

Spirit Cruises Inc.

Request for Proposals: Marine Engines and Gearboxes for the *Spirit of New York*



Released October 30, 2009

Response Due Date: November 11, 2009

Remit Response To:
M.J. Bradley & Associates, LLC
1000 Elm Street, Suite 202
Manchester, NH, 03101
Attention: Paul Moynihan

1 INFORMATION FOR PROPOSERS

1.1 Minimum Requirements

Further detail regarding proposal content is provided in Section 2; however, proposals in response to this RFP must include, at a minimum, the following:

- (1) A Cover Letter containing:
 - a. Name and address of the Proposer and an original signature on the Cover Letter by an authorized representative on behalf of the Respondent;
 - b. Name(s), title(s) and telephone number(s) of the individual(s) who are authorized to negotiate and execute the Contract;
 - c. Name, title and telephone number of a contact person to which Spirit Cruises Inc. (Spirit Cruises) can address questions or issues related to this RFP;
 - d. Brief description of the equipment and services offered by the Bidder; and
 - e. Location of nearest service outlet (address, point of contact name and phone number) for the equipment proposed to be supplied.
- (2) At least one completed and signed Pricing Form (Attachment A).
- (3) A manufacturer's brochure and/or data sheet for all equipment (main engine, gearbox, auxiliary generator) proposed to be supplied.
- (4) Manufacturer's standard warranty language for all equipment proposed to be supplied.

Responses must be received no later than 3:00 PM EST on November 11, 2009 and must be transmitted in a sealed envelope addressed as follows:

M.J. Bradley & Associates, LLC
1000 Elm Street, Suite 202
Manchester, NH, 03101
Attention: Paul Moynihan

1.2 Organization of this RFP

This document solicits bids for supply of marine propulsion engines, gearboxes, and generator sets. Respondents may submit bids to include any combination of equipment and services as discussed further in Section 1.6; however, bid costs for each must be itemized and severable. Supply of main propulsion engines must include labor support by proposer for vessel start-up, commissioning and sea trial. Proposers may also bid on additional services as a separate option. Spirit Cruises reserves the right to perform hardware installations using in-house resources or separately contracted shipyard services.

This section, *Information for Proposers*, contains general background information regarding the scope of the project and details concerning the target vessel. Sections 2 and 3 provide specific requirements of the requested bids including technical specifications on the individual hardware systems, vendor responsibilities and submission requirements. Section 4 contains terms and conditions for this RFP.



1.3 Summary of Project Scope

Spirit Cruises is undertaking an emission reduction program that includes outfitting the *Spirit of New York* with new main propulsion engines, gearboxes and auxiliary gensets.

The *Spirit of New York* is not an ABS classed vessel.

The *Spirit of New York* is a U.S. Coast Guard (USCG) inspected vessel and is regulated as a small passenger vessel following the guidelines of the Code of Federal Regulations (CFR) to meet Subchapter K requirements. All equipment quoted must meet the regulation dictated in 46 CFR for Subchapter K small passenger vessel construction requirements for main propulsion and generator prime movers.

1.4 Background & Context

On March 19, 2009, the U.S. Environmental Protection Agency (EPA) published a request for applications (EPA-ARRA-OAR-OTAQ-09-06) as part of the National Clean Diesel Funding Assistance Program, authorized under the Energy Policy Act of 2005 (Public Law 109-58) and the American Reinvestment and Recovery Act (Public Law 111-05), to offer funding assistance for projects designed to reduce diesel emissions and at the same time, promote the preservation and/or creation of jobs and economic recovery.

Partnering with Spirit Cruises and eight other marine vessel owners, the Northeast States for Coordinated Air Use Management (NESCAUM) submitted three applications to EPA for funding to replace main and auxiliary engines on 13 vessels. Additional detail on all of the vessels included in the NESCAUM project is provided in Appendix A. In general, the projects will replace existing pre-regulation “Tier 0” auxiliary and/or main propulsion marine engines with new, comparably sized EPA Tier 2 or Tier 3 certified engines¹.

As part of the overall project, M.J. Bradley & Associates, LLC (MJB&A) will be issuing RFPs for each of 12 vessels. This RFP is one of multiple RFPs that will be issued under the wider scope of the NESCAUM marine vessel engine repowering projects.

¹ The term *Tier 2* as it is used here is the same term as it is used in 40 CFR 94. One project will involve replacement with *Tier 3* certified engines, also defined in 40 CFR 94.

1.5 Vessel Profile

The *Spirit of New York* operates out of the Chelsea Piers on the west side of Manhattan and Lincoln Harbor Marina in Weehawken, New Jersey and is used for sight-seeing and dinner cruises along the Hudson River.

1.5.1 Existing Vessel Detail

The *Spirit of New York* is not an ABS classed vessel.

The *Spirit of New York* is a U.S. Coast Guard (USCG) inspected vessel and is regulated as a small passenger vessel.

Vessel Information:

- Hull Form: V-Type Displacement
- Hull Total Displacement: 397.91 Long Tons
- Hull Water Line Length: 156.7 ft

The *Spirit of New York*, targeted with this RFP is currently outfitted with the following equipment:

Engine:

- Number of Engines: 2
- Make: Detroit Diesel
- Model: 12v71TL
- Model Year: 1989
- Serial Number(s): 12va71341 and 12va082800
- Weight: 4,365 lbs
- Output (hp): ~539 hp @ 2100 rpm
- Max. RPM: 1800 rpm (rated @ 2100)
- Cruising RPM: 1500 rpm

Gearboxes:

- Make: Twin Disk
- Reduction Ratio: 3.50:1
- Model: MG514 spec 37131 and Spec 35061

Propeller:

- Original, 4 blade propeller will be retained (48" diameter, 32" pitch 4-blade Columbia style I workboat wheel).

Existing Marine Gensets

- Number of Engines: 2
- Make: Detroit Diesel
- Model: 8v71
- Model Year: 1989
- Serial Number(s): 8va448006 and 8va447862
- Weight: 2,985 lbs, dry
- Output (hp): ~273 hp @ 1800 rpm
- RPM: 1800 rpm
- Voltage Output: 208/120VAC 3-Phase

Photographs of the engine room are available upon request, and the following photographs of the auxiliary genset arrangement are provided for informational purposes. Shaft and rudder detail drawings showing the main engine bed foundations are available upon request.



Figure 1: Auxiliary Genset Arrangement

1.6 Bid Options

This RFP is a request for equipment and services necessary for the repowering of main propulsion engines, gearboxes and auxiliary gensets. Respondents are encouraged to offer bid pricing for any of the following options, and are not limited to a single equipment offering (e.g., if more than one engine model is suitable for the vessel, multiple Pricing Forms for Option 1 can be provided).

- **Option 1** – Main propulsion engines delivered Free On Board (FOB) Derektor Shipyard, 837 Seaview Ave., Bridgeport, CT or designated location where the equipment is to be installed.² This option requires bidder involvement with vessel commissioning and sea trials.
- **Option 2** – Gearbox equipment for the vessel delivered FOB Derektor Shipyard, 837 Seaview Ave., Bridgeport, CT or designated location.
- **Option 3** – Auxiliary generator sets delivered FOB Derektor Shipyard, 837 Seaview Ave., Bridgeport, CT or designated location where the equipment is to be installed. This option requires bidder involvement with vessel commissioning and sea trials.
- **Option 4** – Additional services for engine, gearboxes and/or gensets installation at shipyard/marina.

Respondents may team to offer any combination of equipment and installation services as identified above.

1.7 Fuel

The vessel currently operates on LSD fuel with nominal 500-ppm sulfur.

² As of this writing, Spirit Cruises has identified Derektor Shipyard in Bridgeport CT as the shipyard where installation will occur. If Derektor is unable to install the equipment due to scheduling conflicts, Spirit Cruises will identify a designated shipyard in the metropolitan New York, Northern New Jersey or Connecticut area for delivery. Spirit Cruises does not anticipate delivery to any shipyard within the general vicinity to affect price significantly.

2 BID REQUIREMENTS

The Spirit of New York is a U.S. Coast Guard (USCG) inspected vessel and is regulated as a small passenger vessel following the guidelines of the Code of Federal Regulations (CFR) to meet Subchapter K requirements. All equipment quoted must meet the regulation dictated in 46 CFR for Subchapter K small passenger vessel construction requirements for main propulsion and generator prime movers.

Because of the nature of the service, excursion/dinner cruising, Spirit Cruises desires engines and generators that can achieve minimum power ratings with quiet and smooth operation.

2.1 Bid Technical Specifications

Spirit Cruises is interested in a combination of engines and gearboxes such that the current performance is met at a minimum (e.g., 537 hp engine @ 1800 rpm coupled with a 3.5:1 gearbox). Spirit Cruises encourages respondents to propose engine and/or gearbox options available to meet or exceed these minimum requirements.

Option 1: Main Propulsion Engines

- The engine to be provided must be an equivalent replacement with no increase in power of more than 20 percent.
- The engines must be new and certified to EPA Tier 2 levels or cleaner. Tier 2 certified engines that can demonstrate that emission performance exceeds Tier 2 standards (e.g., approaches or meets Tier 3) will be given preferential consideration.
- The engine (each) must be able to produce a minimum of 537 hp @ 1800 rpm and rated as appropriate to accommodate operation in excess of 2,000 hours per year.
- The engines must be delivered complete FOB Dorektor Shipyard, 837 Seaview Ave., Bridgeport, CT or designated location.
- The engines must include exhaust silencers that are, at a minimum, functionally equivalent to the existing silencers.
- The engines may include a separate heat exchanger for the separate circuit after cooler if required. All modifications to the vessels existing sea chest or cooling piping will be performed as part of the separate installation services performed by the shipyard and procured independently from this RFP.
- The engines should utilize the existing engine foundation with minimal modification.

- A recommended lifetime maintenance schedule must be included, including pricing of replacement parts at each service interval.
- At a minimum, equipment vendors must provide the following services in support of the installation:
 - Equipment delivery to the owner's preferred location
 - Torsional Vibration Analysis
 - Oversee installation and alignment
 - Start-up and Commissioning
 - Sea Trials
- Warranty terms must be clearly defined.
 - Warranty period shall commence upon a demonstrated successful sea trial.
 - Pricing for an extended warranty may be included.

Option 2: Gearboxes

- The gearboxes must be compatible with the engines proposed in Option 1.
- Each gearbox must provide an appropriate turndown ratio to maintain existing performance, at a minimum.
- The gearboxes must be delivered complete FOB Derekor Shipyard, 837 Seaview Ave., Bridgeport, CT or designated location.
- A recommended lifetime maintenance schedule must be included, including pricing of replacement parts at each service interval.
- Warranty terms must be clearly defined.
 - Warranty period shall commence upon a demonstrated successful sea trial.
 - Pricing for an extended warranty may be included.

Option 3: Auxiliary Gensets

- Option 3a
 - The genset must be capable of providing at least 175 kW @ or below 1800 rpm.
- Option 3b
 - The genset must be capable of providing at least 280 kW at or below 1800 rpm.

- Electrical output of the genset must be 208/120 VAC, 3-phase.
- The engine portion of the genset must be certified to meet EPA's current emission standards (Tier 2 or Tier 3, as applicable).
- The engine portion of the genset must be able to achieve this power rating at continuous duty.
- A recommended lifetime maintenance schedule must be included, including pricing of replacement parts at each service interval.
- Warranty terms must be clearly defined.
 - Warranty period shall commence upon a demonstrated successful sea trial.
 - Pricing for an extended warranty may be included.

Option 4: Additional Services

- Spirit Cruises may contract equipment and physical installation separately under a separate procurement.
- The equipment vendor may also offer additional services (e.g., engine installation assistance, piping, electrical connection, and/or an annual maintenance service contract).

3 VENDOR RESPONSIBILITIES

1. Vendor will provide a clearly defined delivery schedule for Free on Board (FOB) delivery at the preferred location.
2. Purchased material will be shipped to Spirit Cruises preferred location at the following physical address, unless otherwise directed:

**Derektor Shipyard
837 Seaview Avenue
Bridgeport, CT 06607**

3. As a condition of the federal funding for this project engines that are replaced must be rendered permanently inoperable. MJB&A will coordinate with the equipment vendor to document and certify that the existing engines are disabled.
4. Title to all material and equipment provided in accordance with the contract shall transfer to Spirit Cruises upon receipt of such material and equipment by Spirit Cruises at the facility designated herein for delivery contingent on payment.
5. At a minimum, all components provided must have a 90-day no fault warranty and a 1-year defect warranty. The warranty period will begin on the day that the vessel completes a successful sea trial as determined by the owner's representative.
6. The equipment vendor shall provide appropriate EPA certification materials to document the claimed emission performance.
7. The equipment vendor shall provide written manuals and full documentation (up to 3 copies) for the new engines, gearboxes, and gensets, including but not limited to the following:
 - a. maintenance manual including requirements/procedures,
 - b. any special tools required in performance of maintenance duties,
 - c. recommended spare parts list including manufacturer part numbers, and
 - d. parts manual

3.1 Submission of Proposal

NESCAUM has engaged M.J. Bradley & Associates, LLC to assist in the RFP process and has authorized them to receive questions and bid packages. Please submit 3 printed copies of your proposal (one reproducible original containing original signatures and clearly designated as such, and two (2) copies) in a sealed envelope in accordance with the information on the cover page of this RFP. Proposals must be received no later than 3:00 PM EST, November 11, 2009.

The proposal shall be clear and concise.

NESCAUM, Spirit Cruises, MJB&A and their representative(s) assume no responsibility for delays caused by any delivery service.

Late responses will not be accepted unless proposer can show that the response was put in transit no later than 5:00 PM on the day prior to the due date and that late receipt was due to failure of the delivery company to meet its contractual obligation for timely delivery.

Responses must be in a sealed envelope addressed as follows:

M.J. Bradley & Associates, LLC
1000 Elm Street, Suite 202
Manchester, NH, 03101
Attention: Paul Moynihan

3.2 Communications Regarding this RFP

All questions regarding this RFP must be submitted in writing to Paul Moynihan via email (pmoynihan@mjbradley.com) or at the address above or facsimile (603-647-0929) no later than 3:00 p.m. EST on November 4, 2009

If interpretation or other information is required, it will be communicated to proposers by written addenda and such writing shall form a part of this RFP.

3.3 Proposal Rejection or Acceptance

Acceptance shall be only by mail to or delivery at the office designated by the Proposer in its proposal, a notice in writing signed by an authorized representative on behalf of Spirit Cruises specifically stating that the proposal is accepted or by execution of an agreement covering the subject matter of this solicitation signed by authorized representatives of Spirit Cruises and the Proposer. No other act of Spirit Cruises, its officers, agents, representatives, or employees shall constitute acceptance of a proposal. Rejection of a proposal shall be only by either (a) a notice in writing specifically stating that the proposal is not accepted, signed by an authorized representative of Spirit Cruises and mailed to or delivered to the Respondent at the office designated in the Proposal, or (b) omission of Spirit Cruises to accept the proposal within 180 days after the Proposal Due Date. No other act of Spirit Cruises, its officers, agents, representatives or employees shall constitute rejection of a proposal.

3.4 Proposal Submission Requirements

In order to expedite the evaluation of proposals the Proposer's response to this solicitation must comply with the format and content identified as follows. This includes order of items and paragraph identifiers, as set forth below.

3.4.1 Cover Letter

The Proposer shall submit a letter on its letterhead, signed by an authorized representative, stating its experience and qualifications in meeting the requirements of this RFP.

The Cover Letter shall contain:

- (1) Name and address of the Proposer and an original signature on the Cover Letter by an authorized representative on behalf of the Respondent.
- (2) Name(s), title(s) and telephone number(s) of the individual(s) who are authorized to negotiate and execute the Contract.
- (3) Name, title and telephone number of a contact person to which Spirit Cruises Inc. (Spirit Cruises) can address questions or issues related to this RFP.
- (4) Brief description of the equipment and services offered by the Bidder.
- (5) Location of nearest service outlet (address, point of contact name and phone number) for the equipment proposed to be supplied.

3.4.2 Agreement on Terms of Discussion

By submitting a proposal, bidder hereby agrees to the Terms and Conditions.

3.4.3 Project Timeline

The proposer must submit a timeline showing project milestones, as applicable, including, but not limited to equipment manufacture, delivery to Derektor Shipyard, Bridgeport, CT, and installation. The timeline does not need to show specific calendar dates, and can be from time of award.

3.4.4 Acknowledgment of Addenda

If any Addenda are issued with respect to this solicitation, the Proposer shall initial and include with its Proposal the addenda form(s). In the event any Proposer fails to conform to these instructions, its proposal will nevertheless be construed as though the Addenda had been acknowledged.

3.4.5 Pricing Form(s)

The Proposer shall use the form(s) in Attachment A, as appropriate, to submit a summary of the costs. Pricing shall be FOB Derektor Shipyard, Bridgeport, CT.

3.4.6 Small Contractor and Minority Business Enterprise Goals

Small/Minority/Women/Disabled Business Enterprises (SBE/MBE/WBE/DBE) are encouraged to submit responses directly or be utilized as subcontractors. Proposals with greater than 5 percent SBE, MBE, WBE, and/or DBE content will be rated more favorably. If the SBE, MBE, WBE and/or DBE will be used as a subcontractor, the proposal must clearly identify the firm and anticipated financial participation.

4 TERMS AND CONDITIONS FOR THE SUBMISSION OF A PROPOSAL

In addition to all other requirements of this solicitation, the Proposer agrees to the following conditions for the submission of its proposal.

Changes to the solicitation

At any time, in its sole discretion, Spirit Cruises may by written addenda, modify, correct, amend, cancel and/or reissue this solicitation. If an addendum is issued prior to the date proposals are due, it will be provided to all parties to whom solicitations were mailed. If an addendum is issued after proposals have been received, the addendum will be provided only to those whose proposals remain under consideration at such time.

Proposal Preparation Costs

Spirit Cruises shall not be liable for any costs incurred by the Proposer in the preparation, submittal, presentation, or revision of its proposal, or in any other aspect of the Proposer's pre-contract activity. No Proposer is entitled to any compensation except under an agreement for performance of services signed by an authorized representative of Spirit Cruises and the Proposer.

Disclosure of Proposal Contents / Use of Ideas and Materials

Proposal information is not generally considered confidential or proprietary. All information contained in the proposal is subject to the "Agreement on Terms of Discussion". Spirit Cruises, however, does not intend to publish cost data received.

Ownership of Submitted Materials

All materials submitted in response to or in connection with this solicitation shall become the property of Spirit Cruises. Selection or rejection of a Proposal shall not affect this right.

Prices to Include

By submission of a Pricing Form in response to this RFP, proposers commit to providing complete engine, gearbox or genset packages, including installation kit, in compliance with all technical specifications and Terms and Conditions herein, for the prices noted. Such prices shall remain in effect for any devices ordered by Spirit Cruises between November 1, 2009 and June 30, 2010.

Warranty

The vendor (and as appropriate, the manufacturer) shall warrant all equipment, including the elements of the installation kit, to be free of defects and shall warrant the device to continue to operate as designed for a minimum period of one (1) year from the date the vessel successfully completes a sea trial.

For all warrantable failures, the manufacturer shall be liable to provide a replacement part or device, or shall reimburse the Spirit Cruises the cost of repair or the replacement purchase price.

Conflict of Interest

If the Proposer may have a possible conflict of interest, or may give the appearance of a possible conflict of interest, the Proposer shall include in its proposal a statement indicating the nature of the conflict. Spirit Cruises reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create a conflict of interest or give the appearance of a conflict of interest. Spirit Cruises' determination regarding any questions of conflict of interest shall be final.

Authorized Signature

Proposals must be signed by an authorized corporate officer (e.g., President or Vice President), General Partner, or such other individual authorized to bind the Proposer to the provisions of its proposal and this solicitation.

References

Spirit Cruises may consult any reference familiar with the Proposer regarding its current or prior operations and projects, financial resources, reputation, performance, or other matters. Submission of a proposal shall constitute permission by the Proposer for Spirit Cruises to make such inquiries and authorization to third parties to respond thereto.

Evaluation Procedures and Negotiation

Only Proposers that meet the prerequisites may have their proposals evaluated. Spirit Cruises may use such procedures that it deems appropriate to evaluate such proposals. During the period of proposal evaluation, additional information may be requested from one or more Proposers.

Spirit Cruises may elect to initiate contract negotiations with one or more Proposers including negotiation of costs/price(s) and any other term or condition, including modifying any requirement of this solicitation. The option of whether or not to initiate contract negotiations rests solely with Spirit Cruises.

Most Advantageous Proposal/No Obligation to Award

Spirit Cruises reserves the right to award a Contract to other than the Proposer proposing the lowest price. Contracts will be awarded to Proposers whose proposals Spirit Cruises believes, in its sole discretion, will be the most advantageous to Spirit Cruises. Neither the release of this solicitation nor the acceptance of any response thereto shall compel Spirit Cruises to accept any proposal. Spirit Cruises shall not be obligated in any manner whatsoever to any Proposer until a proposal is accepted by Spirit Cruises in the manner provided in the Section of this solicitation entitled "Proposal Acceptance or Rejection."

Multiple Contract Awards

Spirit Cruises reserves the right to award multiple Contracts for program participation and Proposers are hereby given notice that they may not be Spirit Cruises' only Awarded Firm.

Payment Terms

Spirit Cruises will make payments for all shipped hardware net 45 days of receipt of a proper invoice from the vendor, and proof of delivery to the designated location. For installation services, payment will be made 45 days from successful installation and demonstration of a successful sea trial.

Rights of Spirit Cruises

Spirit Cruises reserves all its rights at law and equity with respect to this solicitation including, but not limited to, the unqualified right, at any time and in its sole discretion, to change or modify this solicitation, to reject any and all proposals, to waive defects or irregularities in proposals received, to seek clarification of proposals, to request additional information, to request any or all Proposers to make a presentation, to undertake discussions and modifications with one or more Proposers, or to negotiate an agreement with any Proposer or third person who, at any time, subsequent to the deadline for submissions to this solicitation, may express an interest in the subject matter hereof, to terminate further participation in the proposal process by a Proposer or to proceed with any proposal or modified proposal, which in its judgment will, under all circumstances, best serve Spirit Cruises' interest. Spirit Cruises may, but shall not be obliged to, consider incomplete proposals or to request or accept additional material or information. The holding of any discussions with any Proposer shall not constitute acceptance of a proposal, and a proposal may be accepted or rejected with or without discussions.

No Proposer shall have any rights against Spirit Cruises arising from the contents of this solicitation, the receipt of proposals, or the incorporation in or rejection of information contained in any proposal or in any other document. Spirit Cruises makes no representations, warranties, or guarantees that the information contained herein, or in any addenda hereto, is accurate, complete, or timely or that such information accurately represents the conditions that would be encountered during the performance of the contract. The furnishing of such information by Spirit Cruises shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its proposal, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold Spirit Cruises liable or responsible therefore in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of Spirit Cruises, its officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Proposer required by this solicitation or Contract and the Proposer agrees that it shall not hold Spirit Cruises liable or responsible therefore in any manner whatsoever.

At any time and from time to time after the opening of the proposals, Spirit Cruises may give oral or written notice to one or more Proposers to furnish additional information relating to its proposal and/or qualifications to participate in the program described by this solicitation, or to meet with designated representatives of Spirit Cruises. The giving of such notice shall not be construed as an acceptance of a proposal. Information shall be submitted within three (3) calendar days after Spirit Cruises' request unless a shorter or longer time is specified therein.

No Personal Liability

Neither the officers of Spirit Cruises, nor any agent or employee thereof shall be charged personally with any liability by a Proposer or another or held liable to a Proposer or another under any term or provision of this solicitation or any statements made herein or because of the submission or attempted submission of a proposal or other response hereto or otherwise.

ATTACHMENT A

Pricing Form

Option 1 – Main Propulsion Engines

| | |
|---|----|
| Spirit Cruises Inc. | |
| <i>Spirit of New York</i> | |
| Proposer Information | |
| Proposer's Company Name | |
| <i>Engine Information</i> | |
| Manufacturer | |
| Model | |
| Hp Rating | |
| Speed (rpm) | |
| Warranty Period, No Fault | |
| Warranty Period, Defect | |
| Warranty – Extended | \$ |
| Unit Price FOB Derekor Shipyard, Bridgeport, CT | \$ |
| Number of Engines | |
| Number of Silencers | |
| <i>Additional Information (as necessary)</i> | |
| | |
| | |
| | |
| | |
| SBE, WBE, MBE, DBE Content (%) <i>(provide separate sheet that identifies each firm and anticipated financial participation)</i> | |

*** – Includes vendor participation at a minimum during installation to include: installation oversight, start-up/commissioning, sea trial.**

Please fill out 1 form for each unique engine package offered. If additional forms are required to accurately describe different engine packages, please provide separate pricing forms.

Signed:

Name and Title

Date

Pricing Form

Option 2 – Gearboxes

| | |
|---|----|
| Spirit Cruises | |
| <i>Spirit of New York</i> | |
| Proposer Information | |
| Proposer's Company Name | |
| <i>Gearbox Information</i> | |
| Manufacturer | |
| Model | |
| Turndown Ratio | |
| Warranty Period, No Fault | |
| Warranty Period, Defect | |
| Warranty – Extended | \$ |
| Unit Price FOB Derektor Shipyard, Bridgeport, CT | \$ |
| Number of Gearboxes | |
| <i>Additional Information (as necessary)</i> | |
| | |
| | |
| | |
| SBE, WBE, MBE, DBE Content (%) <i>(provide separate sheet that identifies each firm and anticipated financial participation)</i> | |

Please fill out 1 form for each unique gearbox package offered. If additional forms are required to accurately describe different gearbox packages, please provide separate pricing forms.

Signed:

Name and Title

Date

Pricing Form

Option 3 – Auxiliary Gensets

| | |
|---|----|
| Spirit Cruises | |
| <i>Spirit of New York</i> | |
| Proposer Information | |
| Proposer's Company Name | |
| <i>Auxiliary Genset Information</i> | |
| Manufacturer | |
| Model | |
| kW Rating | |
| Voltage Output (V, Phase) | |
| Speed (rpm) | |
| Warranty Period, No Fault | |
| Warranty Period, Defect | |
| Warranty – Extended | \$ |
| Unit Price FOB Derekor Shipyard, Bridgeport, CT | \$ |
| Number of Gensets | |
| <i>Additional Information (as necessary)</i> | |
| | |
| | |
| SBE, WBE, MBE, DBE Content (%) <i>(provide separate sheet that identifies each firm and anticipated financial participation)</i> | |

Please fill out 1 form for each unique genset package offered. If additional forms are required to accurately describe different genset packages, please provide separate pricing forms.

Signed:

Name and Title

Date

Pricing Form

Option 4 – Additional Installation Services *

| | |
|--|----------|
| Spirit Cruises | |
| <i>Spirit of New York</i> | |
| Proposer Information | |
| Proposer’s Company Name | |
| Additional Services – Please Describe Specific Services (use separate sheet if necessary) | |
| | |
| Pricing Detail | \$ |
| Annual Service Contract / Maintenance Package | \$ /year |
| SBE, WBE, MBE, DBE Content (%) (provide separate sheet that identifies each firm and anticipated financial participation) | |

* – These are supplemental to the minimum installation services required under Option 1 (installation oversight, start-up/commissioning, sea trial).

Signed:

Name and Title

Date

APPENDIX A

NESCAUM Marine Engine Repowering Projects Summary

NESCAUM is a 501(c)(3) nonprofit association of air quality agencies in the Northeast with a mission to provide scientific, technical, analytical, and policy support to the air quality and climate programs of the eight Northeast states. NESCAUM's Board of Directors consists of the air directors of the six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), New Jersey, and New York.

Background

On March 19, 2009, the U.S. Environmental Protection Agency (EPA) published a request for applications (EPA-ARRA-OAR-OTAQ-09-06) as part of the National Clean Diesel Funding Assistance Program, authorized under the Energy Policy Act of 2005 (Public Law 109-58) and the American Reinvestment and Recovery Act (Public Law 111-05), to offer funding assistance for projects designed to reduce diesel emissions and at the same time, promote the preservation and/or creation of jobs and economic recovery.

Partnering with nine owners, involving a total of 13 marine vessels, NESCAUM submitted grant applications to EPA, proposing to replace 35 existing pre-regulation "Tier 0" auxiliary and main propulsion engines with new, comparably sized EPA Tier 2 and Tier 3 certified engines.³ Three grant applications were submitted to EPA and consolidated and approved by EPA as two grant awards: (1) "Northern New England Marine Engine Repower Project" and (2) "NESCAUM – Marine Ferry and Tug Repower Project". The following summary presents information for eight project partners and 12 marine vessels included in the program.

Northern New England Marine Engine Repower Project

This following information is provided for the majority of vessels included in the project and encompasses the ones included in the initial engine procurement process. This project will repower seven marine vessels operating in the EPA Region 1 air shed in Maine, Vermont, and New Hampshire with new, EPA Tier-2 certified engines; the existing engines to be replaced are all pre-regulation, (i.e. Tier 0) marine engines.

The four private project partners include the vessel owners, Lake Champlain Transportation (two vessels), Winnepesaukee Flagship Corporation (one vessel), Lionel Plante Associates (one vessel) and Interport Towing (three vessels).

³ The term Tier 2 as it is used here is the same term as it is used in 40 CFR 94. One project will involve replacement with Tier 3 certified engines, also defined in 40 CFR 94.

Three of the vessels to be repowered under this project are ferry vessels, three are tug boats, and one is a Landmark sight-seeing excursion vessel. A total of nine (9) main engines and seven (7) auxiliary generators will be repowered or replaced. The main engines range in size from 280 hp to 1,230 hp while the auxiliary engines range in size from 54 hp to 120 hp. See the table at the end of Appendix A for a description of the current engines in each vessel.

Lake Champlain Transportation (LCT): Two vessels operating in Vermont, The Champlain (Fairbanks Morse 4-stroke main engines) and the Governor Aiken (12V71 2-stroke main engines), will be repowered.

Lake Champlain Transportation Company is the oldest continuously operating ferry company in the country. It has provided reliable, safe and friendly transportation to the surrounding lake community and to area visitors since 1826. With LCT you can count on crossing the lake all 365 days of the year. Currently there are three crossing locations and 8 ferries. LCT ferries have a combination of stainless steel propellers, reinforced hulls and heavy gears that enable them to navigate winter ice on the Lake.



Champlain



Governor Aiken

The Governor Aiken is a 132-foot double-ended ferry, equipped with a heated bathroom, passenger lounge, and outdoor seating on the lounge deck. This vessel can carry up to 26 cars and is built to carry large trucks weighing up to 40 tons. In the engine room are two Detroit Diesel 12v71 diesel engines coupled to a twin disc MG-514 marine transmission.

Winnepesaukee Flagship Corporation (WFC): One Vessel operating in New Hampshire, The M/S Mount Washington (1946 vintage Enterprise 4-stroke main engines), will be repowered.

Each year, from late May through late October, Mount Washington Cruises offers Scenic Daytime, Sunday Champagne Brunch, Evening Dinner Dance, private Charter and Island Cruises on New Hampshire's Lake



Mount Washington

Winnepesaukee, the largest and most beautiful lake in the state. This crystal clear lake is located at the foothills of the White Mountains in New Hampshire's beautiful Lakes Region. The Mount Washington Cruises fleet consists of the first-class, 230-ft. M/S Mount Washington and two smaller vessels, the M/V Sophie C. and M/V Doris E.

The Mount Washington has undergone many physical changes over the past 57 years. The two most significant were the addition of twin diesel Enterprise engines in 1946, and the addition of 25 feet to her length in 1982.

Lionel Plante Associates (LPA): One Vessel operating in Maine, The Ft. Gaines (three 6v71, 2-stroke main engines, two 3v53 aux generators), will be repowered. The project will repower all five 2-stroke engines in the vessel. The Ft. Gains is a vessel for hire that has operated at one time or another to numerous islands off the Maine coast.



Ft. Gaines

Interport Towing: Three tug vessels operating in Maine, the Lucinda Smith (two 4v71), Eddie R (one 3v71, one 2v71), and Camerons Point (one 2v71), will have 2-stroke auxiliary engines replaced under this project.



McAllister Towing: This project will repower the marine tug McAllister Sisters with new, EPA Tier-2 certified engines. The existing two main propulsion engines and two auxiliary generator engines to be replaced are 1975 model year pre-regulation Tier 0 engines.

Captain Red Inc.: The Captain Red operates as a ferry in the Hudson River and New York Harbor in and around New York City and will have the main engines and auxiliary generators replaced under this project. The Captain Red operates out of Rockaway, Queens and is used for weekday commuter ferry service between the Rockaways and Wall Street in Manhattan.



Spirit Cruises Inc.: The Spirit of New York operates as an excursion vessel in the Hudson River and New York Harbor in and around New York City and will have the main engines and auxiliary generators replaced under this project. The Spirit of New York operates out of the Chelsea Piers on the west side of Manhattan and Lincoln Harbor Marina in Weehawken, New Jersey and is used for sight-seeing and dinner cruises along the Hudson River.

Great Lakes Towing, Inc.: The other two vessels, the Triton and the Punta Borinquen, are tug boats operating from the port of San Juan, Puerto Rico – these vessels will have only their auxiliary generator engines repowered under this project.

Vessels Included in the NESCAUM Engine Repowering Projects.

| RFP # | State | Sector | Vessel Name | Company Name | Main Engine Info | Auxiliary Engine Info | Objective |
|-------|-------|--------------------|----------------------|------------------------------|---|---|--|
| 1 | ME | Ferry | Ft. Gaines | Lionel Plante Associates | Three (3) 6v71 | Two (2) 3V53 | Replace main and auxiliary engines with Tier 2 certified engines |
| 2 | ME | Tug | Lucinda Smith | Interport Towing | N/A | Two (2) Detroit Diesel 471 | Replace auxiliary engines with Tier 2 certified engines |
| 3 | ME | Tug | Eddie R. | Interport Towing | N/A | Two (2) Detroit Diesel 371 & 271 | Replace auxiliary engines with Tier 3 certified engines |
| 4 | ME | Tug | Camerons Point | Interport Towing | N/A | One (1) Detroit Diesel 271 | Replace auxiliary engines with Tier 3 certified engines |
| 5 | NH | Excursion | Mount Washington | Winnepesaukee Flagship Corp. | Two (2) Enterprise 815, 450 rpm direct, DMG8 | N/A | Replace main engines with Tier 2 certified engines |
| 6 | VT | Ferry | Champlain | Lake Champlain Towing | One (1) Fairbanks Morse, 900 hp | N/A | Replace main engines with Tier 2 certified engines |
| 7 | VT | Ferry | Gov. George D. Aiken | Lake Champlain Towing | Two (2) Detroit Diesel 12V71 | N/A | Replace main engines with Tier 2 certified engines |
| 8 | NY | Tug | McAllister Sisters | McAllister Towing | Two (2) EMD 16-645E6, 1,950 hp each | Two (2) GM 6-71, 200 hp each | Replace main and auxiliary engines with Tier 2 certified engines |
| 9 | NY | Captain Red | Ferry | Captain Red Inc. | Three (3) Detroit Diesel 12v92, 1,100 hp each | Two (2) Isuzu 4BDI, 40 hp each | Replace main and auxiliary engines with Tier 2 certified engines |
| 10 | NY | Spirit of New York | Excursion | Spirit Cruises Inc. | Two (2) Detroit Diesel 12v71, 539 hp each | Two (2) Detroit Diesel 8v71, 273 hp each | Replace main and auxiliary engines with Tier 2 certified engines |
| 11 | PR | Triton | Tug | Great Lakes Towing, Inc. | N/A | Two (2) GM 671 | Replace auxiliary engines with Tier 3 certified engines |
| 12 | PR | Punta Borinquen | Tug | Great Lakes Towing, Inc. | N/A | One (1) Caterpillar D320 One (1) Caterpillar 3304 80 hp each | Replace auxiliary engines with Tier 3 certified engines |