

vessels. Vendor/Contractor demonstrating the ability and willingness to comply with this policy shall receive preference in PGM's determination of best value.

Quotes are due the date and time listed on the front of this document. Any quotes received after the due date and time shall be considered as non-responsive, unless there is an approved request for quote extension, and PGM shall be under no obligation to consider same. Vendor/Contractor must sign and return this form. **The Vendor/Contractor shall return all pages of the request for quotation for its quotation to be accepted.** Vendor/Contractor-designed quotes may be included with the PGM Quote Sheet, but the PGM Quote Sheet must be completed and shall take precedence over any other materials submitted.

All prices shall be valid for 90 days. The time and date of award may be adjusted depending on the availability of funds.

This project will be awarded at the discretion of PGM. Please be reminded that as a commercial contract, best value will be the criteria for choosing a Vendor/Contractor with cost, time, past history, and other factors to be utilized in PGM's determination as to the best value offer. The determination of best value as made by PGM will not be documented or presented for review by unsuccessful bidders.

Working hours on the vessel are from 7:30 am to 4:00 pm Monday through Friday in the current time zone for the vessel. Weekends, holidays, and hours before and after the aforementioned work hours will be considered on a case-by-case basis.

Crane services, if required, will be provided between 9:00 am and 11:00 am weekdays in the current time zone, unless prior arrangements are made. The C/E or C/M shall be notified 24 hours in advance when crane service is required. Due to increased security requirements, if the side port is required to be opened, the C/M shall be notified 24 hours in advance.

All removals and replacements required to gain access in order to affect the repairs, renewals or additions enumerated herein shall be accomplished as part of the specification for said repair, renewal or addition.

Condition report(s) shall be submitted in a timely manner. Each report shall include the following information: name of the vessel, purchase order or contract number, condition report number, description of the condition being reported, recommendation(s) of correction, and sufficient space on the report for the Ship Group Manager to note a response. It is acceptable to submit these reports via e-mail, fax, or delivery to the Ship Group Manager's office.

Vendor/Contractor warrants and represents that it has reviewed the specifications to its own satisfaction and that the specifications are sufficient in detail for Vendor/Contractor to perform the work specified. Vendor/Contractor further warrants that it has had sufficient time to examine the vessel for the purpose of determining that it can complete the specifications by the required date. Vendor/Contractor agrees that there shall be no changes to either labor or materials without a written modification from the Ship Group Manager.

Vendor/Contractor shall ensure that its quote covers the total scope of the work specified and includes a sufficient allowance for all freight charges. Vendor/Contractor shall also include all applicable taxes in its response. Failure to do so will preclude any recourse against PGM or the Owner for any such taxes in the future.

All handling and disposal of materials involved in the work shall be accomplished in accordance with all federal, state and local regulations applicable to such materials, including materials considered hazardous, controlled or petroleum products.

The safe, proper and lawful handling, storage, removal and disposal of hazardous materials, asbestos, and hazardous, regulated and special waste is the responsibility of Vendor/Contractor. Vendor/Contractor must determine for itself whether the specified work requires the removal, storage, handling or disposal of hazardous material, special, regulated or hazardous waste, and the price for same shall be included in the quotation. Vendor/Contractor shall be considered the generator and shall provide the Ship Group Manager all documentation pertaining to the sampling, analysis and disposal of all wastes generated during this contract and/or the Order.

Any electrical equipment to be energized shall be megger tested prior to energizing. Any equipment showing insulation resistance reading of less than one (1) megohm shall not be energized, and the Chief Engineer shall be notified immediately.

Vendor/Contractor shall be responsible for completely removing all trash and debris generated by this work from the vessel, pier and facility. No debris is allowed to accumulate on the vessel during repairs, trash shall be removed daily, and decks shall be left in a clean and safe condition. Upon completion, all areas of the vessel affected by this work shall be left clean and in their original state.

ALL INSULATION, AS WELL AS ALL NON-METALLIC, NON-MAGNETIC, NON-STRUCTURAL COMPONENTS, I.E. CEILINGS, FLOORS, WALLS, UNDERLAYMENT, MOLDINGS, TILE, DEBRIS, AND RESIDUE, SHALL BE CONSIDERED ASBESTOS-BASED. THIS SHALL CONSTITUTE FULL AND ADEQUATE WARNING TO VENDOR/CONTRACTOR, ITS EMPLOYEES, AGENTS, AND SUBCONTRACTORS RELEVANT TO ASBESTOS AND OF THE POSSIBLE EXPOSURE TO ASBESTOS AND VENDOR/CONTRACTOR MUST DETERMINE AND TAKE ALL NECESSARY STEPS FOR PROTECTION OF PEOPLE AND PROPERTY

If it is necessary to disturb any insulation/lagging or other components during repairs, Vendor/Contractor shall engage a qualified/certified test facility to ascertain and define the nature of the material through laboratory analysis. If the laboratory analysis is positive, Vendor/Contractor shall engage a qualified/certified facility for containment, removal and disposal of the material in accordance with (IAW) all state, federal and local regulations. All testing, abatement, containment and disposal fees shall be for Vendor/Contractor's account and shall be included within the basic quotation. Once the work is complete, Vendor/Contractor shall install non-asbestos insulation/lagging material in those areas that were disturbed or removed, and the cost for same shall be for Vendor/Contractor's account

and included within the quotation. There shall be no additional modifications issued for testing, containment, removal, disposal or storage of hazardous materials.

ALL INTERIOR AND EXTERIOR PAINTED SURFACES SHALL BE CONSIDERED TO BE PRESERVED WITH LEAD BASED PAINT, UNLESS VENDOR/CONTRACTOR HAS TESTED THE MATERIAL IN QUESTION AND PROVEN OTHERWISE. THIS SHALL CONSTITUTE FULL AND ADEQUATE WARNING TO VENDOR/CONTRACTOR, ITS EMPLOYEES, AGENTS, AND SUBCONTRACTORS RELEVANT TO LEAD BASED PAINT AND OF THE POSSIBLE EXPOSURE TO LEAD BASED PAINT AND VENDOR/CONTRACTOR MUST DETERMINE AND TAKE ALL NECESSARY STEPS FOR PROTECTION OF PEOPLE AND PROPERTY.

If it is necessary to disturb any painted surfaces during repairs, Vendor/Contractor shall engage a qualified/certified test facility to ascertain and define the nature of the material through laboratory analysis. If the laboratory analysis is positive, Vendor/Contractor shall engage a qualified/certified facility for containment, removal and disposal of the material IAW all state, federal and local regulations. All testing, abatement, containment and disposal fees shall be for Vendor/Contractor's account and shall be included within the quotation. Once the work is complete, Vendor/Contractor shall coat using non-lead based material IAW MARAD coating guidelines in those areas that were disturbed or removed, and the cost for same shall be for Vendor/Contractor's account and included within the quotation. There shall be no additional modifications issued for testing, containment, removal, disposal or storage of hazardous materials.

All new steel shall be standard ABS Grade "A" steel, except where a particular different grade is specified or indicated in plans approved by PGM. New steel plates containing laminations found at any time during the performance of the work will be rejected and shall be replaced at Vendor/Contractor's sole cost. All staging clips, temporary beams, pads and lifting brackets or other temporary fixtures welded to the vessel's structure shall be removed and the area grounded flush ready for coating repair. On completion of welding, all weld spatters shall be removed from the steel prior to coating. If a gouge remains in the structure, the gouge shall be filled with weld and grounded smooth. When such appurtenances are approved by PGM to be left in place, they shall be continuously welded at their connection to the ship's structure.

Upon completion of the work, Vendor/Contractor shall restore any existing coating systems disturbed by its work to their original form. Upon inspection by Buyer's representative and when directed, the aforementioned disturbed areas shall be coated IAW MARAD coating guidelines. Existing coatings shall be properly feathered in way of or related to the repairs. Prime, immediate and final coats shall be applied to all new and disturbed surfaces.

Fit ups for steel and piping: All pipe and steel work requiring welding shall be presented for inspection by Buyer's representative after fit up and prior to the application of the "First Pass". Vendor/Contractor shall schedule such inspections with the Ship Group Manager and all other concerned parties.

The vessel's spare parts shall not be utilized for any element of this specification. Vendor/Contractor shall be responsible to provide all tools and materials unless otherwise specified.

All new galvanized steel shall be cleaned (SSPC-1, solvent cleaned), pickle primed and coated as per MARAD coating guidelines.

All nuts, bolts and similar fasteners disturbed in the course of the work shall be cleaned, freed up, and have anti-seize applied prior to installation. All threaded fasteners exposed to the weather shall be stainless steel type 316. All disturbed gaskets shall be renewed with like material appropriate to the service.

No transfer of oil or water shall take place to, from or within the vessel, unless specifically agreed upon by Vendor/Contractor and the Ship Group Manager.

Vendor/Contractor shall furnish at time of quotation a list of all Subcontractors to be used in accomplishing the specification. PGM reserves the right to accept or reject any subcontractor. As a commercial contract, best value shall be the criteria for choosing the successful Vendor/Contractor, with cost, time, past history, subcontractors utilized, and other factors to be considered in PGM's determination of the best value offer.

Vendor/Contractor shall furnish at time of quotation a list of all non-domestic articles, materials and supplies to be acquired for use in accomplishing this specification. Only domestic products shall be used unless approval by Buyer is obtained in advance of the delivery or installation of foreign produced articles, materials, parts, supplies or end products. All materials shall be free of imperfections of manufacture and from defects which adversely affect appearance or serviceability. All sharp edges or projections which constitute a personnel hazard shall be removed.

All confined spaces, tanks, vessels, strainers, etc., with limited natural ventilation shall be provided with forced ventilation and lighting prior to entry. These spaces shall be certified Safe for Workers by the Marine Chemist before entry. If hot work is to be performed, the Marine Chemist shall certify that the space is Safe for Hot Work. No hot work shall be initiated without the specific direction of the Ship Group Manager or his designee. If required, Vendor/Contractor shall obtain a gas free certificate from a certified Marine Chemist and shall comply with the directions of said certificate, including maintaining ventilation of enclosed spaces (i.e. tanks). A fire watch shall be maintained by Vendor/Contractor during all times that hot work is required or necessary. Adjacent space fire watch shall be required where applicable.

Any growth work performed without written approval from the Ship Group Manager is done at Vendor/Contractor's risk and for the Vendor/Contractor's account.

Wherever the expressions "furnish," "install," "fit," or "provide" are used with respect to any item to be supplied, they shall mean, "furnish, install and connect up in proper order" by Vendor/Contractor, unless otherwise defined as government furnished.

All work shall be scheduled, unless otherwise noted, to not to interfere with the vessel's five (5) day readiness schedule. This requires all work to be completed within four (4) days of activation. Overtime required to meet the activation schedule shall be submitted to the Ship Group Manager for evaluation and approval to ensure that Vendor/Contractor is fairly compensated for same.

Premium charges for inspections by ABS outside of normal working hours or at the request of Vendor/Contractor, and re-inspections (additional visits) due to rejections of Vendor/Contractor or its subcontractor's workmanship, rejection of materials, or scheduling of unscheduled inspection activities, shall be for Vendor/Contractor's account.

A completion sheet signed by the Chief Engineer/Chief Mate shall accompany the final invoice. Invoices submitted without a signed completion sheet shall be returned to Vendor/Contractor. Invoices and signed completion sheets shall be submitted to the Ship Group Manager for approval. Vendor/Contractor shall then forward the approved original invoice to PGM's New Orleans office, and no invoice shall be considered proper until such receipt by PGM. Alternatives to the aforementioned submittal process may be approved on a case by case basis.

Vendor/Contractors are strongly advised to "ship check" all specification work items and areas carefully. Please contact the Chief Engineer or the Chief Mate to make arrangements for a vessel site visit. Vessel site visits may be made during the local time hours of 7:30 AM to 4:00 PM Monday through Friday.

SECURITY:

This vessel and the facility(ies) at which it is located are subject to security requirements in accordance with the U.S. Maritime Transportation Security Act (MTSA) and the International Ship and Port Facilities Security Code (ISPS Code). As such, all persons entering the facility(s) or boarding the vessel must comply with the security requirements in effect at the time. Of particular concern to Vendor/Contractor is the requirement that persons be properly authorized for entry and prove their identity before they are granted access. Therefore, Vendor/Contractor shall advise PGM not less 24 hours in advance, during normal working hours, of any person(s) (Vendor/Contractor's employees, subcontractors, etc.) who will require access to the vessel so that those individuals can be added to the appropriate facility and vessel access lists.

In addition to appearing on the access lists, any persons needing access must provide proper identification at each access point. In order for identification to be considered proper, it shall qualify as an official "Photo ID" issued by a recognized governmental entity (i.e. driver's license, passport, etc.) and shall not appear to have been tampered with in any way. Failure to provide the required 24 hour advance notice and/or failure to provide proper "Photo ID" may result in denial of access. Any lost time, loss of productivity or other consequences resulting from failure to meet the above access requirements shall be solely for the account of Vendor/Contractor.

Vendor/Contractors are reminded that in the performance of this contract and/or Order, any and all employees performing work within the United States and its territories shall, in

accordance with federal regulations, be eligible to work in the United States. Any lost time, loss of productivity or other consequences resulting from any failure to meet all requirements associated with regulations pertaining to “Right to Work in the United States” shall be solely for the account of Vendor/Contractor.

SPECIAL PURCHASE ORDER REQUIREMENTS:

For the following FAR Clauses specific details can be found at
<http://acquisition.gov/far/current/html/FARTOCP52.html>

FAR 52.203-13	Contractor Code of Business Ethics and Conduct (APR 2010) (Only applicable to contracts over \$5 million and over 120 days)
FAR 52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Only applicable to contracts over \$15K)
FAR 52.204-15	Service Contract Reporting Requirements for Indefinite-Delivery Contracts (JAN 2014)
FAR 52.219-8	Utilization of Small Business Concerns (Jul 2013) (Only applicable to contracts over \$650,000)
FAR 52-222-25	Affirmative Action Compliance (Only applicable to contracts over \$10K)
FAR 52-222-26	Equal Opportunity (MAR 2007)
FAR 52-222-35	Equal Opportunity for Veterans (SEP 2010) (Only applicable to contracts over \$100K)
FAR 52-222-36	Affirmative Action for Workers with Disabilities (OCT 2010) (Only applicable to contracts over \$15K)
FAR 52-222-37	Employment Reports on Veterans (Only applicable to contracts over \$100K)
FAR 52-222-40	Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (Only applicable to contracts over \$150K)
FAR 52.222-41	Service Contract Act of 1965 (NOV 2007)
FAR 52-222-50	Combating Trafficking in Persons (FEB 2009)
FAR 52.225-26	Contractors Performing Private Security Functions Outside the United States Jul 2013) (Foreign contracts only)
FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006)

FAR 52.223-2	Affirmative Procurement of Biobased Products Under Service and Construction Contracts (DEC 2007)
FAR 52.223.3 (Alt I)	Hazardous Material Identification and Material Safety Data (JAN 1997)
FAR 52.223-5	Pollution Prevention and Right-to-Know Information (MAY 2011)
FAR 52.223-9	Estimate of Percentage of Recovered Material Content for EPA-Designated Items (MAY 2008) (Only applicable to contracts over \$150K)
FAR 52.223-10	Waste Reduction Program (MAY 2011)
FAR 52.223-12	Refrigeration Equipment and Air Conditioners (MAY 1995)
FAR 52.223-15	Energy Efficiency in Energy-Consuming Products (DEC 2007)
FAR 52.223-16	IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (DEC 2007)
FAR 52.223-17	Affirmative Procurement of EPA-Designated Items in Service and Construction Contracts (MAY 2008)
FAR 52.202-1	Definitions (Nov 2013) (Only applicable to contracts over \$150K)
FAR 52.203-3	Gratuities (Apr 1984) (Only applicable to contracts over \$150K)
FAR 52.203-6 (Alt I)	Restrictions on Subcontractor Sales to the Government (SEP 2006) (Only applicable to contracts over \$150K)
FAR 52.204-4	Printed or Copied Double-Sided on Postconsumer Fiber Content Paper (MAY 2011) (Only applicable to contracts over \$150K)
FAR 52.215-2	Audit and Records—Negotiation (OCT 2010) (Only applicable to contracts over \$150K)
FAR 52.222-21	Prohibition of Segregated Facilities (FEB 1999)
FAR 52.223-6	Drug-Free Workplace (MAY 2001)
FAR 52.225-1	Buy American Act—Supplies (Feb 2009)
FAR 52.225-13	Restrictions on Certain Foreign Purchases (JUN 2008)
FAR 52.232-23	Assignment of Claims (JAN 1986)

FAR 52.233-4	Applicable Law for Breach of Contract Claim (OCT 2004)
FAR 52.237-2	Protection of Government Buildings, Equipment, and Vegetation (APR 1984)
FAR 52.242-13	Bankruptcy (Jul 1995) (Only applicable to contracts over \$150K)
FAR 52.243-1 (Alt II)	Changes—Fixed-Price (AUG 1987) (Alt II Apr 1984) (Only applicable to contracts over \$150K)
FAR 52.244-5	Competition in Subcontracting (DEC 1996) (Only applicable to contracts over \$150K)

For the purposes for the Service Contract Act, the following U.S. Department of Labor Wage Determinations shall apply, specific details of which can be found at <http://www.wdol.gov/sca.aspx#0>:

Texas, Houston 2005-2515
Texas, Beaumont 2005-2505
Texas, Orange 2005-2505
Texas, Channelview (Harris County) 2005-2515
Texas, Port Arthur (Jefferson County) 2005-2505
Texas, Corpus Christi (Nueces County) 2005-2507
Virginia, Norfolk and Newport News 2005-2543
Massachusetts, Buzzards Bay (Barnstable County) 2005-2259
Massachusetts, Boston (Suffolk County) 2005-2255
Maine, Castine 2005-2247
Maryland, Baltimore 2005-2247
South Carolina, Charleston 2005-2473
Florida, Jacksonville 2005-2115
New York, New York 2005-2375
Florida, Tampa (Hillsborough County) 2005-2125
Alabama, Mobile 2005-2009
California, Alameda, Contra County 2005-2051
Washington, Pierce County 2005-2567
California, San Francisco 2005-2059
Oregon, Portland 2005-2441

ADDITIONAL CONTRACT CLAUSES:

FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2004)

- (a) Definitions. As used in this clause – “Commercial item” has the meaning contained in Federal Acquisition Regulation 2.101, Definitions. “Subcontract” includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Vendor/Contractor or subcontractor at any tier.

- (b) To the maximum extent practicable, the Vendor/Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.
- (c)(1) The Vendor/Contractor shall insert the following clauses in subcontracts for commercial items:
 - (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 subcontracts 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(a));
 - (iv) 52.222-36, Affirmative Action for Workers with Disabilities (June 1998) (29 U.S.C 793).
 - (v) 52.222-39, Notification of Employee Rights concerning Payment of Union Dues or Fees (Dec 2004) (E.O. 13201). Flow down as required in accordance with paragraph (g) of FAR clause 52.222-39).
 - (vi) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. App. 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 Vendor/Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.
- (d) The Vendor/Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

FAR 52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October, 2009 and DOT Order 3902.10, text Messaging While Driving, December 30, 2009, Vendor/Contractors and subcontractors are encouraged to:

- (1) Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving.
 - (i) Company-owned or rented vehicles or Government-owned, leased or rented vehicles: or
 - (ii) Privately-owned vehicles when on official government business or when performing any work for or on behalf of the Government.
- (2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:

- (i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving: and
- (ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

California code – Section 23123.5
CAL. VEH. CODE 23123.5

- (a) A person shall not drive a motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication.
- (b) As used in this section “write, send, or read a text-based communication” means using an electronic wireless communications device to manually communicate with any person using a text-based communication, including, but not limited to, communications referred to as a text message, instant message, or electronic mail.
- (c) For purposes of this section, a person shall not be deemed to be writing, reading, or sending a text-based communication if the person reads, selects, or enters a telephone number or name in an electronic wireless communications device for the purpose of making or receiving a telephone call.
- (d) A violation of this section is an infraction punishable by a base fine of twenty dollars (\$20) for a first offense and fifty dollars (\$50) for each subsequent offense.
- (e) This section does not apply to an emergency services professional using an electronic wireless communications device while operating an authorized emergency vehicle, as defined in Section 165, in the course and scope of his or her duties.

FAR 52.222-54 EMPLOYMENT ELEGIBILITY VERIFICATION

Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

VENDOR INVOICE:

The services and/or repairs provided as a result of this Purchase Order are subject to acceptance by the Pacific-Gulf Marine, Inc. (PGM) on-site Port Engineer. As a condition of payment, the Vendor/Contractor shall provide proof of receipt and acceptance of the goods or services provided. Such proof shall be in the form of the PGM Port Engineer’s (or his designated representative’s) signature affixed to the original invoice, acknowledging receipt and acceptance, as well as the agreed amount payable. Note that alternates to the submittal process may be approved on a case by case basis. No invoice will be considered proper until such acceptance is received and the original invoice forwarded by the Vendor/Contractor to PGM’s New Orleans office. Invoices shall be mailed via U.S. Mail to PGM’s New Orleans office or sent electronically in PDF format to payables@pac-gulf.com. An electronic invoice will be considered received when PGM’s Accounting Dept. confirms receipt of your invoice by reply email.

