

SOLICITATION / CONTRACT / ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER: PRMA100395 PAGE 1 OF 35
 2. CONTRACT NO. 3. AWARD/EFFECTIVE DATE: 08/25/2010 4. ORDER NUMBER: DTMA1P10050 5. SOLICITATION NUMBER 6. SOLICITATION ISSUE DATE

7. FOR SOLICITATION INFORMATION CALL: a. NAME b. TELEPHONE NUMBER (No collect calls) 8. OFFER DUE DATE/ LOCAL TIME

9. ISSUED BY: DOT/Maritime Administration, MAR-380
 1200 New Jersey Ave SE, MAR380 W26-429
 Washington, DC 20590
 TEL: (202) 366-0514 ext.
 FAX: (202) 366-3237 ext.

10. THIS ACQUISITION IS
 UNRESTRICTED OR SET ASIDE: 0.00% FOR:
 SMALL BUSINESS EMERGING SMALL BUSINESS
 HUBZONE SMALL BUSINESS 8(A)
 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
 NAICS: 562910
 SIZE STANDARD: 251-500

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED
 SEE SCHEDULE

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)
 13b. RATING
 14. METHOD OF SOLICITATION
 RFQ IFB RFP

15. DELIVER TO: DOT/Maritime Administration, MAR-640
 MAR-640.2, RM W25-209/212, 1200 New Jersey Ave. S.E. ,
 Washington, DC 20590-0001
 Attn: Shawn Ireland

16. ADMINISTERED BY: DOT/Maritime Administration, MAR-380
 1200 New Jersey Ave SE, MAR380 W26-429
 Washington, DC 20590

17a. CONTRACTOR/OFFEROR: Esco Marine, Inc.
 16200 Joe Garza Sr Rd
 Brownsville, TX 78521-1920
 TELEPHONE NO. (956) 831-4531 ext.

18a. PAYMENT WILL BE MADE BY: DOT/ Enterprise Services Center (ESC) OFO/FAA, Oklahoma City
 MARAD A/P Headquarters Invoices Branch AMZ-150 PO Box 25710
 Oklahoma City, OK 73125

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
(Use Reverse and/or Attach Additional Sheets as Necessary)					

25. ACCOUNTING AND APPROPRIATION DATA: 2010 - 70 - X1768 - 000 1SD - SD - SCP0 - 0 - 0000 - 160000 - - - - 25433 - 6100 - 6600 -
 26. TOTAL AWARD AMOUNT (For Govt. Use Only): \$ 550,707.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ARE ARE NOT ATTACHED
 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA ARE ARE NOT ATTACHED

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29. AWARD OF CONTRACT: REF. DTMA1Q09001 OFFER
 DATED 11/06/2008 YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR: *Kris Wood*

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER): *Alfredia K. Murphy*

30b. NAME AND TITLE OF SIGNER (Type or print): Kris Wood, Vice President

30c. DATE SIGNED: 8/26/10

31b. NAME OF CONTRACTING OFFICER (Type or print): Benedict J. Burpowick Alfredia K. Murphy

31c. DATE SIGNED: 08/25/2010 12-10-2010

	Document No. DTMA1P10050	Document Title Vessel DAWN	Page 24 of 35
--	-----------------------------	-------------------------------	---------------

C1-3.3 Performance Schedule Milestones: The Contractor shall incorporate into the performance schedule the following major contract milestones and their required due dates as listed.

Milestones	Due Date
Deliver Sub-Contractor Listing	3 days after Contract Start Date.
Deliver Key Personnel Roster	3 days after Contract Start Date.
Deliver Certificates of Company Insurance (Required prior to issuance of NTP)	NLT 10 days after Contract Start Date.
Deliver Certificate of Asbestos Abatement Liability	5 days after Contract Start Date.
Deliver Performance Bond NLT (Required prior to issuance of NTP)	10 days after Contract Start Date.
Deliver Initial Performance Schedule	7 days after Contract Start Date.
Deliver Tug Safety Management Certificate	10 days after Contract Start Date.
Deliver Performance Schedule Activity Weighted Average Breakdown	7 days after Contract Start Date.
Deliver Surveyor's Trip in Tow Recommendation Report	5 days after NTP.
Deliver Liquid Load /Ballast Plan for towing	Not later than 7 days prior to tow.
Complete Inland Tow Preparations	Prior to fleet departure date January 5, 2011.
Deliver Vessel Afloat Monitoring Plan	10 days after Contract Start Date, but not later than 3 days prior to the vessel oceanic tow.
Deliver Oil Spill Contingency Plan Emergency Contact Notification List	10 days after Contract Start Date, but not later than 3 days prior to oceanic tow.
Deliver Towers Insurance	NLT 3 days prior to vessel departure from oceanic tow.
Deliver Facilities Pollution Insurance	NLT 3 days prior to oceanic tow.
Deliver U.S.C.G. Load line Exemption /Order for Departure	Prior to the oceanic tow.
Vessel departs fleet and dry docked	January 5, 2011
Conduct joint underwater hull inspection during daylight hours, COTR to Schedule	4 hours after completion of underwater hull cleaning,
Vessel is undocked and shifted to the pier	January 12, 2011
Remove Vessel from BAE's Facility	NLT 3 to 5 days after undocking at BAE.
Deliver Pre-Arrival/Arrival Reports	4 days after vessel arrival.
Deliver Hazardous Materials/Wastes Inventory/Contractor Estimate.	10 days after vessel arrival.
Deliver Tank Content Verification Report	10 days after vessel arrival.
Deliver Validation of Contractor HM/HW estimates by sampling and analytical results	20 days after vessel arrival.
Complete PCB Abatement	TBD by contractors performance schedule.
Complete Asbestos Abatement	TBD by contractors performance schedule.
Complete all Hazmat Removal/Disposal	TBD by contractors performance schedule.
Move Vessel into Dismantling Slip	TBD by contractors performance schedule.
Begin Vessel Dismantling	TBD by contractors performance schedule.
Remove Last Structural Piece from Slip	TBD by contractors performance schedule.
Complete Vessel Dismantling	TBD by contractors performance schedule.
Complete Facility Cleaning and Restoration	30 days after removal of last structural piece from the slip.
Deliver Certificate of Destruction	30 days after removal of last structural piece from the slip.
Deliver Closeout-Report and Final Schedule	30 days after removal of last structural piece from the slip.

FAILURE TO MAINTAIN PROPER SCHEDULES:

1. Schedules required by this item will be used to determine earned value for calculating contract financing payments. Failure to submit updated and timely schedules will result in a lack of basis for determining contract financing payments and could delay payment to the contractor.

	Document No. DTMA1P10050	Document Title Vessel DAWN	Page 32 of 35
--	------------------------------------	--------------------------------------	---------------

F.2 PERIOD OF PERFORMANCE

PERIOD OF PERFORMANCE for Recycling Services of the Vessel DAWN PERIOD OF PERFORMANCE
(Including Contract Award Date and Notice to Proceed Date) This Contract Performance shall start no later than seven (7) days after the Award Date and will be coordinated with the dry-docking dates at BAE Systems San Francisco Ship Repair. The Contractor cannot begin work on any aspect of this contract, including incurring any costs for acquiring such items as bonding, insurance and vessel marine surveys until the Contracting Officer issues an official contract start date. The contract milestones will be calculated from the contract start date unless specifically instructed by the Contracting Officer. The Contractor will not be liable for the submittal of any contract deliverables until the Contracting Officer issues written notification of the contract start date. The contract start date will be the official commencement date at which time the contractor may incur costs in the performance of the contract and bear responsibility for compliance with the terms and conditions in the contract. The contract start date designated by the Contracting Officer, but will normally be no later than 7 days after the award date. The Contractor bears all responsibility and costs associated with preparing the vessel for tow and MARAD will not reimburse the Contractor for expenses incurred prior to issuance of a Notice to Proceed (NTP) except for the inspection by a Marine Surveyor for the purpose of developing the Trip in Tow survey that will be the only activity allowed aboard the Obsolete Vessels(s) prior to the issuance of the NTP. The NTP will only be issued after the Contractor has received acceptance by MARAD of all insurances and surety submittals. The Contractor is advised that MARAD fleet sites will not allow the Contractor access to the vessel to perform Marine Surveyor required tow preparations prior to the Contracting Officer's issuance of NTP. At no time prior to vessel departure from the fleet shall any materials, components or artifacts be removed from the vessel by the Contractor.

The period of performance for the dismantlement of the vessel shall be expressed in calendar days and shall cover the entire contract time frame from contract start date through final reporting. Workdays shall pertain to specific days and or durations within the performance period linked to the accomplishment of specific activities and or milestones. The period of performance from the undocking date for this contract is predicated on the Contractor's integrated ship schedule submitted with its price verification dated June 22, 2010. The period of performance from the day after undocking at the Shipyard through the delivery of the final report shall not exceed 264 calendar days. The baseline schedule shall be submitted in accordance with contract provisions and shall not exceed the total performance period duration. The contractor shall incorporate all existing work and the dismantlement schedule for the contracted vessel into a master schedule and clearly indicate any dependent relationships between projects. All milestones and deliverables required under this contract shall be due beginning with the issuance by the Contracting Officer of notification of the official Contract start date. If after acquiring tug service to move the vessel, or at any time during the transit of the vessel from the fleet to the contractors facility, the tug towing the vessel is taken out of service for more than three calendar days, the Contractor shall contract for additional towing services to continue to transit of the vessel to the Contractor's facility at no additional cost to the Government. The Contractor shall immediately notify the Government of the actions taken to minimize disruption of the transit of the vessel.

SECTION H -- SPECIAL CONTRACT REQUIREMENTS

H.1 H.1 DAMAGES

Damages (Suisun Bay Reserve Fleet). Commencement of the work to be performed on the SBRF vessels covered under this contract requires precise timing. Because of this, the Government will likely incur additional damages if the Contractor fails to tow the vessels from the dry dock facility within 3-5 days after undocking as stipulated in the contract; therefore, offerors are notified that the contract will contain a provision requiring the Contractor to pay the actual damages incurred by the Government due to the Contractor's failure to timely commence towing. Such actual damages may include, but are not limited to, the cost of daily lay berth charges, re-dry-docking the vessel, tug demurrage, etc. The Contractor will not be charged for actual damages when the delay is beyond the control and without the fault or negligence of the Contractor as defined in FAR 52.249-8(c) Default (Fixed-Price Supply and Service)(Apr 1984). These actual damages are in addition to the liquidated damages for late performance of the remediation and dismantlement services in the contract. Note that if the Government terminates the contract for cause under FAR 52.212-4 (m), Contract Terms and Conditions - Commercial Items (Mar 2009), Termination for Cause, the Contractor will also be liable for such actual damages, if incurred, as well as liquidated damages and excess costs of repurchase in accordance with FAR 52.211-11(b) Liquidated Damages - Supplies, Services, or Research and Development (Sep 2000).