessel bottom, as described above. Mixing and Thinning of Coatings: Prior to mixing and thinning of any coatings, the Contractor shall ensure compliance with the manufacturer's technical data sheet. Vessel Clean Up: After final acceptance of the coating system, the contractor shall fresh water wash down the entire vessel's topside from the mast to the main deck, from the bow to the stern. During this evolution, the contractor shall prove all deck drains clear to the Owner's Representative. Any deck drains not found to be clear will be the responsibility of the contractor to free up.

0007 - CROP AND RENEW EXISTING WATERTIGHT HATCHES

Crop out and replace (weld) eleven existing water tight hatches with government furnished quick acting watertight steel hatches. Ensure proper fit, operation and seal of hatches. Surface prep and paint any coating disturbed in during the replacement.

0008 - SUPPLEMENTAL STEEL RENEWALS

Renew steel in various locations as designated by the Owner's Representative. Cut and remove steel, supply, fit and install new steel as per ABS and USCG rules and regulations. Sandblasting, priming, painting and testing shall be included in the price. All new and disturbed steel shall be prepared and coated as directed in CLINs 0005 or 0006 as appropriate. Interior surfaces shall be prepared and coated with 2 coats of surface tolerant epoxy. Repaired areas shall be tested with a vacuum box where practical or otherwise hose tested. Prepare disturbed areas after installation and testing and prime. Apply remainder of coating system. Submit unit price per pound for steel renewal as indicated below:

- (A) FLAT STEEL - Price per pound to renew 0-500 LBS flat steel plate.
- (B) SINGLE SHAPES - Price per pound to renew 0-500 LBS single shaped steel.
- (C) FRAMES AND INTERNALS - Price per pound to renew 0 - 500 LBS. of frames and internals.

0009 - SUPPLEMENTAL LABOR

The Government may have supplemental requirements due to emergent or additional work. Provide a quote for six hundred supplemental labor hours. The government reserves the right to order any quantity as required at this price for the duration of the contract. The supplemental labor rate shall be a yard wide, composite straight time/overtime labor rate and includes the fully burdened composite labor rate applicable to all skilled, unskilled, management, supervision, overhead, G&A, profit, contractor and subcontractor, quality assurance, delay and disruption, bonding, insurance etc. The yard wide composite rate shall be binding during the entire period of this contract for all supplemental work.

0010 - SUPPLEMENTAL MATERIAL

The allowance for supplemental material is for direct costs only. Any allowance for handling, equipment, profit and overhead is to be included in the associated supplemental labor rate. Supplemental material will be payable to the contractor only to the extent authorized as part of supplemental growth work.

2 52.252-02 CLAUSES INCORPORATED BY REFERENCE

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

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(2) If the Contractor fails to proceed promptly with the replacement or correction of the material or workmanship, the Government may replace or correct the defective or nonconforming material or workmanship and charge the Contractor the excess costs incurred.

(3) As specified in the contract, the Contractor shall provide and maintain an inspection system acceptable to the Government.

(4) The Contractor shall maintain complete records of all inspection work and shall make them available to the Government during performance of the contract and for 90 days after the completion of all work required.

(d) The Contractor shall not permit any welder to work on a vessel unless the welder is, at the time of the work, qualified to the standards established by the U.S. Coast Guard, American Bureau of Shipping, or Department of the Navy for the type of welding being performed. Qualifications of a welder shall be as specified in the contract.

(e) The Contractor shall--

(1) Exercise reasonable care to protect the vessel from fire;

(2) Maintain a reasonable system of inspection over activities taking place in the vicinity of the vessel's magazines, fuel oil tanks, or storerooms containing flammable materials.

(3) Maintain a reasonable number of hose lines ready for immediate use on the vessel at all times while the vessel is berthed alongside the Contractor's pier or in dry dock or on a marine railway;

(4) Unless otherwise provided in the contract, provide sufficient security patrols to reasonably maintain a fire watch for protection of the vessel when it is in the Contractor's custody;

(5) To the extent necessary, clean, wash, and steam out or otherwise make safe, all tanks under alteration or repair.

(6) Furnish the Contracting Officer a "gas-free" or "safe-for-hotwork" certificate before any hot work is done on a tank;

(7) Treat the contents of any tank as Government property in accordance with the Government Property (Fixed-Price Contracts) clause; and

(8) Dispose of the contents of any tank only at the direction, or with the concurrence, of the Contracting Officer.

(9) Be responsible for the proper closing of all openings to the vessel's underwater structure upon which work has been performed. The contractor additionally must advise the Government of the status of all valve closures and openings for which the contractor's workers were responsible.

(f) Except as otherwise provided in the contract, when the vessel is in the custody of the Contractor or in dry dock or on a marine railway and the temperature is expected to go as low as 35 Fahrenheit, the Contractor shall take all necessary steps to--

(1) Keep all hose pipe lines, fixtures, traps, tanks, and other receptacles on the vessel from freezing; and

(2) Protect the stern tube and propeller hubs from frost damage.

(g) The Contractor shall, whenever practicable--

(1) Perform the required work in a manner that will not interfere with the berthing and messing of Government personnel attached to the vessel; and

(2) Provide Government personnel attached to the vessel access to the vessel at all times.

(h) Government personnel attached to the vessel shall not interfere with the Contractor's work or workers.

(i)(1) The Government does not guarantee the correctness of the dimensions, sizes, and shapes set forth in any contract, sketches, drawings, plans, or specifications prepared or furnished by the Government, unless the contract requires that the Contractor perform the work prior to any opportunity to inspect.

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(2) Except as stated in paragraph (i)(1) of this clause, and other than those parts furnished by the Government, and the Contractor shall be responsible for the correctness of the dimensions, sizes, and shapes of parts furnished under this agreement.

(j) The Contractor shall at all times keep the site of the work on the vessel free from accumulation of waste material or rubbish caused by its employees or the work. At the completion of the work, unless the contract specifies otherwise, the Contractor shall remove all rubbish from the site of the work and leave the immediate vicinity of the work area "broom clean."

5	1252.232- 80	PROGRESS PAYMENTS UNDER COMMERCIAL SHIP REPAIR CONTRACTS	OCTOBER 2000
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(a) In order for a Contractor to be considered for payment of progress payments, the Contractor must request, in writing, within five (5) federal working days after contract award, the inclusion of progress payments in the contract awarded as a result of the individual solicitation. Written requests must be accompanied by an itemized breakdown of the contract price for performing each item of work, as identified by each principle category of work in the specification. The breakdown will include the prorated portion of contract price for (i) direct labor, (ii) material, (iii) overhead, and (iv) any amount included for contingencies and profit. If the Contractor does not provide an itemized breakdown, progress payments will not be authorized. The Contracting Officer has sole discretion for approving the itemized breakdown and subsequent authorization of progress payments. If authorized, the specific contract will be modified to incorporate progress payments. Progress payments may be unilaterally suspended if unsatisfactory contract performance occurs. In the event that progress payments are suspended, contract payments will be made under the provisions of FAR 52.232-1 Payments (APR 1984). Pursuant to FAR 52.232-1, partial payments will only be permitted on a Contract Line Item (CLIN) basis. To be considered for partial payment, the CLIN must be 100% complete and inspected and accepted by the Government.

(b) The Government shall pay the Contractor the contract price as provided in this contract.

(c) For contracts 30 days or less in duration, the Government will not make progress payments. For contracts more than 30 days in duration, the Government shall make progress payments monthly as the work proceeds, or at other intervals as determined by the Contracting Officer, on estimates of work accomplished which meets the standards of quality established under the contract, as approved by the Contracting Officer and up to a limit of 80 percent of the total contract price. The Contractor shall furnish a breakdown of the progress schedule and total contract price showing the amount included therein for each principal category of the work, which shall substantiate the payment amount requested in order to provide a basis for determining progress payments, in such detail as requested by the Contracting Officer. In the preparation of estimates the Contracting Officer may authorize material delivered on the site and preparatory work done to be taken into consideration. Material delivered to the Contractor at locations other than the site may also be taken into consideration if -

(1) Consideration is specifically authorized by this contract; and

(2) The Contractor furnishes satisfactory evidence that it has acquired title to such material and that the material will be used to perform this contract.

(d) Along with each request for progress payments, the Contractor shall furnish the following certification, or payment shall not be made:

I hereby certify, to the best of my knowledge and belief, that -

(1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;

(2) Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with subcontract agreements and the requirements of chapter 39 of Title 31, United States Code; and

(3) This request for progress payments does not include any amounts which the prime Contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract.

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(4) This certification and any resultant payment is not to be construed as final acceptance by the Government of work performed by any subcontractor or contractor under this contract.

(Name)

(Title)

(Date)

(e) If the Contractor, after making a certified request for progress payments, discovers that a portion or all of such request constitutes a payment for performance by the Contractor that fails to conform to the specifications, terms, and conditions of this contract (hereinafter referred to as the unearned amount), the Contractor shall -

(1) Notify the Contracting Officer of such performance deficiency; and

(2) Be obligated to pay the Government an amount (computed by the Contracting Officer in the manner provided in 31 U.S.C. 3903(c)(1)) equal to interest on the unearned amount from the date of receipt of the unearned amount until -

(i) The date the Contractor notifies the Contracting Officer that the performance deficiency has been corrected; or

(ii) The date the Contractor reduces the amount of any subsequent certified request for progress payments by an amount equal to the unearned amount.

(3) Pay back to the Government the aggregate of the unearned amount immediately upon receipt of a written demand by the Contracting Officer.

(f) If the Contracting Officer finds that satisfactory progress was achieved during any period for which a progress payment is to be made, the Contracting Officer shall authorize payment to be made in full.

When the work is substantially complete, the Contracting Officer may retain from previously withheld funds and future progress payments that amount the Contracting Officer considers adequate for protection of the Government and shall release to the Contractor all the remaining withheld funds.

Also, on completion and acceptance of each separate division of the contract, for which the price is stated separately in the contract, payment shall be made for the completed work without retention of a percentage.

(g) All material and work covered by progress payments made shall, at the time of payment, become the sole property of the Government, but this shall not be construed as -

(1) Relieving the Contractor from the sole responsibility for all material and work upon which payments have been made or the restoration of any damaged work; or

(2) Waiving the right of the Government to require the fulfillment of all of the terms of the contract.

(h) In making these progress payments, the Government shall, upon request, reimburse the Contractor for the amount of premiums paid for performance and payment bonds (including coinsurance and reinsurance agreements, when applicable) after the Contractor has furnished evidence of full payment to the surety. The retainage provisions in paragraph (f) above shall not apply to that portion of progress payments attributable to bond premiums.

(i) The Government shall pay the amount due the Contractor under this contract after -

(1) Completion and acceptance of all work;

(2) Presentation of a properly executed voucher; and

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(3) Presentation of release of all claims against the Government arising by virtue of this contract, other than claims, in stated amounts, that the Contractor has specifically excepted from the operation of the release. A release may also be required of the assignee if the Contractor's claim to amounts payable under this contract has been assigned under the Assignment of Claims Act of 1940 (31 U.S.C. 3727 and 41 U.S.C. 15).

6 52.252-02 CLAUSES INCORPORATED BY REFERENCE

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://acquisition.gov/far/current/html/FARTOCP52.html>

Clause	Title	Date
52.212-03 Alt III	Offeror Representations and Certifications - Commercial Items - Alternate III	February 2002

7 52.212-05 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--
COMMERCIAL ITEMS. JULY 2010

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clause, which is incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items: 52.233-3, Protest after Award (AUG 1996) (31 U.S.C. 3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

 X (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (JUL 1995, with Alternate I (OCT 1995) (41U.S.C. 253g and 10 U.S.C. 2402).

 (2) 52.219-3, Notice of Total HUBZone Small Business Set-Aside (JAN 1999) (15 U.S.C 657a).

 X (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C 657a).

 (4)(i) 52.219-5, Very Small Business Set-Aside (JUNE 2003) (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).

 (ii) Alternate I (MAR 1999) of 52.219-5.

 (iii) Alternate II (JUNE 2003) of 52.219-5.

 (5) (i) 52.219-6, Notice of Total Small Business Set-Aside (JUNE 2003) (15 U.S.C. 644).

 (ii) Alternate I (OCT 1995) of 52.219-6.

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___ (iii) Alternate II (MAR 2004) of 52.219-6.

___ (6) (i) 52.219-7 Notice of Partial Small Business Set-Aside (JUNE 2003) (15 U.S.C. 644).

___ (ii) Alternate I (OCT 1995) of 52.219-7.

___ (iii) Alternate II (MAR 2004) of 52.219-7.

X (7) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637 (d)(2) and (3)).

___ (8) (i) 52.219-9, Small Business Subcontracting Plan (JAN 2002) (15 U.S.C. 637(d)(4)).

___ (ii) Alternate I (OCT 2001) of 52.219-9.

___ (iii) Alternate II (OCT 2001) of 52.219-9.

___ (9) 52.219-14, Limitations on Subcontracting (DEC 1996) (15 U.S.C. 637(a)(14)).

___ (10)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (JUNE 2003) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

(ii)___ Alternate I (JUNE 2003) of 52.219-23.

___ (11) 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting (OCT 1999) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

___ (12) 52.219-26, Small Disadvantaged Business Participation Program--Incentive Subcontracting (OCT 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

___ (13) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004).

___ (14) 52.222-3, Convict Labor (June 2003) (E.O. 11755).

X (15) 52.222-19, Child Labor-Cooperation with Authorities and Remedies (Jan 2004) (E.O. 13126).

X (16) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

___ (17) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

X (18) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212).

X (19) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793).

X (20) 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212).

___ (21)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (Aug 2000) (42 U.S.C. 6962(c)(3)(A)(ii)).

___ (ii) Alternate I (Aug 2000) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).

___ (22) 52.225-1, Buy American Act-Supplies (June 2003) (41 U.S.C. 10a-10d).

___ (23)(i) 52.225-3, Buy American Act-Free Trade Agreements-Israeli Trade Act (Jan 2004) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, Pub. L. 108-77, 108-78).

___ (ii) Alternate I (Jan 2004) of 52.225-3.

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___ (iii) Alternate II (Jan 2004) of 52.225-3.

X (24) 52.225-5, Trade Agreements (Jan 2004) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

___ (25) 52.225-13, Restrictions on Certain Foreign Purchases (Dec 2003) (E.o.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

___ (26) 52.225-15, Sanctioned European Union Country End Products (Feb 2000) (E.O. 12849).

___ (27) 52.225-16, Sanctioned European Union Country Services (Feb 2000) (E.O. 12849).

___ (28) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

X (29) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

___ (30) 52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).

___ (31) 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).

___ (32) 52.232-36, Payment by Third Party (May 1999) (31 U.S.C. 3332).

X (33) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).

___ (34)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631)..

___ (ii) Alternate I (Apr 1984) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

___ (1) 52.222-41, Service Contract Act of 1965, as Amended (MAY 1989) (41 U.S.C. 351, et seq.).

___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts) (MAY 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act--Price Adjustment (FEB 2002) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (MAY 1989) (41 U.S.C. 351, et seq.).

(d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records--Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

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(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) (1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in paragraphs (i) through (vi) of this paragraph in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause--

(i) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontractors that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001) (38 U.S.C. 4212).

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (JUNE 1998) (29 U.S.C. 793).

(v) 52.222-41, Service Contract Act of 1965, as Amended (MAY 1989), flow down required for all subcontracts subject to the Service Contract Act of 1965 (41 U.S.C. 351, et seq.).

(vi) 52.247-64, Preference for Privately-Owned U.S.-Flag Commercial Vessels (APR 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

8 MCL.E-1 DELEGATION OF INSPECTION AND ACCEPTANCE AUGUST
2005

The Contracting Officer's Technical Representative shall be delegated the responsibility and authority to conduct inspection and acceptance duties for this contract.

9 MCL.F-2 DELIVERY AND SHIFTING OF VESSELS AUGUST
2005

I. Delivery

(a) Unless otherwise specified in the IFB or RFP, the Government shall deliver the vessel to the Contractor at a pre-determined location or point of transfer. The Contractor shall have sole responsibility for preparing the vessel for tow.

(b) Both parties shall mutually agree to any change in the time of transfer due to inclement weather or other unforeseen circumstances.

(c) Prior (no less than 48 hours) to the delivery of the vessel to the Contractor by the Government, it shall be the Contractor's responsibility to:

- (1) Obtain United States Coast Guard load-line exemption and "permit to proceed."
- (2) Have a recognized salvage association or qualified marine surveyor with expertise in towing requirements to certify the adequacy of the vessel to be towed and the tug(s) to be utilized for the tow.
- (3) Provide the tugs, pilots, towing gear, equipment and any necessary riding crews involved in the vessel transfer.
- (4) Obtain standard towing liability insurance.

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- (5) Provide sufficient sanitary facilities on the stern in the event a riding crew is necessary.
- (6) Provide documents to the COTR that shall verify that items (1) through (5) above have been completed.

II. Transfer

Upon transfer of the vessel, it shall be the Contractor's responsibility to:

- (a) Complete a custody document which shall be countersigned by either the Government's Fleet Captain, Fleet Superintendent or Acting Fleet Superintendent, or Marine Surveyor for outported vessels.
- (b) Provide proof to one of the officials referenced in (a) above that the requirements outlined in Section I (c) of this clause are met.

III. Shifting

While the vessel is in the custody of the Contractor, any necessary towage, shifting of the vessel's berth at Contractor's facility, carriage, or other transportation between the vessel and shop or elsewhere, which may be incidental to the work herein specified, shall be furnished by the Contractor without additional charge to the Government.

IV. Final Delivery

(a) After preliminary acceptance of the vessel by the Government's designated representative at the Contractor's facility, the Contractor shall make arrangements with the COTR for re-delivery of the vessel to the Fleet site or other location designated by the Government. The Fleet Captain, Fleet Superintendent or Acting Fleet Superintendent, or Marine Surveyor for outported vessels shall make either conditional acceptance or final acceptance of the vessel at the point of transfer.

(b) Prior (no less than 48 hours) to the re-delivery of the vessel by the Contractor to the Government, it shall be the Contractor's responsibility to:

- (1) Obtain United States Coast Guard loadline exemption and "permit to proceed."
- (2) Have a recognized salvage association or qualified marine surveyor with expertise in towing requirements certify the adequacy of the vessel to be towed and the tug(s) to be utilized for the tow.
- (3) Provide the tugs, pilots, towing gear, equipment and any necessary riding crews involved in the vessel transfer.
- (4) Obtain standard towing liability insurance.
- (5) Provide sufficient sanitary facilities on the stern, in the event a riding crew is necessary.
- (6) Provide documents to the COTR that shall verify that items (1) through (5) above have been completed.

(c) Upon transfer of custody of the vessel back to the Government, the Contractor shall complete a standard custody document and have one of the officials referenced in section IV(a) of this clause countersign this document.

10 MCL.G-2 SCHEDULES AND SCHEDULE UPDATES FOR SHIP REPAIR AUGUST
CONTRACTS 2005

(a) The Contractor shall, within a period of time determined by the Contracting Officer, prepare and submit to the Contracting Officer, with a copy to the COTR, for approval, an electronic copy or other format as directed by the Contracting Officer, a practicable, detailed schedule using appropriate project management software and technology, showing the order in which the Contractor proposes to perform the work, and the dates on which the Contractor contemplates starting and completing the several salient features of the work (including acquiring materials and equipment). Format of the schedule and supporting information shall be in the electronic form and format directed by the Contracting Officer. The schedule shall include a summary in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion by any given date during the period. If the Contractor fails to submit a complete schedule package within the time prescribed, the Contracting Officer may withhold notice to proceed until the Contractor submits the required schedule.

(b) Periodically, with each invoice submitted, or at other intervals as directed by the Contracting Officer, the Contractor shall update the schedule showing the actual progress and estimated times and resources at completion compared with initial project elements. Failure to submit updated schedules with the invoice shall be grounds for the Contracting Officer's rejection of the entire invoice. The revised progress schedule information shall be delivered to the Contracting Officer in the format and at the times directed by the Contracting Officer. If, in the opinion of the Contracting Officer, the Contractor falls behind the initial approved schedule, the

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Contractor shall take steps necessary to improve its progress, including those that may be required by the Contracting Officer, without additional cost to the Government. In this circumstance, the Contracting Officer may require the Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of facilities, and to submit for approval any supplementary schedule or schedules as the Contracting Officer deems necessary to demonstrate how the required rate of progress will be regained.

(c) Failure of the Contractor to comply with the requirements of the Contracting Officer under this clause shall be grounds for a determination by the Contracting Officer that the Contractor is not prosecuting the work with sufficient diligence to ensure completion within the time specified in the contract. Upon making this determination, the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part of it, in accordance with the default terms of this contract.

(d) The Contractor shall plan and schedule all Open, Inspect, and Report Items as required by the Specifications such that they are accomplished within the first 25% of the availability, unless otherwise agreed by the Contracting Officer.

11 MCL.H-11 DISPOSITION OF REMOVED EQUIPMENT AND SCRAP AUGUST
2005

Any ship's equipment, fuel, lube oil, supplies, stores, furniture, fixtures, salvage, scrap and other movable property, removed from the vessel shall be and become the property of the Government and any ship's equipment, fuel, supplies, lube oil, stores, furniture, fixtures, salvage, scrap and other movable property so removed shall be disposed of in such manner as the Contracting Officer may direct, provided such direction is given to the Contractor within sixty (60) days from the date of the completion of the work. During said sixty (60) calendar days period such ship's equipment, fuel, lube oil, supplies, stores, furniture, fixtures, salvage, scrap and other moveable property shall be stored and protected by the Contractor without charge to the Government. If within sixty (60) calendar days such direction is not given to the Contractor, it shall, after said sixty (60) calendar days, store and protect the same in the Contractor's facility or outside of the Contractor's facility, at the Contractor's election, for the additional period directed by the Government. Such direction shall be covered by a change order, and the increased contract price for such additional storage shall be determined as provided in the changes provisions of this contract.

12 MCL.H-12 MARITIME LIENS, NO AUTHORITY TO INCUR AUGUST
2005

(a) The Contractor is an independent contractor and does not act as an agent for the Government, its agents, its vessels, servants, or employees.

(b) The Contractor, its agents, servants, and employees, and all persons acting by, at the direction of, or on behalf of the Contractor (including, without limitation any subcontractors) have no right, power, or authority whatsoever to create, incur, or permit to be placed or imposed (i) any lien or (ii) any right in remedy of any kind, upon or against any vessel upon which work is being performed under this Agreement or against the United States of America or its agents, vessels, servants, or employees. This contractual provision governs notwithstanding any other provision of this contract.

(c) The Contractor, on behalf of itself, its agents, servants, and employees, and all persons acting by, at the direction of, or on behalf of the Contractor (including, without limitation any subcontractors) hereby waives its right to any maritime lien as well as any right in remedy of any kind based upon a maritime lien theory, upon or against any vessel upon which work has been, is being, or will be performed under this contract or against the United States of America or its agents, servants, or employees, whether known or unknown. The foregoing clause shall not prevent the Contractor's rights to proceed on this contract under the Contract Disputes Act.

(d) The Contractor shall pay when due all costs and expenses incident to the work performed by it or for its account. Neither the Contractor, nor its agents, servants, and employees, nor persons acting by, at the direction of, or on behalf of the Contractor (including, without limitation, any subcontractors) shall have the power to incur any lien of any kind maritime or otherwise. Such entities shall not (i) create, incur, suffer, or permit to be placed or imposed upon any vessel (or portion thereof), any maritime lien or other lien or encumbrance or charge in any way arising from any act or omission or (ii) incur or allow their subcontractors to incur any debts, obligations, or charges upon the credit of the vessel or against the United States of America or its agents, servants, or employees.

(e) Although it is not intended that the Contractor shall have the power to incur such liens, the Contractor shall immediately discharge or cause to be discharged any lien or right in remedy of any kind, whether incurred by the Contractor or its subcontractors, other than

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in favor of the Maritime Administration, which at any time exists or arises in connection with the work done or materials furnished under this contract.

(f) If any lien or right in remedy is not immediately discharged, MARAD may discharge or cause to be discharged such lien or right in remedy at the expense of the Contractor. MARAD shall have the right to recoup or setoff such funds from any monies owing to the Contractor from any other MARAD contract or any other Government contract. Should a question exist whether there is a valid lien or right in remedy, among other rights, MARAD shall have the right to retain such funds as security without interest.

(g) From the start of work under this contract the Contractor shall cause a notice, reading as follows (or containing such other information as may be approved by MARAD), in plain type and of such size that the reading matter shall cover a space of at least 2 feet wide by 2 feet high in weather resistant paint to be placed and maintained by the gangway and shall read as follows:

"NOTICE TO SUBCONTRACTORS, MATERIALMEN, AND LABORERS

This vessel is owned by the United States of America, acting by and through the Maritime Administration.

The Contractor, and all persons acting by, (prime contractor), at the direction of, or on behalf of the Contractor (including, without limitation, any subcontractors) have no right, power, or authority whatsoever to create, incur, or permit to be placed or imposed any lien or right in remedy of any kind upon any vessel upon which work is being performed under this Agreement. The Contractor, its agents, servants, and employees, have no authority, either express or implied, to pledge the credit of said vessel."

(h) At the option of MARAD, the Contracting Officer may require that as a condition either for entry upon a vessel of the MARAD by any subcontractor or in order for any subcontractor to provide necessaries to a vessel of the MARAD, that such subcontractor shall on behalf of itself, its agents, subcontractors, servants, and employees, and all persons acting by, at the direction of, or on behalf of such subcontractor waive its right to any maritime lien as well as any right in remedy of any kind based upon a maritime lien theory, upon or against any vessel upon which work has been, is being, or will be performed under this contract or against the United States of America or its agents, servants, and employees, known or unknown. The foregoing clause shall not prevent such subcontractor's right, if any, to proceed under the Contract Disputes Act.

(i) The foregoing clause shall not deprive MARAD of any of the rights or remedies which it has under the common law.

13 MCL.H-2 SUPPLEMENTAL WORK REQUESTS

**AUGUST
2005**

(a.) In the complex world of ship repairs, supplemental work often emerges as a result of test, inspection, or discovery of unknown or otherwise differing conditions. The extent and nature of such supplemental work can neither be identified in bid or proposal specifications, and both parties recognize the possibility that such work may arise. Notwithstanding the possibility of the identification of such work, MARAD does not guarantee the award of any supplemental work during contract performance.

(b.) Although MARAD shall be under no obligation to award supplemental work during contract performance, MARAD has provided an estimate for labor (in labor hours) and material (in dollars) for such work in the Schedule (Section B of the solicitation under applicable supplemental work contract line item numbers (CLIN or CLINs)). The offeror shall specify an hourly composite billing rate in its bid or proposal for supplemental work labor. The composite labor-billing rate shall be the rate applicable to labor for all supplemental work that MARAD orders under the applicable supplemental CLIN of the resulting contract. Any supplies or subcontracts required to complete supplemental work will be charged as a direct cost reimbursable under the applicable supplemental work CLIN; additional indirect charges for materials and subcontracts will not be allowed.

(c.) During the performance of the contract, when conditions indicate a need for supplemental work, the Contracting Officer's Technical Representative (COTR) is empowered to provide technical direction, negotiate the amount of labor and material, and authorize the contractor to perform supplemental work through the issuance of a written authorization. The COTR will issue authorizations for supplemental work in accordance with the following:

(1.) When conditions make supplemental work appropriate, the COTR shall submit to the contractor a supplemental work request that identifies the work to be accomplished.

(2.) The Contractor shall promptly review each supplemental work request upon receipt and shall, within seventy-two (72) hours of issuance, or sooner, as specified by the COTR, provide the COTR with a proposed price for the supplemental work. Price proposals for all supplemental work must be broken down by labor hours, materials, and subcontracts and allocated to the applicable supplemental work CLIN as appropriate. The contractor shall price the supplemental work to be performed in accordance with the

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composite labor rate bid or proposed under the supplemental work CLIN in the contract. If necessary, the Contractor shall submit prices for subcontractors, which will be negotiated and treated as direct materials. Once the COTR and contractor agree on the technical direction and price to accomplish the supplemental work, the contractor and COTR shall sign the authorization for supplemental work, which shall be final and binding on the contractor and MARAD. Subject to paragraphs (c.)(3.) through (c.)(6.), if urgent circumstances do not permit waiting for a written authorization, the parties may orally agree and follow up with written confirmation.

(3.) Notwithstanding the preceding, the COTR shall not authorize and the contractor shall not accept individual supplemental work authorizations from the COTR in excess of the price ceiling established by the Contracting Officer pursuant to paragraph (d.)(10.). In addition, the COTR shall not authorize and the contractor shall not accept a supplemental work authorization from the COTR that, when combined with all previously authorized supplemental work under the contract, exceeds the amount of labor hours and materials specified in the applicable supplemental work CLINs.

(4.) If the contractor requests an adjustment to the contract completion date in its proposal for the supplemental work, the COTR must refer the issue to the Contracting Officer for resolution, which could include modifying the performance period of the contract. All supplemental work must be accomplished within the contract performance period. The COTR shall not authorize and the contractor shall not accept supplemental work authorizations from the COTR that cannot be completed within the contract performance period.

(5.) If the COTR and contractor cannot agree upon the price, the time required, or any other term of a supplemental work request, the matter shall be referred to the Contracting Officer who may resolve the issue in accordance with the procedures contained in the Changes clause incorporated in the contract. Specifically, the Contracting Officer shall have the option of (i) directing that the Contractor perform the work at a price and within a time period determined by the Contracting Officer to be reasonable, or (ii) withdrawing said supplemental work request. The Contractor's refusal to perform the work as directed by the Contracting Officer shall constitute an event of default under the default clauses of the contract. Disputed issues resulting from supplemental work unilaterally directed by the Contracting Officer may be handled under the disputes clause of the contract.

(6.) If the Contracting Officer directs the Contractor to perform the work at a price and within a time period determined by the Contracting Officer to be reasonable, the Contractor shall maintain and submit to MARAD on a daily basis, report sheets itemizing materials used, the costs and man hours of all labor (direct, indirect, and impact), production schedule activities affected by and/or related thereto, and charges for equipment, whether furnished by the Contractor, subcontractors or others. Material charges shall be substantiated by valid copies of materials and/or suppliers invoices. Such invoices shall be submitted with the daily report sheets or, if not available, as soon as reasonably practicable thereafter. Said daily reports shall also include an indication as to which specific schedule activity(ies) are affected by the order which are the subject of the daily report sheets. To the extent the contractor fails or refuses to submit the aforementioned daily report sheets on a daily basis, such failure or refusal shall constitute a basis for the Contracting Officer to suspend payment for work completed under the supplemental work until appropriate documentation required by the contract is provided.

(d.) The following rules apply to supplemental work authorizations:

(1.) The COTR shall authorize supplemental-work only during the period of performance of the contract.

(2.) All authorizations for supplemental work are subject to the terms and conditions of the contract and must be within the scope of the contract.

(3.) If mailed, an authorization is considered "issued" when MARAD deposits the order in the mail. Authorizations may also be issued orally, or by written communications, that is hand-delivered or sent by facsimile or electronic transmission. Oral orders must be followed up by written confirmation as soon as practicable thereafter.

(4.) Unless otherwise explicitly noted in the authorization for supplemental work, all authorizations for supplemental work are firm fixed price. The agreed upon price shall cover all costs including, but not limited to, direct and indirect labor and material, overhead, delay, acceleration, and disruption caused by the supplemental work. Where the parties are unable to agree that an order establishes mutually agreeable terms, the parties shall note the specific differences that are not agreed upon in the text of the proposed work authorization and refer the matter to the Contracting Officer for resolution pursuant to paragraph (c.)(5.).

(5.) Unless the contractor otherwise explicitly notes in the supplemental work authorization, in consideration of the price of the order, the Contractor remises, releases, and forever discharges MARAD, its officers, agents, employees, and sureties from any and all civil claims and requests for equitable adjustment whatsoever, relating to, arising out of, or connected with said supplemental work authorization. Such release is full and final settlement of all claims and requests for equitable adjustment relating to, arising out of, or connected with the work authorization, as modified, including, but not limited to, all impact claims such as delay, acceleration,

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disruption, and cumulative effects of the instant and all previously issued supplemental work authorizations. The executed work authorization constitutes a complete and final adjustment of the price and the delivery schedule.

(6.) When MARAD requires supplies or services covered by the contract in an amount less than the total value of the contract, MARAD is not obligated to award supplemental work for the balance of the price bid or proposed for supplemental work. The Contractor is not obligated to honor additional supplemental work in excess of the estimated labor hours identified in the Schedule. This subparagraph does not affect or change the Contracting Officer's authority under the changes clause of the contract.

(7.) Except for limitations of labor hours estimated in the Schedule, there is no limit to the number of supplemental work authorizations that may be issued. MARAD may issue supplemental work authorizations requiring delivery or performance in multiple locations, if the contract contemplates multiple locations.

(8.) In the event a supplemental work authorization covers a series of related procedures, the Contracting Officer may request the Contractor to furnish separate prices for each item of the work.

(9.) If not otherwise provided, the Contracting Officer may request at any time during performance of supplemental work a list of subcontractors performing work covered by the supplemental work, the dollar value of the respective subcontracts, and a description of the subcontracted work, and the contractor shall promptly provide the requested information.

(10.) The COTR shall not issue and the contractor shall not accept supplemental work authorizations from the COTR that exceeds \$10,000.00.

14 MCL.H-3 INDEMNITY AND INSURANCE

AUGUST
2005

The Contractor shall indemnify and save and keep harmless the Government against any or all loss, cost, damage, claim, expense or liability whatsoever because of accident or injury to persons or property of others occurring in connection with the operations under this contract. The Contractor shall secure, pay the premiums for and keep in force until the expiration of this contract, and any renewal thereof, adequate insurance. Such insurance to specifically include liability assumed by the Contractor under this contract.

Each policy of insurance shall contain an endorsement that any cancellation or material change in the coverage adversely affecting the Government's interest shall not be effective unless the insurer or the Contractor gives written notice of cancellation or change as required to the Contracting Officer. When the coverage is provided by self-insurance, the Contractor shall not change or decrease the coverage without the Administrative Contracting Officer's prior approval.

A certificate of each policy of insurance shall be furnished to the Contracting Officer within ten (10) days after notice of award certifying, among other things, that the policy contains the aforesaid endorsement. The insurance companies providing the above insurance shall be satisfactory to the Government. Notices of policy changes shall be furnished to the Contracting Officer.

The contractor shall provide at the Contractor's expense, within five days of request from the MARAD contracting officer, a copy of all original insurance policies. These may be sent by mail or facsimile machine.

15 MCL.H-4 INDEMNITY AND INSURANCE (ADDITIONAL)

AUGUST
2005

(a) INDEMNITY

(1) The Contractor shall exercise reasonable care and use its best efforts to prevent accidents, injury or damage to all employees, persons and property in and about the work, and to the vessel or portion thereof upon which work is done.

(2) Except as provided elsewhere in this contract, including any guarantee clause, the 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 except to the extent that such loss or damage is caused by the negligence, fault, error, act or omission of the Contractor, its subcontractors, agents, or employees. The burden of proving freedom from fault shall be borne by the Contractor. Unless the loss or damage was caused by the willful misconduct of the Contractor, its executive officers, or superintendents the Contractor's liability under this Contract shall not exceed total damage to the ship or ships including total loss up to \$5,000,000 per accident or occurrence

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per vessel, and shall not exceed in the aggregate per accident or occurrence the sum of total damage to the ship or ships including total loss up to \$5,000,000 multiplied by the number of MARAD's vessels in the care, custody or control of the Contractor at the location and at the time of the accident or occurrence giving to the loss or damage.

(3) As to third parties, including, but not limited to, agents, employees or servants of the Contractor, or any subcontractor, the Contractor will defend, indemnify and hold harmless the Government, the vessel, its owners and charterers, from all claims, actions, suits, costs, demands and expense of all descriptions arising out of disease, illness, personal injury, death or property damage to any third party in any way related to or arising out of the performance of work under this contract except to the extent caused by the fault, error, act or omission, or negligence of the Government, its agencies or employees. The burden of proving fault of the Government, its agencies or employees shall be borne by the Contractor.

(4) As to loss and damage which are the responsibility of the Government, the Government shall be subrogated to any claim, demand, or course of action against third parties which exists in favor of the Contractor, and the Contractor shall, if required, execute a formal assignment or transfer of such claim, demand, or course of action, and shall aid in securing information, evidence, obtaining of witnesses, and cooperate with MARAD in all matters MARAD may deem necessary in defense of any claim, or suit or appeal from any judgment or in effecting indemnity, provided, further, that nothing contained in this paragraph shall create or give rise to any right, privilege or power in any person except the Contractor, nor shall any person (except the Contractor) be or become entitled thereby to proceed directly against the Government, its agencies or instrumentalities, or to join the Government, its agencies or instrumentalities, as a codefendant in any action against the Contractor brought to determine the Contractor's liability or for any other purpose.

(b) **TYPES OF INSURANCE AND MINIMUM COVERAGE.** The Contractor shall at its own expense, provide and maintain the following insurances during the entire performance of this contract.

(1) Workmen's Compensation, including Longshoremen & Harbor Worker's Act coverage - Covering all agents, servants, borrowed servants, statutory employees of Contractor for all compensation and other benefits required by applicable state and federal law or by governmental authority on account of injury, death, sickness or disease - Statutory - no minimum.

(2) Employers Liability - to cover both injury and death resulting from accident, sickness or disease - \$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.

(3) Maritime Employers Liability (Jones Act) to cover both injury and death resulting from accident, sickness or disease - \$5 million for each person per occurrence and \$5 million in the aggregate.

(4) Comprehensive General Liability to include coverage for (but not limited to) products and completed operations liability, property damage liability and contractual liability - \$5 million combined single per occurrence limit for bodily injury and property damage and \$5 million in the aggregate.

(5) Ship Repairers Legal Liability - coverage to be provided under the standard London or American Institute forms or their equivalent \$5 million per vessel, per occurrence or such other amount as may be requested.

(6) Pollution - sudden and accidental liability - \$5 Million per occurrence.

(c) All such insurance shall be subject to the approval of the Division of Marine Insurance and will contain thirty (30) calendar days advance notice of cancellation or of any non-renewal which is the option of the insurer, said notice to be provided to the U.S. Department of Transportation, Division of Marine Insurance, 1200 New Jersey Avenue, SE, Washington, DC 20590.

(d) FORM OF CONFIRMATION

(1) The pollution insurance may be a separate policy or part of the Comprehensive General Liability policy, but the coverage must be specifically shown on the required confirmation of insurance. Excess liability and umbrella liability policies may be used in the excess of primary policies to meet the minimum limit requirements. The United States of America shall be an additional assured in the Ship Repairs Legal Liability policy, Comprehensive General Liability Policy and Pollution Policy. Such policies shall contain a clause statement that there is no recourse against the United States of America for payment of premium. All such insurance shall be subject to the approval of the Division of Marine Insurance and must contain thirty (30) calendar days advance notice of cancellation (without disclaimer) or of any non-renewal which is the option of the insurer, said notice to be provided to the U.S. Department of Transportation, Division of Marine Insurance, 1200 New Jersey Avenue, SE, Washington, DC 20590.

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(2) The Contractor shall have its insurance broker provide a detailed certificate of insurance, cover note or policy confirming the above required coverage. The confirmation shall name the Contractor and United States of America as assureds and confirm the types of coverage, policy forms, policy periods, deductibles (if any) and underwriters with their percentage of participation. The N.Y. Suable Clause or Service of Suit USA Clause must be confirmed for any Foreign underwriter placements. The policy amounts, terms and conditions, deductibles and underwriters shall at all times be satisfactory to the Maritime Administration.

(e) The contractor shall insert the substance of this clause in subcontracts under this contract that require work on a Government installation.

16 MCL.H-5 MARAD RESERVE FORCE SAFETY RULES FOR CONTRACT PERSONNEL AUGUST 2005

1. Personnel shall be protected by personal flotation devices (life vests) while in the act of embarking or disembarking from any fleet vessel where the possibility of falling into the water exists; while working from small boats, skiffs, or floats; while working near unguarded edges of decks of vessels afloat; or while engaged in any over-water work. At Fleet sites, the flotation devices will be provided by the Fleet and must be returned each day upon departing the Fleet. At outported ships, contractors must furnish their own flotation devices.

2. All passengers riding in personnel boats in MARAD's Reserve Fleet locations shall ride below topside while the boat is in transit, and shall remain below until the boat is properly secured either alongside the accommodation ladder or the pier side, and until the operator notifies the employees to disembark.

3. Personnel aboard all craft shall remain inside of the bulwarks and railings and at no time ever will anyone sit on top of bulwarks or rails.

4. Personnel shall not descend from the deck of any ship onto the accommodation ladder or landing platform to wait for transportation. No more than five (5) descending individuals are permitted on the accommodation ladder at one time and they shall be equally spaced. This directive also applies to ascending ladders. This requirement also pertains to outported ships when personnel descend from the deck of the ship to a pier, or ascend from the pier to the deck of the ship.

5. Ringbuoys with a minimum of 90 feet of nylon line attached are available at the head of each gangway and on the stern of Fleet craft, power barges, tugs, and at the Fleet pier for use by Contractor personnel in emergency situations.

6. When working with mooring lines, all ends of such lines shall be left coiled neatly and areas left clear.

7. Smoking is prohibited aboard vessels except on open decks or in places designated as smoking areas. Smoking is not permitted at all aboard tankers. Also, smoking is prohibited during fueling and cleaning operations of any kind. This includes during the filling or emptying of cans of gasoline, xylene, varsol or any other combustible or flammable liquids or gas.

8. Cigarette butts shall not be thrown over the side of any vessel. While at the dock, no cigarette butts shall be thrown onto the dock or into the water. Sand containers or ashtrays are provided in designated smoking areas. Paper and trash are not to be placed in ashtrays.

9. All debris, oily rags, industrial wipers, etc., will be removed from the ships and working areas. These areas are to be left in clean condition and all materials stowed neatly at the end of each workday. No rags, cups or other trash, oils, fuels, greases, chemicals, lumber, etc., shall be thrown overboard. Fleet Guide will inform personnel of the disposal container locations.

10. Contractor employees are required to wear safety shoes with impact-resistant toes and slip resistant sole material for protection against falling or rolling objects, sharp objects, molten metal, hot surfaces, and oily or wet slippery surfaces. Shoes with loose soles, heels, and laces, or otherwise in poor condition, will not be permitted. Athletic and Cowboy boot-type safety shoes are prohibited.

11. All personnel working at the Fleet shall wear and/or use OSHA/NIOSH approved safety equipment, as required, including personal protective equipment, safety belts and securing lines, and safety glasses.

12. Protective hard hats shall be worn while aboard ships or in any other areas where head injury hazards exist. At MARAD's Reserve Fleet locations, a lighted miner's lamp, supplied by the Fleet, must be worn at all times while in dimly lit areas. The lamps

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are to be returned to the lamp room each day prior to departing the Fleet. At outported ship locations, contractors are required to provide their own flashlights, etc.

13. Safety glasses or goggles shall be worn while in the vicinity of any operation generating matter which might strike or lodge in the eyes. Such operations include, but are not limited to, scaling rust, water-blasting, Aqua Dyne water-blasting, sandblasting, operating a skill saw, grinding, handling batteries, boiler cleaning, and anchor windlass operations.

14. Ear protection (plugs or muffs) must be worn whenever exposed to loud noises.

15. Consistent with 29 CFR 1910.134, respirators shall be worn while scraping paint, during sandblasting, spraying, or other operations where dust, fumes, airborne particles, or noxious gases may be present.

16. If waterblasting, protective gear shall be worn consisting of a hard hat, safety glasses, face shields, shin guards (baseball type) and steel rigid guard foot protectors.

17. If sandblasting, protective gear consisting of leather gloves, hood, and leather apron shall be worn.

18. When assisting with welding-burning, metal frame flash goggles/glasses shall be worn. The Welder/Burner shall provide the goggles/glasses and shall instruct personnel in their proper use.

19. Contractors must report all accidents resulting in injury, regardless of how slight it may be, to their supervisor, to the Fleet Superintendent, and to the Safety Assistant, or at outported ship locations to the Ship Manager or MARAD representative so that the injury can be treated, if necessary, and recorded. This must be done before leaving the Fleet site or outported location on the day of injury or at the soonest practical time in the event of severe injury.

20. Asbestos Hazard Considerations - Exposure of unprotected personnel to airborne asbestos fibers shall be prevented. While many studies and air sampling have been conducted under varying conditions within the Reserve Fleet environment, no conditions have been found to require special protective clothing or breathing protection. However, all work requiring direct contact with asbestos, conducted within the environment of asbestos, or work in any other way associated with asbestos will be critically evaluated by the cognizant Contractor's supervisor before proceeding. The following general policies will apply:

(a) The Contractor shall inform his/her personnel to be alert to the hazards associated with asbestos and the personnel shall be instructed in the use of respirators.

(b) When work requires direct contact with asbestos, is conducted within the environment of asbestos, or work is in any way associated with asbestos, Contractor personnel shall be required to wear a half-mask, air-purifying respirator, other than a disposable respirator, equipped with high-efficiency filters.

(c) Air pressure/air hoses shall not be used to blow down engine rooms in the process of cleaning when friable asbestos is known or suspected to be present in the area being cleaned. Also, broom sweeping such debris is prohibited. Only vacuum cleaning equipment with special filter attachment is authorized for this purpose, unless vacuuming and/or wet cleaning are not feasible.

(d) Major rip-outs, repairs or removal of asbestos located at any MARAD facility or aboard any vessel under MARAD jurisdiction shall not be conducted by Contractor personnel unless authorized by MARAD.

(e) Asbestos warning signs shall be posted at the access door of all regulated areas.

21. No work shall be performed in any void, tank, or compartment until such tank, void, or compartment has been declared gas free and possessing sufficient oxygen after being tested by trained personnel.

22. Contractor personnel shall not inspect or perform work in holds or tanks of ships without another contractor personnel observer standing by to get help, if necessary, nor shall an individual work on a ship upon which no other personnel are present.

23. Contractor personnel shall not be allowed to work aloft on staging, masts, etc., without using OSHA prescribed safety belts and securing lines with approved fastenings and without Contractor supervision and instructions during the operation.

24. No openings shall be left unprotected. This includes the removal of hatch boards, bilges, manhole covers, floor plates, and any other opening into which a person may inadvertently step or fall. All areas with an opening which cannot be closed shall be roped off.

25. Gangway doors and sideports on vessels not equipped with gangways shall be closed and secured. In the event the door is missing or it cannot otherwise be closed, the opening shall be chained off or wired with several strands of heavy wire.

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26. When using gasoline powered equipment in enclosed spaces, adequate ventilation for the dissipation of exhaust fumes must be provided.
27. Electrical lines, air lines, hoses, etc., used in preservation work shall be triced up on deck clear of walkways and passage areas.
28. Under no circumstances shall any Contractor personnel cross from ship to ship by any means other than gangways properly fitted with hand rails. Prior to installation of a permanent walkway between ships, a portable walkway with rails shall be utilized.
29. When ascending or descending ladders, at least one hand shall be free to grasp hand rail.
30. Gasoline, varsol, xylene, and other flammable or combustible liquids brought onto the ship shall be brought to the attention of the Fleet Representative and, on outported ships, to the attention of the Ship Manager or MARAD representative, and shall be stored in, and dispensed from, OSHA or NIOSH approved safety containers. Such cans shall be inspected and properly marked as follows:
 - (a) Cans painted red and stenciled: "VARSOL", "XYLENE" or "GASOLINE", as applicable
 - (b) Cans painted yellow and stenciled: "LUBE OIL" or "PRESERVATION OIL," as applicable
 - (c) Cans painted red with a white band and stenciled: "KEROSENE"
31. Drip tanks or pans shall be used when parts are being cleaned and when draining oil or fuel from motors, engines, etc. Varsol, xylene or other solvents will be used from approved safety cans.
32. Safety can valves and flexible metal hose spouts must never be painted. They are to be treated with preservation oil.
33. At MARAD's Reserve Fleet locations, outboard motor operators must leave gas can vents open when they store them on the access can rack.
34. Under no circumstances shall Contractor personnel wear gloves, jewelry (especially neck chains), neck ties, long sleeves, loose clothing, or wear his/her shirt tail out when working around exposed moving machinery.
35. Metal shavings shall be cleaned up from around machines by means of brushes and properly disposed of.
36. Oil spilled in decks, ladders, etc., shall immediately be wiped up and the decks, if necessary, sanded. On vessels sprayed with an oil or paint mixture, all gangways, passages, and areas in use shall be sanded. Appropriate signs shall be posted at all entrances to areas where slippery conditions are considered to exist.
37. Flame burning/cutting and welding shall be kept to a minimum at the Fleet, and shall be accomplished by qualified Contractor personnel only when duly authorized by Fleet Representative, and in accordance with existing fire prevention regulations. Before any welding or hot work is performed, a permit must be issued by the Fleet representative, and a fire watch set. On outported ships, the Ship Manager shall ensure that all hot work is cooled off and there is no danger of fire.
38. Never look directly at arc welding because of the potential for serious eye injury.
39. At MARAD Reserve Fleet locations, prior to any personnel working over the side of, or in a precarious location or position inside of a service craft at the access dock (where applicable), the warning light at the end of the dock shall be activated.
40. Whenever lumber is removed from a structure, nails shall be withdrawn or bent over immediately as part of the operation to prevent possible injury.
41. Liquid fuel operated space heaters shall be operated only when properly installed and vented to the outside. Propane gas bottles are not to be placed in the area of the heater. Gas bottles must be left on the open decks and fed into the heated spaces by a hose. Space heaters are not to be left on when unattended and a CO2 extinguisher must be in the area of the space heater. All electrical space heaters must be UL approved.
42. Contractor Personnel shall promptly report all potentially dangerous areas and conditions to a MARAD representative.
43. The flooding alarm system carries 110 volts and if wiring is cut accidentally it could cause a fire. If when working in the engine room of a ship it becomes necessary to move the ball switches out of the way of an area which is to be preserved, they should be handled very carefully. Do not tilt or disconnect, but merely lift straight up by the ribbon and then lower into place after the job is completed. See that no damage is done to this equipment by wash down hoses, oil spray hoses, etc.

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44. Straight ladders, whenever and wherever used, shall be made of metal, except when performing electrical work, then wooden or other non-conductive ladders shall be used, and shall be rigidly inspected prior to use. Use of such ladders shall be kept to a minimum. Whenever using straight ladders to board ships, metal ladders should be used and secured at top to railing of ship. Also, step ladders of the proper size shall be used where warranted. Boxes, chairs, etc., shall not be used in lieu of step ladders. All ladders shall conform to OSHA standards.

45. Defective ladders should be brought to the attention of the Fleet/MARAD representative.

46. The proper tool for each job shall be used. Mushroomed chisels, split hammer handles, or other tools that are in any way unsafe are prohibited. Such defective tools and/or equipment must be taken out of service to be repaired or replaced. Tools shall always be laid down in such a manner as to prevent injuries.

47. All portable electrical equipment shall be properly grounded prior to and during use. This includes fueling hoses, portable electrical equipment, etc. Any equipment with damaged wiring and any damaged plugs must either be repaired before using or replaced.

48. Air compressors shall not be operated until ALL installed safety devices are in working order. Only safety devices designed for the specific machine shall be used. Substitute devices will not be installed.

49. Oxygen and acetylene bottles shall be properly secured during transportation and while aboard ship. Bottles shall be lashed upright, caps in place when not in use, and threads shall be SOAPED if leaks are suspected. Be sure bottles and fittings are protected to prevent oil or grease from contacting valve threads and fittings, which could cause bottles to explode. Whenever oxygen and acetylene are not in use, they should be stored separately with a fire wall between them.

50. Extreme precautions shall be taken when compressed air is used in any operation. Pressurized air hoses are not to be directed toward any part of the human body. Whenever a gas/ diesel driven air compressor is used for any breathing apparatus, such as an air line respirator, sand blasting helmet, etc., a gas selector alarm and air purifier must be installed. Gauges and relief values must be in proper working order. Only approved NIOSH and OSHA respirators are to be used.

51. All compressed air hose connections shall be triced together prior to applying compressed air.

52. All hoses and wires (especially oxygen and acetylene hoses) will be disconnected and pulled clear of access doors when workday is over so that the doors may be closed and to prevent leakage of gas into ship. All air hose connections are to be lashed or wired together.

In addition to the foregoing safety rules, other instructions (in writing or orally) may be issued as warranted. Failure to comply with these safety rules can result in disciplinary action to include denial of access to the ship and/or termination for default of the contract.

The contractor shall include this clause in all major subcontracts.

17 MCL.H-7 ENVIRONMENTAL CONCERNS/ASBESTOS AUGUST
 RELATED/HAZARDOUS MATERIALS/ PETROLEUM AND 2005
 PETROLEUM PRODUCTS: ENVIRONMENTAL COMPLIANCE

The Contractor must recognize that MARAD vessels often contain hazardous substances, hazardous materials, petroleum and petroleum products, the handling, removal, storage, transportation and disposal of which is required in the performance of work. Such hazardous substances, hazardous materials, petroleum products include but are not limited to: Asbestos, used in heat and electrical insulation, brake linings, deck covering, boiler refractors, joiner work and other areas; mercury; petroleum products; hydraulic oils; liquid cargo products; lead in marine compounds, products and other areas; chromium; tin in anti-foulants and other areas; zinc; polychlorinated biphenyls (PCBs), found in some electrical cable, rubber gaskets, felt gaskets, thermal insulation material (fiberglass, felt, foam and cork), transformers, capacitors or voltage regulators, switches, reclosers, bushings, electromagnets, adhesives, tapes, oil (leaks, spills as well as electrical equipment, motor, anchor windlasses and hydraulic system containing oil), surface contamination of machinery and other solid surfaces, oil based paint, caulking, rubber isolation mounts, foundation mounts, pipe hangers, light ballasts and plasticizers, and other hazardous substances used aboard ship while in operation and/or in Phase IV maintenance.

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In performance of the work by the Contractor, the most recent edition of any applicable statute, regulation, standard, or code shall be in effect. Where a conflict among requirements or specifications exist, the most stringent requirements shall be utilized.

HAZARDOUS SUBSTANCE/HAZARDOUS MATERIALS

The term hazardous substance has the meaning ascribed to it by 42 U.S.C. §9601(14). The term hazardous materials has the meaning ascribed to it by 49 CFR 171.8. The term hazardous material, is as defined for hazardous chemicals in 29 CFR 1910.1200.

Specific Requirement Standards: ASBESTOS

(a) All of the handling, removal, storage, transportation and disposal work shall be done in strict compliance with all applicable Federal, State and local statutes, regulations, standards, and codes governing asbestos, asbestos abatement, asbestos disposal and any other trade work done in conjunction with asbestos abatement including, but not limited to:

- (1) Occupational Safety and Health Administration (OSHA):
 - Title 29, CFR, Section 1910, Occupational Safety and Health Standards
 - Title 29, CFR, Part 1915, Occupational Safety and Health Standards for Shipyards Employment
 - Title 29, CFR, Part 1926, Safety and Health Regulations for Construction
 - Title 29, CFR, Section 1910.1200 Hazard Communication
 - Federal Register, dated June 20 and October 17, 1986, Occupational Exposure to Asbestos, Tremolite, Anthophyllite, and Actinolite; Final Rule. (29 CFR Parts 1910 and 1926)
- (2) Environmental Protection Agency (EPA)
 - Title 40 CFR Part 61, Subparts A and M (revised Subpart B) National Emission Standard for Hazardous Air Pollutants (Asbestos) and Part 763 Asbestos.
 - Title 40 CFR Part 63, National Emission Standard for Hazardous Air Pollutants Subpart II National Emission Standards for Shipbuilding and Ship Repair (Surface Coating)
- (3) Maritime Administration (MARAD)

Action Plan for the Control of Asbestos Exposures and Uses in MARAD Programs.

NOTE: This action plan is available upon written request to:

Maritime Administration,
Office of Management Services, MAR-310
400 Seventh Street, SW., Room 7225
Washington, D.C. 20590
ATTN.: Safety Officer.

OTHER HAZARDOUS MATERIALS AND HAZARDOUS, REGULATED AND SPECIAL WASTES

Safe, proper and lawful handling of hazardous substances, hazardous materials and petroleum products is the Contractor's responsibility whether or not it is identified as such in this contract or any attachment herein. The Contractor must determine for itself whether work specified in this contract requires the handling, removal, storage, transportation or disposal of hazardous substances, hazardous materials, petroleum products, and/or hazardous regulated or special wastes and price the bid or proposal accordingly. If available, MARAD will provide to the Contractor information regarding the existence and amount of any such material. No additional charges required for handling, removal, storage, transportation, or disposal of any hazardous substances, hazardous materials, petroleum products and/or hazardous, regulated or special wastes in the specified work will be allowed after award is made. Except to extent such additional changes result from the existence of hazardous substances, hazardous materials, petroleum products and/or hazardous, regulated or special wastes that could not have been reasonably anticipated. In the event of the discovery of such material, a condition report shall be issued. The cost of such additional work will be fixed at the unit price provided in the bid. The work can proceed only upon written approval by the Contracting Officer. Any modification to the contract that increases the requirement for the handling, removal, storage, transportation and disposal of asbestos or other hazardous substances, hazardous materials, petroleum products, and/or hazardous, regulated or special wastes will be included in the agreed cost of the modification of the contract.

All of the handling, removal, storage, transportation and disposal work is to be done in strict compliance with all applicable Federal, State and local regulations, standards, and codes governing environmental compliance, including, but not limited to the following:

1. ENVIRONMENTAL PROTECTION AGENCY (EPA) TITLE 40,

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Part 50, National Primary and Secondary Ambient Air Quality Standards
Part 63 National Emission Standards for Hazardous Air Pollutants Subpart II National Emission Standards for Shipbuilding and Ship Repair (Surface Coating)
Part 82, Protection of Stratospheric Ozone
Part 110, Discharge of Oil
Part 112, Oil Pollution Prevention
Part 117, Determination of Reportable Quantities for Hazardous Substances
Part 122, EPA Administered Permit Programs: The National Pollutant Discharge Elimination System
Part 125, Criteria and Standards for the National Pollutant Discharge Elimination System
Part 261, Identification and Listing of Hazardous Waste
Part 262, Standards Applicable to Generators of Hazardous Waste
Part 279, Standards for the Management of Used Oil
Part 300, National Oil and Hazardous Substance Pollution Contingency Plan
Part 302, Designation, Reportable Quantities, and Notification
Part 355, Emergency Planning and Notification
Part 370, Hazardous Chemical Reporting: Community Right-to-Know
Part 372, Toxic Chemical Release: Community Right-to-Know
Part 761, Polychlorinated Biphenyls Manufacturing, Processing, Distribution in Commerce, and Use Prohibitions
Part 763, Asbestos

2. COAST GUARD (USCG) TITLE 33 CFR,

Part 153, Control of Pollution by Oil and Hazardous Substances, Discharge Removal
Part 154, Facilities Transferring Oil or Hazardous Material in Bulk
Part 156, Oil and Hazardous Material Transfer Operations

3. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) Title 29 CFR,

Part 1910, Occupational Safety and Health Standards
Part 1915, Occupational Safety And Health Standards for Shipyard employment
Part 1926, Occupational Safety and Health Regulations for Construction

4. RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION (RSPA) TITLE 49 CFR,

Subchapter C, Hazardous Materials Regulations

The Contractor shall be required to demonstrate a through knowledge of and satisfactory record of compliance with all applicable Federal, State and local environmental statutes, regulations, standards, codes and guidelines governing environmental compliance as part of the pre-award survey.

The Contractor shall be responsible as the generator of all hazardous, solid, regulated and special waste that results from activities of the Contractor under this agreement. The Contractor is required to arrange for transportation and disposal of regulated waste generated during the ship's operational period if required by this contract. The Contractor shall be responsible for all permitting, reporting, transporting, documenting and /or disposing of said wastes and for obtaining all appropriate Environmental Protection Agency Identification Numbers and permits and/or state or local equivalent. In addition, the contractor shall be responsible for:

- (a) conducting required laboratory testing;
- (b) maintaining any and all required records;
- (c) filing any and all reports required by Federal, State or local statute, regulation, standard or guidelines to be filed by the Generator of such waste or the holder of such permits, or numbers; and,
- (d) complying with all applicable Federal, State and local statutes, regulations standards, codes, or guidelines.

The Contractor shall provide all documentation to the COTR pertaining to the sampling, analysis, storage, transportation and disposal of all wastes generated during the contract.

ENVIRONMENTAL MANAGEMENT PLAN

For all work performed, the Contractor shall submit to the designated MARAD COTR or representative, an acceptable hazardous material and hazardous waste management plan to the COTR within one week after award. An acceptable plan shall address, as a minimum, the following requirements:

- A. Environmental Protection Agency (EPA), State and local authority hazardous waste generator identification numbers or registration with the state or local equivalent, of the Contractor, his/her transporters, storage and disposal facilities (TSDFs).

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B. An inventory of all hazardous chemicals, compounds, and other agents brought aboard the vessel accompanied by their respective Material Safety Data Sheets. The Contractor shall provide and maintain the Material Safety Data Sheets for all hazardous materials in accordance with CFR 29 1910.1200.

C. A list of all anticipated hazardous wastes to be generated and applicable reference to federal, state, and local regulations.

D. Waste collection and containment procedures in accordance with 40 CFR 262.

E. A hazardous materials spill and cleanup plan including tools and materials that will be on hand and readily available to facilitate containment and cleanup.

F. Training certification for the environmental compliance manager and respective employees.

G. The Contractor will identify and quantify the amount of hazardous waste generated in the course of the MARAD ship repair. Upon completion of the contract, cost and quantities will be summarized and forwarded to the Office of Environmental Activities MAR-820 Rm. 7209, 400 Seventh St., S.W., Washington, D.C. 20590 for annual OMB A-106 reporting requirements.

18 MCL.L-2 AGENCY PROTESTS

AUGUST
2005

(a) Prior to submission of an agency protest, all parties shall use their best efforts to resolve concerns raised by an interested party at the Contracting Officer level through open and frank discussions. At any time the Contracting Officer and Protestor are encouraged to employ the use of alternative dispute resolution techniques to resolve the protest. When this cannot be accomplished interested parties may submit an agency protest to the Contracting Officer set forth in the Service of Protest provision of this solicitation.

(b) Protests based on alleged apparent improprieties in a solicitation shall be filed before bid opening or the closing date for receipt of proposals. In all other cases, protests shall be filed no later than 10 days after the basis of protest is known or should have been known, whichever is earlier.

(c) Protests shall include the following information. Failure to substantially include any of the following may be grounds for dismissal of the protest.

(i) Name, address, and fax and telephone numbers of the protester.

(ii) Solicitation or contract number.

(iii) Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester.

(iv) Copies of relevant documents.

(v) Request for a ruling by the agency.

(vi) Statement as to the form of relief requested.

(vii) All information establishing that the protester is an interested party for the purpose of filing a protest.

(viii) All information establishing the timeliness of the protest.

(d) Upon receipt and review of the protest to determine that adequate information is contained therein, the Contracting Officer will acknowledge receipt of the protest and inform the protester of the expected decision date. The Contracting Officer shall render a decision on the protest within 30 calendar days or notify the protestor of an extended decision date.

(e) Upon receipt of the Contracting Officer's decision, the protestor may appeal the decision within 15 calendar days of decision receipt. The appeal will result in an independent review of the protest by the Head of the Contracting Activity, the Associate Administrator for Administration. The Head of the Contracting Activity will impartially review the protest as presented, taking into consideration all of the available information, and render a decision. To the extent permitted by law and regulation, the Head of the Contracting Activity shall request relevant information from both parties. The Head of the Contracting Activity will render a decision on the appeal within 15 calendar days of receipt. Agency appellate review of the Contracting Officer's decision on the protest will not extend GAO's timeliness requirements. Therefore, any subsequent protest to the GAO must be filed within 10 days of knowledge of initial adverse agency action (4 CFR 21.2(a)(3)).

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(f) Upon receipt of a protest, the Contracting Officer shall follow the procedures set forth in the FAR Subpart 33.103 (f) with regard to contract award and continued performance.

19 52.252-02 CLAUSES INCORPORATED BY REFERENCE

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://acquisition.gov/far/current/html/FARTOCP52.html>

Clause	Title	Date
TEXT	SITE VISIT	