

ARCHITECT-ENGINEER CONTRACT

1.CONTRACT NO. DTMA1C10061

Page 1 of 11

2.DATE OF CONTRACT

09/30/2010

3a.NAME OF ARCHITECT-ENGINEER

Herbert Engineering Corp. DBAH.E.C.

3b. TELEPHONE NO. (Include Area Code)

(510) 814-9700 ext. 107

3c. ADDRESS OF ARCHITECT-ENGINEER (Include Zip Code)

2417 Mariner Square Loop,Ste 125

Alameda CA 94501-6466

4. DEPARTMENT OR AGENCY AND ADDRESS (Include Zip Code)

DOT/Maritime Administration, MAR-380

1200 New Jersey Ave SE, MAR380 W26-429

Washington DC 20590-

TEL: (202) 366-0514 ext. FAX: (202) 366-3237 ext.

5. PROJECT TITLE AND LOCATION

American Marine Highway Design Project

6. CONTRACT FOR (General description of services to be provided)

Conduct a survey of perspective marine highway owner/operators to identify owner's requirements. This may be done through a series of focus groups and workshops with private sector experts or through one on one discussions. The result of this effort will result in identifying characteristics required of a vessel to meet broad commercial market and operational needs.

7. CONTRACT AMOUNT (Express in words and figures)

\$ 400,000.00

8. NEGOTIATION AUTHORITY

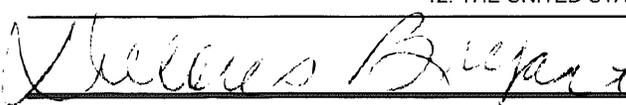
40 U.S.C. 1102 et seq

9. ADMINISTRATIVE, APPROPRIATION, AND ACCOUNTING DATA

- - 7010 - 1750PE - - 2530 - 5 - 20101PRE - 00MHVS0 - - 00017000 - 1 - - 6100 - - - 6600

10. The United States of America (called the Government) represented by the Contracting Officer executing this contract, and the Architect-Engineer agree to perform this contract in strict accordance with the clauses and the documents identified as follows this contract:

If the parties to this contract are comprised of more than one legal entity, each entity shall be jointly and severally liable under this contract. The parties hereto have executed this contract as of the date recorded in item 2.

SIGNATURES		NAMES AND TITLES
11. ARCHITECT-ENGINEER OR OTHER PROFESSIONAL SERVICES CONTRACTOR		
A		SPENCER SCHILLING, PRESIDENT, HEC
B		
C		
D		
12. THE UNITED STATES OF AMERICA		
		Contracting Officer Delores Bryant

Line Item Summary	Document Number DTMA1C10061	Title American Marine Highway Design	Page 3 of 11
--------------------------	---------------------------------------	--	------------------------

Total Funding: \$400,000.00

FYs	Fund	Budget Org	Sub	Object Class	Sub	Program	Cost Org	Sub	Proj/Job No.	Sub	Reporting Category
	7010	1750PE		2530	5	20101PRE	00MHVS0		00017000	1	
Division	Closed FYs		Cancelled Fund								
6100			6600								

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

The Contractors revised proposal dated 9/22/2010 is hereby incorporated by reference.

0001	American Marine Highway Design	05/20/2011	1.00	NTE	\$400,000.000	\$ 400,000.00
------	--------------------------------	------------	------	-----	---------------	---------------

(09/30/2010 to 05/20/2011)

Conduct a survey of perspective marine highway owner/operators to identify owner's requirements. This may be done through a series of focus groups and workshops with private sector experts or through one on one discussions. The result of this effort will result in identifying characteristics required of a vessel to meet broad commercial market and operational needs.

Ref Req No: PR100100008

Funding Information:

- - 7010 - 1750PE - - 2530 - 5 - 20101PRE - 00MHVS0 - -
00017000 - 1 - - 6100 - - - 6600
\$400,000.00

Total Cost: \$400,000.00

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 4 of 11
--	------------------------------------	---	--------------

TABLE OF CONTENTS

COMMERCIAL CLAUSES	5
1 Statement of Work	5
2 Clauses By Reference	5
SECTION E -- Inspection and Acceptance	7
E.1 Contracting Officer's Technical Representative	7
SECTION F -- Deliveries or Performance	8
F.1 PERIOD OF PERFORMANCE	8
SECTION I -- Contract Clauses	9
I.1 Clauses By Reference	9
I.2 Notification of Ownership Changes	10
I.3 Statement of Equivalent Rates for Federal Hires	10
I.4 Applicable Law for Breach of Contract Claim	11
I.5 CLAUSES NOT APPLICABLE	11

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 5 of 11
--	------------------------------------	---	--------------

COMMERCIAL CLAUSES

1 STATEMENT OF WORK

Marine Highway Design Project Statement of Work

1. Conduct a survey of perspective marine highway owner/operators to identify owner's requirements. This may be done through a series of focus groups and workshops with private sector experts or through one on one discussion. The result of this effort will result in identifying characteristics required of a vessel to meet broad commercial market and operational needs.
2. Survey the current status of Marine Highway vessel designs. Where possible incorporate the existing design work into this study.
3. Identify vessel characteristics and/or features required to enable a vessel to be attractive for DOD sealift needs. This shall be done through discussions with appropriate DOD officials.
4. Based on the results of 1 and 2 above, develop a matrix of vessel requirements for further development. Develop concept designs for 12 such vessels. Concept design shall be developed using parametric data and in enough detail to ensure technical feasibility and to obtain early stage construction and operating cost data. Deliverables shall a table of principal characteristics, general arrangement drawing, power estimate, and lightship weight estimate for each design.
5. For each concept design, estimate construction and operating costs. Develop required freight rates for each design for a variety of voyage lengths and operating speeds. Costs for features, which are not required for commercial operation but are necessary or desirable for sealift use (national defense features) shall be identified. The impact on required freight rates of such features shall be calculated.
6. Prepare a final report, which will consist of a portfolio of concept designs. Each design will include relevant cost and RFR data, along with potential trade routes.

At the successful completion of these tasks, the government may (at its discretion) exercise an Option to the design agent to develop and provide a preliminary design package for one or more vessels selected or derived from the portfolio. The preliminary design(s) shall include outline specifications, major equipment list, general arrangement drawings, machinery arrangement, speed power estimate, lines plan, preliminary intact and damage stability analysis, and cargo flow analysis along with supporting calculations. Detailed construction and operating costs estimates and voyage economic analysis shall be developed for each preliminary design. Trade-off studies involving cargo handling methods and equipment, propulsion machinery type, modular construction approaches and other factors may be required. The final scope and schedule for this option will be developed based on the findings and conclusions of the initial phase.

2 52.252-02 CLAUSES INCORPORATED BY REFERENCE

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 6 of 11
--	------------------------------------	---	--------------

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
52.203-06 Alt I	Restrictions on Subcontractor Sales to the Government (Jul 1995) - Alternate I	October 1995
52.212-01	Instructions to Offerors--Commercial Items	June 2008
52.212-04 Alt I	Contract Terms and Conditions--Commercial Items (Oct 2008) - Alternate I	October 2008
52.212-05	Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items	July 2010
52.212-05 Alt I	Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items (May 2009) - Alternate I	February 2000
52.232-10	Payments under Fixed-Price Architect-Engineer Contracts	April 2010
52.236-23	Responsibility of the Architect-Engineer Contractor	April 1984
52.236-24	Work Oversight in Architect-Engineer Contracts	April 1984
52.242-14	Suspension of Work	April 1984
52.248-02	Value Engineering--Architect-Engineer	March 1990
52.249-07	Termination (Fixed-Price Architect-Engineer)	April 1984

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 7 of 11
--	------------------------------------	---	--------------

SECTION E -- INSPECTION AND ACCEPTANCE

E.1 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE

The Contracting Officer's Technical Representative (COTR) is responsible for the technical aspects of the project and technical liaison with the Contractor. The COTR is also responsible for the final inspection and acceptance of all reports, and such other responsibilities as may be specified in the contract.

b. The COTR is not authorized to make any commitments or otherwise obligate the Government or authorize any change, which affect the contract price, terms or conditions. Any Contractor request for changes shall be referred to the Contracting Officer directly or through the COTR. No such changes shall be made without the expressed prior authorization of the Contracting officer. The COTR may designate assistants in writing and transmitting a copy of such designation through the Contracting Officer to the Contractor.

c. The COTR for this contract will be:

Carl Setterstrom

d. The COTR may be changed by the Government at any time, but the Contracting Officer in writing will promptly provide notification of the change, including the name and address of the successor COTR, to the Contractor.

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 8 of 11
--	------------------------------------	---	--------------

SECTION F -- DELIVERIES OR PERFORMANCE

F.1 PERIOD OF PERFORMANCE

The contract's period of performance shall be from September 30, 2010 to May 20, 2011.

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 9 of 11
--	------------------------------------	---	--------------

SECTION I -- CONTRACT CLAUSES

I.1 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
52.202-01	Definitions	July 2004
52.203-03	Gratuities	April 1984
52.203-05	Covenant Against Contingent Fees	April 1984
52.203-07	Anti-Kickback Procedures	July 1995
52.203-08	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	January 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	January 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	September 2007
52.204-04	Printed or Copied Double-Sided on Recycled Paper	August 2000
52.204-07	Central Contractor Registration	April 2008
52.204-10	Reporting Subcontract Awards	July 2010
52.209-06	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	September 2006
52.215-02	Audit and Records--Negotiation	June 1999
52.215-08	Order of Precedence--Uniform Contract Format	October 1997
52.215-12	Subcontractor Cost or Pricing Data	October 1997
52.215-15	Pension Adjustments and Asset Reversions	October 2004
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	July 2005
52.216-24	Limitation of Government Liability	April 1984
52.216-25	Contract Definitization	October 1997
52.219-08	Utilization of Small Business Concerns	May 2004
52.219-27	Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside	May 2004
52.219-28	Post-Award Small Business Program Rerepresentation	April 2009
52.222-03	Convict Labor	June 2003
52.222-20	Walsh-Healy Public Contracts Act	December 1996
52.222-21	Prohibition of Segregated Facilities	February 1999
52.222-26	Equal Opportunity	March 2007
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	September 2006
52.222-36	Affirmative Action For Workers with Disabilities	June 1998
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	September 2006
52.222-41	Service Contract Act of 1965	November 2007
52.222-44	Fair Labor Standards Act and Service Contract Act - Price Adjustment	September 2009
52.222-50	Combating Trafficking in Persons	February 2009
52.222-54	Employment Eligibility Verification	January 2009
52.223-06	Drug-Free Workplace	May 2001
52.223-14	Toxic Chemical Release Reporting	August 2003

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 10 of 11
--	------------------------------------	---	---------------

52.225-13	Restrictions on Certain Foreign Purchases	June 2008
52.227-01	Authorization and Consent	December 2007
52.227-17	Rights In Data--Special Works	December 2007
52.228-05	Insurance - Work on a Government Installation	January 1997
52.229-04	Federal, State And Local Taxes (State and Local Adjustments)	April 2003
52.232-17	Interest	October 2008
52.232-23	Assignment of Claims	January 1986
52.232-26	Prompt Payment for Fixed-Price Architect-Engineer Contracts	October 2008
52.232-33	Payment by Electronic Funds Transfer-Central Contractor Registration	October 2003
52.233-01 Alt I	Disputes (Jul 2002) - Alternate I	December 1991
52.233-03	Protest after Award	August 1996
52.237-02	Protection of Government Buildings, Equipment, And Vegetation	April 1984
52.242-13	Bankruptcy	July 1995
52.243-01 Alt I	Changes--Fixed Price (Aug 1987) - Alternate I	April 1984
52.244-06	Subcontracts for Commercial Items	June 2010

I.2 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES

OCTOBER
1997

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall--

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

I.3 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES

MAY 1989

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION

	Document No. DTMA1C10061	Document Title American Marine Highway Design	Page 11 of 11
--	------------------------------------	---	---------------

Employee Class Monetary Wage-Fringe Benefits

I.4 52.233-04 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM

OCTOBER
2004

United States law will apply to resolve any claim of breach of this contract.

(End of clause)

I.5 CLAUSES NOT APPLICABLE

The following FAR clauses have been automatically incorporated by reference by the automated contract writing system but they DO NOT apply to this contract:

- 52.216-24 Limitation of Government Liability
- 52.216-25 Contract Definitization
- 52.219-27 Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside