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# MarineNews

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#### **Engine Installation Completed for Superferry**

The first of four MTU 8000 Series engines; the largest installation on any of Austal's ferries in the U.S. began on April 3, Austal's

Mobile, Ala., shipyard.. These



installed in the first of two Austal

Auto Express, 353ft (107m) vehiclepassenger ferries for Hawaii Superferry (HSF) that will be built at Austal. Each 49-ton engine has 20 cylinders, and produces 8,200 kw at 1150 RPM. The installation procedure was innovative in that it required: an 26ft x 12ft (8m x 3.8m) hole cut into the side of the hull, a six-ton lifting cradle positioned above on the ferry vehicle deck, and a two-ton spreader beam to equalize the four-point lift, and a four-ton steel tower and rail system to "skate" the engines laterally into the hull. The installation of all four engines was completed within three weeks, ahead of schedule and under budget.

#### **Bourbon Christens Bourbon Orca**

Bourbon Orca (Ulstein AX104) is an AHTS (Anchor Handling Tug Supply Vessel) and the latest of the modern offshore oil and gas marine service vessels christened recently in Aalesund,

Norway. Bourbon Orca, soon to work under contract with Norsk Hydro, is the result of a collaboration between Bourbon Offshore, Ulstein Design and ODIM, which specializes in marine automated systems.

#### NASSCO Delivers Lead Ship of T-AKE Class

General Dynamics NASSCO delivered the USNS Lewis and Clark (T-AKE 1) to the U.S. Navy. The ship is named after Captains Meriwether Lewis and William Clark, who led a legendary exploration of the American West from 1804 to 1806.

USNS Lewis and Clark is the first of an expected class of 11 dry cargoammunition ships. With modular cargo holding



ships at sea with ammunition, food or fuel in one mission. The ship incorporates international marine technologies and commercial ship-design features, including an integrated electric-drive propulsion system. Construction of the ship began in September 2003.

#### **Fuel Prices Drive Ferry** Fares Up

Rising fuel costs may mean another fare

hike for ferry riders. The Washington State Transportation Commission reportedly directed the ferry system to cover a \$10 million shortfall blamed on the high cost of diesel fuel. Fare increases between 5 percent and 20 percent are now under consideration, as well as capital improvement cutbacks and asking the state Legislature for more money. According to Bainbridge Island Ferry Advisory Committee, WSF has hiked fares by about 70 percent since 2000. That was the year voters approved Initiative 695, which slashed the state motor-vehicle excise tax to \$30. (Source: www.bainbridgereview.com)

#### **Coast Guard Responds to** Freighter Taking on Water

Coast Guard rescue crews were on scene and assisting with the dewatering process of a 184-ft. freight ship that was reported to be taking on water approximately 12 miles northeast of Miami Beach, Fla. The Coast Guard received a mayday call by the captain that the Sea Taxi was taking on water and his fiveperson crew needed immediately assistance. The Coast Guard launched an HH-65 Dolphin helicopter from Coast Guard Air Station Miami, a rescue boat from Coast Guard Station Miami Beach and the Coast Guard Cutter Sitkinak. (Source: www.military.com)

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#### **NOAA Grants Permit for Sonar Activities**

The National Oceanic and Atmospheric Administration (NOAA) issued three key documents on June 27 that support the critical international naval exercise Rim of the Pacific (RIMPAC) while protecting marine life. These documents enable naval forces from eight nations gathering this week in Pearl Harbor to begin RIM-PAC 2006.

Director, U.S. Navy Environmental Programs Rear Adm. James A. Symonds said, "The Navy and NOAA have worked hard these past several months to take the appropriate measures necessary to avoid harming marine life while also ensuring the realism of this vital multinational naval exercise."

The documents - the culmination of a 10-month effort between Navy and National Oceanographic and Atmospheric Administration scientists, operators and researchers - are:

"Finding of No Significant Impact" under the National Environmental Policy Act. Federal agencies conducting major federal actions must analyze the effects of their proposed actions on the environment. In this case, NOAA said RIMPAC will cause "no significant impact" to the environment.

Marine Mammal Incidental Harassment Authorization. Under the Marine Mammal Protection Act, the Navy notified NOAA of the need for RIMPAC participants to use mid-frequency active sonar that may affect marine mammals' behavior under some circumstances. The Navy's scientific analysis of the sonar activities involved in RIMPAC show that injurious effects and mortalities of marine mammals are highly unlikely.

"Biological Opinion" under the Endangered Species Act. NOAA concluded the Navy's use of mid-frequency active sonar is not likely to jeopardize the continued existence of threatened and endangered species in areas where the exercise will take place, including the endangered Hawaiian monk seal.

Submarines have become increasingly quiet in recent years, and there are more than 140 diesel-electric submarines in the Pacific within reach of critical choke points and navigational sea lanes.

#### **USCG Bill Sent to** President

The U.S. House of Representatives passed the conference report for H.R. 889, the Coast Guard Authorization Act of 2006. On June 22, the U.S. Senate adopted by unanimous consent a resolution that deemed the conference report passed upon the House's acceptance of the Senate's correcting language. The bill now goes to the President for his signa-

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ture. The legislation authorizes \$8.7b for Fiscal Year 2006. The authorization agreed to will continue to allow the Coast Guard to perform non-homeland security missions such as search and rescue, fisheries enforcement, and marine environmental protection, as well as fund the necessary missions related to ports, waterways, and port security. H.R. 889 includes numerous measures that would allow the Coast Guard to enforce provisions of the Maritime Transportation Security Act, an



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# **Breaux's Bay Builds on Tradition**

This coming September, Offshore Oil Services of Freeport Texas will add the eighth boat to its distinctively white-hulled fleet of crew boats when they take deliver of a new vessel from Breaux's Bay Craft of Loreauville, La., With four generations involved in the maritime economies of Freeport the Muchowich family has named this latest addition to their fleet, the Anna M, for the wife of Capt. Carl Muchowich who first invested in a shrimp business there in the early 1930s.

At 145 ft. over-all the Anna M has a 28-ft. beam and 12-ft. molded depth. This will provide for 12,000 of fuel, 24,500 gallons of rig water, 800 gallons of potable water and 250 gallons each for lube and waste oil. The 84 x 23-ft. open aft deck will take up to 200 tons of cargo.

Four 1350 hp Cummins KTA38 main engines turning four-blade 44 x 42-in. props on 4.5-in., Aquamet shafts through Twin Disc MG6650SC gears with 2.47:1 reduction will provide propulsion. The vessel is designed to travel at 28 knots light ship and 25 knots with 100 tons of cargo. It will be fitted with two Cummins-powered 50 Kw generators sets.

The comprehensive line of wheelhouse electronics will include two Furuno FRB8111 radars, two ICOM IGM127/ICM59 VHF radios, one SEA235 SSB radio, one Furuno GP31 GBS, one Data Marine D3001 depth indicator, one Navtec NCR3000A receiver and one Horizon LH5 loud hailer.

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essential element in securing the nation's ports, waterways, and transportation networks. Additionally, it would address maritime safety issues by allowing the Coast Guard to continue training both the commercial fishing industry and the recreational boating public in issues regarding safety at sea. The bill authorizes \$100m for the Coast Guard to operate and maintain the polar icebreakers. It also calls on the Coast Guard to take all necessary measures to maintain its current fleet of polar icebreakers, including a plan for the long-term re-capitalization of these assets. As a reflection of its support of the Coast Guard recapitalizing its fleet of cutters and aircraft, the Conference Report authorizes \$1.3b for the Coast Guard's Deepwater Program. In response to the final report of the United States Commission on Ocean Policy, the legislation includes provisions that direct the Coast Guard to develop steps that will allow it to better detect and interdict foreign vessels that are violating fishing regulations, and calls on the Coast Guard to seek improvements to flag state implementation of international agreements for the protection of the marine environment and security. H.R. 889 also includes the following highlights:

• Authorizes a supplemental \$300 million for Coast Guard operations and maintenance associated with Hurricane Katri-



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na, as well as for the increased costs of fuel.

• Authorizes a supplemental \$200 million for capital improvements for Coast Guard facilities in Fiscal Year 2006, including air and vessel assets, and for equipment that needs to be replaced, including aids to navigation to ensure safe transits through shipping lanes.

• Authorizes the Coast Guard to use its maritime safety and security teams for missions other than security missions, such as response to natural disasters like hurricane Katrina.

• Requires the Coast Guard to report to Congress on Hurricane Katrina's impact on Coast Guard operations and facilities and on navigable waterways, facilities located in such waterways, and on the environment.

• Raises the liability limits for responsible parties under the Oil Pollution Act.

#### WCI Applauds USACE Funding

Waterways Council expressed its reaction to the FY 2007 funding that was approved by the Senate Appropriations Committee. Waterways Council, Inc. (WCI) signaled its pleasure with the strong U.S. Army Corps of Engineers Civil Works Program funding level. The \$5.14b for the Corps Civil Works Program includes \$394m to advance critical Inland Waterway Trust Fund financed projects on the Nation's inland waterways system.

Waterways Council, Inc. said that three priority projects were funded in the Senate bill that were not recommended for funding in the Administration's budget: Inner Harbor Navigation Canal Lock (\$18 million), Kentucky Lock (\$20 million) and pre-construction engineering and design (PED) work on the Upper Mississippi River (\$20 million).

"We are pleased with the diligent efforts of the Senate Energy and Water Appropriations Subcommittee, and of the full Senate Appropriations Committee to fund the Army Corps of Engineers' pro-

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gram at this continued high level," said R. Barry Palmer, WCI President. "The legislative actions in the Senate today maintains the progress already begun on completion of priority lock and dam projects on our Nation's inland waterways, which allows us as a Nation to compete in the world marketplace."

Waterways Council offers special thanks to Senators Domenici and Reid, Chairman and Ranking Member of the Energy & Water Appropriations Subcommittee, respectively, and Senators Cochran and Byrd, Chairman and Ranking Member of the full Appropriations Committee for their hard work on this bill. We look forward to the resolution of the differences between the House and Senate bills in conference," Palmer said.

#### Chairman Blust to Leave FMC

The Federal Maritime Commission (FMC) announced that Chairman Steven R. Blust intends to leave the agency after completion of his current term. He joined the agency in 2002 and his term expires on June 30, 2006.

#### Tidewater Celebrates 50

Tidewater Inc. visited the NYSE to celebrate the 50th anniversary of the company. Additionally, Tidewater Inc. commemorated the 50th anniversary of the Offshore Oil and Gas Transportation Industry. In honor of the occasion, Chairman, President and CEO Dean Taylor rang the Closing Bell SM . He was joined on the bell podium by Tidewater founder John Laborde, Murphy Oil Company CEO Claiborne Deming and Diamond Offshore Drilling Company President and CEO Larry Dickerson.

#### Matson Wins Benkert Award

Matson Navigation Company has been honored with the U.S. Coast Guard's 2006 Rear Admiral William M. Benkert Marine Environmental Award for Excellence. The Benkert Award was created to recognize outstanding achievements in marine environmental protection that go beyond mere compliance with industrial and regulatory standards. Matson was the only containership operator recognized in the 2006 award process, which is conducted every two years. Other recipients of the 2006 award include Dow Chemical, British Petroleum, Marathon Petroleum and Todd Shipyard.

Matson has had a zero discharge policy since 1993 and is still the only container vessel company that has such a program. In 2003, Matson's S.S. Chief Gadao became the first U.S.-flag container vessel certified to the American Bureau of Shipping's Safety, Quality and Environmental Management (SQE) program. All of Matson's vessels now have the SQE certification, which requires a documented environmental management system focused on continuous improvement. In addition, our offices and terminals are certified to the ISO 14000 environmental management system standard. Matson and SSA Marine also recently signed a new "green port" lease with the Port of Long Beach, setting a new environmental standard for terminal leases. As part of the new agreement, Matson will retrofit five vessels in its current fleet to





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use shoreside electricity, known as cold-ironing, or technology that is at least 90 percent as clean as cold-ironing. In addition, a class of older vessels will be retrofitted with technology that is at least 80 percent as clean as coldironing.

#### Mercury Marine Signs New RIB Dealers

Mercury Marine has signed three new dealers for retail distribution of its new Professional RIB line in the U.S. Inflatable Boat Works of Seattle, Wash., was the first Mercury Professional

RIB Dealer, and has been joined by Maritime Solutions Inc. of Portsmouth, Va., and Annapolis, Md.; and Ocean Outboard of Merrick, N.Y. The trio is part of what will be a select list of dealers selling the professional RIBs, which range in size from 4 m to 8.5 m. This class of product will be targeting end users such as U.S. military; state, county and local law enforcement agencies; fire and rescue; and fish and game agencies.

#### **Engine Installation Completed for Hawaii Superferry**

April 3, 2006, marked the beginning of a historical event at Austal's Mobile, Alabama shipyard. Installation began on the first of four MTU 8000 Series engines; the largest yet to be installed on any of Austal's ferries in the U.S. These engines were installed in the first of two Austal Auto Express, 353ft (107m) vehicle-passenger ferries for Hawaii Superferry (HSF) that will be built at Austal. Each 49-ton engine has 20 cylinders, and produces 8,200 kw at 1150 rpm. Full contract funding for this two-vessel project was recently confirmed in October 2005 making the contract unconditional. Construction of the first ferry has been underway since June 2004 at Austal in Mobile based on initial funding from Hawaii Superferry and a strategic decision by Austal to advance work on the project in order to develop the workforce in readiness for the Littoral Combat Ship project. On the present schedule, the first ferry is due for delivery in the first half of 2007. Construction has already started on the second ferry and is currently scheduled for completion in the first half of 2009. The installation procedure was innovative in that it required: a 26 x 12 ft. (8 x 3.8 m) hole cut into the side of the hull, a six-ton lifting cra-



dle positioned above on the ferry vehicle deck, and a two-ton spreader beam to equalize the four-point lift, and a four-ton steel tower and rail system to "skate" the engines laterally into the hull. The installation of all four engines was completed within three weeks, ahead of schedule and under budget. Due to some unforeseen circumstances, the ferry owner had to make a change to the engines after the design was complete and construction was underway on the vessel. This could have been cause for difficulties in completing a smooth installation process. When asked for his opinion of the engine installation evolution, Hawaii Superferry Board Member, Bill Shirley commented, "The Austal design and production team adapted well to the necessary change in engines making it a seamless adjustment. The installation proceeded uneventfully which is a compliment to those who were involved in this complicated procedure." Hawaii Superferry plans to use Austal fast ferry technology to establish Hawaii's first high-speed vehicle-passenger service. Each catamaran will carry 866 passengers and 282 vehicles and provide services connecting Honolulu to Maui and Kauai in three hours and from Honolulu to the Big Island in four hours.

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## **Neuville Boat Works Delivers for Texas Customer**

"We build two big crew boats per year," explains Kerry Neuville of Neuville Boat Works in New Iberia Louisiana. This year one of the owners who will take delivery of a Neuville boat is Capt. Elliot Cundieff. It will be the twelfth in his fleet of crew boats that operate out of Freeport Texas along with another four boats that are party fishing boats. The interesting combination of vessels came about when Capt. Elliot, who had been working as an engineer in Savannah Georgia, returned home to Texas and got a job running a party boat out of Freeport in 1970. In 1976 he bought the business with four boats, two of which were converted crew boats.

From operating party fishing boats that were former crew boats, it was a short step into buying his first dedicated crew boat in 1979. Wisely he kept the party fishing boat part of the business going so that when the big downturn came in the oil industry and interest rates skyrocketed in 1983, "We increased our fleet when others were downsizing," he recalled, "But we had the party boats to prop up the rent."

Over the years he has bought and sold boats as well as adding new boats to upgrade both the party boat and crew boat fleets. This included adding new crew boats in 1996 and 2000 and then a new party boat in 2005.

"We are very pro technology," he says of Miss Claire, the current build project — a 155 x 28-ft., crew boat to be delivered at the end of June. Capt. Elliot has added some more nice touches like the satellite TV and 42-in. plasma screen DVD monitors in the passenger area and the only slightly smaller screens with players in each of the crew's bunkrooms. Not all the technology is for entertainment. The boat is fitted with sophisticated CSP electronic controls and monitoring systems.

Nor are all of the details on the boat so high tech. Some are just good design sense. Over the years the Neuville folks have learned countless details from customer feed back. An example of this are the beams affixed to the overhead in the engine room from which to suspend the engine exhausts so as to isolate them from the flexing of the main deck beams when cargos are loaded.

Four EPA tier 1 compliant KTA38 M2 engines provide power for the vessel. Each engine produces 1350 hp at 1900 rpm power for the new vessel for a total of 5400 hp. Tankage is provided for 18,444 gallons for fuel, 33,662 gallons of rig water and 1039 gallons of potable water. Maximum deck cargo will be about 185 long tons on the 22.13 x 93.25-ft, after deck.

The countless details that contribute to the vessel's over all reliability and her passengers comfort will assure that the company crews will welcome an opportunity to work this handsome boat.





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Miss Claire's props.

#### O'Brien's Group Marks Opening

The O'Brien's Group celebrated the grand opening of a new state-of-the-art Command Post and Emergency Operations Center (EOC) in Slidell, La. O'Brien's previous Command Center was destroyed when Hurricane Katrina devastated the New Orleans area in 2005. "After temporarily relocating to our Houston, Texas office and a considerable evaluation of our current and future operations, we are proud to announce the Grand Opening of our new state-of-the-art facility in Slidell," said Tim Perkins, CEO of The O'Briens's Group.

The Command Center has been the foundation for O'Brien's emergency response management services, which are provided to over 150 oil and gas company clients, as well as local, state and federal agencies. O'Brien's also provides Qualified Individual (QI) and Spill Management Team (SMT) services to the shipping industry representing over 5,000 ships operating in U.S. territorial seas. Emergency calls received by O'Brien's clients worldwide are managed from the Slidell Command Post and EOC.

Several public officials attended the ribbon cutting ceremony from the City of Slidell, including Mayor Ben Morris, Fire Chief Larry Hess, and John O'Neil, St. Tammany Parish Fire Services Director. Also present were Captain Paskewich of the U.S. Coast Guard Sector New Orleans and Alton Bates of the Department of Interior and Minerals Management Service (MMS).

As a part of the welcoming home ceremony, Randall Blank, CEO of SEACOR Environmental Services, presented Mayor Morris with a donation of \$10,000 for the restoration and enhancement of Slidell's radio communications equipment.

#### **ACR Promotes Two**

ACR Electronics Fort Lauderdale, Fla., team announced that some team members have assumed new titles and responsibilities as they move into bridge electronics and an overall increase in marine sales domesti-



cally and worldwide.

Tony Smith, a 15 year sales veteran at Fort Lauderdale-based ACR Electronics, has been promoted to Sales Director, assuming the responsibilities of marine and bridge electronics, government, outdoor and aviation sales for the company's international division, which covers Asia, the Pacific Rim and Latin America.

Bob Pro, who joined ACR in 2004 as the Western Marine Sales Manager, has been promoted to North America Sales Manager, Marine Division. Pro<sup>1</sup>s new assignment will entail managing all aspects of marine business, including bridge electron-

Smith e

ics, commercial, recreational, and national accounts.

#### **Marie Appointed to Board**

J.J. Marie, President and CEO of Zodiac of North America (ZNA) has been appointed to the board of the Association for Rescue at Sea (AFRAS) -a non-profit organization dedicated to providing support to voluntary lifeboat services all over the world.

#### **Tugs Relocate to Oakland**

Oakland ship assist and escort customers Crowley Maritime Corporation relocated its tugs to Berth 9 in the Port of Oakland effective June 16. The move, eight miles away from Crowley's previous terminal at 10th Avenue, will allow Crowley to provide faster service upon receiving a customer's ship assist request.

Crowley tugs will be based closer to most customer operations and will be able to work with greater ease in the expanse of the Outer Harbor. Tugs will no longer need to sail through the Oakland Estuary to reach most vessels. Crowley tugs, which were once a fixture in San Francisco Bay from the early 1900s to 1996, returned home in 2004 to once again provide service to area customers. In the Bay Area, Crowley provides traditional ship assist services to carriers, typically container shipping companies, as they enter and leave the port and its surrounding areas.

#### Harvey Gulf Leases at Port of Fourchon

Shane J. Guidry, President and CEO of Harvey Gulf International Marine, Inc., announced that the company has completed the leasing of property in the Port of Fourchon for the support of operations in the deep waters and the shelf of the U.S. Gulf of Mexico. Harvey Gulf plans to upgrade the existing property to support their fleet of offshore towing, supply and diving vessels with Dynamic Positioning Capability.

This property will also be capable of supporting other operators in the U.S. Gulf of Mexico. These conversions will be completed by November 2006, and will enhance the company's position as the industry leader.

The modification of the property will initially include 7 primary needs that the largest ocean going vessels will require: 1,500 ft of Steel Bulkhead Water Front; Lift Crane, Cherry Pickers, Fork Lifts; Water Service; Secure Storage 24/7; Office Rental Space; Warehouse Rental; Logistics Services.

#### J. Ray McDermott Returns To New Orleans

J. Ray McDermott, S.A. (J. Ray), a subsidiary of McDermott International Inc., announced that it has reopened its Engineering office in New Orleans, LA (NOLA). The return to NOLA comes nearly 10 months after Hurricane Katrina forced the evacuation of J. Ray employees to temporary offices in Amelia, Louisiana and Houston, Texas. J. Ray's new NOLA office is located on the 12th floor of 1340 Poydras Street (formerly the Amoco Building). The office has an initial staff of 27 employees, including 22 engineers, with room to expand over time to 37 employees.



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off course. Which has put us in a great position to help you.

#### Cosco Endorses Panama Canal Expansion

Captain Wei Jiafu, President and CEO of China Ocean Shipping Company (COSCO), recently endorsed the potential

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Panama Canal expansion, citing that a more modern, Canal will benefit the global economy and world trade.

Nearly five percent of total world trade transits the Panama Canal. Of this trade, 88 percent flows between the United States and Asia. In a speech given in

Meeting CHALLENGES

at every turn...

Panama last month, Captain Wei stated that with the rapid development of China's economy, the Panama Canal becomes more important as a vital link for China to import and export goods to and from the East Coast of the United States, the Caribbean and the East Coast of South America. "I fully support this expansion plan. I believe that the expansion of the Canal will enable more ships to utilize the Panama Canal.

It will not only strengthen Panama financially by bringing considerable revenues, promote development of Panama's maritime industry, and ensure Panama's position as the regional maritime center, but it will also benefit the growth of regional and world trade," said Captain Wei.

#### Foss Maritime Crew Receive Lifesaving Award



Foss Maritime Honored with Award Captain Sam Nelson and crew of the Foss Maritime Company tugboat Justine Foss received the Lifesaving Award from the Seamen's Church Institute at their annual Silver Bell Dinner on June 1 in New York. United States Coast Guard Commandant Admiral Thad Allen was in attendance and personally congratulated Captain Nelson.

Captain Nelson and his crew received the award for their heroic efforts in response to the needs of the crew of the tugboat Valour and the barge M-192 while in heavy weather and rough seas on January 18, 2006 off the coast of Cape Hatteras, North Carolina.

Captain Nelson and his crew were able to rescue five men from the water and regain control of the laden tank barge during darkness and severe sea conditions, said Paul Gallagher, Director of Sales Marine Transportation, Foss Maritime.

In addition, on June 9, Don McElroy, Foss Maritime Vice President of Marine Transportation, was presented with top honors at the Jones F. Devlin Ship Safety Achievement Awards Luncheon held by the Chamber of Shipping of America at the Hilton Riverside Hotel in New Orleans in honor of the Justine Foss and her rescue of the crew of the Valour.

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#### L-3 Closes on Nautronix

L-3 Communications Holdings Inc. has completed its purchase of Nautronix Defense Group, the mine and anti-submarine weapons systems maker, for \$65m in cash plus a possible \$6m more, depending on financial performance.

Nautronix will be renamed L-3 Communications Nautronix Holdings Inc., and will add about \$25m to L-3's estimated sales this year.

#### ACL Announces Appointments

American Commercial Lines Inc. (ACL) has appointed Joseph J. Rella as its vice president, sales for Jeffboat LLC, a subsidiary of ACL.

Rella brings many years of marine industry knowledge in the area of sales, business development, manufacturing and engineering skills to the company. His most recent position was Director LNG Business Development for Crowley Marine in Houston. Previously, Rella spent over six years with Atlantic Marine, Inc. in various sales and marketing positions.

Rella graduated from the U.S. Merchant Marine Academy, Kings Point, New York and graduated with honors from the U.S. Navy Nuclear Power School.

In addition, Shayne K. Ingersoll has been promoted to the position of Vice President, Human Resources. Ms. Ingersoll joined ACL in May, 2005 as Director, Human Resources and has more than 15 years of related Human Resources experience with Chase Manhattan Bank, Bank of America and Continental Tire. In her various assignments, she has had responsibility for compensation and benefits, pension and welfare plans and employee relations.

#### Caucus: The Navy Needs More Money

On June 21, 2006, the Congressional Shipbuilding Caucus sent a letter signed by 69 Members of Congress to Secretary of Defense Donald H. Rumsfeld requesting a top line increase to the Navy's Fiscal Year '08 ship procurement budget.

The top line increase is urged to enable Navy leadership to meet its ship procurement budget requirements of \$14.1b announced by Chief of Naval Operations Michael C. Mullen as the amount needed to rebuild the nation's sea power fleet.

The letter sponsored by Jo Ann Davis (R-VA) and Gene Taylor (D-MS), cochairs of the Congressional Shipbuilding Caucus, cites the 51% overall increase in defense spending since 2001 while shipbuilding has been cut by 16.8% over the same period. The Navy's ship procurement account has been the "bill payer" for other defense programs resulting in the contraction of the nation's naval fleet from 341 ships in 2001 to just 280 ships today. American Shipbuilding Association President, Cynthia L. Brown, commended the action taken by the Congressional Shipbuilding Caucus. "The Caucus is taking the steps necessary to address the serious homeland and national security deficiency as the fleet shrinks to historic lows. Small shipbuilding budgets and low rates of production not only leave America's security interests vulnerable, but also place the defense industrial base at risk," said Brown.



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# Legal Beat The Alternative Tonnage Tax

#### By Brett M. Esber and Joseph T. Gulant

The American Jobs Creation Act of 2004, signed into law by President Bush in November 2004, includes two significant changes to the tax laws applicable to shipping income. As an initial matter, the reader should be informed that these new tax laws apply only to income from the operation of vessels in international trade. They do not apply to income generated from the operation of vessels in the domestic, or Jones Act, trades. However, U.S. companies that currently operate, or might be interested in operating, vessels in international trade (U.S./foreign or foreign/foreign), should be aware of these new tax laws and the significant opportunities they create for more competitive and profitable operation of vessels in international trade.

The two changes included in the Jobs Creation Act are (i) the creation of an "alternative tonnage tax" for income from the operation of certain U.S.-flag vessels in the international trades, and (ii) the removal of "foreign base company shipping income" from subpart F of the Internal Revenue Code. The size of this article does not permit discussion of both changes to the tax laws. For that reason, it will focus on the first change - the introduction of a new alternative tonnage tax. Readers who are also interested in the second change - the change to subpart F - are directed to the article that appeared in the October 2005 issue of Marine News (which will be updated to reflect recent developments).

# What is the alternative tonnage tax?

The alternative tonnage tax is essentially a flat tax based on vessel tonnage and the number of days the vessel was operated in the international trades. If elected, the alternative tonnage tax is imposed in lieu of the normal corporate income tax with respect to the operation of the taxpayer's "qualifying vessels."

The U.S. Congress enacted the alternative tonnage tax regime as a mechanism to "level the playing field" for U.S.-flag vessel operators. Several European countries have traditionally allowed their resident entities to pay tax based on alternative tonnage tax regimes - which often produce significantly lower effective income tax rates for those entities as compared to paying income tax. The absence of a tonnage tax regime in the U.S. under prior law was considered to be a competitive disadvantage for U.S.-flag vessel operators.

The alternative tonnage tax is imposed at the highest corporate income tax rate (currently 35 percent) on the daily "notional shipping income" of each qualifying vessel. For tonnage tax purposes, daily notional shipping income is based on the net tonnage of the qualifying vessel and is equal to 40 cents for each 100 net tons up to 25,000 net tons, and 20 cents for each 100 net tons in excess of 25,000 net tons. For example, the daily notional shipping income of a qualifying vessel of 45,000 net tons would be \$140, and the daily tonnage tax on the vessel would be \$49, or \$17,885 for the entire year.

If the alternative tonnage tax is elected with respect to the taxpayer's qualifying vessels, it is imposed in lieu of the normal corporate income tax. Therefore, all items of income, deduction (with limited exceptions), loss or credit associated with the taxpayer's qualifying vessels are excluded from the taxpayer's normal corporate income tax return and are entirely replaced by the relatively simple tonnage tax.

# Who can elect the alternative tonnage tax?

In general (non-tax-speak terms), the alternative tonnage tax may be elected by companies operating U.S.-flag vessels of 6,000 deadweight tons or more in international trades. For this purpose, trades between the U.S. and its possessions, such as Puerto Rico and Guam, are considered international trade, and vessels operating in these trades qualify of the alternative tonnage tax.

To be more specific, the tonnage tax regime may be elected by a "qualifying vessel operator" with respect to its "qualifying vessels." A qualifying vessel is any self-propelled (or combination of a selfpropelled and non-self-propelled) U.S.flag vessel of 6,000 deadweight tons or more that is used exclusively (with limited exceptions) in international trades during the period the tonnage tax election is in effect. Temporary use of an otherwise qualifying vessel in the U.S. domestic trades is permitted if the taxpayer timely notifies the IRS of such domestic use, and such use does not exceed 30 days during the taxable year. To be timely, notice must be given not later than the due date (including extensions) for the taxpayer's tax return for the taxable year in which the

domestic use occurred.

A "qualifying vessel operator" is a corporation (or an entity that elects to be taxed as a corporation) who (i) operates one or more qualifying vessels, and (ii) meets the "shipping activity requirements." A taxpaver will be treated as "operating" a qualifying vessel if the vessel is owned by or chartered (including on a time charter basis) to the taxpayer. The shipping activity requirements are met if, during the taxable year and each of the two preceding taxable years, on average, at least 25 percent of the aggregate tonnage of qualifying vessels used by the taxpayer were owned or bareboat chartered by the taxpayer. A special rule is applied for the first year that the tonnage tax is elected.

In that case, the "look back" is limited to the preceding taxable year only. An election by a member of a controlled group will apply to all qualifying vessel operators that are members of the controlled group. It should also be noted that all members of a controlled group will be treated as one person for tonnage tax purposes and application of the shipping activity requirement. As a result, the taxpayer and its controlled group members may not elect to apply the tonnage tax regime on a vessel-by-vessel basis with respect to the vessels owned by the group; the tonnage tax election, if made, applies to all qualifying vessels within the group.

A taxpayer that charters-out a qualifying vessel on a bareboat basis will generally not be considered to be operating that vessel unless (i) the vessel is temporarily surplus to the taxpayer's requirements and the term of the bareboat charter does not exceed three years, or (ii) the vessel is bareboat chartered to a member of the owner's controlled group or to an unrelated person who sub-bareboat charters or time charters the vessel back to the owner or a member of the owner's controlled group. These provisions tend to prevent election of the tonnage tax by passive investors such as finance companies that own an otherwise qualifying vessel and bareboat charter the vessel to an operator who uses the vessel exclusively in the international trades.

#### Scope, Timing and Duration of the Election

If the tonnage tax is elected, it replaces the standard corporate income tax with respect to income derived by the taxpayer from its "qualifying shipping activities."

In other words, if the tonnage tax is elected, any income earned by the taxpayer from qualifying shipping activities is excluded from the taxpayer's gross income otherwise subject to the standard corporate income tax. Income from activities other than qualifying shipping activities (e.g., income from the operation of vessels in the domestic trades), remains subject to the standard corporate income tax. Complications may arise, however, with respect to the proper allocation of deductible overhead expenses to the portion of business not subject to the tonnage tax regime. For these purposes, tax deductions otherwise allowable that are attributable to qualifying vessels subject to the tonnage tax are effectively ignored.

The definition of "qualifying shipping activities" encompasses more than just freight earned from the carriage of cargo in international trades. It is therefore important to carefully identify all income derived from qualifying shipping activities in order to obtain the greatest benefit from electing the alternative tonnage tax.

"Qualifying shipping activities" are divided into three groups: (i) core qualifying activities, (ii) qualifying secondary activities, and (iii) qualifying incidental activities. Core qualifying activities involve the operation of qualifying vessels in international trades. Qualifying secondary activities include (among other things) managing and operating nonqualifying vessels in international trades, providing vessel, container and cargo-related services, and other activities of the taxpayer that are an integral part of its business of operating qualifying vessels in the international trades. It should be noted that gross income from qualifying secondary activities may be excluded from gross income otherwise subject to the standard corporate income tax only to the extent that gross income from qualifying secondary activities does not exceed 20 percent of gross income from core qualifving activities. Income from qualifying incidental activities (defined generally as activities that are incidental to the taxpayer's core qualifying activities but do not qualify as secondary qualifying activities) may also be excluded from gross income otherwise subject to the standard corporate income tax, but only to the extent that gross income from such activities does not exceed 0.1 percent of the taxpayer's gross income from its core qualifying activities.

The election of the tonnage tax in lieu

of the regular corporate income tax can be made with respect to a taxable year at any time before the due date (including extensions) for filing the tax return for that year.

The election remains effective until revoked or until the taxpayer ceases to be a qualifying vessel operator, in which case revocation is automatic as of such date. In the later case (lapse of qualification), income of the electing taxpayer will be annualized using a method prescribed by the Secretary of the Treasury.

The tonnage tax election may be revoked at any time.

If the revocation is made before the 15th day of the third month of the tax year, it will be effective as of the first day of that tax year. Otherwise, the revocation will be effective as of the first day of the next tax year.

It is also possible to specify a later revocation date, in which case the revocation will be effective for tax years beginning on or after the specified date. Once revoked, the tonnage tax may not be reelected for a period of five years.

#### Sale or Disposition of **Qualifying Vessel/Avail**ability of Tax-Deferred "Like-Kind" Exchanges

In general, the sale or other disposition of a qualifying vessel remains a taxable event. An important exception applies, however, if a replacement vessel is purchased in a timely manner. In general, no gain is recognized on the sale or other disposition of a qualifying vessel if a replacement qualifying vessel is acquired during the period beginning one year prior to the disposition and ending three years after the close of the first taxable year in which the gain is realized.

The basis of the new vessel is its cost minus the amount of gain not recognized on the disposition of the old vessel. For these purposes, a taxpayer that has elected the tonnage tax must still account for depreciation of its qualifying vessels on a straight-line basis.

#### **Deciding Whether to Elect the Alternative Tonnage Tax**

Deciding whether to elect the tonnage tax is a two-step process.

The first step is determining whether the taxpayer qualifies for the tonnage tax. A taxpayer is likely to qualify for the tonnage tax if the following two statements are accurate with respect to the taxpayer: The taxpayer operates one or more vessels of at least 6,000 dwt exclusively in the international trades (each such vessel, a "Qualifying Vessel").

During the tax year in question and each of the preceding two tax years, on average, the taxpayer owned or bareboat chartered Qualifying Vessels having an aggregate tonnage equal to at least 25 percent of the aggregate tonnage of all Qualifying Vessels used by the taxpayer during the period in question.

If the above two statements are accurate with respect to the taxpayer, then the taxpayer is likely to qualify for the alternative tonnage tax.

At that point, the decision whether to elect the tonnage tax is strictly a mathematical exercise involving a comparison of total federal income tax using the standard corporate income tax rules and the alternative tonnage tax rules.

To accurately calculate the full benefit of electing the alternative tonnage tax regime, the taxpayer must identify all income to be excluded from the regular corporate income tax, including income from core qualifying activities, secondary qualifying activities and incidental qualifying activities.

#### About the authors:

Joseph T. Gulant, Esq. is a partner in the law firm of Blank Rome LLP ("Blank Rome"), and is the Practice Group Leader of Blank Rome's Business Tax Group. Gulant maintains both New York and Philadelphia offices, and his practice is concentrated in the areas of tax planning for domestic and international stock and asset acquisitions, maritime taxation, taxation of Real Estate Investment Trusts, partnership tax matters, real estate matters, corporate reorganizations, U.S. taxation of non-resident aliens and U.S. expatriates, general Subchapter C and S matters, venture capital, foreign tax matters, bankruptcy reorganizations and workouts, restructurings, tax-exempt organizations, corporate and structured finance, certain state and local tax matters, taxation of individuals, and executive compensation arrangements.

Within the last year, Gulant has advised clients in connection with multi-billion dollar transactions involving the acquisition and privatization of three separate New York Stock Exchange traded Real Estate Investment Trusts.

Prior to joining Blank Rome in 1993, Gulant was associated with the New York law firm of Skadden, Arps, Slate, Meagher & Flom, where he was engaged in the general practice of federal tax law with an emphasis on commercial transactions (including domestic and international mergers and acquisitions, and bankruptcy and other debt work-outs). Gulant received his J.D. degree in 1985 from New York Law School, where he graduated magna cum laude and was a member of the New York Law School Law Review. He also received an LL.M. in Taxation from New York University Law School in 1986. Gulant is a member of the Bar in Pennsylvania and New York. He publishes and lectures frequently on matters relating to taxation.

Brett M. Esber is a partner in the Washington, D.C. office of Blank Rome LLP. His practice involves international and domestic commercial transactions, corporate law and finance. As a member of the firm's Maritime Practice Group, Mr. Esber has specialized expertise and experience handling commercial transactions for companies involved in the maritime industry, including shipyards, shipowners, ship operators and cargo interests. He can be contacted at esber@blankrome.com.





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# Yard Patrol Craft - A Different Kind of Sea Duty

#### By Edward Lundquist

The flotilla of Yard Patrol craft (YPs) is a familiar sight on the waters near the United States Naval Academy at Annapolis, Md. The craft provide hands-on underway training for Midshipmen in navigation, shiphandling and seamanship. YPs also provide interesting duty for 99 Surface Warriors assigned as crew to the 21 boats.

Each boat has a crew of four. Enlisted Surface Warfare qualified senior Boatswain's Mates and Quartermasters serve as craftmasters, and ESWS qualified Enginemen serve as the chief engineers on each boat. There are also two undesignated seamen on each crew.

#### YP 689

"After being on two destroyers, I basically have my own command," says QMC Randi Dreis of Cleveland, Ohio. "I've done everything I can do in my rate. Having my own boat is amazing. I've got a great crew. You couldn't ask for a better deal."

While Dreis says there are challenges to maintaining craft with wooden hulls, "These are good boats. They may be a little top heavy, and a bit on the wet side, but they'll plow through the seas."

Dreis likes the opportunity he has to get his Coast Guard certification. "Through Navy Knowledge On-Line, I get credit for my training and experience." Being underway is demanding, says EN2 Jason Walter, from Buffalo, N.Y., because he's the sole qualified engineer on board. He maintains and operates the craft's two GM 12V71 diesel engines and two GM 3L71 diesel generators. "If the boat has engineering problems out on the water, you're the only person qualified to do anything about it. It's all up to you."

Thankfully, Walter says, the plant is simple and the engines are reliable. The job is demanding, however, because the engineer is responsible for all systems, such as potable water, the electrical distribution system, the steering gear, and keeping up with the logs and admin. If there is a fire in the main spaces, the engi-



Navy

Naval Station Annapolis operates 21 YPs to help train Midshipmen at the Naval Academy. (Photo by E. H. Lundquist)

neer is the only individual allowed to deal with it.

"My job is to make sure he (pointing to



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# Navy



QMC Randi Dreis is Officer-In-Charge of YP 689. "Having my own boat is amazing. I've got a great crew. You couldn't ask for a better deal."

Chief Dreis) doesn't have one."

SN Keshab Bhatta is one of the deckhands on the 689 boat. This is his first tour. He performs a variety of tasks from handling lines and fenders to painting the wooden hull and preserving deck tackle. He is from Nepal and joined the Navy for a better life.

#### **YP 700**

EN2 Aaron Richter likes having a big job. "When I reported for duty, my wife asked me what my new job was." He said, "You're not going to believe this, but I'm the Chief Engineer." In reply, Richter's wife said she thought he was going to be a mechanic. "So did I."

BMC Rickie Regan, a native of Lumberton, N.C., likes driving YPs, although he admits it took a while to grow on him. As he arrives from the Naval Station at the Academy across the Severn River, Regan speaks into the 1MC. "Moored. Shift Colors." He then runs around to the flag halyards and hauls down the ensign. He credits the strong training program for bringing crewmembers up to speed, because he says, "I was straight raw."

"Fake down that line on the fantail,"

Regan yells from the bridge wing of YP 700. He smiles when I ask him if he's trying to turn his deck seaman into Boatswain's Mates. "No," he laughs, "but they think I am."

OSCM Gilbert Ortiz from Douglass, Ariz., schedules the YPs. "They meet all the commitments. We do whatever we need to do to get underway," he says.

"The Small Craft Repair Facility here is our maintenance activity," Ortiz says. "They do our major repairs."

"This is shore duty," Ortiz says. "But we spend a lot of time underway, including most of the summer." The YPs travel to ports such as Philadelphia for the Army-Navy game, or on summer cruise to Baltimore, Williamsburg, or New York City.

The 108-foot wooden boats were built by Peterson Builders of Sturgeon Bay, Wis., and Marinette Marine of Marinette, Wis. The bridge is equipped with radar, GPS, and a chart table. One of the YPs (YP 686) is used for oceanographic purposes, operated by the Naval Research Laboratory.

BMC Ralph Romano from Kent Island, Md., grew up within sight of the YPs cruising on the Chesapeake, yet never thought about sailing on them. Today he not only cruises his home waters, he helps train the new craftmasters.

"Craftmasters have 90 days to qualify after reporting aboard," Romano says. Candidates get underway on the various boats with the different craftmasters as often as possible." Candidates must past a written test, then a practical underway evaluation, followed by an oral board, demonstrating knowledge of their boats, navigation and the rules of the road. The Commanding Officer of the Naval Station convenes the qualification board.

#### **YP 694**

Midshipmen come aboard YP 694 for their classroom on the Chesapeake. With them is LTJG Mark Leskoff, the instructor for Seamanship and Navigation 204.

The students have different labs throughout the year, complimenting classroom training. Naval Science 100 is taught to first year "Plebes," where they learn nautical terms, positions and duties of the bridge team, and standard commands. The NS 204 lab includes an emphasis on navigation and piloting.

Leskoff was a Second Class Storekeeper before earning his commission through the Enlisted Commissioning Program and getting qualified aboard USS Ponce (LPD 15). "Today we're working on man overboard drills," says Leskoff. "This is their last big underway lab of the semester."

Besides the regular classes, the Midshipmen have extracurricular opportunities to work with the YPs. Each company has a YP Team that competes for the honor of "Color Company," flying a streamer on their company guidon as the best shiphandlers at the Academy. The Power Squadron is an extracurricular student activity with its own "commodore," and is organized like a yacht club.

BM1 Ron Spencer watches the wind gust to 26 and 30 knots as the Midshipmen get his YP 694 underway. "This is a crucial part of the Academy's training," says Spencer, from Canton, Pa. Along with Leskoff, they conduct man overboard drills, throwing a life ring into the choppy water on this brisk November afternoon.

"I've learned more about what the Midshipmen go through in my year with YPs than I ever knew in my 12 years in the fleet," Spencer says.

Edward Lundquist is a senior science advisor and naval analyst with Alion Science and Technology, Washington, D.C.. A retired U.S. Navy captain, he currently supports the Navy's Surface Warfare Directorate.



Seaman Keshab Bhatta, a native of Nepal, performs a variety of tasks aboard YP 689, from handling lines and fenders to painting the wooden hull and preserving deck tackle.

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0518 hours on 23 May, the 11-tugboat armada at Mariner's Harbor starts firing-up, in preparation of engaging an equal number of Naval ships at the VNB. (Photo: Don Sutherland.)

#### By Don Sutherland

It was difficult to say which of the two fleets was more formidable. Just outside lay the warships, representing the British Navy, the U.S. Navy and Coast Guard. Eleven in all had arrived, soon to be met by the second fleet from Mariner's Harbor, composed of equal numbers. As the first light defined the sky that morning of May 24, eleven tugboats began to stir at McAllister's. Coffee was poured as sweeps were completed, and intelligence from the Naval armada analyzed. Each tug had a soldier, bringing his or her training to the security of it all. Instead of just walking from dock to bitt to caprail to deck like regular people do, some of them jumped.

The fleets would join around the Verrazano-Narrows Bridge, or at least parts of them would. Seven of the tugs would turn north out of the Kill. McAllister port captain Pat Kinnier confided that action was planned up the North River, just short of the George Washington Bridge. The Navy warships were nothing if not imposing. U.S.S. Kearsarge, for example, although defined as an Amphibious Assault Ship, is to anyone's eye an aircraft carrier. She has carrier-like features, such as asymmetrical overhangs and a monu-



Tug Brian A. McAllister eases the U.S.S. Ramage (DDG 61), an Arleigh Burke class guided missle destroyer, out of her berth at the end of the week for return to sea. (Photo: Don Sutherland.)

mental flare, the better to support a flight deck. She was quite a block of steel, to be approached thoughtfully by anyone so ordered.

The other Navy ships were smaller in size, but that's probably all. Today's cruisers and destroyers are not to be trifled with. Still, the two groups of tugs — one up the river, the other off Stapleton — had the strategic advantage in the engagements to come. Aircraft carriers, and even destroyers, are not at their best making Uturns in the Hudson, and docking themselves after parades. Turning large ocean ships in confined waters, and easing them into berth, is why tugboats were invented.

Eleven ships to dock in an afternoon makes quite a display in today's New York, taxing the limit of the physical port. There are enough piers, because ships can double-up at the Stapleton pier.

McAllister has the Navy shipdocking contract for these parts, and altogether has a lot more than eleven tugs. But such a big spike in business meant calling-in reinforcements. The Robert E. McAllister came up from Newport News, the J.P. McAllister from Baltimore, while the Stamford came down from Portland.

More McAllister tugs could have been summoned from afar, but beyond a point it makes more sense to hire locally. Everyone seems to agree that the spot market has changed in New York, with many of the independents on charter. Last year, Kosnac's June K and Metropolitan's Normandy were among those subcontracted to augment the McAllister tugs. This year, they were chartered to Roehrig and Penn respectively. So among the fleet firing-up that Wednesday morning in Mariner's Harbor were the Miriam A. Moran and the Marie J. Moran.

Staged since 1984, Fleet Week New York is described as "the City's celebration of the sea services." It is a designated spectacle, meant to draw stares, and this year's was a classic for the harbor services as well. Most of the tugs glistened in fresh



**Deckhand Matthew Graillat on the Beth McAllis**ter stands ready as she and two other YTB Z-drive conversions — the Robert E. and the Stacy begin the docking evolution for the Kearsarge. (Photo: Don Sutherland.)

paint. To the spectator ashore, it all made a tableaux they'd seen in pictures - iconic red tugboats in continuous action.

#### **Navy Meets Navy**

Three of the tugs bound for the river were built by the Navy itself, as YTBs of the type common from the 1960s to 1975, according to Capt. Brian McAllister. "On dry-dock their molded hulls almost look more like yachts than tugboats," said Capt. McAllister. "The Navy had very good fortune with them. They crossed the

ocean all the time, and there were no losses that I know of. Their maintenance was constant, they were kept in excellent condition."

Their sole shortcoming, in a world preoccupied with moving petroleum, is their single-screw drive. "If you were to build a new single-screw, first-class tugboat

Houston, TX

today for three million dollars," says Capt. McAllister, "you could probably get eighty thousand for it."

But although McAllister can move about anything, their specialty is ship docking. And single-drive boats are legal for that. The company acquired a couple YTBs for the purpose, retaining their original drives.

A turn in Capt. McAllister's thinking came, he reports, at a ferry convention he attended in Venice years ago. On-hand was a state-of-the art ferry built for the Grand Canal with a single Z-drive, which looked interesting to try out. "I told them I was a tugboat captain," says Capt.





The single-screw J.P. McAllister, up from Balto, is one of four tugs keeping the Kearsarge against its dock. Nearby observers were surprised by the force they exerted. (Photo: Don Sutherland.)

McAllister, whose steering goes back to steam, "and they let me handle the boat, and I said this is fantastic."

It was an impressive thought: a singlescrew tugboat that could go in any direction. He bought two Z-drives, 3,000 hp each.

Capt. McAllister describes a number of drive systems that could be alternatives to Z-drives, including flanking rudders, of which McAllister was an early adopter in the Northeast. They proved their mettle, in Capt. McAllister's judgment, controlling "acres of barges" on western rivers with sharp bends, and stand today in ship docking as "tried and proven" for their ability to provide equal directional power forward and astern.

But some propulsion systems move you sideways too, at full power or nearly so. Capt. McAllister describes Voith-Schneider drives as the most maneuverable, but providing less bollard pull per HP, and a higher initial cost than the Z-drive. Z-drives are not without trade-offs of their own, including a reduction of power through two pairs of bevels and three shafts. "For coastal towing, the Z-drive can't compete with the efficiency of largediameter, slow-turning propellers." But for shipdocking tugs, there's no questioning their effect. "Z-drives are the rage," says Capt. McAllister, and they're what a ship docking operation is expected to have. McAllister fulfills expectation — at present has nineteen Z-drive ship docking tugs. About half are YTB conversions.

The upgrade to Z-drive involves a lot more than just re-engining. The whole propulsion system is restructured, requiring a rebuilt stern. Marine architect Donald Hankin designed a Z-drive stern for the Kaleen and the Donal, which were converted in McAllister's yard at Mariner's Harbor. It was the same yard from which the updated Navy tugs would leave at dawn, to dock Navy ships in 2006.



The McAllister skippers wore uniforms too, or at least dress shirts for the occassion. Here, Capt. Gus Rankin on the Stacy McAllister keeps an eye on things. (Photo: Don Sutherland)





The McAllister Responder, ex-Empire State, conducts the Amphibious Transport Dock U.S.S. Shreveport (LPD 12) up the Hudson, to be turned for docking back at Stapleton. (Photo: Don Sutherland)

Pilot Jeff McAllister returns to the Stacy McAllister after guiding the destroyer Ramage out of the North River dock for her next destination. (Photo: Don Sutherland)

#### **Peas in Two Pods**

Although single-screw tugs now sell at deep-discount prices, they don't necessarily provide inexpensive Z-drive tugboats, given the extent of the work they require — particularly the tugs McAllister has upgraded to dual Z-drives.

To redo the drive systems and part of the hull, you need to redo all the control systems as well. While you're at it, visibility can be improved in the wheelhouse, the better to control goings-on in all the directions a Z-drive tug travels. Dressed in a white captain's shirt on that first Fleet Week morning, the skipper of the Beth McAllister looked more like an executive working a desk than the traditional tug captain working a helm. The conversions amount to new tugboats fitted into existing hulls.

Part of the economics of the YTB conversions are based on the times, for best or for worst. "As OPA 90 closes-in on singleskin barges," says Capt. McAllister, "there is lack of shipyard capacity. Yards have enormous backorders," especially after Katrina.

"Gulf Of Mexico shipyards produce 95 percent of all building for the East and Gulf coasts. At what point will they have full production?" And at what price, considering the crush? "We're in the process of replacing some of our older equipment, which is something you have to do from time to time. Where am I getting the replacements?"

Upgrading existing hulls can be done in more compact facilities than building them new, which forms an argument of its own. Still, says Capt. McAllister, "the cost of conversion has gone up and up and up."

Six additional Z-drive tugs have been planned for the McAllister fleet, but whether they'll be conversions or new builds is undecided. Jensen Marine, which designed McAllister's new Z-drive boats (as opposed to the conversions), is currently finishing a new 80-ft. Z design that McAllister is looking forward to seeing, expecting the design to cost less than the YTB conversions. With nineteen Z-drive boats supplying their input, about equally divided between conversions and newbuilds, the numbers should eventually reveal which approach is the more productive, and why.

#### **Extreme Makeover**

Besides the machinery upgrades, the upper architecture of the conversions has been updated to suit. The stacks have been moved aft a bit, and "lowered" to the main deck to promote visibility astern. Angles have been added to the outline of the wheelhouse, softening the boxy, stark profile of the original structure. They're thoroughly modern-looking, but more tugboat-like by traditional standards than many tractor tugs. The pronounced shear of their Navy hulls gives them the look of a modern classic, a mixture of design elements that pleases the eye. These combinations make a statement of sorts, but in case anyone misses it, the boats are labeled, quite clearly amidship, "Tractor Tug."

The skippers we spoke to during three days of Fleet Week aboard the YTB conversions -- the Beth and the Stacy -described no great differences in handling between them and original-built Z-drives, except for the individualities that distinguish one particular boat from another.

From an engineer's standpoint, according to Dean Kinnier aboard the Beth, there's plenty to like about Z-drives in general, compared to conventional drives. He is pleased that issues about packing the shaft disappear with a Z-drive, along with related concerns about glands and "intake of water. There's a lot less wear and tear on the clutch -- you just put them in drive and you're going."

As for the renewed Navy hulls? "I Love the boat," says engineer Kinnier. "I was previously on another tug, a \$5-million modern boat, but these boats have character, history."

How closely the masses and multitudes, observing the shipdocking extravaganza from the shore and/or TV, studied the tugboat maneuvers is unknown. Did the folks notice that some of them were going sideways? More likely their attention was drawn by the official guests, the Navy ships, and the twenty-two-vessel combined force now on the waters before them.

In the days to come, the Navy ships would open to visitors, who would take tours and learn the particulars of each vessel's purpose, resources, and accomplishments. For most it would be a step into an odd world, where everything's steel and just a bit crowded. But they'd hear informative descriptions and rousing adventures, and learn a bit more about their tax dollars at work.

The tugs that were part of the exhibit went back to work, doing whatever tugboats do on the waters of New York and vicinity. They were needed all over, which in a way is too bad. If they'd sat idle, with their single-screw conventional drives like the Stamford and J.P. McAllister, their flanking rudders like the Brian and the recently-acquired McAllister Responder, and Z-drives like the Beth and the Robert and the Stacy, maybe the public could have toured them as well.

We were saddened during the preparation of this article to learn of the unexpected passing of Steven Kinnier, brother of Pat and Dean. We extend our condolences to Steven's family and friends.



Tug Brian A. McAllister guides the Coast Guard's WMEC Seneca into the stream, perhaps to return to her homeport at Boston. (Photo: Don Sutherland)



## 28 meter • 149 Passenger Ferry

Year Built:	1995	Builder: Gladding-Hearn					
Structure:	Double Deck with open upper deck Aluminum Incat Catamaran Hull						
Engines:	<ul> <li>8000 Engine hours on the newly refit Deutz engines</li> <li>(2) Deutz V16 1250hp combined main propulsion water cooled</li> <li>(2) ZF marine reversing gears (2) MJP 550 X 2 water jet</li> </ul>						
Generator:	<ul> <li>(2) Northern Lights AC generator set</li> <li>(1) R/W and (1) half pipe keel cooled, 208 V three phase/120 single phase system voltage, 100 amp 240v three-phase shore power.</li> </ul>						
Tank Capac	eity: Fuel 700 U	S gal X 2 tanks • Lube Oil 20 US gal X 2 tanks • Potable Water 50 US gal					
General:	Spacious galley and storage shed • Couches and individual seating Air-cooled air conditioning • Satellite TV ready Main engines have recirculation system to flush ice from sea strainers Handicap accessible head with baby changing station • Outdoor top and aft deck CCTV includes two TV's with six internal cameras + 1 dedicated stern camera and TV						
	In excess of \$500,000 in modifications and upgrades						
CONTACT:							
Robert Reichenberg: Reichenberg@nywaterway.com • Office: 201-902-8843							
Bruce Zeman: bzeman@apanationalease.com • Office: 201-868-2533							

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# **Barges**

# **Bollinger Delivers Barge to K-Sea**

Bollinger Marine Fabricators, LLC, (BMF) Amelia, La., a Bollinger Shipyards, Inc. company, has delivered the DBL 28, a double hull, oil tank barge built to meet the requirements of the Oil Pollution Act of 1990 (OPA'90), to K-Sea Transportation Partners L.P, Staten Island, N.Y. Following the delivery of the DBL 28, Bollinger announced the signing of four sister ships. Terms of the contract were not disclosed.

"Our BMF facility has had great success with K-Sea's barge building programs over the last several years. We recently expanded our capacity at the facility with hopes of including other types of vessels, but demand for our various classes of barges has taken up most all of the capacity." said Chris Bollinger, executive vice president new construction of Bollinger Shipyards. "K-Sea and Bollinger have worked very closely on the development of this 28,000 BBL class of



DBL 28 the 1st in a series of eight OPA'90 compliant, Lakes, Bays & Sounds, ABS and USCG certified tank barges delivered from Bollinger to K-Sea Transportation for use in harbor service in ports on the Northeast U. S. Coast.

barge. The signing of the additional four units confirms K-Sea's dedication and confidence in our workforce to deliver a superior barge that will play a key roll in their future."

The 28,000 BBL capacity DBL 28 measures 297.6-ft. in length, with a 54-ft. beam and 13-ft. depth. The DBL 28 is the first of a series of eight units currently in production at BMF for K-Sea. DBL 28 is coupled with an existing K-Sea tug using the state-of-the-art Beacon JAK 200 tug/barge Push-Pin coupler system, which is designed to increase operating efficiency and enhance safety and reliability by operating as a dual mode ITB. The series of barges are manned, non self-propelled, double hulled with a raked shaped bow, with six cargo tanks. The barges are classed Lakes, Bays & Sound (Inland) Tank Barges, ABS +A1 Oil Tank Barge, and USCG certified. The barges are being constructed primarily for bunkering and harbor service in ports on the U.S. East Coast.

President and CEO of K-Sea, Timothy J. Casey, said, "With the delivery of the DBL 28 Bollinger has again demonstrated their ability to produce a high-quality barge that meets our precise scheduling and contract terms.

This new series of barges represents the next exciting step in our barge building program and we look forward to providing our customers with state-of-the-art double hull service in both the coastwise and local markets."

#### Jeffboat Completes Company Turnaround

Since emerging from Chapter 11 bankruptcy protection early last year, Jeffboat, a division of American Commercial Lines, Inc. has welcomed a significant amount of productivity and financial gain. With the May announcement that American Commercial Lines Inc. (ACL) had secured a \$30m multi-year contract with Statia Terminals New Jersey, Inc., a division of Valero, LP to build ABS certified ocean tank barges, it was apparent that Jeffboat was ready for more expansion and growth. To further secure the company's stability and growth, American Commercial Lines Inc. (ACL) recently announced that it has been awarded \$11.3m in state incentives for future expansion that will create up to 1,100 jobs. The economic incentive package includes \$11.0m in tax credits based on job creation and capital investments, as well as \$295,000 for the training of new and existing employees over the next three years.

Construction at Jeffboat LLC, a division of ACL, is said to start in the fourth quarter of 2006 for deliveries in 2007 and 2008.

In June, American Commercial Lines Inc. raised its fiscal 2006 earnings outlook, citing strong demand and rate environment. The company said it now expects to earn \$2 to \$2.20 a share, compared with its previous outlook of \$1.70 to \$1.90 a share. Jeffboat officials and Indiana Gov. Mitch Daniels announced that the company plans to add 1,100 jobs in the next three years as it tries to more than double its barge-building business. Last year, Jeffboat constructed 127 barges and had revenue of \$139 million. The company said that they hope to build more than 500 barges next year. For American Commercial Lines, barge production made up 16 percent of revenue last year.

#### Modular Barge Mounted Coal to Liquids Facility

Waller Marine, Inc. of Houston, Texas was selected as part of the Project Team for the initial Feasibility Study of the \$5b Geismer, La., Clean Coal to Liquid Fuels Project, recently announced by the Governor of Louisiana, Kathleen Blanco and the Leaders of Shanyang Borough of Shanghai City, China.

Acclaimed as the world's first Coal to Gasoline Project Waller Marine, Inc, will provide the marine engineering and management support to the modular design concept developed by the company for the facility's construction, transportation and installation at the designated operating site in Geismer, La.

The initial work will be carried out under a Feasibility Study Service Agreement between Sino Global International, LLC, with Sinopec Ningbo Engineering Company and Sinopec International Co., Ltd (jointly) of China. Sinopec Ningbo Engineering Company will conduct the Feasibility Study, with technological support from GE Energy USA, LLC, Haldor Topsoe, Inc, ExxonMobil Research and Engineering Company, AMEC Paragon, Inc, AON Environmental and SNC Lavalin, GDS, Inc.

The project will use lignite mined in North Louisiana as the feedstock that will be fed to multiple General Electric gasifiers to produce synthesis gas and thence through methanol synthesis and a methanol to gasoline process using technology and know-how provided by Haldor Topsoe and ExxonMobil.

The integration of the various processes into structural barge modules will be provided by WMI. Each module will form a fully documented barge complete with its particular process components, designed in accordance with and approved by the American Bureau of Shipping.

An estimated 30 such barge modules will be required to complete the facility.

Barge mounted modules will be constructed, outfitted and tested at a specially built facility at Jinshan, China. Upon completion and testing at Jinshan, the modules will be dry towed to the Mississippi River at Geismer, where they will be returned to the water and transferred across the levee by a specially designed and constructed drydock/bridge system provided by WMI. The Geismer site will have been prepared to receive the barge modules, where they will be installed on land based foundations and their systems reconnected. The barges shall remain as documented marine vessels throughout their operational life.

The completed facility will gasify some 20 million tons of coal per year and produce 100,000 barrels per day of gasoline and by-products such as Liquefied Petroleum Gas (LPG), Ethanol, 1,000,000 gallons per day of AA Chemical Grade methanol, 3 million tons per year of sulfuric acid and steam and electricity to adjacent facilities. The Project incorporates a unique "Counter Trade" arrangement for its value added products, which will be in part exported to the People's Republic of China in specially designed Integrated Tug Barge units designed by WMI.

The concept of integrating traditionally land based process facilities into modular marine vessels for floating and land based installations is not new to WMI, having designed a floating power plant, barge mounted Gas to Liquids (GTL) facilities, floating LNG storage and regasification facilities and a floating gas to methanol plant.

# **Seacor Repowers at Conrad**

The 300-ton travel lift at Conrad Industries Morgan City facility is a major attraction to Gulf Coast crew boat operators. Shallow waters in the area add to the heavy usage that crewboats receive contributes to a steady demand for quick haul outs and timely below waterline repairs. The yards large upland area is another attraction as it provides ample storage space for vessels undergoing major overhauls.

This latter is the case with a series of six vessels recently acquired by Seacor Marine as part of their larger take-over of the Seabulk fleet. The six crewboats were each powered by four electronically controlled 1,100 hp two-cycle engines turning at 2,100 rpm that were getting only about 6,000 hours before requiring a rebuild.

Seacor decided to repower the vessels with Cummins KTA38 M1 engines that deliver 1,100 hp at 1800 rpm. According to Seacor project manager Joe McCall, these engines will routinely deliver 25,000 hours between rebuilds.



The repowers presented some challenges however. The smaller diameter shafts on the vessels would not handle the larger diameter props that the higher torque of the Cummins engines will deliver. To allow for this, Joe McCall said, "We decided to tweak the props and turn the them faster so we have gone with a 2:1 reduction rather than the 2.36 and 2.55 reductions on the old 2,100 RPM engines. Two of the boats had one reduction and



the other four had the second. In June the Seabulk St. Tammany was undergoing the first change out of her four

between the two parties. Jerry Linzey, Senior Vice President Manufacturing for ACL said, "We are pleased with our agreement with Jeppesen. engines. The job will to be completed by the end of July with the other five boats scheduled over the coming months.

ties for the marine industry." The ACL affiliate, launched last November, was chartered to bring technology to the transportation industry.

This technology holds many opportuni-

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#### Moran Gets Veson Nautical IMOS



Barge New Hampshire in New York Harbor.

Veson Nautical, a maritime software developer, announced that its Integrated Maritime Operations System (IMOS) has been selected by Moran Towing Corporation. Moran will utilize Veson's solution to organize and manage commercial marine operations for its Dry Bulk and



Barge New Hampshire in New York Harbor.

Petroleum Divisions onto one centralized, user-friendly platform. Moran will install the full suite of IMOS modules and will also be upgrading to Microsoft's Navision v4.01. The new system is expected to be up and running by mid-to-late September 2006

Circle 50 on Reader Service Card

#### Construction Starts on Casino Barges

The Houston Business Journal has reported that J. Ray McDermott Inc has begun construction on two specialty barges for Harrah's Entertainment Inc. The two casino barges currently under construction will become part of Harrah's Horseshoe Casino expansion project in Hammond, Ind.

Each measures 276 ft. long by 102 ft. wide and 22 ft. deep, with a weight of about 1,700 tons. They will be combined with four other barges being built elsewhere to create a 564-ft. long, 320-ft. wide casino vessel.

#### JeffLabs Signs Agreement

JeffLabs, an affiliate of American Commercial Lines Inc. announced that it has signed an agreement with Jeppesen Marine to perform river trials of Jeppesen Marine's navigation software in conjunction with American Commercial Barge Line LLC under a beta test agreement

#### **Rapp Mareq Wins Contract for its Two Largest Winches Ever**

Rapp Mareq LLC (an affiliate of Rapp Hydema U.S.) marked a historic achievement early this year with the signing of a contract for the two largest winches in company history. Rapp's MHW-200 design for the larger winch handles 11,000 ft. of three-in. wire at nearly 300 tons line pull first layer. The second winch, Rapp's MHW-140 design accommodates 2.375-in. wire at nearly 200 tons line pull first layer. Both DNV-certified winches will be utilized in deep-sea ROV support and other operations, and will be delivered this year.

Rapp also won two other contracts with another international deepwater firm late last year. A first order in Houston was closely followed by another deepwater/ROV-related order with the Houston firm's Norwegian counterpart office.

Rapp winches for the first project are five-speed and designed to make pinpoint stops, with full loads, at great working depths. Rapp's own multi-motor gearboxes provide powering, so that if one motor fails, remaining ones can still operate the winch, albeit at a lower capacity. Rapp's module-based design allows for substitution of drums, drive units, and braking assemblies, allowing for adaptation to different applications-instead of purchase or rental of a different winch. Rapp's PTS Pentagon system, which is proven on VT Halter's NOAA FRV project, is also to be installed, and Rapp is providing enclosed Hydraulic Power Units (HPUs) for the winches.

Rapp Hydema U.S. chairman Tor S. Andersen said that "these deepwater contracts are quite significant, not only because of their high value, but because of the prestige and exposure that arises from projects of such breadth." He



added that these orders will move Rapp toward first-time development of winches deploying sophisticated equipment for oil installations, at greater depths than ever before. Also of note, the Rapp winches are DNV-certified for lifting appliances.

Rapp Mareq LLC is a new affiliate of parent company Rapp Hydema U.S., headquartered in Seattle. Incorporated in 2003, the new firm is specifically tasked with development of the U.S. Gulf Coast market, and is increasingly active in the offshore oil and workboat industries. For this reason, a Houston office was opened in May 2005, and other local facilities are under consideration.

#### Circle 52 on Reader Service Card

#### Hatlapa Helps Upgrade CSO Deep Blue



In August 2005 the pipe layer CSO Deep Blue underwent a major dry-docking at Fincantieri's Palermo shipyard for both classification survey and overhaul as well as to allow modification work on the pipe-laying system. Modification work carried out by Hatlapa included the upgrading of the existing Hatlapa mooring system to allow spooling of pipe under extreme conditions. This work included: changing the rope drums from non split type to split type; hanging the original manually operated dog clutches to hydraulically controlled friction clutches; and converting the original manually operated spindle band brakes to hydraulically actuated band brakes; and upgrading the hydraulic power packs to provide high redundancy (including providing each winch unit with its own power supply). It also included installing a load control system (with sensors build in locally at the winches and at the strong points) incorporating full remote control to allow the mooring functions hoisting/lowerering, speed change, clutch in/out, brake engaged/disengaged to be operated safely and easily with joystick control plus touch screen on the bridge.

Circle 54 on Reader Service Card

#### SPI/Mobile Pulley Works Climbing Back

In January 2003, Steel Processors, Inc. merged with SPI/Mobile Pulley Works, Inc. to form the present company, and in that same year purchased all of the assets of the old Mobile Pulley and Machine Works. This acquisition allowed SPI/Mobile Pulley to inherit 100 years of engineering and patterns.

In November, 2004, SPI/Mobile Pulley Works, Inc. (SPI-MPW) moved its heavy machine and fabrication manufacturing business to Mobile at the site of the old Mobile Pulley at 905 South Ann Street. From

its early beginnings in 1892, the old Mobile Pulley had an international reputation for quality and volume of production. When it ceased operations in 2003, Mobile Pulley closed its large foundry, once the world's largest producer of ball joints and a leading producer of individual castings. SPI-MPW will be building a new fabrication department beginning in the near future, and the existing foundry is currently being refurbished and getting back into operation.

Circle 53 on Reader Service Card

# Carbis Signs Agreement with Kanon

Carbis Inc. USA announced an agreement with Kanon Loading Equipment B.V. as its U.S. representative for the supply of Kanon Marine Loading Arms. Kanon has more than 25 years experience in the design and manufacture of Marine Loading systems and is Global leader in the industry.

The Kanon loading systems are in operation for the widest range of liquid and gases, from cryogenic to high temperature applications, including the most hazardous and corrosive fluids. A wide range of standardized loading arm concepts can be offered. "Carbis has partnered with Kanon to bring their extensive knowledge and capabilities in Marine Loading U.S. arms to shores," said Pete Singleton the VP of Market Development for Carbis Inc.



Circle 56 on Reader Service Card

#### New Hawser Winch Design for G&H

Markey Machinery recently worked with G & H Towing to develop a new hawser winch design for replacement of the existing winch on the recently acquired tractor-tug, renamed William M., purchased from Edison Chouest Offshore. The new type DEPCF-42 Electric Ship-Assist & Escort Winch installed on the bow features



a 40 hp electric-motor drive, a drum sized for over 500 ft. of 8-in. soft-line, and a levelwind fairleader to help prevent the soft-line from pulling down through lower layers. The high-capacity automatic drum brake will hold more than 300,000 lbs. Markey also outfitted this winch-system with its Line-Tension Display System, which shows the operator the tension in the line while the drum brake is set. As has become standard on all Markey Winches for this service, this winch includes Markey's Render-Recover Mode capability that allows the Captain to operate the Winch in a hands-free manner. The new designs are based on Markey's soft-line hawser winches for assisttugs, which allow the winch to be set up for either wire rope or high-performance ropes based on Plasma or Dyneema fibers.

Circle 57 on Reader Service Card

#### **Direct Hydraulic Drives**

Hydraulic systems for deck equipment such as provided by Hagglunds eliminate gearboxes, and are designed for simplicity and better performance, as well as improved tension control and response. Weight and space is saved so the winches can be positioned better to suit the function and the safety of the crew. The power pack can be positioned conveniently anywhere including below decks on smaller vessels where the weight is useful for ship stability and freeing up more space for deck operations. Lower noise levels are also evident and brakes are DNV approved. Power levels are optimized because a common pump can supply several functions and flow is directed to needed equipment only. A second pump provides standby facilities.





#### **Techcrane for Vane Bunkering Barges**

Techcrane recently installed two API monogrammed model F10-60 cranes for the handling of petroleum product for Vane Bunkering barges. Installed port and starboard, the cranes were customized for Vane to include a line payout system that is activated only under gross overload to prevent damage to the crane. Special brackets were mounted underneath the boom to handle product pipe, which prevents the product hose from chaffing. The barges were built at Trinity Marine shipyard in Ashland City, Tenn.

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#### Markey Electric Mooring Winches

**Imes** 

Markey Machinery introduced a new line of low-cost Electric Mooring Winches. Its new DESM-series of mooring winches is designed specifically for the

• suitable for use in hazardous and harsh environments

• telemetry and cabled systems for custom and standard application

provides reliable, high accuracy information

next generation of coastal and ocean-class general-purpose barges, ATB's, and shorthaul barges, and include features which simplify installation and long-term maintenance. Two models are available within the DESM-series, including:

• DESM-18 single-drum mooring

monitoring and measurement solutions web www.imesinc.com

winch with hp electric-motor with a drum-capacity of 400 ft. of 1.125-in. line and a 60,000 lb. brake-capacity.

• DESMG-18R single-drum mooring winch featuring a warping-head, drumclutch, and band-brake, with 20 hp electric-motor, available in both right-hand

domestic and worldwide locations

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and left-hand configurations. This model also has a drum-capacity of 400 ft. of 1.125-in. line and a 60,000 lb. brakecapacity.

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#### SLM Offers M-2000 Capstans

Superior-Lidgerwood-Mundy now offers the M-2000 line of capstans for the commercial marine market. Enduring rigorous testing in the field on the inland waterways and BAE System's Dry Dock in Norfolk, the M-2000 is designed for dockside, vessel

mooring, and refinery applications. With over 60 models available, the combination of pull, speed, robustness, and



optional features can be chosen for the specific application. The M-2000 capstan is simple to install, with only four heavy duty hold down bolts, it can be bolted to the deck or even welded in place. Designed with easy maintenance in mind, the reducer, head and motor can all be removed without removing the mounting brackets from the deck of the vessel or dock. The units feature easy inspection for general maintenance, and a heavy duty marine paint system comes standard.

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#### PFA-95 FiFi for SLICE

Lockeed Martin's two SLICE Vessels are equipped with IMSSCO's PFA-95 A-FFF Portable Foam Applicators for rapid response fire fighting. The awards where made to IMSSCO Corporation by FMBA Marine Inc. (Shipyard). Because these SLICE Vessels are owner-operated by Hoteleria y Servicios Petroleros SA (HSP) in conjunction with Consultoria y Servicios Petroleros SA (Mexico) and shall be on charter to PEMEX for commercial offshore oil field use, additional strict attention to SOLAS and FSS-Code compliance was performed by FBMA Keith Wright, Project Engineer.

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#### Webb Holds 110th Commencement



Webb Institute held its 110th Commencement on Saturday, June 17, 2006. Ten Bachelor of Science degrees in Naval Architecture and Marine Engineering were awarded and Webb awarded one Honorary Doctorate of Science degree to Karl Laubstein, President of the World Maritime University in Sweden.

Two graduates will continue their post graduate studies and others will work in the maritime industry.

#### Intergraph, LR to Team on Ship Interface

Intergraph reached an agreement with Lloyd's Register to build an interface between Intergraph's IntelliShip multi-discipline ship design software, and the Lloyd's Register assessment applications, RulesCalc and ShipRight SDA. The interface will result in significantly greater efficiencies in the classification process for LRclassed ships. IntelliShip coupled with this new interface will improve the overall ship design, certification, construction and commissioning process. Shipyards and ship designers can readily check the model created in Intelli-Ship against Lloyd's Register's classification rules, eliminating redundant modeling and reducing errors. Since IntelliShip is rule based, checks early in the design cycle automatically carry over to detailed design and construction.

#### LR North America Holds CSR Seminar

Now that the Common Structural Rules (CSR) for double hull tankers are in effect, Lloyd's Register is helping the industry to begin building a new generation of safer, more robust ships. As part of this process, it has already begun to present a series of seminars in various locations throughout the world and, on May 24, Lloyd's Register North America, Inc. presented "The impact of



the Common Structural Rules for tankers" to more than 30 industry professionals at the New York Yacht Club.

Representatives from companies including General Maritime Management, Maersk Lines, Eastwind Transport, Admanthos Shipping, Pronav, Poten and Partners, OSG, Liberian Ship & Corporate Registry and SeaTechnology (USA) learned about the reasons the Rules were developed, their impact and applicability to currently contracted vessels, and the technical changes they bring to ship design. The seminar was led by Alex Johnston, Lloyd's Register's Global Technology Leader - Hull Structures.



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#### ZF Marine Relocates

ZF Marine LLC have relocated its Warwick, Rhode Island Service Center. The location will continue to offer a full line of ZF Maine aftermarket products and services, as well as warranty and technical support for the Northeast market. The address for the new location: ZF Marine LLC, 225 Metro Center Boulevard - Unit 1, Warwick RI 02886, tel: (401) 463-3005; fax: (401) 463-3008.

#### Marinette Wins \$600m Contract

The U. S. Coast Guard awarded the Response Boat-Medium production contract valued at approximately \$600 million to Marinette Marine Corporation of Marinette, Wis. Delivery of the first boat is expected in late 2007 and the Coast Guard expects to eventually purchase up to 180 boats over a period of up to eight years. The Response Boat-Medium will replace the aging fleet of 41-ft. utility boats and assorted non-standard boats. The new boats will have increased maneuverability, the ability to mount light machine guns, and be capable of speeds in excess of 40 knots (46 mph) with twin high output inboard diesel engines. A full cabin will provide crew protection from the elements and be equipped with a robust navigation system, heating and air conditioning, shock mitigating seats and a communication system capable of communicating with other federal, state and local homeland security partners.

#### Navy Awards Third LCS

The U.S. Navy awarded a \$197.6 million contract option to a team lead by Lockheed Martin for construction of the third Littoral Combat Ship (LCS). LCS 3 will be the second built by the Lockheed Martin team. "This contract award is a testament to the strong resolve of both the Navy and industry to get these highly capable ships into the water as quickly as possible," said Rear Adm. Charles Hamilton, the Navy's Program Executive Officer for Ships. "LCS will introduce unprecedented speed, agility and flexibility into the littoral battlespace. The rapid acquisition of these modular warships sets a new standard for procurement in support of the warfighter."

The Lockheed Martin team will begin construction of LCS 3 in January 2007 at Bollinger Shipyards in Lockport, La., and ship delivery is planned for 2009. It will later be homeported in San Diego, Calif., with the first two ships of the class.

Lockheed Martin Corp.'s Maritime Systems & Sensors unit, Moorestown, NJ, is the prime contractor. Teammates include Bollinger Shipyards, Lockport, LA, ship designer Gibbs & Cox, Arlington, Va., and Marinette Marine, Marinette, Wis., which is currently building LCS 1 Freedom. Under a separate contract, General Dynamics is currently building LCS 2 Independence, with an option to build a second ship.

#### LR Enhances ClassDirect Live

Lloyd's Register has enhanced its Class-Direct Live EXTRA service to enable subscribers to view the location of ships at any time. Operators can identify the global position of individual vessels under their direct responsibility, or of their entire fleet, simply by logging in to the system. In addition, they will be able to access other information, such as the speed and direction of ships. LR also enhanced ClassDirect Live with access to flag state details for statutory survey certificates.



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#### NASSCO Delivers the Lead Ship of T-AKE Class



General Dynamics NASSCO delivered the USNS Lewis and Clark (T-AKE 1) to the U.S. Navy. The ship is named after Captains Meriwether Lewis and William Clark, who led a legendary exploration of the American West from 1804 to 1806.

USNS Lewis and Clark is the first of an expected class of 11 dry cargo-ammunition ships.

With modular cargo holding and handling systems, the Lewis and Clark can replenish combat ships at sea with ammunition, food or fuel in one mission and then be quickly reconfigured for an alternate mission, such as a humanitarian sealift of supplies. The ship incorporates international marine technologies and commercial ship-design features, including an integrated electric-drive propulsion system, to minimize operating costs over its projected 40-year service life. Construction of the ship began in September 2003.

#### Lewis and Clark's characteristics:

Crew ..... 172 civilian mariners and Navy sailors



#### Bisso Salvages Survey Vessel

Bisso Marine Co., Inc., completed the salvage of a 480-ton survey vessel which purportedly sank after striking a platform which was toppled following Hurricane Rita. The vessel sank in 148 ft. of water in the South Marsh Island area and was found upside down lying perpendicular across an 18 in. gas pipeline. During the first phase of the salvage operation Bisso Marine salvage team utilized the 400 ft. DP2 DSV Pertinacia to conduct the initial salvage survey, recover remaining fuel, lube oil and dirty oil as well as place the salvage bundle rigging. The first phase of the salvage operation was conducted during the winter. However, due to a significant resource availability issue, the 600 ton capacity D/B Lili Bisso and the D/B oaz were not able to arrive on location until early May. Once on location the salvage team rigged the D/B Lili Bisso to the pre-placed salvage bundles.

The vessel was lifted upside down, rather than first being uprighted, to mitigate the risk of pipeline damage during a righting attempt. Once off of the pipeline the vessel was moved away from the pipeline and lifted in the water column 110 ft. With the vessel approximately 40 ft. below the surface, the full weight of the vessel was transferred to two bolstered brackets on the D/B Lili Bisso where it hung while the lifting rigging was shortened and returned to the hook. Once the



#### Conrad Wins Contracts

Conrad Industries, Inc. has signed contracts during the second quarter of 2006 for the construction of fourteen vessels totaling \$28.8m and the delivery of nine vessels in recent months.

Offshore Marine Contractors has executed contracts for two 175 ft. class 110 x 64.5 x 9 ft. liftboats and for a 200 ft. class 111 x 66.5 x10 ft. liftboat. These add to the other three 175 ft. class liftboats in progress previously announced by Conrad. Conrad has executed multiple contracts with various customers for deck barges, spud barges, unloading barges, an anchor scow and a crane barge that range in size from 120 x 30 x 7 ft. to 200 x 40 x 7 ft. Johnny Conrad, President and CEO said, "We are continuing to add longtime core products to our backlog. With these additions, our current backlog is approximately \$70m compared to \$51m at March 31, 2006 and \$34 million at December 31, 2005." Conrad also announced the recent delivery of its first offshore tank barge in June. The 300 x 60 x 24 ft. double skin tank barge was delivered to Penn Maritime of New York. The barge has a capacity of 35,000 bbls. of asphalt. The barge is ABS Classed and equipped with deepwell pumps, a hot oil heater and accommodations for the barge captain.

In addition, Conrad has delivered two of its standard 120 ft. deck barges, one to Inland Barge Rental and one to Traylor Brothers. W.C. Fore and T&T Marine, both repeat customers have each taken delivery of 140 ft. deck barges.

Four specialty deck barges designed and constructed for ferry landing service have been delivered to Global Marine Construction, Plainview, NY. Two of the barges are 90 x 35 x 9 ft., one 80 x 20 x 9 ft. and one 50 x 35 x 9 ft. These barges are equipped with special fendering systems, mooring attachments, gangways and handrail arrangements that are necessary to accommodate the end use. The Fish Stocking Vessel, Spencer F. Baird, was delivered at end of June to the U.S. Fish and Wildlife Service. The 95 x 30 x 13 ft. vessel will be used to stock yearling lake trout and to assess the health of the fish stocks in Lake Michigan and Lake Huron. The vessel is designed to operate year round in the Great Lakes and is ABS Classed Maltese Cross A1, AMS, Survey/Fishing Vessel. Rated at 1600 hp, it has accommodations for 3 crew members and 5 scientists.

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# **New Products**

# New Tank Cleaning Machine

Alfa Laval announced the launch of a new single-nozzle tank cleaning machine, the Gunclean Toftejorg i65 S. The latest addition to Alfa Laval's line of Gunclean Toftejorg products is the Gunclean Toftejorg i65 S, a single-nozzle tank cleaning machine with many features. This new machine incorporates low-wear materials and



advances in mechanical design, such as a hysterisis clutch that resolves the operating issues associated with magnetic clutches.

The hysterisis clutch in the Gunclean Toftejorg i65 S is designed to be more reliable than traditional machines. Comprising a hysterisis plate on one side and six supermagnets on the other, it creates an even magnetic field that does not require synchronization.

In addition to increasing runnability, the hysterisis clutch allows design changes that protect against leakage and crosscontamination.

Even when an advanced tank cleaning machine like the Gunclean Toftejorg i65 S is used, the final cleaning result will only be as good as the weakest link in the tank cleaning system. This is why Alfa Laval recommends designing the installation properly from the beginning, taking into account everything from the boiler to the tank walls.

G-Pass, the unique Alfa Laval software used in preparing shadow diagrams, is central to this design optimization. G-Pass lets Alfa Laval evaluate the proposed cleaning solution, creating a three-dimensional image of the tank and its corrugations, stringer platforms and other internal obstructions. This image can be viewed from any angle, revealing any "shadows" that are not directly hit by the cleaning jets.

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# Enhanced Thermal Imaging

The latest multiple sensor vision systems from Night Vision Technologies (NVTi), the 5000 and 6000 series, are designed to provide improved fields of view, better imaging capabilities, and more user-friendly operation. The 5000 series uses a thermal imager with new field of view options. They are 36 degree on model 5000, 23 degree on the 5100 and 9 degree on the 5200 model. Also standard on the series are a high-resolution

312x zoom color camera and an ultra low lux camera. The new series offers a 360 degree continuous pan capability and directional indicator. A redesigned proportional joystick and backlit controller simplify control of the units.

The 6000 series models offer the same standard and optional capabilities as the 5000 series, plus more. Standard on the 6000 units is a two-axis stabilized platform. Even in rough waters, the feature is designed to hold the tilt-head steady, keeping the object in the field of view in focus.

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## **Anti-heeling Pump**

Allweiler AG manufacturers its ALLTRIMM anti-heeling propeller pump in seawater-resistant aluminum bronze (CC333G). This inline propeller pump has reversible hydraulics and a uniform pumping capacity. Three radial-shaft seal-



ing rings contain an integrated leak sensor. The electric motor is constructed with standard parts from a German manufacturer and conveniently integrated into the pump lobe. As a result, the pump forgoes components required in conventional designs such as a valve controller, coupling, and gearbox. The pump is available in one and two-stage versions that deliver a flow rate up to 1300 cu. m./hour and delivery heads up to 10 m (single-stage) or 20 m (two-stage).

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## WDT Intrusion Barriers

Wave Dispersion Technologies' floating marine barriers have been contracted for installation at the Port of Los Angeles (POLA) and the Port of Long Beach (POLB). The Small Craft Intrusion Barrier (SCIB) was invented, commercialized, and is manufactured in the U.S. The SCIB creates a floating line of demarcation and exclusion zone for maritime force protection. The SCIB was designed for the most adverse marine conditions including winds of 100 mph. Loads are carried by steel cables encased in two in. EPDM rubber connecting cables. These same steel cables create a significant maritime port security barrier against intrusions and/or

## **DVD: Immersion Suit Training:** It Could Save Your Life

Immersion Suit Training: It Could Save Your Life, is the latest training aid from Maritime Training Services, and illustrates how Immersion Suits can be used to improve a seafarer's chances of survival in an emergency. Having an Immersion Suit for each person on board is not just good practice; SOLAS will soon require it. Immersion Suit Training: It Could Save Your Life, an 11 minute DVD from Maritime Training Services, takes a close look at the use and maintenance of these important life saving appliances. Filmed on the icy waters of Puget Sound, the program starts with a look at the dangers of hypothermia, the unseen killer, and how Immersion Suits can be used to improve a seafarer's chances of survival in an emergency.

Immersion Suit Training: It Could Save Your Life is priced at US\$200 and is available only on DVD in English audio with subtitles in English, Spanish, Chinese, and Russian

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entry by unauthorized, stray or threatening vessels. The \$2.9m agreement includes design, fabrication and delivery of 10,000 feet of floating security barriers.

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## New Maritime GPS Repeaters

Powerwave Technologies added two maritime GPS repeaters to its line of nextgeneration repeater solutions. Designated AM4200 and AM1200, Powerwave's maritime GPS repeaters are designed specifically for use on board cruise ships and ferries where poor radio coverage often prevents passengers and crew members from using commercial wireless voice and data services. By increasing the distance over which voice and data can travel through the preservation of signal integrity and the regeneration of wireless signals, the maritime GPS repeater supports seamless wireless connectivity throughout the ferry or ship, including inside cabins, restaurants, bars, casinos and other areas where wireless coverage is required. Offering a robust RF design that provides network operators with excellent signal quality, the AM series maritime GPS repeater is small in size, measuring 440mm x 530mm x 175mm (17.32 inches x 20.86 inches x 6.88 inches) and weighing 21 kg (46.29 lbs.), Powerwave's AM4200 maritime GPS repeater supports GSM/CDMA 800 MHz networks, and the AM1200 supports GSM 900 MHz networks.

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# Type Approval for SVDR

Northrop Grumman Corporation has been awarded type approval from the Italian classification society Registro Italiano Navale (RINA) for its Sperry Marine VoyageMaster II Simplified Voyage Data Recorder (S-VDR). Sperry Marine's VoyageMaster II S-VDR has also received similar type approval from the German certification authority Bundesamt für Seeschiffahrt & Hydrographie.

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## Condition Monitoring in Tight Spaces

UE Systems' Remote Access Sensor (RAS), includes a sensing transducer which is permanently mounted on a test subject such as a pump, motor, bearing or valve housing. It is connected to a cable, which can be inserted through a test port and attached to an Ulraprobe to data log and/or record sound samples for analysis.

Another remote sensor, the RAS-MT is a magnetically mounted transducer assembly with cable, included with the Ultraprobe 10,000 and available as an optional accessory for the 9000. This accessory provides consistency while monitoring equipment condition and will operate in difficult-to-reach test points.



The UE Ultra-Trak 750 measures ultrasonic amplitude changes on a continuous basis, thereby providing early warning of mechanical failure, valve leakage or flow disruption. This dust-proof and waterproof stainless steel-housed sensor is designed to function in the harshest of environments. It is connected via cable with 4-20 mA.0-10VDC and heterodyned outputs to remotely record or data log equipment for passively monitoring ultrasound.

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# PRODUCTS



## **Worldwide SCORE Climbs Higher**

Worldwide oil and gas drilling contractor GlobalSantaFe Corporation reported that the company's worldwide SCORE, or Summary of Current Offshore Rig Economics, for May 2006 was up 1.2 percent from the previous month's SCORE.GlobalSantaFe's SCORE compares the profitability of current mobile offshore drilling rig dayrates to the profitability of dayrates at the 1980-1981 peak of the offshore drilling cycle. In the 1980-1981 period, when SCORE averaged 100 percent, new contract dayrates equaled the sum of daily cash operating costs plus approximately \$700 per day per million dollars invested. In addition to a worldwide SCORE covering key types of competitive offshore drilling rigs in key drilling markets, a separate SCORE is calculated for certain types of rigs and certain regions.

# **Husky Makes New** Discovery

The Canadian Press reported that Husky Energy Inc. made a new hydrocarbon discovery in western section of its White Rose oilfield located off the shore of Newfoundland. The energy firm said that current data suggests the discovery could contain a potential recoverable resource of 40 to 90 million barrels of oil.

The discovery centers on the O-28 well, which was drilled to depths of up to 3,342 m. An additional side-track well is being drilled to provide further information about reservoir quality, continuity and hydrocarbon contacts, the company added. Additional wells are planned over the next few years. Husky Energy also plans to tie this western extension of the oilfield back to the SeaRose floating production, storage and off-loading vessel.

The SeaRose vessel is presently producing approximately 85,000 barrels of oil per day from four production wells. Plans for a fifth and sixth well will further increase reservoir production capacity to 125,000 barrels of oil per day.

Water Depth in Meters	Active Leases	Approved Applications to Drill	Active Platforms
0 to 200	3,606	41,932	3,871
201 to 400	235	1,252	2
401 to 800	439	857	1(
801 to 1000	359	427	6
1000 and Above	3,485	1,202	16

## **Offshore Statistics by Water Depth**

## **Most Recent GOM Exploration & Construction Plans**

Date	Operator	Plan Type	Block
6/15/2006	BP Exploration & Production Inc.	DOCD	MC 522
6/14/2006	Newfield Exploration Company	DOCD	MP 138
6/13/2006	Hydro Gulf of Mexico, L.L.C.	DOCD	HI 165
6/13/2006	Triangle Oil & Gas, Inc.	DOCD	SS 253
6/13/2006	Newfield Exploration Company	EP	WC 593
6/12/2006	Rampant Lion Energy, LLC	DOCD	MU 758
6/9/2006	Kerr-McGee Oil & Gas Corporation	EP	GB 342
6/7/2006	ATP Oil & Gas Corporation	DOCD	MC 711
6/7/2006	BP Exploration & Production Inc.	EP	MC 778
6/7/2006	Remington Oil and Gas Corporation	DOCD	VR 61

These are the most recent Gulf of Mexico exploration and construction plans filed with the MMS

(Source: www.rigzone.com)

## **Worldwide Offshore Rig Utilization**

## **Worldwide Offshore Rig Utilization**

	Drillships				Jackups			Semisubs	
May 2006	26	34	76.5%	303	319	95.0%	131	140	93.6%
April 2006	28	34	82.4%	298	316	94.3%	132	140	94.3%
March 2006	28	34	82.4%	295	316	93.4%	130	140	92.9%
February 2006	28	34	82.4%	296	316	93.7%	131	140	93.6%
January 2006	27	34	79.4%	290	316	91.8%	131	140	93.6%
December 2005	27	34	79.4%	294	316	93.0%	133	140	95.0%

## **Administration Urges Oil Lease** Renegotiation

According to a variety of news report, the oil majors are coming under increasing pressure from the government to renegotiate Gulf of Mexico drilling leases that allow them, by some estimates, to avoid paying as much as \$10 billion in govenment fees. The Interior Department may ask the companies to voluntarily rewrite contracts from 1998 and 1999 to add a provision for royalty payments when oil and gas prices are high. Price thresholds for relief from royalty fees were accidentally omitted in those years and were included in 1996, 1997 and 2000.

## **Transocean Wins** Contracts

Transocean Inc. said that Hydro has awarded the company a drilling contract for the construction of an enhanced Enterprise-class drillship plus a multi-year contract award for the High-Specification semisubmersible rig Henry Goodrich. Combined revenues possible from the two contract awards total approximately \$950m over six years.

The enhanced Enterprise-class drillship

is being designed to include drilling capabilities in the offshore drilling industry. Hydro has awarded the company a fouryear drilling contract, which is expected to commence by mid-2009, following shipyard construction, sea trials, mobilization to the U.S. Gulf of Mexico and customer acceptance. The contract commencement date is contingent on vendor performance and other factors. Revenues of approximately \$694m are possible over the four-year contract period, excluding revenues for mobilization, demobilization and client reimbursables.

Offshore

Construction of the dynamically positioned, double-hull drillship is expected to take place at the Daewoo Shipbuilding and Marine Engineering Co., Ltd. (DSME) yard in Okpo, South Korea, with an estimated total capital expenditure of approximately \$615 million, excluding capitalized interest. The rig will feature Transocean's patented dual-activity drilling technology, allowing for parallel drilling operations designed to save time and money in deepwater well construction, compared with conventional rigs. The dual-activity technology, along with a new and enhanced top drive system, an expanded high-pressure mud-pump system and other unique features of the drillship target the drilling of wells up to 40,000 feet of total depth. The rig will have a variable deckload of more than 20,000 metric tons and is designed to drill in water depths of up to 12,000 ft. The enhanced Enterprise-Class drillship will be the second unit to be constructed for Transocean in the DSME yard, following the previously awarded five-year contract from Chevron Corporation for the Discoverer Clear Leader. Both units are enhanced versions of the company's three predecessor Enterprise-class drillships, which have set drilling records in recent years, including the water-depth drilling record of 10,011 ft. held by the Discoverer Deep Seas. In addition, Hydro has awarded the semisubmersible rig Henry Goodrich a two-year contract for drilling operations in the U.S. Gulf of Mexico.

### **Baker Hughes May 2006 Rig Counts** Workover **Rig Counts** Baker Hughes Inc. announced that the U.S. rig count for May 2006 was 1,635 up 38 from the 1,597 counted in April 2006 and up 316 from the 1,319 counted in May 2005. The Canadian rig count for May 2006 was 240, up 42 from the 198 counted in April 2006 and down seven from the 247 counted in May 2005. May 2006 May 2006 May 2006 Rotary Rig Counts Var. April 2006 April 2006 May 2006 May 2005 United States 1657 88 1569 os os os Land Total Var. Total Land Total Land United States 1535 100 1635 38 1502 95 1597 1229 90 1319 Canada 526 208 318 3 93 Canada 237 42 3 240 196 2 198 244 247 North America 1772 103 1875 80 1698 97 1795 1473 1566 North America 2183 296 1887 April 2006 May 2006 May 2005 os os os Land Total Var. Land Total Land Total US 1535 100 1635 1502 95 1597 1229 90 1319 38 2 Canada 237 3 240 42 196 198 244 3 247 Worldwide Total 2417 378 2795 2341 366 2068 359 2427 88 2707

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Position requirements include:

Bachelor's degree in a related field; high level of drive and imparting; strong interpersonal skills; persuasive, efficient and effective communicator; experience in development and leadership of multi-function teams; strong financial acumen, especially in program accounting; proven program management leadership in a multi-function environment; experience in managing international customers and teams; highly developed skills in written and oral communication skills; strong organizational skills; prior experience with US Navy and/or US Coast Guard will be viewed positively; some domestic/International travel required; US Citizenship or ability to obtain green card within 12 months.

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## Manager, Manager II, Marine Operations

Job Location: Marshall Islands, Kwajalein US Army Reagan Test Site

Location: Kwajalein Atoll, Marshall Islands US Army Reagan Test Site

US Citizenship required.

Responsibilities: Oversees the management, operation and maintenance of the Marine Department for the logistic contract of U.S. Army vessels assigned to USAKA. In charge of all aspects of the Marine Department including budget planning and execution, personnel manning, safety program, training program, vessel operational tasks, maintenance program, and departmental administrative processes. Manages the departmental budget ensuring each PWS line item is budgeted and tracked through out the fiscal year. Submits budget plans and departmental cost estimates as required. Oversees the development the standard ferry schedules for Ebeye and Roi as well as the weekly watercraft schedule and the daily vessel and crew assignment. Manages the departmental safety program to include oversight of the work processes, JSAs, safety training and safety supervision of all work/tasks. Manages the departmental personnel actions including disciplinary issues and coordinates and reviews annual performance reviews and salary plan. He /she conducts vessel inspections and provides SeeSOR data and inspection results to appropriate authorities. Develops mission support plans with customers and ensures that crews are briefed on missions and duties. Oversees the departmental maintenance program through the Port Engineer including the budget planning and scheduling of vessel overhauls. He/she must be qualified as Pilot for the Port of Kwajalein and will direct and coordinate the movement and docking of visiting ships. He/she will, through the Port Captain, oversee the port operations including stevedoring, line handling and emergency response. He/she will, through the Port Captain, be in charge of the Oil Spill response team "CHARLIE". He/she will manage the dive team including ensuring qualified divers are available to operate the recompression chamber. Reports directly to the Deputy Program Manager for Logistics for orders, guidance, training and duties. Performs assigned systems tasks/efforts to include government directed work schemes under general direction **Requirements:** 

1. Requires college diploma in a science/engineering field.

2. Five Years experience marine shipboard experience, three years experience shore side vessel management or Port operations, two years experience piloting experience vessel over 1600 tons. Five years of Work Management Systems development and implementation in the maintenance of marine vessels in a Shipyard or Marine Terminal for the public sector.

3. U.S. Coast Guard Chief Mate Oceans Unlimited Tonnage with a 1600T Master's endorsement license with all applicable STCW endorsements for international waters for 1600T vessel. Pilotage for Kwajalein waters of the RMI.

4. Character and background to obtain a secret security clearance. Preferred

1. Graduate of a U.S. State Maritime College or Federal Naval, Maritime or Coast Guard Academy.

2. Ten years Naval or maritime shipboard experience, ten years naval or maritime experience in ship management or port operations and five years experience as a harbor pilot.

3. U.S. Coast Guard Unlimited Tonnage Master's license with all applicable STCW endorsements for international waters for Unlimited Tonnage vessels including First Class Pilot endorsement.

4. Character and background to obtain a secret security clearance.

Applicant selected will be subject to a government security investigation/criminal background check and must meet eligibility requirements for access to classified information as required for the position offered.

You and authorized dependents, if any, traveling to Kwajalein are required to have a valid passport in your possession prior to departure.

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and reviews annual performance reviews and salary plan. He /she conducts vessel inspections and provides SeeSOR data and inspection results to appropriate authorities. Develops mission support plans with customers and ensures that crews are briefed on missions and duties. Oversees the departmental maintenance program through the Port Engineer including the budget planning and scheduling of vessel overhauls. He/she must be qualified as Pilot for the Port of Kwajalein and will direct and coordinate the movement and docking of visiting ships. He/she will, through the Port Captain, oversee the port operations including stevedoring, line handling and emergency response. He/she will, through the Port Captain, be in charge of the Oil Spill response team "CHARLIE". He/she will manage the dive team including ensuring qualified divers are available to operate the recompression chamber. Reports directly to

the Deputy Program Manager for Logistics for orders, guidance, training and duties. Performs assigned systems tasks/efforts to include government directed work schemes under general direction

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1. Requires college diploma in a science/engineering field.

2. Five Years experience marine shipboard experience, three years experience shore side vessel management or Port operations, two years experience piloting experience vessel over 1600 tons. Five years of Work Management Systems development and implementation in the maintenance of marine vessels in a Shipyard or Marine Terminal for the public sector.

3. U.S. Coast Guard Chief Mate Oceans Unlimited Tonnage with a 1600T Master's endorsement license with all applicable STCW endorsements for international waters for 1600T vessel. Pilotage for Kwajalein waters of the RMI.

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For more information, call or contact Wayne C. Lamson, General Manager Woods Hole, Martha's Vineyard and Nantucket Steamship Authority P.O. Box 284 Woods Hole, MA 02543 Phone: (508) 548-5011, Ext. 200 Fax: (508) 548-0920 E-mail: wlamson@steamshipauthority.com

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