

RFI Response To provide staffing services upon the MV Charlie Wells. 30 November

2017

RFI response to provide Herron Island Home Owners
Association with staffing and operation services for the
MV Charlie Wells.

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1.0 Executive Summary

Herron Island is a unique island community in South Puget Sound served with a HOA owned ferry the MV Charlie Wells. The Charlie Wells is a small car / passenger ferry that services the island residents and guests. The current COI requires a master with a 100 ton Inland license or better and a deckhand with little formal training and no licensure required.

Praetorian Fire Rescue, (PFR) herein proposes to enter into a contract to staff, operate, maintain, and fuel the Charlie Wells on behalf of the Herron Island HOA. Please find below Praetorian Fire Rescue responses to Request for Information (RFI) for operation of the Charlie Wells Ferry.

Praetorian Fire Rescue (PFR) structure:

PFR is a niche services provider specializing in emergency response and support services for the maritime, oil and gas industry as well as government agencies, both domestic and international. We operate as needed on various contracts and have serviced contracts in the United States, Canada, and more. PFR has operated since 2007 as an LLC registered in Washington State and since 1994 under its previous structure.

PFR Currently operates with 12 full time response and project managers to provide management and command / control of local subcontracted personnel. We have had as many as 3000 personnel in our system via subcontracted labor. We have had affiliations with the International Association of Fire Firefighters (IAFF), International Longshore and Warehouse Union (ILWU), Inlandboatmens Union of the Pacific. (IBU) Captains and able bodied seaman at PFR have been IBU members in good standing for as long as 25 years.

1.1 Company Certifications for PFR.

- 1.1.1 Member International Association of Emergency Responders
- 1.1.2 United States Coast Guard listed OSRO
- 1.1.3 Reserved

2.0 Marine Propulsion System Knowledge:

Our knowledge of marine propulsion systems is based on the licenses and positions held by our mariners and that we maintain vessels in the harshest conditions in the Alaska and the Arctic daily. We have USCG licensed chief engineers as well as QMED (Qualified Member of Engine Department) rated personnel. In addition the personnel that would be placed on the Charlie Wells are all seasoned mariners with experience operating in the harshest conditions in the world and on all types of vessels. 300-1000 hp marine propulsion systems would be common systems on a small tugboat or a smaller crew vessel, which we operate. Maintenance of the John Deere and Twin Disk reduction gear would be a regular part of our daily routine. In addition we would be utilizing the NS Enterprise marine vessel operations system to manage and document service as well as preventative maintenance cycles per the manufacturer's recommendations to ensure the longest lifespan and reliability of the system. Our personnel are trained and certified in MEECE (Management of Electrical and Electronic Control Equipment) as required by the USCG to meet IMO required gap closing. Repair and maintenance of electrical and control systems is imperative to the safe operation and transit of a vessel and is statistically the most likely cause of failure in a marine environment.

We are fully qualified to operate, maintain, and repair the electrical, diesel propulsion, reduction gearing, fuel, steering, lighting, cooling, hydraulic, pneumatic, and peripheral systems on the Charlie Wells, as well as most issues on the loading ramps on the island and mainland respectively. Including the power generation units, and the electrical switchgear that distributes the power. Normally we maintain systems up to 10,000 HP. 300hp would be a medium sized generator, or hydraulic pump or air compressor on the vessels we operate.

3.0 MARSEC:

All of our mariners hold the USCG required Vessel Security Officer (VSO) endorsement. We regularly operate under the strictest of maritime security (MARSEC) levels. Our personnel in Valdez, Alaska regularly operate in the exclusive security zone of the Trans Alaska Pipeline System Security zone and are intimately familiar with the requirements of MARSEC levels 1 through 3. We hold regular onboard security drills as well as company security drills quarterly as required by law. Knowing the different MARSEC levels and how to operate within them is second nature for professional mariners. Knowing the inspection requirements and vessel operation limits within each level is paramount to maintain integrity of the vessel and operating within the law. In addition we have Company Security Officer (CSO) Rated personnel that will serve as the required Shoreside POC. One will be available 24 hours a day every day of the year to provide the CSO Services per 33CFR 104.210

Commercial vessels do not operate under a single set of laws and regulations. Multiple agencies have regulatory responsibility including, including:

3.1 United States Coast Guard

- 3.1.1 Licensing of operators
- 3.1.2 Regular inspection of vessels
- 3.1.3 Receipt of 2692 and issuance of 835 correction notices.
- 3.1.4 Coordination of vessel movements
- 3.1.5 Sets the national and local port MARSEC level per 33CFR 101.200

3.2 Classification Society, American Bureau of Shipping

Classification society responsible for the oversight of construction and modification, repair of commercial vessels upon the waterways of the United States.

3.3 Washington State

State of Washington has laws specific to the operation of passenger and vehicle ferries. Including requirements for spacing of vehicles as well as loading operations.

3.4 OSHA

OSHA is well known for regulating the workplace safety of employees within industrial plants and factories, but also has responsibility for marine vessel operations. Some areas that OSHA provides oversight for the Charlie Wells include, but are not limited too.

3.4.1 Competent Person Program for confined spaces.

The steering gear compartments on the Charlie Wells at each end are designated confined space (and most likely the engine spaces) are not designed for continuous occupancy by a person. As such, they require a trained and equipped competent person to test and certify the space for entry and work. It is a violation of law to enter these spaces without a confined space entry program, 4 gas meter and documentation, as well as a SCP rated person. PFR personnel are Shipyard Competent Person (SCP) trained and are fully versed in proper implementation. (29 CFR 1915.7)

3.4.2 Hearing Conservation.

All marine vessels produce harmful noise. Crews that are exposed to harmful noise must be monitored and regularly tested to meet statue and preserve the hearing of the employees. 29 CFR 1910.95(c)

3.4.3 Reserved

3.5 EPA

Marine vessels fall under another myriad of programs administered by the EPA. Charged with maintaining the health of the environment of the United States the EPA is primarily concerned with vessel discharges. Monitoring, testing regularly as well as documenting discharges on the vessel is required.

- 3.5.1 Clean Water Act (CWA) The CWA requires that all vessels operate in a manner that prevents accidental and incidental discharge of pollutants to the waterways and inland waters of the United States.
- 3.5.2 Vessel General Permit (VGP) Inspected vessels over 79 feet are subject to the EPA VGP requirements, as such the Charlie wells would be exempt from VGP requirements. Recognizing that there are thousands of vessels under this statutory limit though the EPA enacted the sVGP to address smaller commercial vessel and bring them into compliance. Section 402 of the EPA CWA NPDES. Amongst other items there are requirements for regular inspection and documentation of possible contaminants on the Charlie Wells. Engine oil and coolant leaked to deck is a contaminant that must be cleaned up and documented before it is discharged over board via rainwater or vessel wash-down.

3.6 TSA

The transportation security agency (TSA) administers the TWIC identification program that issues transportation workers vetted identification required for an MMC to be valid. These identification cards are required when operating from most commercial docks as well as ports, and all shipyards. 33CFR 101.514 as well as NVIC USCG-2006-24196

4.0 Operation of Passenger Ferry:

I have personally operated the Charlie Wells for more than 8 years as relief captain. In that time I have mastered the operation of the vessel as well as noted the deficiencies that would be corrected if we were to take over the operation of the vessel. In addition I have 9 licensed masters that have served as captains on crew vessels and tugboats around the world in the harshest of conditions. These vessels operate in support of oil and gas companies as regular passenger, and freight and range from 90-140 feet and 1600-12000 horsepower. We have operated in the Gulf of Mexico (GOM) as well as the Bering Sea.

Years of vessel operation by captains offered by PFR

- 4.1 Captain Helpenstell 8 Years as relief Master on the Charlie Wells.
- 4.2 Captain 14 Years as Master 500 ton
- 4.3 Captain 32 years as Master 1600 ton
- 4.4 Captain 8 years as Master 200 ton
- 4.5 Captain 7 years as Master 500 ton
- 4.6 Captain 14 years as Master 500 ton
- 4.7 Captain 22 years as Master 200 ton
- 4.8 Captain 6 years as Master 100 ton 3M unlimited
- 4.9 Reserved
- 5.0 While we have never "privatized" a ferry system (few have) we have privatized fire and EMS response in multiple locations. Our original mission of providing fire suppression services has privatized operations on behalf of the United State Forest Service. Awarded multiple 3 year contract cycles we provided services that exceeded the USGs operating model in the Sawtooth National Forest as well as Umpqua National Forest on exclusive use contracts.

Under United States Forest Service contract PFR provided fire engines, housing and peripheral services in support of suppression and EMS missions within the boundaries of the Sawtooth Forest in Stanley, Shake Creek, Malta, Rock Creek, Fairfield and Twin Falls Idaho. Our personnel were utilized in place of government supplied personnel and equipment and the USG realized a 19% savings over utilizing government owned and operated equipment. This contract was subject to an A-76 audit for feasibility and the program was further expanded after the audit proved the market provided a superior product at a cost benefit to the USG¹. Please see attached study for audit results.

5.1 In support of our contracts with the USG, the community saw a reduction in response times as well as cost benefit and newer, better equipment being utilized than the government traditionally provide. We did this while providing our employees with better compensation packages than the government could provide as well. This scenario may seem contradictory, but it is not. Service organizations like fire suppression and EMS response as well as passenger ferry service rely on the people in the field and is where the revenue is generated. All other people in the system are revenue negative. Pacific Wildfire and PFR use a business model that minimizes overhead management and utilize the operations natural leadership onsite

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¹ Study

- and revenue generating to manage operations, facilities as well as services. This study, performed under contract number 53-9A72-1-1Q004 can be found online, but would be included in an RFP or RFQ response as an exhibit.
- 5.2 It is anticipated that current employees would have to meet our standards to be considered eligible for employment in our system. Part of the reason to contract a service is to accomplish two things. The first is to realize a cost savings and the second reason is to receive better service. In this case we can actually provide both. Through the use of our outside work I am able to maintain a much larger pool of captains and professional mariners than the Herron Island HOA can. That the HOA has a difficult time keeping people in the system, particularly relief captains and crew is evidenced by the constant revolving door of applicants that are solicited, trained and then quit; often before their training is even concluded. There are many reasons that this is so, many of those reasons our proposal addresses. If current employees can meet the requirements outlined in our submittal previously we would consider them.
 - 5.2.1 Minimum Requirements for employment, including:

Project Manager:

- Master 100 ton.
- CSO/VSO (a VSO onshore, is required. The vessel master on the vessel may not serve in both roles by definition.
- Basic and Advanced firefighting.
- TPIC Tankerman Person in Charge.
- AB rating.

Vessel Master:

- Master 100 ton.
- CSO/VSO (a VSO onshore, is required. The vessel master on the vessel may not serve in both roles by definition.
- Basic and Advanced firefighting.
- TPIC Tankerman Person in Charge.
- AB rating.
- Basic and advanced firefighting.
- NS Enterprise fluent.

Deckhand:

- Master 100 ton.
- CSO/VSO (a VSO onshore, is required. The vessel master on the vessel may not serve in both roles by definition.
- Basic and Advanced firefighting.
- TPIC Tankerman Person in Charge.
- AB rating.
- Basic and advanced firefighting.

NS Enterprise fluent.

5.2.2 Reserved

6.0 24 hour emergency response.

Current schedule of a just a few days on and off creates more logistical issues than necessary. Short duration hitches increase the frequency of crew change issues. Right now there are 104 crew changes a year to deal with. 104 opportunities for a crewman to be late and be out of position and increases the drama associated with crew change. Our 4 week hitch length reduces 104 crew changes down to as little as 12 or 24 if we work a 2 week hitch length. Housing will be provided on the island through the purchase of a home. In the interim we will utilize rented space until the purchase can be made.

6.1 24/7 Response Availability:

All of our personnel would be required to be domiciled in PFR owned property on the island. As stated in our proposals previously submitted PFR would purchase a home on the island within the timeline given and would utilize rental property or In extremis RVs as I have for years when I fill in on the island.

PFR cannot operate responsibly with personnel responding from off island. There are just too many variables to factor in. To respond from off island to an emergency relies on a separate boat and weather that allows a crossing. Risk is assessed as a series of probabilities and the more variables that are introduced, the more likelihood for a failure is increased. What if the transport boat doesn't start? What if it was stolen? What if it runs out of gas? What if it is too rough to safely cross or worse yet, a person tries and capsizes? There are too many variables that will eventually pop up and prevent a person from responding from off island. Therefore, we would require all of our personnel to live in our company provided quarters on island, where in a worst-case scenario an individual could ride a bicycle to the ferry dock, or even walk to respond in the Charlie Wells.

6.1.1 Fire District communications:

As professional responders and firefighters we regularly communicate via satellite phones, emergency radios, and SSB as needed. We perform aerial winch operations multi times yearly and know communications at time of emergency. We would anticipate there to be no hurdles or hang-ups with transition into the Pierce County EMS system.

6.1.2 Reserved

7.0 Mobile Ticketing:

The mobile ticketing system currently used on the island is functional, but limited. PFR is open to researching additional systems and bringing them forward if they fill the need to track and collect funds more transparently and efficiently.

7.1 Trust Funds:

I dislike the idea of handling trust funds on behalf of others, it's just not a good feeling to be responsible for others cash. We like the idea of digitizing as much as possible, but will always act in transparency. Unless otherwise directed PFR would reconcile daily cash income and tickets for deposit with the island managers office. We anticipate installing a secure lock box for funds to be installed at the HOA office building at PFR cost.

7.1.1 Reserved.

8.0 Efficiencies:

There are multiple levels of efficiencies that we bring to the table that will result in cost savings AND a better product to the residents of the island than the current operational model. Some efficiencies brought to the operation would include, but would not be limited to:

- 8.1 Staffing: all of our personnel would be qualified and licensed to serve as both deckhands and as captains. This allows much more flexibility when staffing roles and when covering for shifts. Our personnel are also
- 8.2 Daily Rate: A day rate is how professional mariners are paid at most operations. This allows for financial forecasting, alleviates crushing budgets with overtime and allows for a consistent, smooth billing cycle and for the island to fix budgets to predictable numbers. With exception to capital improvements the ferry operation is by far the largest expense that the HOA faces.
- 8.3 Schedules: The current schedule acts against the island and the mariner. Traditional marine operations are on a binary schedule, but do it weeks at a time. Our personnel have spent careers working 4, 6, and 8 week schedules or longer on and off vessels. This allows for a level of stability not realized by the current schedule. Currently there are 104 crew changes a year. This is 104 chances for a crewman to be late, get held up in traffic, or be delayed some other way. A 4 week binary schedule is 12 crew changes a year and allows for crewman sufficient off time to keep morale high. The current schedule has mobilization and demobilization of crews every few days. A lot of time is spent by the crews in motion that does not add to the operation, but increases exposure for crewing issues.
- 8.4 Maintenance: All regular maintenance and most mechanical repairs short of an overhaul would be performed by our personnel. Many of our masters are also trained as engineers and QMED or DDE qualified. 300hp John Deere engines would be the smallest engines we operate.

- 8.5 NS Enterprise Vessel Management Software: Nautical Systems has developed a software suite integrated with all of the major manufacturers and includes their recommended maintenance intervals. This software is hours based and will notify the crew daily with what maintenance items are required to be performed within the window for optimal life cycle of equipment. NS Enterprise software is credited for extending the lifespan of operational equipment by up to 100% in many cases. In addition non manufacturer items may be added by management that require attention, like greasing cables, washing of decks, maintenance on generators and ramp railings may all be added. This software puts mariners in the spotlight and assigns the task to a qualified on watch individual. It requires it to be done and then signed off to be cleared. "Pencil whipping" is completely eliminated since the last person assigned the task is clearly the responsible party. Knowing that your name is the last one that was supposed to lube a bearing, means it gets done and then signed off as required. Maintenance tracking software is now industry software and best practice.
- 8.6 Fueling: PFR would perform the fueling of the Charlie Wells utilizing our equipment and personnel. The current system requires the use of a commercial truck in excess of 50 thousand pounds and the amounts transferred are considered a reportable / threshold meeting quantity. We anticipate utilizing our trucks with smaller, more frequent fueling evolutions in a quantity less than would trigger the necessity of a standby boat being positioned. The island has traditionally been trying to do less frequent fuelings in an attempt to reduce the amount of standby money expended. Normally there is a savings to reducing fueling evolutions to as few as possible in delivery fees, man hours expended, etc, but this is not the case in this situation.
- 8.7 Commercial Activities: Herron Island is not engaged in any revenue producing activities other than the ferry. PFR operates as a commercial venture and is able to spread personnel out over projects. Herron Island bears the brunt of retirement plans, medical and insurance directly for its employees, while PFR is able to spread that burden out over commercial accounts. When not working on the island most but not all of our mariners prefer to keep busy and perform work on other projects as well; items they can do from home as consultants. This lowers the cost on all of our clients.
- 8.8 Less admin time: The island manager spends a great deal of time filling gaps in schedules, figuring out staffing for holidays, soliciting, vetting and interviewing candidates in a revolving door to maintain a roster of Masters and Deckhands. The island manager would be able to concentrate more on tasks at hand and hours would be minimized managing the ferry operation. Ferry management burden would be shifted to PFR.

8.8.1 Reserved

9.0 Why PFR should be allowed to bid.

The decision to outsource the ferry service is ultimately going to be made on the merits and we believe we offer an exceptional service at an extremely competitive rate. There are many reasons to allow us to bid. We exceed the standards required now. All of our mariners would be trained and

licensed as masters to sail the vessel. PFR has submitted proposals for private ferry service for more than 8 years now to the island management and has gotten close in the past. We are delighted to offer our services to Herron Island and would appreciate the opportunity to be selected as a qualified bidder to prove our point.

As always, please do not hesitate to call upon my office for clarification or to answer any questions that may arise from this RFI response. Until a contract is signed by both parties my availability will be chaotic as I meet other clients' needs.

Submitted,

Eric Helpenstell Praetorian Fire Rescue

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