

Port Management Services and Cost Estimates for
 Piers 1-3, Alameda Point
 1399, 1499 & 1599 Ferry Point, Alameda, California
 December 7, 2015



SCOPE

III. PROPOSAL

A. APPROACH

Outlined below are the key elements of our comprehensive approach and key success factors we believe necessary to meet and exceed the City of Alameda's required management and maintenance services described in the Request for Proposal. As with all BSY's projects and client engagements, we will proactively identify and resolve problems, continuously communicate project status and strive for the highest levels of customer satisfaction. To best address the issues and tasks raised in the proposal, these service areas will be essential:

Inspection: Whether it be sweeping the piers, inspecting potable water connections, or performing a harbor patrol, the Alameda Point Inspectors will be full-time employees responsible for performing day-to-day tasks. The Inspectors responsibilities will be to identify, document and communicate to the Operations Manager on service or infrastructure conditions and any concerns that may arise. The Inspectors will be equipped with a customized work boat, strong enough to maneuver oil booms. A dedicated work cart will facilitate inspections around the property, providing a recognizable daily presence at the Piers. BSY will also be available after normal business hours and each tenant shall be given the shipyard Duty Coordinator's cell phone number, allowing for 24/7 service and support. Full support from the shipyard for any issues that may arise will be mobilized by the Duty Coordinator to support efforts at Alameda Point. All calls from customers, whether an emergency or not, must be responded to immediately and all company resources are intended to be available all the time for customer response or yard emergency.

Operations: The Operations Manager, Don Mitchell, will provide managerial oversight and technical insight into routine maintenance. Any work which is to be performed at Alameda Point shall be approved by Mr. Mitchell, insuring that proposed repairs are not only effective but carried out to proper industry standards. Additionally, Mr. Mitchell will act as the point of contact for tenants. The Operations Manager will response to any issue raised. These critical relationships will be facilitated by monthly meetings with tenants to review vessel arrival and departure schedules, any repair requests or concerns. Another aspect of the Operations Manager's job will be to arrange for specialty trades from BSY's shipyard to assist in maintenance such as pipefitters, welders and carpenters just to name a few. BSY has the technical capabilities and personnel to identify problems and perform maintenance solutions in a timely manner.

Contract Administration: Once a month, the Contract Administrator, Ali Whalen, will compile inspection, repair reports and as well as a vessel schedule for PM Realty. These reports will outline conditions at the Piers, any deficiencies and any repairs performed. Any repairs outside of routine maintenance shall have a recommended repair scope of work developed, which will include potential contactors to perform the work and a rough order of magnitude for the cost involved.

Management: Management of Piers 1-3 at Alameda Point shall be overseen and fall within the responsibilities of BSY's General Manager, Alan Cameron. Mr. Cameron will analyze regular site reports and provide insight as to planning, contract and subcontract management. He will also maintain an open and informed line of communication with PM Realty and the City of Alameda, working with them to manage the Piers at Alameda Point.

Maintenance: In order to effectively and efficiently manage the Piers at Alameda Point, and all utilities and equipment on site, our shipyard Facility Manager, Carl Keeney, shall implement a computerized work order management system. This software, MP2, is a customizable enterprise asset management system that effectively tracks all routine maintenance, repair and upgrades to facilities, equipment and utilities. MP2 reports will be used to dispatch experienced technicians to perform inspections, recommend maintenance, perform repairs and provide status reports of the facilities. Essentially, the MP2 system will be utilized to



communicate any changes or potential upgrades to the Alameda Point site. By documenting site conditions and implementing regular meetings with tenants and PM Realty, BSY will facilitate not only communication but solutions. Examples from MP2 of task and work orders which Mr. Keeney has generated as samples for Alameda Point are provided in Appendix 2.

Oil Spill Contingency Plan: At the start of the contract period, BSY's Environmental Health and Safety Manager, Chad Peddy, will lead a Risk and Hazard Analysis Audit to fully evaluate the potential impacts and prevention resources currently available on site. Capitalizing on the data gathered from this audit BSY will modify our current Oil Spill Response Plan utilizing all available shipyard resources. Due to the close proximity of our shipyard to the MARAD Piers it is projected that a response to a spill will be consistent with the current shipyard's spill response. On-site staffing will be the initial first responders assuring boom containment. This staff will be backed up within minutes by shipyard employees. Upon arrival shipyard employees will initiate the Incident Command System following United States Coast Guard guidelines to stop the discharge, control the spilled product and minimize impact.

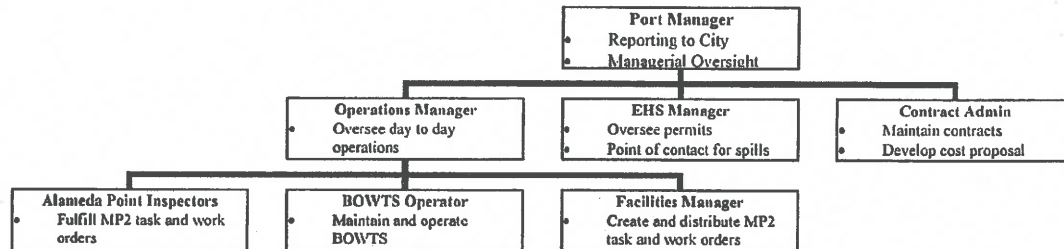
Bilge and Oily Water Treatment System (BOWTS): BSY will manage the BOWTS similarly to how we run our current shipyard Oil Water Treatment System (OWTS); using an all-encompassing stepped management system. This system provides each person involved the tools to succeed and the associated accountability. Mr. Mitchell will provide general oversight and coordination, with Mr. Cameron managing the budget. The Operations Manager, by working with Mr. Peddy, will assure 100% compliance with company and regulatory policies. The operator which BSY shall designate has over 10 years' experience managing the handling and processing of shipboard oily waters. All of these members of the team shall be available to operate the BOWTS at the customer's request. This extensive training gives our team the knowledge to make the appropriate decisions that allow our team to identify situations and find solutions before they become problems. They also review logs to proactively identify items needing pre-scheduled calibration.

Maintenance is part of daily operations. At the start of operations, BSY will go through a check sheet to verify proper operation with all management and regulatory requirements. Through the MP2 system described above, specialists will be dispatched on a scheduled routine basis to perform manufacturer recommended cleanings and inspection. This often includes inspection of the prescreening unit to assure no pass through; emptying out, steam cleaning and replacing components as required on the oily water separation unit; calibrating the pressure gauges and adjusting the float switches on the induced air flotation unit, and performing calibration on the effluent meter assuring proper discharge billing.

Capital Projects: BSY proposes an all-encompassing project management system to handle capital improvements at Alameda Point. The system shall start with identification through the utilization of the Inspectors and the MP2 system. Data shall be gathered from the field and provided to BSY's Contract and Engineering Departments. These departments will work together to formulate a technical work proposal for repairs providing a detailed scope of work and drawings. Once developed, the BSY estimators will compile an Engineer's Estimate on which to evaluate bids. This entire package shall be provided to PM Realty for approval, and once the RFP is made public, BSY shall be responsive to bidder questions and issuing amendments. Upon close of the RFP submittal stage, BSY will logically and strategically evaluate bids, submitting their recommendations to PM Realty for approval. When the contract goes live, BSY has project managers and contract administrators to run and oversee the project, overseeing budgets, schedules and invoicing. From the very beginning to the bitter end, BSY can support PM Realty on any capital improvement projects at Piers 1-3 at Alameda Point.

B. DESCRIPTION OF ORGANIZATION

Project Organizational Chart: The chart below outlines the key personnel dedicated to the Alameda Point Port Management Project and their responsibilities. Resumes are included in Appendix 1.



Port Manager: Alan Cameron will be responsible for the overall management of Piers 1-3 at Alameda Point. Mr. Cameron has successfully organized and expanded BSY's waterfront repair facility during his career, bringing the vision of the 21st Century Shipyard. By utilizing this key player at Alameda Point, the site will see the same continual improvement which has driven BSY.

Operations Manager: Don Mitchell, BSY's Fleet Service Division Manager, will oversee day to day operations at the Piers. Mr. Mitchell has many years of practical experience in running repair jobs and has developed a relationship with MARAD and their vessel managers at Alameda Point. Mr. Mitchell can insure that work is being completed to good marine practice repair standards and provide technical knowledge for repair solutions.

Environmental Health and Safety (EHS) Manager: Chad Peddy has successfully mitigated environmental risk at BSY's shipyard in Alameda, resulting in no fines or citation for the organization. His vast knowledge of regulations and environmental procedures makes him a valuable asset to BSY. Mr. Peddy will develop and implement procedures to lawfully, safely and efficiently manage not only the waterfront property, but the BOWTS.

Contract Administrator: Ali Whalen will ensure all contractual obligations are met in a timely manner, including invoicing, subcontracts, etc. Ms. Whalen will compile routine maintenance summary reports for PM Realty.

Alameda Point Inspectors: These employees shall have the technical skills to perform all routine maintenance and operation tasks for the facility. Additionally, BSY can readily provide a wide variety of technical trades to assist in any repairs or other functions as needed at Alameda Point. Full time equipment operators, riggers, electricians, painters, pipefitters, welders, carpenters and machinists are employed by BSY. This valuable resource will be used to identify and solve problems in a timely manner.

Bilge and Oily Water Treatment System (BOWTS) Operator: The BOWTS Operator assigned to running the system day to day has over 10 years' experience managing the handling and processing of shipboard oily waters.

Facilities Maintenance Manager: Carl Keeney has effectively and efficiently managed BSY's 13 acre shipyard site, and all utilities and equipment on the site by successfully implementing a computerized work order management system, MP2. Mr. Keeney has successfully managed the maintenance of BSY's Alameda shipyard, and now is leading an effort to expand existing shops and warehouses to further meet the growing need of the customer.

C. ORGANIZATION QUALIFICATIONS

Bay Ship & Yacht offers shipyard facility management experience, a high level of technical competence and the requisite knowledge of technical standards and customer requirements essential for the successful management of the Piers 1-3 at Alameda Point.

Organization Overview: BSY was founded in 1977 and today is a full service ship repair company, committed to providing the finest, most experienced craftsmen and service in the ship repair industry. We operate a 13-acre shipyard in Alameda California complete with two piers, two floating drydocks, a Syncrolift (with 1,400 lineal feet of on-rail dry berth), fabrication, machine, propeller, pipe, carpentry, and paint shops, as well as warehouse and office space.

BSY's technical experience includes the following:

- A broad range of vessel repair and maintenance projects, including new construction and all aspects of vessel repair and maintenance.
- Coatings preparation and application for steel and aluminum structures, all meeting SSPC QP-1 requirements.
- Complex systems overhaul and installations, including the full range of electrical, piping and mechanical systems.
- Design and engineering of many of our facility infrastructure improvement projects.
- Designated team of Environmental Health and Safety Professionals oriented to prevention and trained in response.
- Personnel dedicated to contract and estimation development and management.
- Experienced project managers, specializing in schedule, budget and labor management.

Facilities Management: BSY has managed all aspects of operations, maintenance and improvements of our shipyard facility at 2900 Main Street, Alameda for the past 20 years.

Seeking to maximize the use of the land, BSY initiated a massive undertaking to reconstitute waterfront space to support 1,400 lineal feet of rails on which to position vessels for out of water repairs. This large capital improvement project required significant internal management to oversee engineering, development and securing approvals, followed by the eventual building of this rail system. As a result of the successful completion of this project, BSY nearly quadrupled the number of vessels which could be serviced at any given time. Below are photos of this project.



Last year BSY acquired an additional 651,000 square feet of yard space and 112,000 square feet of shop, warehouse and office space at 2900 Main Street Alameda (formerly Alameda Gateway property). Alameda Commercial Properties (ACP) was created to oversee the management and leasing of this space.



To date, renovations for rental property have included roofing, new flooring and painting of the buildings. Business is conducted with 28 tenants and is continually growing. BSY's own shops are expanding as well, creating space to train first-class welders and expanding shops capabilities through the purchase of new machines to meet growing customer needs.

MP2 Program: With the expansion of yard capabilities and equipment, BSY needed a system which could facilitate the tracking of routine maintenance and repair work orders. By choosing and customizing a computerized maintenance management system (CMMS), BSY employees were better able to track valuable organizational assets. This program allows us to efficiently track everything from company vehicle oil changes to customer office setup by electronically delivering work orders to employees responsible for the work completion. The MP2 system has streamlined maintenance by automating work order delivery, helping to ensure regular maintenance is occurring, thereby minimizing the frequency and cost of corrective repairs.

MARAD Fleet Service: Since the arrival of the MARAD vessels at Alameda Point, BSY's own Fleet Services has provided repair and connection services. This work has included piping repairs, bilge cleaning, internal rebuilds and crane assistance to make utility connections. Fleet Services has had a long standing relationship with both with MARAD and the vessel managers.

US Navy: BSY maintains a Master Ship Repair Agreement to perform work aboard US Navy vessels. During the Navy's residence at Naval Air Station Alameda, BSY's yard supported repairs aboard the USS Carl Vinson, USS Abraham Lincoln and their respective support vessels.

Commercial Work: BSY has worked with both NRC and Power Engineering, current commercial tenants at Alameda Point. The shipyard has performed routine repairs on the vessels and equipment of these companies, providing excellent quality and customer service. BSY is able to provide NRC with technical representatives at their site to assist with a variety of routine maintenance and inspections required for their oil spill response vessels. The close proximity of BSY's shipyard to these customers allows for quality workmanship at competitive rates. Recently, BSY drydocked one of Power Engineering's barges performing steel repairs and new underwater and freeboard coatings.

Oil Spill Contingency Plan: BSY currently has a Marine Fueling Facility Oil Spill Response Plan (S2-01-0007) that has been written to meet all of the emergency response preparedness and notification requirements set forth in the California Regulations Title 14, Division 1, Subdivision 4. Office of Oil Spill Prevention and Response, Subchapter 3 Sections 815, 816 and 817. BSY has had this plan without ever receiving a fine.

Oil Water Separation System: BSY has successfully designed, built and currently operates a system similar to the on-site system at Alameda Point. Our organization has successfully trained employees in the safe and efficient operation of the OWTS and shall use this existing resource to insure proper operation and maintenance of the BOWTS at Alameda Point.

BSY's OWTS is located at our Alameda shipyard. The heart of the OWTS is the Gravity Separation Chamber where water and solids are extracted from the mixed oils, outputting a hydrocarbon product. The OWTS is regulated for mixed oils storage and treatment through Alameda County Department of Public Health, air quality through Bay Area Air Quality Management District and waste water discharge through East Bay Municipal Utility District. Throughout the operation of the OWTS BSY has been inspected many times with the varying agencies and has not received any violations.



D. SCOPE OF WORK

BSY proposes to perform the following work to fulfill the requirements outlined in Exhibits A-1 and A-2 of the RFP. BSY also acknowledges the receipt of Addendum 1, reference Appendix 9 for required documentation.

Bilge and Oily Wastewater Treatment System (BOWTS):

- Obtain and maintain an Air Permit for the system.
 - Upon transfer of equipment operation to BSY, BSY will work with Air District engineers to confirm equipment compliance with air quality regulations.
 - BSY shall renew the permit for this equipment semiannually.
- Update BSY's current Hazardous Materials Business Plan with the Alameda County Department of Environmental Health to include the area occupied by the BOWTS.
- Perform required waste water sampling to maintain Waste Water Discharge Permit.
- Pump out tanks, remove sludge and pressure wash the interior twice a year.
- Water jet system lines twice a year.
- BSY will use their own personnel to operate and maintain the BOWTS.
- Revenue proposal:
 - BSY proposes to operate and maintain this system at no charge to PM Realty.
 - BSY shall charge a per gallon fee for use of the system.
 - BSY shall retain all profits from the operation of this system.

1. Berthing Services:

- Develop a layberth security plan per Captain of the Port requirements.
- Provide (1) 4 cubic yard dumpster within 100 feet of the gangway or stern ramp of each vessel. Dumpster to be serviced weekly.
- Provide PM Realty with a monthly vessel arrival/departure schedule.

2. Utility Connections:

- Coordinate with vessel to provide labor to connect or disconnect the shore power cables to the receptacle on the pier and the vessel. BSY shall insure shore power cables are available. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect vessel's potable water hose to the potable water fitting on the pier. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect the sanitary sewer hose to the sewage fittings on the pier and the vessel. BSY shall insure a sanitary sewer hose is available. Maximum of (20) connections or disconnections per year.
- Coordinate with vessel to provide labor to connect or disconnect the vessel's telephone line to the junction box on the pier. Proposal is for a maximum of (20) connections or disconnections per year.
- Crane service is not included.

3. Brows and Platforms:

- Coordinate with vessel to provide labor to move brows as necessary for MARAD vessels and the Hornet. Maximum of (20) movements per year.
- Includes required forklift service to assist in positioning.

4. Boom Equipment:

• **4A Boom Equipment Maneuver**

- Coordinate with MARAD to provide labor and a work boat to maneuver boom equipment for vessel arrivals and departures. Maximum (20) maneuvering deployments per year.
- Item includes the cost to provide, operate and maintain a work boat.

• **4B Maintain Boom Equipment**

- Haul out (2) booms per year, includes crane assistance.
- Transport boom to and from BSY's Alameda shipyard.
- High pressure fresh water wash the boom.
- Inspect boom and provide report on condition.

5. Pier and Wharf Cleanliness:

- Develop a pier and wharf cleanliness policy.
- Mechanically sweep piers and surrounding areas monthly.
- Includes transportation of sweeper from BSY's Alameda shipyard.
- Routinely patrol for abandoned items and arrange for disposal.

6. Parking Control:

- Develop a parking policy.
- Enforce policy through weekly inspection patrols.

7. Channel Surveys:

- Subcontract a surveyor to perform channel surveys (2) times a year of the area immediately surrounding the Piers and the access channel out to channel markers "1" and "2" that mark the western end of the access channel to the Piers.
- Provide electronic copies of the sounding chart.
- A sample survey chart is provided in Appendix 3.

8. Harbor Patrols:

- Perform boat patrols of the harbor waters surrounding the MARAD vessel and the Hornet. Patrols shall occur twice daily during normal Monday through Friday workweek, excluding holidays.
- Perform boat patrols of the FISC Wharf and Seaplane Lagoon once a month.
- Utilize MP2 to develop task orders for boat patrols to verify compliance with City, State and Federal waterway laws.
- Item includes the cost to provide, operate and maintain a work boat.

9. Spill Response:

- See 10. Initial Spill Response and 11. Oil Spill Contingency Plan for the work to be performed.

10. Initial Spill Response:

- All BSY staff, through current safety training, fulfill the requirements for a First Responder Awareness Level as described in 29 CFR 1910.120(6)(i).
- Install and maintain (6) spill boxes on Piers 1-3. One box located at the foot and one box located at the head of each pier.



11. Oil Spill Contingency Plan:

- Lead a risk and hazard analysis audit of Piers 1-3 at Alameda Point to evaluate the potential impacts and prevention resources currently available on site.
- Use the data from the risk and hazard analysis audit to develop an Oil Spill Contingency Plan for Piers 1-3 at Alameda Point.
- Perform drills as required by the Office of Spill Prevention and Response (OSPR).
- Participate in an annual table top plan review with OSPR.
- Develop a USCG required Operations Manual.
- File the Operations Manual and Oil Spill Contingency Plan with the US Coast Guard, Department of Fish and Wildlife and the State Lands Commission.

12. No Financial Responsibility:

- BSY accepts the agreement as written.

13. Port Maintenance:

- See 14. Pier Maintenance for the work to be performed.

14. Pier Maintenance:

- Utilizing MP2 system, perform monthly visual inspections of the pier utilities, to include:
 - Shore power cables, receptacles and panels.
 - Sewage hoses, fittings, piping and tanks.
 - Potable water fittings, valves and piping.
 - Above ground telephone lines.
 - Pier light fixtures.
- Perform monthly waterborne visual inspections of the underside of the piers.
- Includes the cost to provide, operate and maintain a work boat.
- Maintain the proper location of the oil booms around the vessels.
- Perform megger testing on shore power cable upon vessel departure. Maximum testing of (10) sets of cables each year. Provide a report on cable condition.
- Perform annual FDA required certification on maximum of (13) potable water backflow units. Maintain documentation for these units.
- Perform monthly meetings with MARAD vessel managers, see Appendix 4 for a sample monthly meeting agenda.
- Provide monthly summary conditional reports on utilities and any maintenance recommendations to PM Realty.

15. Fendering, Mooring and Booming Systems:

- Utilize MP2 system to perform monthly visual inspection of the fendering, mooring and booming systems.

16. Maintenance and Repair Standard:

- Perform an initial site inspection report to establish a baseline condition at the start of the contract, includes:
 - Lighting survey to establish foot-candle baseline.
 - Number and condition of utilities and connections.
 - Number and condition of potable water backflow units.
 - Number and condition of booming equipment.
 - Number and condition of brows and platforms.
 - Clean BOWTS system in order to calibrate and perform flow and water analysis.
 - Visually record condition of pier pavement.



- Visually record condition of fencing.
- Although the price is not included in this proposal, BSY recommends Power Engineering to perform a detailed conditional survey for the fendering and mooring systems.

17. Capital Projects:

- Provide personnel to develop a Request for Proposal.
- Compile an Engineer's Estimate on which to evaluate bids.
- Respond to bidder questions and issue proposal amendments.
- Evaluate bids and submit to PM Realty for approval.
- Provide project and contract management during the contract award period.
- Pricing structure:
 - Cost plus 15% of total contract award.

18. Optional Crane Services:

- BSY accepts the agreement as written.

19. Work Boat Berthing:

- PM Realty is to provide BSY with adequate berthing for the work boat required for harbor patrols and boom movements.

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E. COST PROPOSAL

See Appendix 5 Bid Form.



F. REFERNECES AND RELATED EXPERIENCE

BSY has a proven track record of successful performance on a broad range of projects. Below are client references, letters of recommendation can be found in Appendix 8:

Fisher Construction Group

Contact Name - Dan Powers, President, CEO
Contact Number - (360) 757-4094
Address - 625 Fisher Lane
Burlington, WA 98233
Project Description- Provided construction management oversight of BSY's syncrolift installation.

Manson Construction

Contact Name - William Cook, Contracts Manager
Contact Number - (206) 762-0550
Address - 5209 E Marginal Way South
Seattle, WA 98134
Project Description- BSY has working with Manson to fabricate ferry passenger floats, as well as providing regular marine vessel repair service.

Ocean Dutchess, Inc

Contact Name - Tom Schneider, Port Engineer
Contact Number - (510) 749-7125
Address - 16211 Park Ten Place
Houston, TX 77084-5113
Project Description- BSY has worked with Ocean Dutchess to perform repairs aboard MARAD Ready Reserve vessel at Alameda Point.

Power Engineering Construction Co.

Contact Name - David Mik, President
Contact Number - (415) 559-0097
Address - 1501 Viking Street, Suite 200
Alameda, CA 94501
Project Description- BSY has maintained and modified Power Engineering's vessels and equipment.

Walther Engineering Services

Contact Name - Charlie Walther, Owner
Contact Number - (415) 454-7045
Address - 41 Bay Way
San Rafael, CA 94901-2474
Project Description- BSY has worked with Charlie on numerous projects for the City of Alameda, WETA and the San Francisco Bay passenger ferries.

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G. RULES GOVERNING SELECTION

BSY acknowledges receipt of this information.

BUDGET

Alameda Point - Port Management Services and Cost Estimates for Piers 1-3, Alameda Point

Bid Item	Cost Code	Description of work	Unit of Measure	Estimated Quantity	Unit Price	Bid Price
TABLE I Post Management Services						
		I. Monthly Fee for Services based on Exhibits A-1 and A-2 of Request for Proposal:				
		For all scope of work items	per month	24	\$51,695.00	\$1,240,680.00
		II. Fees for management, maintenance, and operation of the Bilge and Oily Wastewater System Treatment System (BOWTS)				
		For management, maintenance, and operation	per month	24	0	0
		III. Fees for additional Services				
		Labor Rate - Straight Time	per hour		\$95.00	
		Labor Rate - Overtime	per hour		\$142.50	
		Labor Rate - Double time	per hour		\$190.00	
		Material and Subcontractor Mark-Up			25.00%	
		Project Management	per hour		\$160.00	
Sub-total						
TABLE II Add Alternate						
		n/a				
Sub-Total Add Alternate			0			
Total (Table I, II)						
Alameda Point - Port Management Services and Cost Estimates for Piers 1-3, Alameda Point				24	\$51,695.00	\$1,240,680.00