
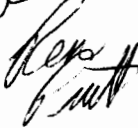


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## MEMORANDUM

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**To:** Mayor McConnell and Assembly Members  
John P. Sweeney III, Interim Municipal Administrator

**From:** Marlene Campbell, Government Relations Director   
Ron Pratt, Harbor Maintenance Supervisor 

**Reviewed:** Robin Koutchak, Municipal Attorney ✓

**Date:** September 4, 2013

**Subject:** Award of Responsive Bid for Catamaran Landing Craft

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### **Background**

The City and Borough of Sitka applied for and received a 2013 Southeast Alaska Chinook Salmon Mitigation Infrastructure Grant in the amount of \$250,000, the maximum permitted under the grant. The purpose of this grant is to fund the Sitka Fish Waste Disposal Solution for the Sitka sport fishers by purchasing a 32 foot tunnel hull Catamaran Landing Craft capable of loading, transporting, and unloading totes containing fish carcasses during the summer fishing season. The CBS Harbor Department will use the craft throughout the year for all needed harbor purposes including raising and towing sunk vessels, dock repairs, and other tasks the Harbor Department currently is unable to perform with its small skiffs.

### **Analysis**

The Harbor Department has needed a large, sturdy harbor vessel capable of safely hauling heavy fish waste out to open ocean where it can be legally dumped, as well as other harbor projects requiring a crane, totes, and very sturdy work platform. This power barge was specifically designed to meet the Harbor Department's requirements for summer fish waste disposal, which must currently be contracted out. Each tote weighs up to 1,000 pounds. The power barge requires specialized stability and equipment to safely perform its duties.

### **Fiscal Note:**

The Chinook Salmon Mitigation Infrastructure Grant of \$250,000 will fund 100 percent of the 32 foot Catamaran Landing Craft and trailer bid purchase. The Harbor Department will provide approximately \$8,500 for additional additive alternates and shipping. The Harbor Enterprise Fund has funding for this additional purchase. The acquisition of this power barge and utilization by existing harbor staff will save the Harbor Enterprise Fund approximately \$44,000 per year currently being paid to the contractor for the Fish Waste Disposal, plus other contract charges the Harbor Department has had to pay for use of vessels to complete harbor tasks the Department has been unable to complete in-house. Cost of maintenance/fuel for the power barge is estimated at less than \$5,000. The Harbor Department carefully maintains its vessels (some dating from the 1980's), and the power barge should be functional for 20+ years.

### **Recommendation:**

Approve sole responsive bid by Munson boats in the amount of \$249,653.00.

CITY AND BOROUGH OF SITKA  
RESOLUTION NO. 2013-05

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA, ALASKA, APPROVING  
SUBMITTAL AND EXECUTION OF A SOUTHEAST ALASKA CHINOOK SALMON  
MITIGATION INFRASTRUCTURE GRANT FOR UP TO \$250,000 FOR FISH WASTE  
DISPOSAL

WHEREAS, the State of Alaska is providing one-time targeted grant funding through the Southeast Alaska Chinook Salmon Mitigation Infrastructure Grants; and

WHEREAS, City and Borough of Sitka is eligible to apply for this funding to enable the Sitka Harbor System to more efficiently and cost effectively dispose of fish waste generated by sport fishers who are required by Alaska Department of Fish and Game to bring their salmon carcasses to the Sitka Harbor System, but the carcasses can no longer be dumped in the water at the fish cleaning floats due to serious marine mammal and bird attraction safety problems adversely impacting Sitka Airport; and

WHEREAS, Sitka has the largest small-boat harbor system in Alaska, and the Harbor Department has hired a private contractor to handle the large sport angler fish waste disposal for several years, but the average four-month cost of \$42,000 is prohibitively expensive, and a permanent solution is needed and there are no other viable carcass disposal options available; and

WHEREAS, if this grant is received, the Sitka Harbor Department could purchase a greatly needed powered barge of sufficient size and carrying capacity to provide a stable platform to collect fish waste and safely relocate it to open water well beyond the Airport at a much lower cost and greater safety and efficiency than is currently possible;

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka that the City and Borough of Sitka supports this Chinook Salmon Mitigation Infrastructure Grant for fish waste disposal as its highest priority project request and agrees, subject to available Grant funding and selection by the Alaska Department of Commerce, Community, and Economic Development (DCCED), to enter into a grant agreement with the State of Alaska, DCCED, for this Southeast Alaska Chinook Salmon Mitigation Infrastructure Grant;

AND BE IT FURTHER RESOLVED by the Assembly of the City and Borough of Sitka that the Municipal Administrator is authorized to apply for the grant and to execute the grant if received.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 12<sup>th</sup> day of March, 2013.



Mim McConnell, Mayor

Attested by



Colleen Ingman, MMC, Municipal Clerk

RFQ ID: <b>RFQ814919</b> RFQ Title: City of Sitka, Alaska - Seeking 32-foot Catamaran Landing Craft RFQ Status: Closed	Reference #:  RFQ Close Date: 09/03/2013 08:00:00 PM EDT														
Quote ID: <b>RFQ814919-FZA</b> Quote Status: <b>Pending Response</b>	Total Quote Price: <b>\$249,653.00</b> This quote is good until: 11/02/2013 08:00:00 PM EDT Prompt Pay: 0 Days 0% FOB: Destination Socio-Economic: <u>s</u> DUNS: 867238842														
Vendor: WILLIAM E. MUNSON COMPANY  Contract Number: GS-07F-0442M Expires: 07/31/2017 Schedule/SIN: 84/260 01 Contact: Jesse Munson 360 707 2752 <a href="mailto:jesse@munsonboats.com">jesse@munsonboats.com</a>															
<b>Line Items</b> (Specific items added by the vendor to complete this quote are listed below, beneath the RFQ line item)															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:15%;">Mfr. Part/Item #</th> <th style="width:20%;">Manufacturer</th> <th style="width:30%;">Product/Service Name</th> <th style="width:5%;">Qty</th> <th style="width:5%;">Unit</th> <th style="width:15%;">Unit Price</th> <th style="width:10%;">Total Price</th> </tr> </thead> <tbody> <tr> <td colspan="6" style="text-align: right;">Total Line Items:</td> <td style="text-align: right;"><b>\$0.00</b></td> </tr> </tbody> </table>		Mfr. Part/Item #	Manufacturer	Product/Service Name	Qty	Unit	Unit Price	Total Price	Total Line Items:						<b>\$0.00</b>
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<b>Vendor Comments</b>  Vendor Attached Documents: <a href="#">32-12SITKA HARBOR PKCAT 8.28.13-2.pdf</a> <a href="#">past performance.pdf</a> <a href="#">company overview.pdf</a> <a href="#">ABYC electrical certification.pdf</a> <a href="#">AWS welding certification.pdf</a>															
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Buyer Notes															



15806 Preston Place, Burlington, WA USA 98233  
Phone: 360 707 2752 Fax: 360 707 2842  
www.munsonboats.com

**August 28, 2013**

**RFQ ID: RFQ814919**

**For one**

**32' CATAMARAN LANDING CRAFT**

**For**

**CITY OF SITKA**

**Dept. of Public Works**

**Sitka, Alaska 99835**

**Contact: Ron Pratt**

**Ph: 907 747 4013 Email: ronp@cityofsitka.com**

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**OVERVIEW:** The following specifications describe a welded aluminum 32' x 12' PACKCAT planing tunnel hull catamaran landing craft (US Patents 8281730B2 and D438506S) to be used as cargo transporter and general purpose harbor workboat. Boat will tow containment boom and transport equipment. Boat will transport totes containing fish carcasses. Each tote weighs 1000 lbs. Totes will be lifted off dock using boat's crane and placed on deck. Totes will then be transported 2 miles out to sea and dumped. Typical load would be 2 totes. Detailed plans of boat will be submitted for approval prior to construction. Vessel must be fully outfitted, ready to launch, and delivered to Alaska Marine Lines Barge, Seattle, for barging to Sitka no later than 12:00 noon, Friday, August 1, 2014.

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**GENERAL SPECIFICATIONS:**

1. Hull Length \_\_\_\_\_ 32' 6" feet
2. Beam \_\_\_\_\_ 12 feet
3. Transom Deadrise \_\_\_\_\_ Symmetrical 24 degree catamaran
4. Person and Cargo Capacity \_\_\_\_\_ 5000 lbs
5. Propulsion \_\_\_\_\_ Dual Mercury 250 HP outboards
6. Fuel Capacity \_\_\_\_\_ 150 gallons (dual 75 gallon tanks)
7. Hull Draft \_\_\_\_\_ 16 inches (lightship)
8. Bow Door Opening \_\_\_\_\_ 84" inches
9. Bottom Plating \_\_\_\_\_ ¼ inch 5086-H116
10. Side Plating \_\_\_\_\_ ¼ inch 5052-H32
11. Deck Plating \_\_\_\_\_ 3/16 inch 5052-H32
12. Centerline Vertical Keel (CVK) \_\_\_\_\_ 1/2" x 4" 6061-T6

**WELDING:**

1. The hull and superstructure shall be constructed of marine grade aluminum and MIG welded throughout.
2. All weld seams in the hull shall be welded 100%, both interior & exterior.

3. All welding shall be performed in accordance with American Welding Society D1.2-2003 procedure qualifications.
- 4.A All surface areas must be shiny, mill finish, with no grind marks, spatters, or blemishes.

**BOAT LAYOUT:**

1. Main deck to be level deck bow to stern.
2. Wheelhouse positioned on deck to provide 3' distance between aft house BHD and slop well BHD.

**HULL:**

1. 32' x 12' PACKCAT 2013 model hull package incorporating 2" pipe gunwale and transom layout for twin 30" shaft outboard motors.
2. The hull shall incorporate a 5.25" wide gunnels, from transom to bow.
3. Tunnel shall be in water at rest to add stability and floatation.
4. The hull shall incorporate three watertight bulkheads, forming four individually sealed buoyancy compartments.
5. The transom angle shall be set at 103 degrees off baseline for proper outboard trim.
6. Slop well bulkhead to incorporate a 2 section locker. One section houses batteries. The other section houses fuel filters. Both sections are ventilated.
7. Slop well drains shall be equipped with rubber flappers to divert water from entering slop well when operating the boat in reverse.
8. A ¾" aluminum double padeye shall be welded on centerline of the bow.
9. The main deck shall be self-bailing via two 3" pipe drains in the stern, eight 2" x 7" open scuppers at forward and two 1" pipe drains at the bow. Drains and scuppers shall be sized and installed in accordance with ABYC deck drainage requirements.
10. 1¼" pipe safety railings shall be installed 32" above main deck from stern to midship.
11. Six 10" welded aluminum cleats shall be installed (3 per side).
12. Two Diver's Dream zinc anodes shall be installed on brackets welded to transom.
13. ¼" x 4" beaching wear plates installed on the bow forefoot.
14. Four 8" round Baier watertight deck hatches shall be installed.
15. Four 15" x 24" Baier watertight deck hatches shall be installed in main deck.
16. Four (4) 12V 2200 GPH bilge pumps with auto/manual switches installed in the hull. Bilge pumps will be "fuse" protected and wire directly to constant hot.
17. Tie down rails installed on fwd. deck port and stb. 4" above main deck level.
18. Install 9" x 25" Polyform air bumpers along gunwale (12 per side).

**DECK MOUNTED STORAGE LOCKERS:**

1. Install 18" wide x 18" high x 48" long aluminum storage lockers with hinged, lockable lids port and stb. on main deck. Units are removable. Two total.

**TOWING EQUIPMENT:**

1. A 4" Sch 80 pipe tow post shall be installed aft on centerline complete with 1" stainless steel crucifix pin.
2. Outboard protection guard/tow line guide installed on transom.

**PUSH KNEES:**

1. 3" D rubber push knees installed port and stb. of bow door.

**BOW DOOR:**

1. A 84 inch wide drop down bow door shall be installed with manual winch.
2. The hull shall incorporate port and starboard bow lockers framing the door opening.
3. A Thern 1000 lb capacity stainless steel hand crank drum winch shall be installed on the port side bow locker for opening and closing the door. Auto brake in winch allow door to be opened to any position and will automatically lock in place.
4. The winch cable runs through stainless steel cheek pulleys on each side of the door providing equal tension on both sides when opened and closed.

5. The bow door shall be outfitted with two ¼" stainless steel positive locking pins to prevent the bow door from opening while underway.
6. A replaceable rubber gasket seals the bow door watertight when closed.
7. The inside face of the bow door shall be double plated for a smooth working surface.
8. The boat can be safely operated with the bow door opened as a working platform at low speeds.
9. The bow door shall not obstruct the operators view from the helm.

**FUEL SYSTEM:**

1. Dual 75 gallon non-integral fuel tanks (150 gallons total) installed complete with fill, vent, 12V sender and fuel level gauge on console.
2. Fuel tank shall be built from ¼" plate, pressure tested to 4 psi and bolted into the hull framing using doublers and stainless steel fasteners.
3. Two Racor fuel filters/water separators shall be installed with shut off valves.
4. Diurnal emissions system installed to meet EPA requirements for gasoline fuel tanks.
5. 12V 140 CFM blower installed in fuel tank compartment.

**WHEELHOUSE:**

1. Install 70" wide x 72" long walk around wheelhouse. Install 24" sliding door on stb. side.
2. All windows and doors are Diamond Sea Glaze units. Sliding windows installed port and stb sides fwd., fixed window installed aft, fixed window installed port side aft, two windows installed forward, window installed in sliding door. Aluminum control console installed stb. side, shelf storage with grab rail installed port side tied into control console. Tie down rails on roof, grab rails inside and outside of sliding door and on fwd. and aft corners of house.
3. Wheelhouse positioned on deck to provide 3' distance between aft house bulkhead and slop well bulkhead.

**WHEELHOUSE OUTFITTING:**

1. Insulate and panel wheelhouse. Owens Corning insulation with white, perforated aluminum paneling and teak joint strips.
2. Install two Bentley Helmsman pilot seat on aluminum seat/storage boxes.
3. Install 18" wide x 20" high by full width of house storage locker/seat with 2 sections. 3" butt pads on 2 hinged aluminum lids.
4. Gray Zolotone paint exposed aluminum surfaces in house.
5. Install Webasto AT3500 forced air diesel fired cabin heater complete with thermostat, outlets on deck and on operator's window.

**PALFINGER HYDRAULIC WORK CRANE:**

1. Palfinger PC 1500 Compact hydraulic deck crane mounted on stb. side fwd. Unit provides 360 degree rotation/articulation and has 13' telescoping reach. Max lift capacity is 2200 lbs. at 4' extension and 600 lbs. at 13' extension.

**12V DC ELECTRICAL ACCESSORIES:**

1. Eight position main breaker panel installed on the console.
2. Navigation lights installed to meet international requirements with hinging anchor light / flag mast.
3. Two (2) 12V two speed with self park windshield wipers shall be installed on the forward Windshield.
4. Icom M504 VHF radio with SS antenna installed.
5. One 12V red/white dome lights installed in the cabin overhead.
6. Two 12V power receptacles shall be installed on the console.
7. Four halogen flood lights installed on the cabin roof (fwd, aft, port, stb.). Each light shall have independent toggle switch on console.
8. One Go-Light 2020 400,000 candle power remote search light installed on roof with main control at the console location.

9. 3" pipe radar mount installed low profile on roof.
10. Garmin 4210 GPSMAP, 10" screen, installed complete with GSD 22 Sounder module, 4kw 18" high definition radome, GPS antenna, pre-loaded charts.
11. Install two (2) 12V oscillating defroster fans for pilot and co pilot windshield.
12. Install 12V air trumpet horn with momentary push button on dash.

**PROPULSION:**

1. Twin Mercury 250 HP Verado four stroke 30" shaft four-stroke counter rotating outboards complete with multifunctional digital gauge package, fuel management system, digital electronic controls (DEC), dual key switch panel, power trim and tilt, all harnesses, and Mercury stainless steel props.
2. Munson is an authorized Mercury dealer and installer (Mercury Dealer No. 86434).
3. Motors shall be installed complete with Teleflex hydraulic steering and two group 27 starting batteries with 4-way selector switches.

**PAINT & MARKINGS:**

1. Matson Floor Grip non-skid deck coating applied to main deck, bow door.
2. Paint wheelhouse front, back, sides, roof Dupont Imron paint system. Color to be determined.
3. Vessel Name and Numbers installed on specified locations on hull & cabin.
4. Bottom anti fouling paint installed with boot stripe.

**SAFETY EQUIPMENT:**

1. 24" White Jim Buoy life ring and bracket.
2. One 10 lb CO2 fire extinguisher installed with mounting bracket.
3. 6 XL life vests supplied with boat and stored in locker.
4. 12 Ga. Flare kit supplied with boat.
5. Three 20' x 1/2" mooring lines, three fenders supplied with boat.
6. Satellite 2 406 MHz EPIRB installed with auto release.
7. Coastal Life Raft Model 8677742 4 man canister life raft, release and cradle installed on wheelhouse roof.

**TRAILER:**

1. EZ Loader TIEZ102B 32-35 triple axle 15,500 lb capacity galvanized bunk trailer complete with electric over hyd. brakes all three axles, internal load guides for catamaran hull, manual strap winch, heavy duty tongue jack, sealed LED lights, 2-5/16" ball hitch, tie downs, boat and trailer matched up by builder.

**TESTING & DOCUMENTATION:**

1. Vessel shall be weighed by certified scales and documented by builder.
2. Vessel shall undergo seatrials prior to shipping. Munson shall perform speed, maneuvers, backing, beaching and endurance trials.
3. Seatrial tests shall be recorded and documented by the builder and shall be delivered with the craft.
4. One "Custom" Operation & Maintenance Manual shall be supplied with the craft. Includes OEM technical literature for all supplied equipment, operator/safety instructions, as-built boat drawings, electrical system drawings, and certified scale weight.
5. Munson shall supply buyer with all NAFTA documentation for import into Canada.

**SHIPPING:**

1. Deliver boat and trailer to Seattle, Alaska Marine Lines for barging to Sitka. Boat and trailer must be received at Alaska Marine Lines barge delivery location prior to 12:00PM, Friday, August 1, 2014.
2. Buyer to arrange for and pay for shipping boat pkg. to Sitka.

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<b>TOTAL SALE PRICE ALL THE ABOVE.....</b>	<b>\$254,149.00</b>
<b>LESS 2.5% GSA DISCOUNT.....</b>	<b>(\$6354.00)</b>
<b>ADJUSTED PRICE.....</b>	<b>\$247,795.00</b>
<b>GSA INDUSTRIAL FUNDING FEE (0.75%).....</b>	<b>\$1858.00</b>
<b>GSA PRICE, F.O.B. SEATTLE, WA.....</b>	<b>\$249,653.00</b>

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**ADDITIVE ALTERNATES:**

1. High-power, 12-volt, Blaster salt water wash-down pump will be installed above waterline with piped intake rather than through-hull fittings: \$1052.00
2. Fill empty voids with closed-cell floatation under floor: \$8500.00
3. Add one door on each side of hull: \$1995.00 per door

**WARRANTY:**

1. The William E. Munson Company warrants aluminum construction and equipment installation for a period of 12 months from time vessel is put into service.
2. Equipment purchased from outside suppliers and installed in vessel is warranted by the Company for proper installation only. Equipment purchased from outside suppliers will be warranted by the manufacturer or supplier of that equipment under their standard warranty.

For William E. Munson Company

Jesse Munson, VP





**30' PACKCAT LANDING CRAFT– New Hampshire Port Authority**

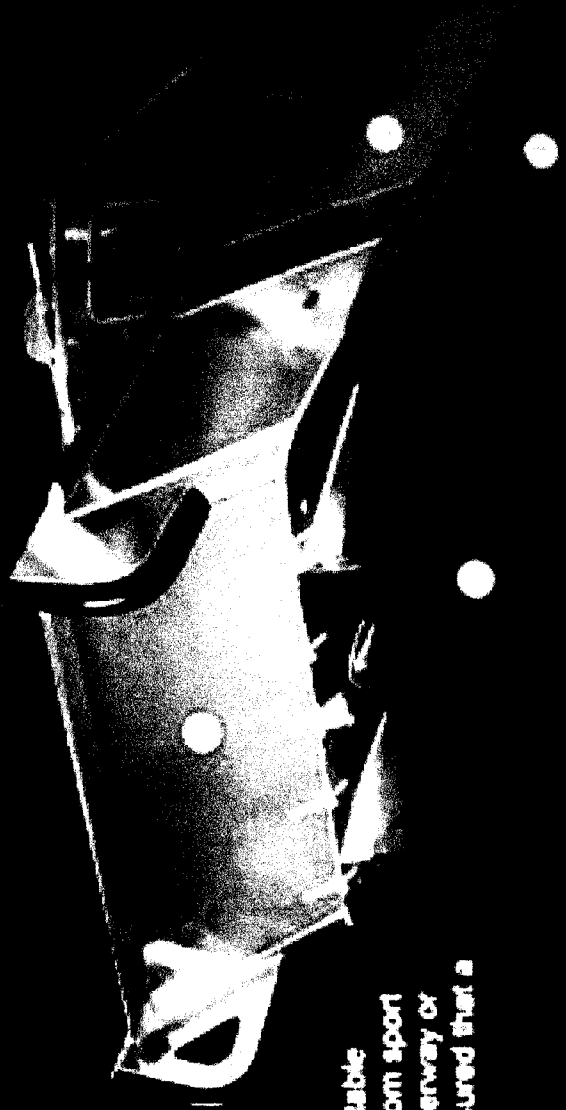
Type: 30' Aluminum Workboat  
Value: \$213,637.00  
Contact: Grant Nichols, Harbor Master  
Email: [g.nichols@peasedev.org](mailto:g.nichols@peasedev.org)

Description: 30' Packcat catamaran work boat with a 90" long walk-around wheelhouse and twin Honda 225 outboards. It is operated during diving, law enforcement, search & rescue, and Homeland Security operations.

**MUNSON**

### MUNSON "PACKCAT" CATAMARANS

Munson Catamarans were developed to give you the greatest possible stability when working in demanding conditions. Our catamaran hulls are engineered to be fast, get on-plane quickly with little bow rise and to be the most stable platform possible when stability is of paramount concern. From sport diving to lifting buoy anchors off of the sea floor, at rest, underway or loading or unloading cargo from the beach, you can rest assured that a Munson Catamaran is the king of strength and stability.



**MUNSON**





15806 Preston Place, Burlington, WA USA 98233  
Phone: 360 707 2752 Fax: 360 707 2842  
[www.munsonboats.com](http://www.munsonboats.com)

### COMPANY HISTORY & QUALIFICATIONS

#### **INTRODUCTION:**

The William E. Munson Company is a 100% family owned S-Corporation located in Burlington, WA (1 hour north of Seattle). We differentiate ourselves by specializing only in high speed welded aluminum landing craft specifically designed for rough operating conditions. Every Munson boat is designed and built for the rough water environment, as well as the shallow water environment, as beaching ability is generally essential to the boat's operation. Munson landing craft aluminum boats are the best built, most versatile workboat platform available, as our hull design and construction methods have been proven in heavy weather multi-purpose utility applications for over 25 years in the world's most severe conditions.

#### **HISTORY:**

Over 30 years have passed since Bill Munson built his first welded aluminum high speed workboat in 1977. His early designs were based on a modified "Seasled" hull with a flat, dished bottom. In 1984 Bill Munson originated the concept of the deep vee mono hull as an alternative to the traditional flat-bottom workboats. The modified-vee mono hull and wide forward chines have proven to function superbly in rough water operations.

With over 30 years experience in welded aluminum boat building & design, Bill Munson standardized a product line of the 21' – 54' high speed workboats which offer a unique alternative to conventional boat design and use. Today, approximately 2000 Munson Boats are working throughout the world.

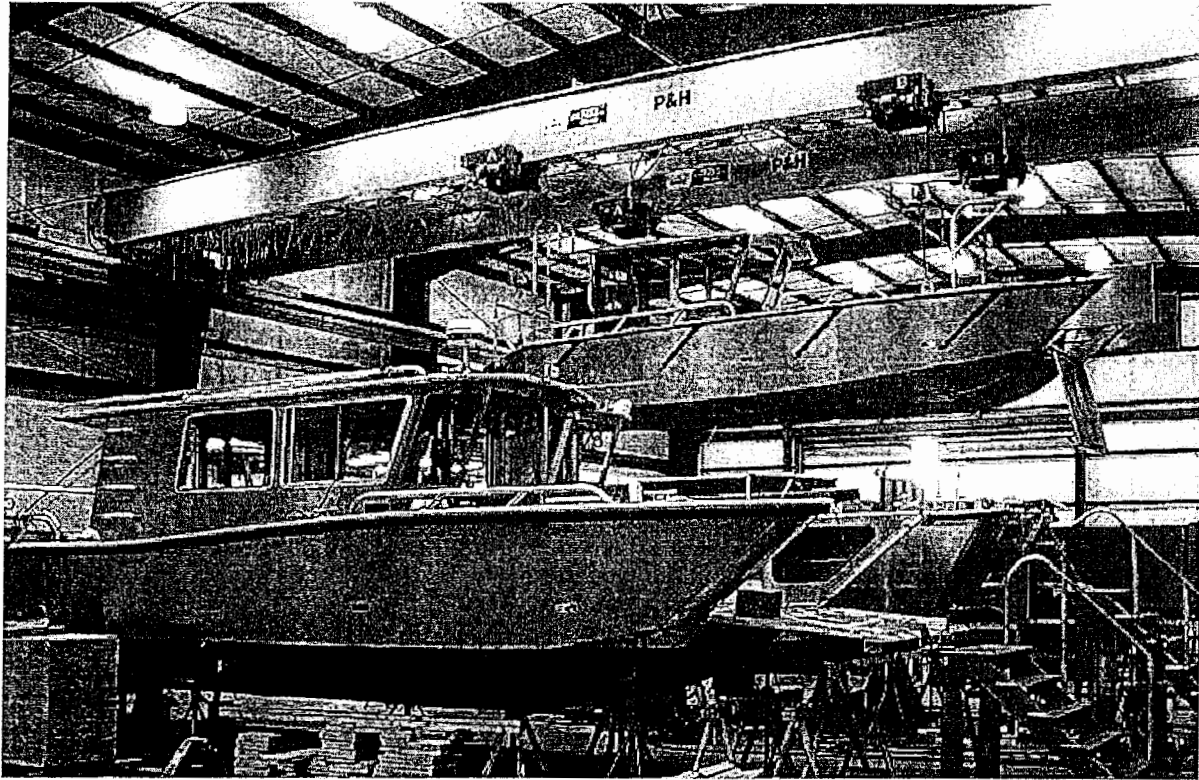
#### **DESIGN MATURITY:**

We have built over 500 welded aluminum landing craft, using the same general hull design in the past 10 years. Originated by Bill Munson in 1984 as an alternative to the traditional flat bottom landing craft, the modified vee hull design and wide forward chines have proven to function superbly in rough water operations. The 35 degree forefoot deadrise slices through heavy chop. The shape and rise of the forward hard chine has been developed to increase stability and provide maximum lift when bringing the boat onto plane, yet not pound in heavy sea, high speed operations. At speed, the chines knock down spray and hold the boat on plane with minimum effort.

#### **FACILITIES & EQUIPMENT:**

The William E. Munson Company's new state-of-the-art production facility was completed in January 2004. Designed from the ground up by the company's own management and production leads, every fine detail was conceived with the idea of increasing efficiency, safety, work flow and quality control throughout the entire production line. The 16,200 square foot building is plumbed with radiant floor heat, which insures that even on the coldest winter day, all

the equipment, parts and boats in process remain at 60+ degrees, 24 hours a day, 7 days a week, to insure proper weld penetration and formability of metal parts.



Two 10-ton Kaverit bridge cranes were installed during construction as part of the permanent building structure. Each bridge crane has two Abus 5-ton electric hoists that can be operated as singles, or matched to operate as a pair, or all four hoists can be used simultaneously. Boats, heavy parts and engines can be moved, at any time, with very little or no impact on the production line. Two Caston II 5-THB Load Cells allow use to scale weigh any item or completed boat, as well as load test fittings installed on boats.

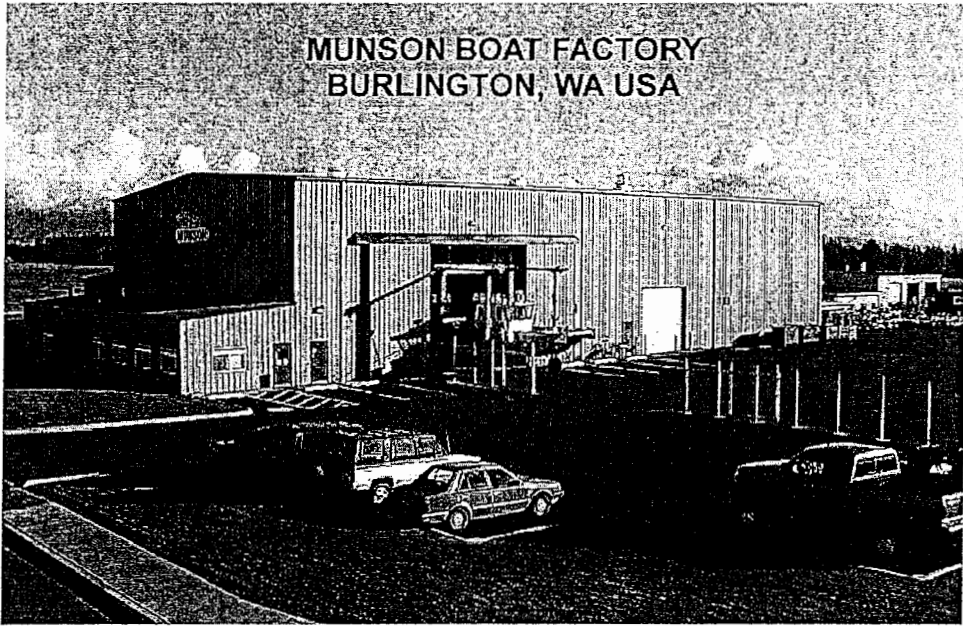
We currently operate twenty-nine Miller welding machines. A central gas mixing station (helium/argon) provides all the welding machines the same gas mixture throughout the entire facility. This is another step to help insure welding uniformity, penetration and quality. An automated telemetry system ensures the central gas system is always operating properly and never runs low on welding gas. Production welders never have to change out gas bottles, therefore, they become more efficient.

The shop has two milling machines, (a new machine was just purchased 2007) to assist in the production of custom and one-of-a-kind parts. A new metal lathe was also purchased to speed up production. We also operate an Accupress Sixty Ton x10 foot CNC hydraulic press break to form our own aluminum parts to specifications. Other metal working equipment includes pipe rollers, pipe benders, horizontal band saws, vertical band saws, chop saws, and hundreds of electric and air hand tools. By keeping virtually all metalworking in house, we can perform on tight schedules, without relying on outside suppliers.

Pneumatic air for equipment and tools is provided by an Ingersol Rand rotary compressor, which provides filtered/dried air in a facility wide closed loop system.

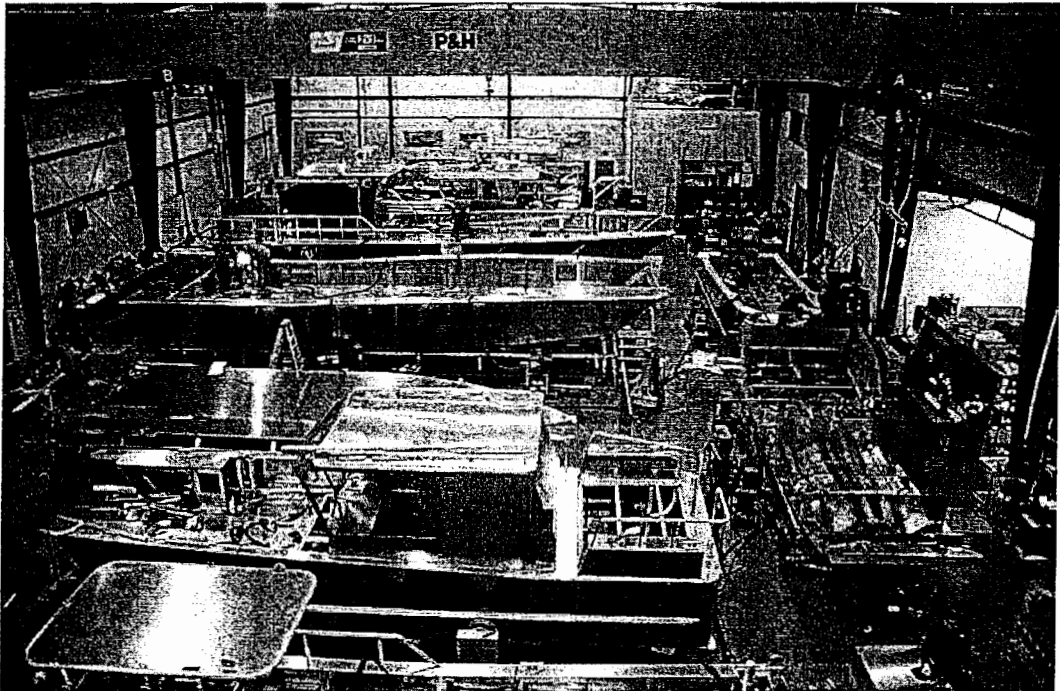
We also own a 15-ton Marine Travel-Lift. The 30,000 lb Travel-Lift allows us to safely move boats outside for seatrials and move boats too large to be put on a private trailer. Once outside,

the boats and boat trailers can be loaded directly to a commercial carrier for shipping, by one person.



**PRODUCTION CAPABILITIES:**

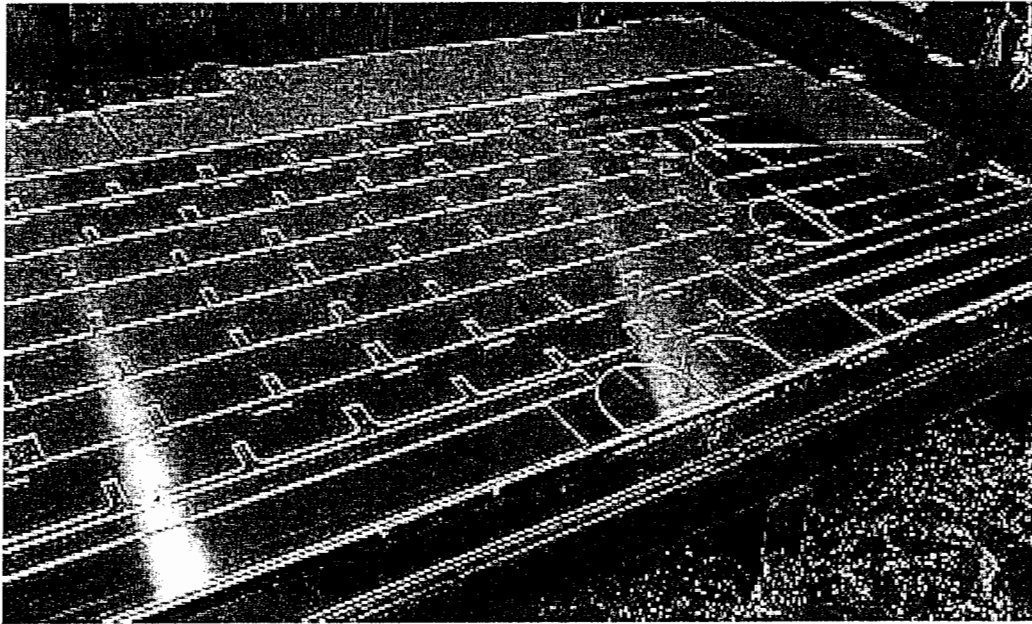
We currently employ 50 full time production employees with over 200 years combined experience in welded aluminum boat building. We have maintained our employment level for several consecutive years, without sharp increases or decreases in the number of our production employees, and tailor our production schedule to what we currently have on staff. Our average production rate produces 50+ vessels annually, with an average hull length of 32 feet. We typically have 8-10 units in production, ranging from 21 feet to 54 feet, at any given time.



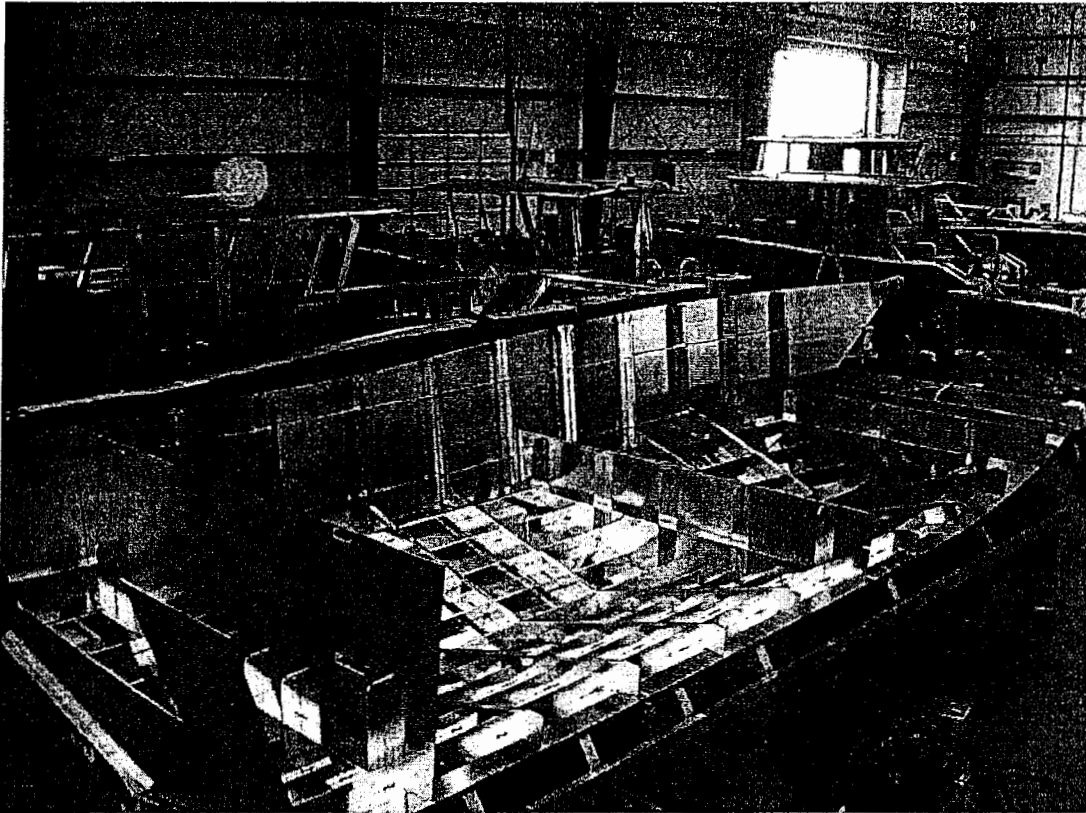
### MANAGEMENT STRUCTURE:

The William E. Munson Company uses the Quick Response Manufacturing (QRM) company wide strategy that pursues the reduction of lead time in all aspects of the company's operations, both internally and externally. Specifically, from a customer's point of view, QRM means responding to a customer's needs by rapidly designing and manufacturing customized products to meet their needs. This is achieved by structuring the organization into cells, where teams run their own cells and are allowed to manage their capacity and continually improve their responsiveness.

Today's CAD/CAM technology gives us the ability to produce highly customized products for the customer without incurring high additional costs. QRM provides us with a significant competitive advantage through our ability to deliver customized products with short lead times.



In 2008 we purchased an 8' x 30' MultiCam CNC router table to maximize our ability to produce custom aluminum parts completely in house. Virtually every part of the aluminum hull, hull framing structure, and superstructure is precision cut by this machine to include weld markings, alignment lines, text labeling and numbering to refine our production process. The addition of the CNC router table has proven to reduce lead times and is a tremendous asset for producing one-of-a-kind parts to tight tolerances within minutes of conception, rather than trying to make use of a part that will not meet our quality control process.



#### QUALITY CONTROL:

Every boat we build is processed identically, regardless of size and complexity. The same teams are responsible for each phase of the construction process; framing the hull, hull weld-out, superstructure, top-side weld-out, electrical, mechanical, paint, initial startup, seatrials, and final cleaning/shipping. When each team has completed their phase, it is inspected by the receiving team as well as our dedicated quality control manager, prior to being transfer to the receiving team. Each phase has a dedicated quality assurance program check list that is signed off by lead of the receiving team and quality control manager. Any problems that are identified during the inspection are documented, as well as the corrective course of action taken. The receiving team is treated as the final customer throughout the process, until the product is shipped.

Munson has certified its welding procedures to American Welding Society D1.2-2003 welding qualifications to insure every boat is welded to the highest standard in our industry. We also employ ABYC certified marine electricians to ensure every Munson boat is build with the highest level of safety and corrosion resistance in the field.

For William E. Munson Company:

Jesse Munson, VP