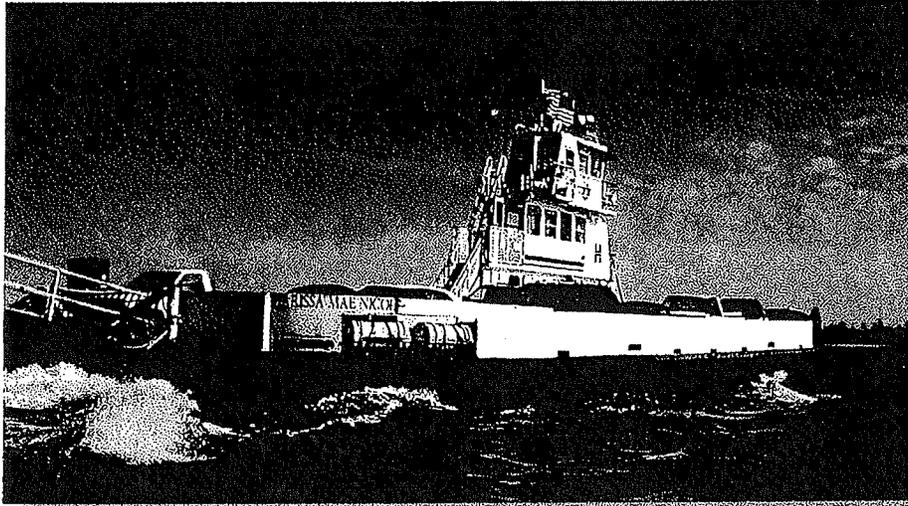


# Hornblower Marine Services



Response To The  
Missouri Department of Transportation  
Request For Information  
**D208-002-R2**  
Alternate Transportation  
at  
Glasgow, Missouri

Submitted to:  
William D Noyes  
Procurement Agent  
MoDOT-District 2  
Procurement Division  
902 North Missouri Street  
Macon, MO. 63552

Submitted By:  
Greg Brown, Vice President Marine Operations  
Hornblower Marine Services Inc.  
115 E. Market Street  
New Albany, IN 47150  
812 941 9990  
gbrown@hornblowermarine.com  
www.hornblowermarine.com



*At Hornblower Marine Services we believe our crewmembers and customers are our most important assets. We strive to provide a work environment that ensures you look forward to coming to work everyday.*

#### PURPOSE

To provide marine management services that set the standard for professionalism, business ethics and performance.

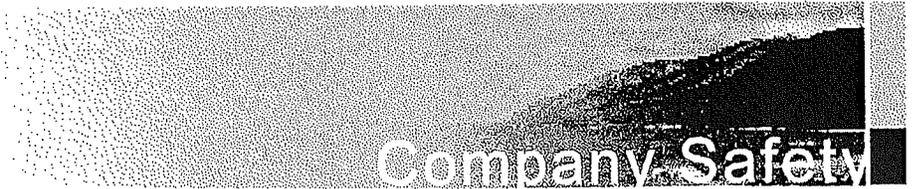
#### CORE VALUES

<i>Safety First</i>	Our crewmembers and customers are our most important assets. We must provide a safe environment for both.
<i>Teamwork</i>	Every employee is a team member and contributes to our success.
<i>Integrity</i>	Our success requires that we maintain our professional and corporate integrity at all times.
<i>Innovation</i>	We welcome new and experimental approaches/thinking from our crewmembers. Innovation provides our competitive advantage.
<i>Service Excellence</i>	HMS believes all clients and guests deserve the finest service we can deliver.

#### CODE OF CONDUCT

<i>Respect &amp; Dignity</i>	Treat our fellow crewmembers, clients and their guests with the respect, dignity, and understanding they deserve as fellow human beings.
<i>Practice Enthusiastic Friendliness</i>	Go out of your way to offer a friendly greeting and a bright genuine smile. Never walk by a fellow crewmember or one of our guests or clients without acknowledging them.
<i>Dedicated Work Ethic</i>	We strongly believe in the concept of an honest day's work for an honest day's pay.





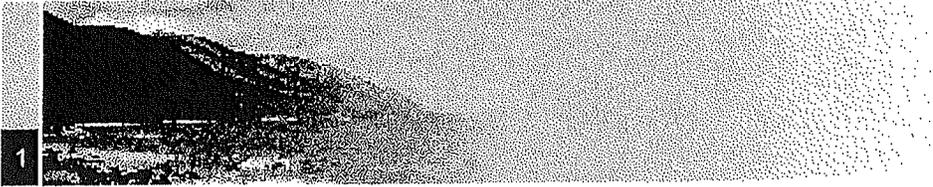
## Company Safety

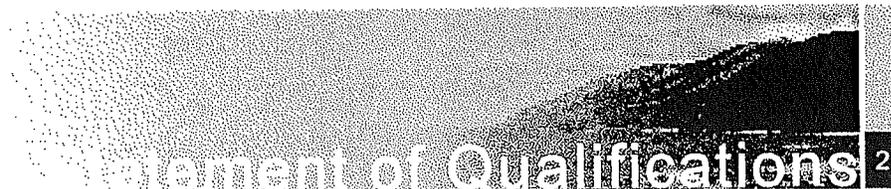
As clearly stated in our first company value, safety of our passengers and crew members is primary. HMS has truly set the safety standard in the passenger vessel industry: We authored the first and second Emergency Disaster Plan as required by the State of Indiana. We conducted the largest Emergency Disaster Drill ever witnessed by the Coast Guard for which we received a commendation from the Commandant of the Coast Guard.

HMS is a class-approved administrator of ISM programs and is certified under multiple flag states to administer and audit these programs. HMS enjoys favorable insurance rates because of a low loss history and excellent operating record.

Due to our affiliation with Hornblower Cruises & Events (HCE), the owner and operator of 29 luxury dinner cruise vessels, our managers have received extensive management experience with high-capacity, high profile, customer oriented, passenger vessels and understand the critical nature of prudent risk-management. We consequently have a strong relationship with the premier passenger-vessel insurance underwriter in the nation. We have earned our reputation with this firm through our impeccable loss history with Hornblower vessels, our Coast Guard commendations and our safety culture. We have saved our clients thousands of dollars when negotiating on their behalf while securing policy coverage. In addition, HMS is on the Board of the Passenger Vessel Association's Technical Standards Committee, Safety and Loss Control Committee.

Our commitment to passenger and crew safety has ensured that we remain the finest marine management company in the nation. We also understand that instilling the priority of safety and loss prevention into the marine crew is critical to the success of any venture.





## Qualifications and Experience

### A. Identifying Information

1. Name, address and telephone number of legal entity submitting the proposal.

Hornblower Marine Services  
115 East Market Street  
New Albany, Indiana, 47150  
Office Main: 812 941 9990  
Office Fax: 812 941 9994  
www.hornblowermarine.com

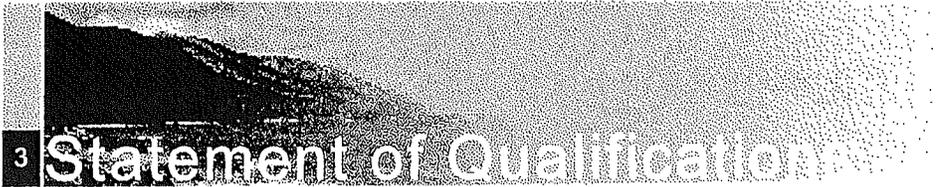
2. Legal structure of business.

Corporation

3. Name of the Contractor's Representative.

Greg Brown  
Vice President Marine Operations  
Mobile Phone: 812 987 5493  
gbrown@hornblowermarine.com

4. Federal Employer ID number and business license numbers  
Federal ID # 943014623



## **HMS Statement of Qualifications.**

### **Analysis**

Hornblower Marine Services (HMS) is uniquely qualified to assist the Missouri Department of Transportation (MoDOT) in developing a comprehensive Master Plan and executing new operations for the ferry service. HMS has built the firm on assisting Municipalities in developing a Master Plans for new Ferry Operations, implementing these Master Plans when starting a new ferry service and providing consulting and complete Marine Management solutions.

HMS has worked closely with Federal, State and Local municipalities in planning and operating ferry systems. We have worked with the United States Marine Corps, United States Maritime Administration, Alabama Department of Transportation, Mississippi Department of Transportation, Georgia Department of Transportation, California Department of Transportation, the City of Jacksonville, Florida, City of Hampton Roads, Virginia, Jefferson County, Kentucky and Wilcox County, Alabama.

We have participated in all phases of Master Planning for these municipalities including identifying the proper vessel for the route, route identification, ticket pricing, business plan development, vessel design and acquisition, owner representative for vessel construction, vessel delivery, terminal design, facility and queuing design, reservations systems and call centers, food and beverage, crew hiring and training, benefits administration, and all phases of vessel operations.

### **Solutions**

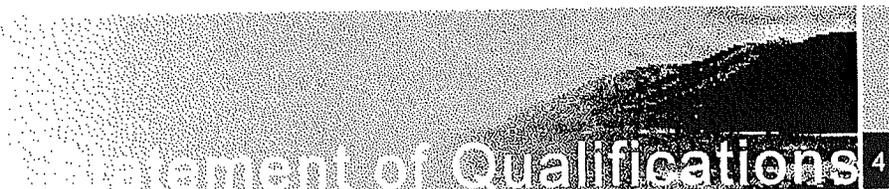
In addition to participating in all phases of Master Planning and the implementation of these plans, HMS also authored all of the required manuals for the safe operation of the vessel. These include Emergency Disaster Plan, Route Operations Manual, Crew Hiring and Training Manual and Preventative Maintenance Manual. HMS has received national recognition for developing these manuals and performing the corresponding drills.

### **Execution**

HMS currently manages over 300 employees in the day to day operations among the numerous marine operations under contract. Our HMS crewmembers make up the sailing complement of Masters, Chief Engineers, Mates, Able Body Seaman, Qualified members of Engine Departments. These professional mariners focus on daily operations, safety management and vessel maintenance.

Not only are we specialists in marine operations but we also manage several non-marine aspects of our clients companies as well. HMS teams currently manage several call centers, reservations, food and beverage, sales, marketing, finance, insurance and risk management aspects of the business.

Rounding off operations is the corporate teams support and mentoring of the HMS team at large. Our corporate staff offers training in the areas of Safety Management, Preventative Maintenance, Security, Project Development, Finance, Marketing, Technology Implementation and Employee Relations.



## Organizational Structure and General Qualifications

### HMS History and Background

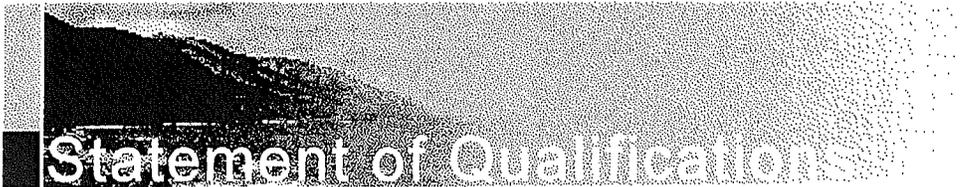
Hornblower Marine Services (HMS) was formed in 1994 and is a privately held corporation. The two principals of the firm are John Waggoner and Terry MacRae. Our firm provides professional, effective solutions through comprehensive marine management programs to vessel owners and operators worldwide. We help clients meet changing market conditions with high-technology resources and sophisticated management programs. John Waggoner, owner, President & CEO heads up a management team renowned for their business acumen, professionalism and entrepreneurial insight in to the marine industry.

Since formation in 1994, HMS has managed 7 car ferries, 10 passenger ferries, 12 dinner cruise vessels and 5 riverboat casinos. Our diversity is your advantage. Our company has worked with Fortune 100 and 500 companies nationwide including Caesars ITT and Trump Casino. In 1998, our firm entered the international market through an equity agreement to operate a high-speed passenger ferry in the Bahamas. Extensive experience with marine business start-ups and ongoing marine operations has positioned HMS as the foremost passenger vessel operator in the United States. Company management has developed a service-oriented product line which reflects an in-depth knowledge of regulatory standards, client needs, and emerging trends within the passenger vessel industry and has helped customers succeed in this competitive marketplace. Our company has earned the reputation of providing clients with innovative marine management expertise, executed by a team of professionals with decades of combined experience.

Our company is founded on the principles of safe vessel operation, financial profitability, customer service, business ethics, and personal relationships. We have developed a service-oriented product line which reflects our in-depth knowledge of regulatory standards, customer needs, and emerging trends within the passenger vessel industry and has helped customers succeed in this competitive marketplace.

The following list represents the range of projects undertaken by the HMS management group and identifies our achievements including current and previous contracts with relevant experience:

- Ten start-ups in the passenger vessel industry in major metropolitan areas in the United States.
- HMS is managing and operating the Hawaii Superferry auto and passenger ferry operating from in the Hawaiian Islands. The vessel carries 900 passengers and 250 autos
- Successful transition and operations of the Mobile Bay Ferry System for the Alabama Department of Transportation
- Construction, delivery and operation of the Gees Bend Ferry for the Alabama Department of Transportation
- Construction, delivery and operation of the Bay St. Louis Ferry for the Mississippi Department of Transportation
- Managing operator of the Delaware River Port Authority Ferry services
- Managing operator the Pierce County Ferry system for Washington State
- Managing operator of a 101 meter high speed support vessel for the US Marines in Japan, under charter with the United States Navy.
- Successfully privatized the St. Johns River Ferry Service for the City of Jacksonville, Florida.
- HMS received a Commendation from the US Coast Guard for our dedication to safety in the passenger vessel industry.



**Organizational Structure and General Qualifications**

**Licenses and Certificates**

HMS is certified by the International Classification Society Germanischer Lloyd. We are certified for Safety Management Systems, Maintenance programs, Crew Training and Emergency operations.

Certificate No. 331348/294/03

**DOCUMENT OF COMPLIANCE**

This Certificate shall be supplemented by a List of Branch Offices (Form B) No. 331348/294/03

Issued under the provisions of the  
INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA; 1974,  
as amended

Under the authority of the Government of the

**UNITED STATES OF AMERICA**

by GERMANISCHER LLOYD

Name and address of the Company (see paragraph 1.1.2 of the ISM Code)
<i>Hornblower Marine Services 115 East Market Street, New Albany, Indiana 47150 / USA</i>

THIS IS TO CERTIFY THAT the Safety Management System of the Company has been audited and that it complies with the requirements of the International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code)\* for the types of ships listed below (delete as appropriate):

<del>Passenger ship</del>
<del>Passenger high-speed craft</del>
<del>Cargo high-speed craft</del>
<del>Bulk carrier</del>
<del>Oil tanker</del>
<del>Chemical tanker</del>
<del>Gas carrier</del>
<del>Mobile offshore drilling unit</del>
<del>Other cargo ship</del>

This Document of Compliance is valid until *12<sup>th</sup> February, 2008*, subject to periodical verification

Issued at: *Hamburg* the *21<sup>st</sup>* day of *October, 2003*



**Germanischer Lloyd**

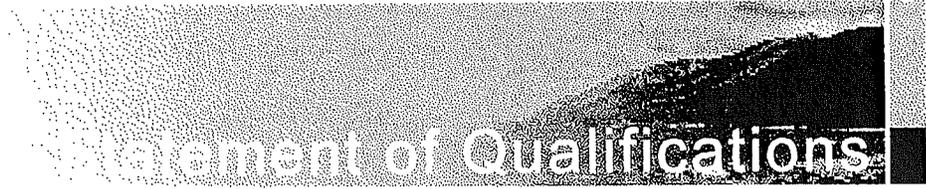
CERTIFIED TRUE COPY  
Hamburg; 14<sup>th</sup> May, 2004  
GERMANISCHER LLOYD

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## Statement of Qualifications

### **Organizational Structure and General Qualifications In House Resources and Systems**

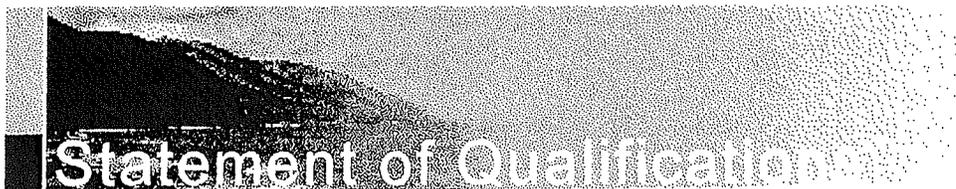
In virtually every marine operation that HMS participates in there is some level of marine master planning that it must engage in. The degree and focus of these planning efforts vary depending on the particular needs of the client, yet one aspect remains constant: HMS has to live with the planning recommendations and decisions it makes. Therefore, HMS approaches its planning duties with a unique commitment to practicality and financial viability.

Current marine ferry projects that HMS is engaged in that required planning activities include:

- WestPac Express – High-speed passenger-vehicle ferry operation for the U.S. Marines
- Lake Express – High-speed passenger-vehicle ferry for private owners
- Hawaii Super Ferry – High-speed passenger-vehicle ferry for private owners
- Delaware River Port Authority – Convention passenger-only ferry for public entity
- St. Johns River Ferry – Convention passenger-vehicle ferry for public entity
- Mobile Bay Ferry – Conventional passenger-vehicle ferry for public entity
- Gees Bend Ferry – Conventional passenger-vehicle ferry for public entity

Hornblower Marine Services will implement complementary master planning procedures that will be effective for the Authority's project. Our success will be achieved by a Team vision that offers the following features:

- Strong leaders able to articulate the vision of future ferry operations combined with an ability to build consensus among the diverse interests of the Authority;
- Previous experience with maritime transportation projects of similar scope and size;
- Depth of resources and knowledge of the region and its maritime resources and operations;
- A thorough project understanding of how to completely satisfy the project's goals and expectations;
- A management approach with clear lines of communication, with a Project Manager and an inter-disciplinary leadership group prepared to team with the Authority to achieve exceptional results.



## **Organizational Structure and General Qualifications**

### **In House Resources and Systems**

#### **Corporate Team Resources**

One Of HMS greatest strengths lies in its well developed group of full time employees. Our core corporate internal network includes Professional Marine Engineers, Professional Ship Masters, Certified Public Accountants, IT Specialists, Marine Security Specialists, Sales and Marketing Expertise and Professionally Certified Human Resource Management (SPHR).

HMS is a diverse Marine Management Corporation. HMS serves federal, state and private clients in domestic and international operations. Our organizational complement of crew, marine officers and administrative management consists of **300 full time and seasonal employees.**

#### **Hiring Policy**

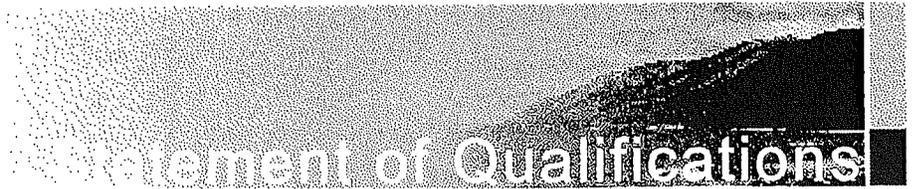
Hornblower Marine Services is well qualified to manage all aspects of the recruiting, hiring and orientation process. Our policy for recruiting and hiring the most qualified crew includes the following steps.

- Establishment of the requirements for each position and resultant job descriptions
- Establishment of appropriate compensation and benefit package for each position
- Determination and execution of employment advertising
- Thorough in-processing of candidates, including interviews, drug and background screening and reference and license verifications
- Thorough orientation and training in HMS policy and procedures for all new hires

#### **Training Programs**

HMS authored and certified training programs in a variety of marine industries. We are certified by the United States Coast Guard as a educational training facility. Our Craft Operator Type Rating programs allow our mariners to receive licensing credentials from the USCG to operate High Speed Vessels.

Our Class Society approved Safety and Training systems are audited every year by a outside auditor from Germaischer Lloyd.



## Management Systems

One of the many advantages that municipalities have when contracting with HMS is our global presence and proactive systems. As a Internationally certified marine management company we often add value for our clients when they need it. Pursuant to the NTSB Recommendation M-0507 that was developed after the tragic ferry accident in New York the State of Alabama was seeking voluntary compliance for their ferry system. They were pleased to find out that HMS had been managing them under the auspicious of our existing International Safety Management System. Below is their compliance explanation.

Dear Governor Riley:

Recently this office received a copy of the NTSB Safety Recommendation M-0507 and it has been reviewed specifically as it relates to the Fort Morgan and Gee's Bend ferries. Since ALDOT's involvement with the Fort Morgan Ferry which began in June of 2005, safety for both the crew and the traveling public has been our utmost concern. Because safety is primary, ALDOT formed an ongoing partnership with Hornblower Marine Services (HMS), an internationally recognized corporation that set the safety standard in the passenger vessel industry. They were tasked to not only maintain and operate the Fort Morgan Ferry, but to evaluate standards and procedures that would directly relate to safety and general welfare of the public while still ensuring strict compliance with all of the U.S. Coast Guard's stringent maintenance and safety programs.

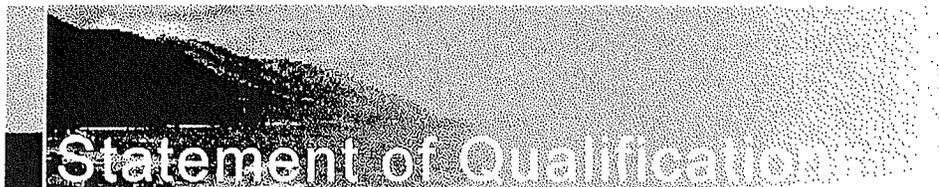
Upon consulting HMS about the NTSB recommendation, I received a letter from their Vice President of Marine Operations. The following is an excerpt of that letter and contains pertinent facts concerning the planned action to be taken by the State of Alabama:

Despite a Coast Guard requirement that vessels engaged in oceangoing service implement safety management systems as referenced in NTSB Safety Recommendation M-05-07, inland ferry operators are not required, but are encouraged to do so. HMS is an International Safety Management compliant company. They are Class Society approved operators of ocean going vessels. Because of that, HMS has been implementing the type of Safety Management System (SMS) described in the recommendation for years.

Those ocean going vessels have fully seated SMS. That includes computer software systems, third party training, and outside audits. The system costs are approximately \$5,000.00 per seat and the management of those systems is approximately \$10,000.00 per year.

Vessels out of Class, i.e. the Mobile, Florida, and New Jersey ferries do not have a fully seated SMS. However, as a company we implement the same culture, training, and internal audits. We do not purchase the dedicated software system or pay Class Society fees.

All of our managed vessels receive the same level of attention regardless of the regulatory environment. We essentially treat all of the vessels like they are in Class.



## Management Systems

The ALDOT owned HMS managed vessels are embraced with an established audited safety culture. While we do not provide the "hardware" at our non classed operations, the "software" is always present.

It is my understanding that Wilcox County will also contract with HMS to provide similar marine services for the Gee's Bend Ferry upon commissioning that vessel this summer. This uniquely qualified company will provide an independent party for the same high level of inspection and auditing that the Fort Morgan Ferry presently receives. Additionally, both the Gee's Bend and the Fort Morgan ferries have been certified by the U.S. Coast Guard, and their monitoring both vessels on an ongoing basis will add another layer of oversight.

Therefore, I am pleased to report to you that Mobile's Fort Morgan Ferry and the Gee's Bend Ferry are being successfully managed and operated by an internationally recognized marine services corporation that specializes in passenger vessels. The U.S. Coast Guard will continue to be proactive in our ferry programs providing critical additional oversight. Both of these entities thoroughly embrace the NTSB's and the State of Alabama's commitment to high operational standards and will be instrumental in the development and implementation of programs designed to enhance the safety of our riding public.

Sincerely,

D. J. McInnes

Transportation Director

# Statement of Qualifications

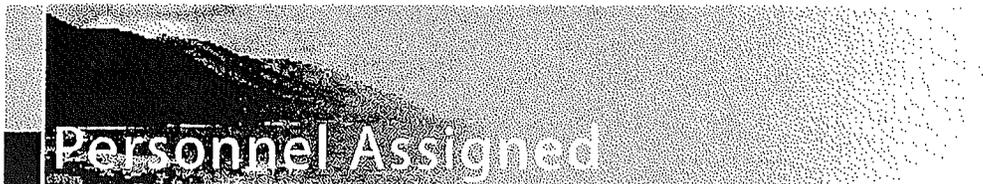
## CHALLENGES



Hornblower Marine Services managed High Speed Vessel WestPac Express.

**The Mission:** Take a Australian built high speed car ferry which is Panamanian flagged, classed by a German society, staffed with foreign nationals, operating in Japan moving the United States Marine Corp. and make it meet all of the national and international regulations to become a U.S. Flagged, USCG Certified high speed passenger vessel that can qualify for service to the United States Navy to invent a breakthrough concept of the "Theater Support Vessel".

**Mission Accomplished:** The HSV WestPac Express is in its fourth year of service saving millions of dollars and replacing deployment days to its heavy lift aircraft counterparts.



## **Firm Qualifications and Experience**

### **Assignment**

HMS is not proposing that we respond to this RFI with a partner or a consortium. We plan on serving as the primary contractor for this project.

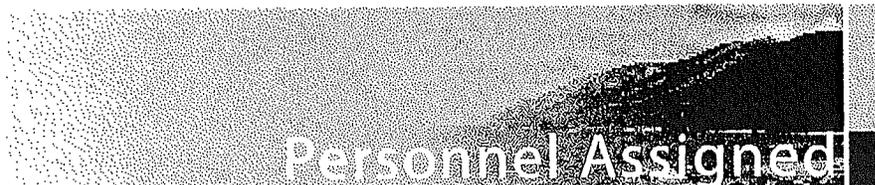
### **Personnel Assigned**

Greg Brown our Vice President of Marine Operations will be the contact person and the executive that will have direct reporting and administrative responsibility to the Missouri Department of Transportation. In addition to being the direct contact, Greg will also be responsible for directing and assigning all of the HMS personnel who will be working on this project.

### **Staff Assigned to this Project**

HMS has over 300 employees nation wide. For any given project we will assign employees to a given area of expertise. As the scope of the project changes or addition resources are required, additional employees are assigned to the project. We currently anticipate that as a minimum the following Senior Managers will be involved in this project.

- John Waggoner – President and CEO – John will be involved in the strategic approach to this Master Plan and Financial Analysis.
- Greg Brown – Vice President – Greg has been involved in all aspects of Marine Master Planning. As a US Coast Guard Licensed Master for over 20 years, Greg will focus Marine Operations Analysis, Solutions and Execution.
- Neil Shanahan - General Manager, Mobile Bay Ferry Company - Neil will provide training and implementation guidance for the launch and maintenance of this new ferry project. Neil will also serve as a project mentor to the operations.
- Fred Berley - General Manager, St Johns River Ferry - Fred will provide engineering and technical support to the project as required. As needed he will assign assets from the Florida operation to augment the operation if required. Fred will also serve as a project mentor.
- Dietrich Giles - Regional Technical Manager, Gulf Coast Operations - Dietrich is a trained vessel master and engineer. He specializes in risk, training and loss prevention programs for the organization at large.
- Sue Squires – Director of Human Resources- Sue has been involved in the start up and planning phase of several new ferry services. Sue will focus on Benefits and Wage Analysis. Additionally Sue will focus on the Crew Training and Procedural Manuals as outlined in the RFP's Scope of Work.
- Scott Clark – Chief Financial Officer – Scott is a licensed CPA and has been involved in the Marine Industry for the past several years. Scott will focus on Financial Analysis and Business Plan Development as outlined in the RFP's Scope of work.



**Contact information for the HMS Project Team**

John W. Waggoner, President & CEO  
115 E. Market Street New Albany, IN 47150  
812-941-9990 Office  
812-941-9994 Fax  
812-207-5221 Cell  
jwaggoner@hornblowermarine.com

Greg S. Brown, Vice President  
115 E. Market Street New Albany, IN 47150  
812-941-9990 Office  
812-941-9994 Fax  
812-987-4844 Cell  
gbrown@hornblowermarine.com

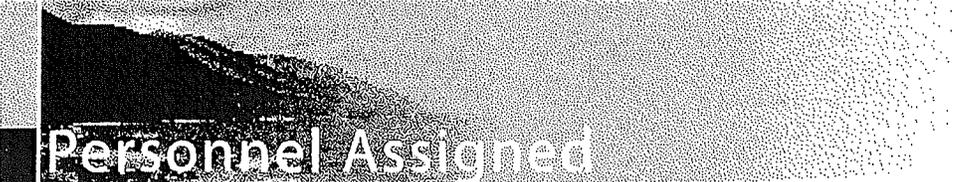
Sue E. Squires, SPHR, Director of Human Resources  
115 E. Market Street New Albany, IN 47150  
812-941-9990 Office  
812-941-9994 Fax  
812-989-8286 Cell  
ssquires@hornblowermarine.com

Scott L. Clark, CPA, Chief Financial Officer  
115 E. Market Street New Albany, IN 47150  
812-941-9990 Office  
812-941-9994 Fax  
812-987-4844 Cell  
sclark@hornblowermarine.com

General Manager, Mobile Bay Ferry Company : Neil Shanahan  
918 B Bienville Boulevard  
Dauphin Island, AL 36528  
251-861-3000 Office  
251-370-7930 Cell  
nshanahan@hornblower.com

General Manager: Fred Berley  
4610 Ocean Street  
Atlantic Beach, FL 32233  
904-241-9969 Office  
904-241-2075 Cell  
fberley@hornblower.com

Dietrich Giles  
115 E. Market Street New Albany, IN 47150  
812-941-9990 Office  
812-941-9994 Fax  
330-715-6944 Cell  
tmitchell@hornblowermarine.com



## Personnel Assigned

### SENIOR MANAGEMENT TEAM

#### **John W. Waggoner, HMS President & Chief Executive Officer**

John founded HMS after serving as Director of Marine Operations for Hornblower Dining Yachts, a fleet of 29 Dinner Cruise vessels. John would provide overall strategic management of HMS resources during the term of this project.

John has been actively involved in the passenger vessel industry for over 30 years. He began his career in the sport fishing industry, but has been involved in many and varied segments of the industry including Commercial Fishing, Offshore Oil Support vessels, Dinner Cruise and Excursion vessels, Casino Boats, and Car and Passenger Ferry Operations.

John's continuing dedication to safety and furthering the development of marine transportation has placed him at the forefront of the industry. He was awarded a Commendation from the Commandant of the US Coast Guard for his substantial and lasting contribution to promoting passenger vessel safety.

He received a Master of Business Administration in June of 1989 and a Bachelor of Science degree in Marine Biology in June of 1979 from California Polytechnic State University in San Luis Obispo. He was nominated outstanding MBA of the year, and selected by his peers as the MBA with the highest stress tolerance which, as we all know, is appropriate for this industry.

#### **Greg Brown, Vice President of Marine Operations/Company Security Officer**

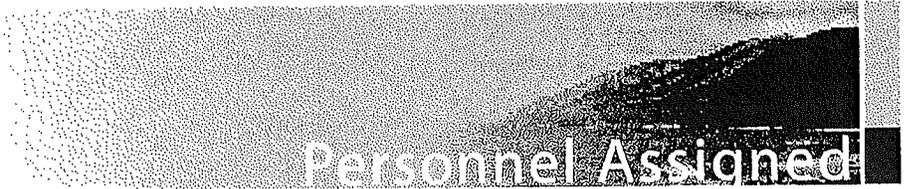
Greg joined the HMS management team full time after five years of consulting and working aboard HMS Managed vessels. Greg will serve as the Senior Project Manager.

As a Coast Guard Licensed Master, he brings over twenty years of experience to our HMS team. Greg has an experienced mix of excursion vessels, commercial towing, riverboat casinos, and high-speed ferries in his professional portfolio.

Greg represents our team's military applications as Senior Project Manager for the US Navy chartered vessel, WestPac Express. His responsibilities of coordinating operations and managing contractual relationships between the military, owners, and foreign vendors involve strong communication skills and creating good relationships. He works closely with the United States Marine Corp, United States Coast Guard, Military Sealift Command, Ship Owners, and a host of port control entities.

Greg was instrumental in developing our class society and United States Coast Guard approved high-speed craft (HSC) training programs. This National Maritime Center approved program allows HMS to license mariners as HSC operators on behalf of the USCG.

Greg is the HMS corporate security officer under the MITSAs regulations. He is also our company designated person ashore and point of contact for our class and USCG approved International Safety Programs. Additionally, Greg personally manages HMS WestPac, Inc., a CCR registered company, including the proper defense clearances.



### **Fred Berley, General Manager for St. Johns River Ferry Service**

Fred Berley joined HMS in February, 2002, as the new General Manager of the St. Johns River Ferry Service in Jacksonville, Florida. Fred is a native of Jacksonville, a graduate of Florida State University, and has a Masters of Science in Administration through the Central Michigan University College of Extended Learning. In November of 2001, he retired from the U.S. Navy completing a nearly 21-year career.

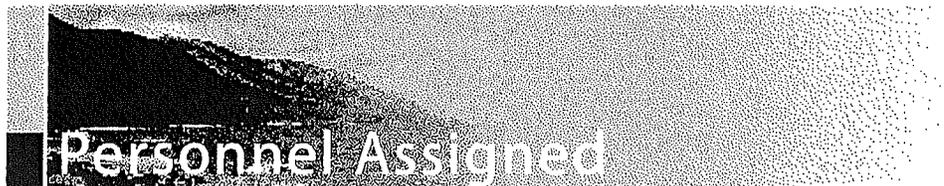
He joined the U. S. Navy in November of 1980, attended Aviation Officer Candidate School, and received his commission as an Ensign in May of 1981. His first ship assignment was the USS MEYERKORD (FF 1058). During his tour aboard the MEYERKORD, he served as the Assistant First Lieutenant and Anti-submarine Warfare Officer. His next assignment was as a Reserve Officer Training Corps instructor at Prairie View A&M University where he taught naval weapon systems and basic navigation. He returned to sea duty in June of 1988 as the Operations Officer on-board the USS SAMPSON (DDG 10), a guided missile destroyer. Following his tour aboard SAMPSON, he transferred to USS LUCE (DDG 38) and served as the Weapons Officer until the ship was decommissioned in April of 1991. He then attended the Armed Forces Staff College in Norfolk, Virginia, and graduated in June of 1991. His next tour of duty was as a student at the US Army Command and General Staff College located in Ft. Leavenworth, Kansas, where he studied army war fighting strategy and tactics. He graduated from that program in June of 1992. Following graduation, Fred was assigned to US Central Command headquarters located in Tampa, Florida. In September of 1994, he reported to the USS STARK (FFG 31) and served as the Executive Officer. Next, Fred accepted an assignment as the Chief Staff Officer for Destroyer Squadron 24 and served in that position until June of 1998. His last assignment in the Navy was as the Executive Officer of Naval Station, Mayport.

### **Neil Shanahan, General Manager for Mobile Bay Ferry**

Neil joined the HMS Management team Full Time after eight years of working aboard HMS managed vessels. He brings over 20 years of experience; offering a diverse background in the Maritime industry. He has been actively involved in various sectors of the marine industry including: High speed ferries, casino vessels, yachts and small craft. As General Manager of the Mobile Bay Ferry, Neil is responsible for the ferry's activities including day-to-day operations, finances, administration, personnel management, repair, maintenance, restoration, inspection and licensing programs for the vessel.

Neil began his professional maritime career over twenty years ago delivering privately owned yachts and commercial vessels up and down the East Coast. He has been a member of the start up crew for two Riverboat Gaming Vessels: a 2000 passenger M/V Casino Rouge in Louisiana and the "Worlds Largest Riverboat, gambling vessel the 5000 passenger M/V Glory of Rome in Indiana He was a member of the start up crew for the high-speed car and passenger ferry " Spirit of Ontario" Operating between Rochester, NY and Toronto Canada. In 1996 Neil participated with FEMA to execute one of the largest emergency exercises ever conducted, with over 46 state and federal agencies.

Neil is a graduate of Temple University with a degree in Communications and Maine Maritime Academy with a degree in Yacht Operations and Marine Management. He holds an Unlimited Masters license, First Class Pilot endorsement and is a Certified Master Marine Surveyor. He is a member of U.S. Surveyors Association and the American Boat & Yacht council.



### **Dietrich Giles, Technical Manager Gulf Coast**

Dietrich joined the HMS full time staff after many years of consulting and working with HMS senior management. He brings over 26 years of experience to the company with a diverse background of successful marine projects. He spent 17 years in the Offshore Oil and Gas Marine and 9 years in the Passenger Casino Industry. In addition to his work at sea Dietrich work as a safety manager and operations manager for Kilgore Marine. Dietrich wears many hats with Hornblower as our Technical manager for the Gulf Coast, Safety Manger and security manager.

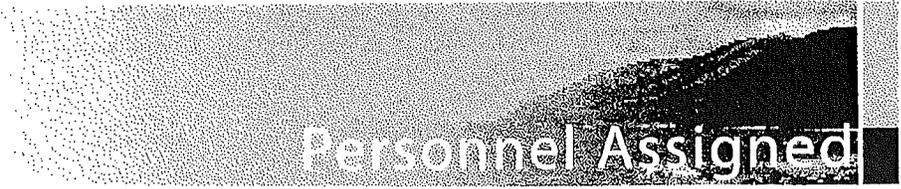
### **Scott Clark, Chief Financial Officer**

Scott brings over 20 years of accounting, auditing, and tax experience to Hornblower Marine Services. He is responsible for all financial reporting, administration, tax issues, and cash management in the corporate office. He currently handles all accounting and financial reporting for seven companies within the Hornblower family umbrella.

He also is responsible for creating and implementing all financial polices and procedures, financial systems, internal control, risk management, and cash management procedures for all start-up operations.

Scott joined the company in March, 2004 after five years as Chief Financial Officer with Volunteers of America of Kentucky and Tennessee.

A native of New Albany, Indiana and graduate of Indiana University, Scott is a CPA with a broad background in a range of industries while maintaining an entrepreneurial spirit. Scott has worked as corporate controller for Alrengo and has also started several companies, notably as a CPA in his own practice and as CEO of the Money Market, Inc.



## Personnel Assigned

### **Sue Squires, Director of Human Resources**

Sue will supervise hiring of all the employees for the operation. This will include background checks, drug testing and benefit administration.

Sue Squires joined Hornblower Marine Services in May, 2003. As Director of Human Resources, Sue is responsible for all HR functions including recruiting, benefits, compensation, payroll, policy and procedure, employee relations, training, and development.

Her career has included experience in banking, telecommunications and production/manufacturing environments. Sue served as Human Resources Manager in a start-up operation and successfully established all facets of the HR function for an organization that grew from 40 to 260 employees in eighteen months.

Since joining HMS, Sue has managed the HR, payroll, and benefit functions for all existing clients as well as the start-up of five new operations. Sue is a member of the National Society for Human Resource Management and a past president of the student chapter of SHRM at Indiana University Southeast in New Albany, Indiana.

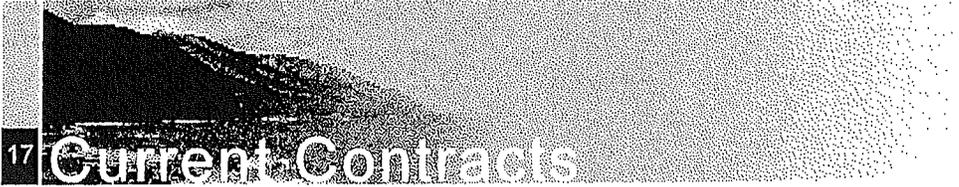
Sue obtained a Bachelor of Science degree in Business Management from Indiana University. In addition, she holds a Senior Professional in Human Resources certification from the Society for Human Resource Management.

### **Jamie Vissing, Human Resources Coordinator**

Jamie Vissing joined Hornblower Marine Services in April, 2003. As Human Resource Coordinator, Jamie is responsible for background checks, resume tracking, reference checks, and assisting the HR Manager with all other HR functions.

In addition, she coordinates domestic and international travel for the WestPac Express and Senior Management Team.

Jamie obtained her Bachelor of General Studies with a Certificate in Supervision from Indiana University in December, 2004.



## Current Experience

### HMS – Wisconsin

HMS entered a 4-year contract in 2003 with Lake Express LLC, to manage and operate vessel operations, reservations, and facilities for a new Austal USA built high-speed catamaran ferry service to operate between Milwaukee, WI and Muskegon, MI. Construction of the vessel was completed and operations began June 2004. The vessel is 191 feet in length and capable of carrying 272 passengers, 8 crew members and 46 vehicles.

The two seasons of operations to date have been a remarkable success story. Between early June and late September a seat or vehicle space on lake Express has been next to impossible to acquire as a walk-up customer. The bulk of vessel space is booked two weeks or more in advance.

### Austal Ships Pty Ltd - WestPac Express

On December 1, 2002, HMS-WestPac Inc., a subsidiary of Hornblower Marine Services, Inc. entered an agreement with Austal Ships Pty Ltd. to provide marine management and crewing services for the Westpac Express.

The Westpac Express is a high-speed wave piercing 101 meter catamaran that carries 970 passengers and up to 237 vehicles. The vessel is a roll-on-roll off all aluminum construction with 40,000 horsepower operating at a top speed of 37 knots powered by KaMeWa jet drives. The vessel is chartered by the United States military to provide services to the United States Marines based in Okinawa, Japan to transport military personnel and their equipment over a 1200 mile range.

### Alabama Department Of Transportation

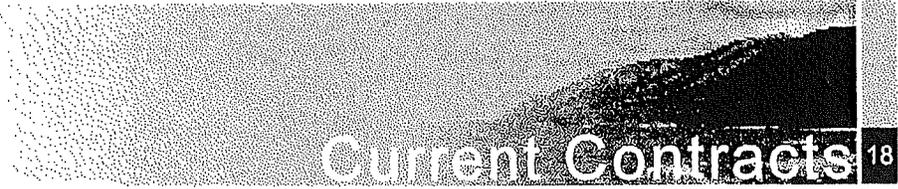
HMS entered into an agreement with ALDOT to operate the car ferry "Fort Morgan" between Dauphin Island and Fort Morgan, across the mouth of Mobile Bay. After a rapid major refurbishment of the vessel, HMS opened the service in June 2005 and enjoyed a highly successful summer until hurricane damage forced the vessel into another refit. HMS completely managed the post Hurricane Katrina repair project and returned the vessel to service in January.

### Gees Bend Ferry Service

At the request of the Alabama Department of Transportation HMS has managed the construction and conversion of this auto ferry for service in Wilcox County, Alabama. This 120 foot ferry will run between the communities of Gees Bend and Camden significantly reducing drive time for the residents. In September 2006 HMS entered into a one year management contract to operate the ferry on behalf of ALDOT. Operations to begin on September 18th.

### Hawaii Super-Ferrys

In June 2004, Hornblower Marine Services, Inc. signed a Marine Management Operating Agreement and Construction Oversight contract for the new Hawaii SuperFerry operation, an inter-island ferry service for passengers and vehicles to four islands in Hawaii. Operations scheduled to begin in 2007. This 150 million dollar construction project marked another HMS partnership with the Maritime Administration to ensure successful operations.



## Current Contracts 18

### **Delaware River Port Authority**

Following a hurried call to action, HMS took over operational responsibility for the RiverLink passenger ferry service between Camden, NJ and Philadelphia, PA. HMS worked closely with DRPA personnel to open the service in May, 2004 after about 40 days of preparation time and operated successfully to December 2005.

### **City of Jacksonville, FL**

In July 1997, HMS assumed the overall management of the St. Johns River Ferry Service owned by the City of Jacksonville, FL. The Mayport to Fort George ferry route crosses the St. Johns River offering a scenic alternative to driving an additional 28 miles via Dames Point Bridge. The St. Johns River Ferry route is serviced primarily by the M/V Jean Ribault utilizing M/V Blackbeard as a back-up vessel. Each vessel has the capacity to carry approximately 250 passengers and 40 vehicles. The ferry service carries over 250,000 vehicles annually.

The goal of HMS was to change the formerly state-run service into a positive asset for the community and a successful business. HMS has improved facilities, streamlined vessel operations and increased ridership through customer-oriented service and aggressive marketing campaigns. The result; increased ridership by 20%, reduced costs by 38% and a reduction in subsidy of 33% during the first 180 days of the contract.

The privatization of the state-run ferry service presented HMS and the City with numerous challenges. Over 20 new crew members were hired within the first 90 days and trained in daily operations, vessel maintenance, customer-service and Coast Guard regulations. According to a recent passenger survey, Hornblower Marine Services and its crew received a significant qualitative improvement over the previous year for essential services such as crew attentiveness and attitude, customer-service and timeliness of the operation. We are proud to be the marine service company chosen by the City of Jacksonville and together we have formed a partnership that works for the future.

### **Mississippi Department of Transportation**

One of our more recent projects this ferry system was enacted to assist in infrastructure replacement and quality of life issues in Katrina ravaged Bay St. Louis, Mississippi. HMS was called in to research, develop and deliver this car ferry system by MDOT while the bay bridge was being replaced. On an accelerated timeline HMS sourced suitable vessel, managed its conversion and opened the ferry service in 35 days. We operated at 111% of the contracted schedule for the 7 month operation. In the end we carried 59,600 automobiles and 115,000 passengers on our 22 car/149 passenger ferry.

## 19 Ferry Experience

### VESSELS UNDER MANAGEMENT

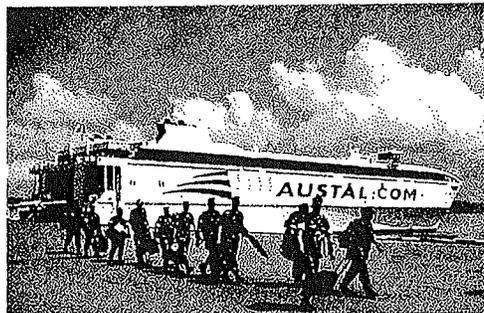
High Speed Vessels

# TSV, WestPac Express, Okinawa, Japan



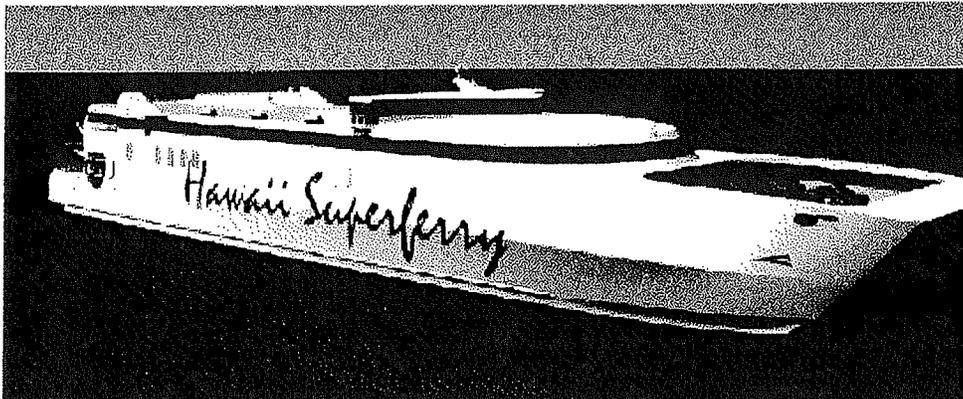
- High-speed transport for U.S. Marines based in Okinawa, Japan
- IMO Type Rating
- 101 meter catamaran
- 970 passengers/236 vehicles
- First U.S. Flag car/passenger ferry
- Speed 40 knots

The vessel is a roll-on-roll-off all aluminum construction with 40,000 horsepower and KaMeWa jet drives. It is chartered by the United States military to provide services to the United States Marines based in Okinawa, Japan to transport military personnel and their equipment over a 1,200 mile range.



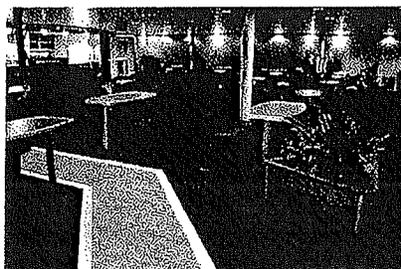
High Speed Vessels (cont.)

## Hawaii SuperFerry



- Under construction by Austal USA in Mobile, Alabama.
- 900 passengers/250 vehicles
- Inter-island ferry service to four islands
- One to two round trips daily
- Service is expected to begin in 2006

In June 2004, Hornblower Marine Services, Inc. signed a Marine Management Operating Agreement and Construction Oversight contract for the new Hawaii SuperFerry operation, an inter-island ferry service for passengers and vehicles to four islands in Hawaii.





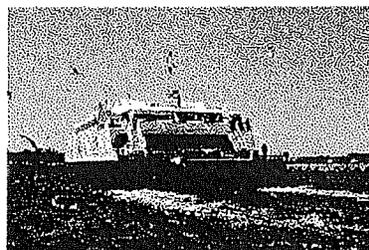
High Speed Vessels (cont.)

# Lake Express LLC



- 58 meter car/passenger ferry
- Lake Michigan from Milwaukee to Muskegon
- 70 nautical miles/2.5 hour crossing
- 253 passengers/46 autos
- Speed 34 knots
- Four MTU 4000 Series diesels/ KaMeWa Waterjets
- Built by Austal USA
- Operations began in June, 2004

In December, 2002, HMS-Wisconsin, Inc. entered a four-year contract with Lake Express LLC to act as Owners' Representative for the construction and operation of this new high-speed catamaran built at Austal USA in Mobile, Alabama.





Conventional Ferries

# Mobile Bay Ferry Company

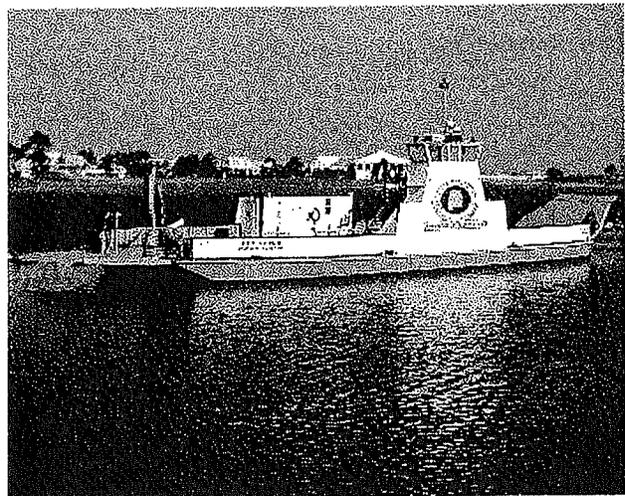


- Passenger/Vehicle Ferry operates between Fort Morgan and Dauphin Island

The HMS Fort Morgan is under a five year operating agreement with the Alabama Department of Transportation (ALDOT). HMS provides turn key management, crewing, sales, and marketing for this operation.

# Gees Bend Ferry Company

The Gees Bend Ferry is the newest vessel in the HMS fleet. This significant project is another public/private partnership with the Alabama Department of Transportation. HMS provided turnkey project management for this ferry. Our teams managed construction, certification and delivery. Also under anew contract we will provide operational management, crewing and maintenance for the state and county.

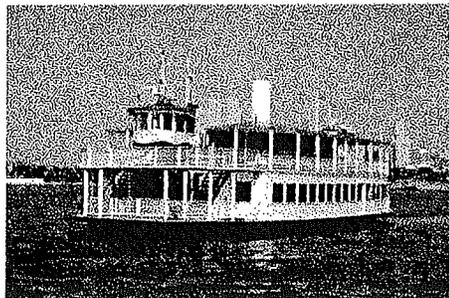


## Ferry Experience

# Delaware River Port Authority

- Freedom Ferry serves the Riverlink Ferry system
- Operates between Camden, New Jersey and Penn's Landing in Philadelphia, Pennsylvania
- 600 passengers
- Seasonal transportation and charter services annually between May and September.

HMS is responsible for the day-to-day management of the ferry including operations, shore side, sales, and financial management.

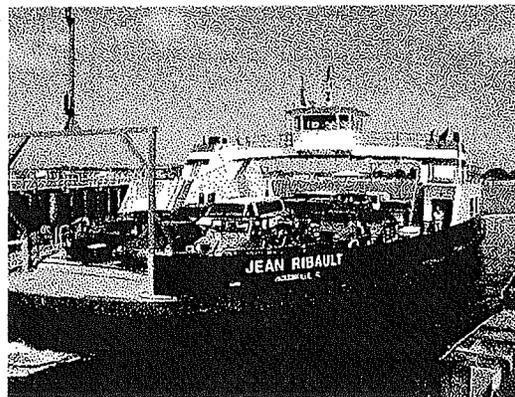


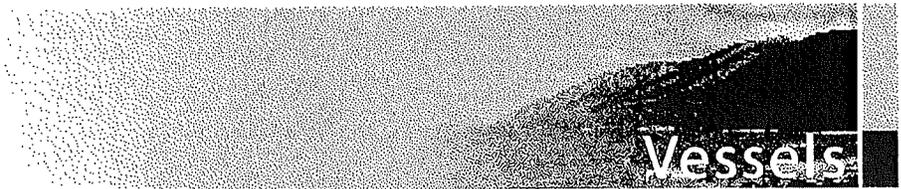
# St. Johns River Ferry Service, Jacksonville, Florida



- Mayport to Fort George
- Primary service by the M/V Jean Ribault
- Backup service by the M/V Blackbeard
- 250 passengers/40 cars
- Owned by the City of Jacksonville, Florida
- Over 250,000 vehicles transported annually

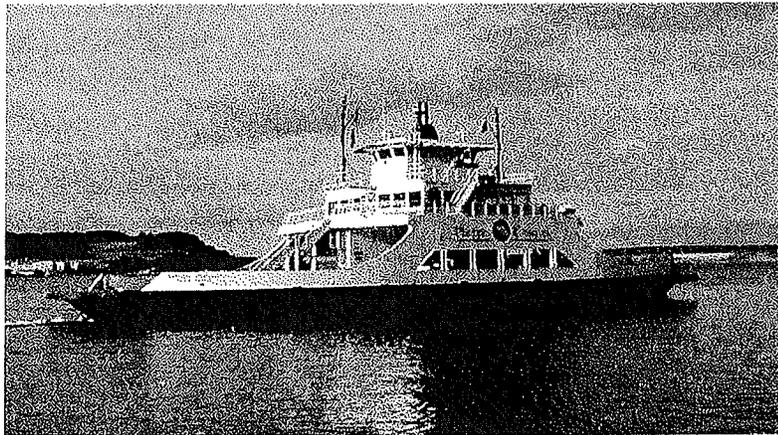
During the first 180 days of the contract, Hornblower Marine Services increased ridership by 20%, decreased costs by 38%, and reduced the city's subsidy by 33%



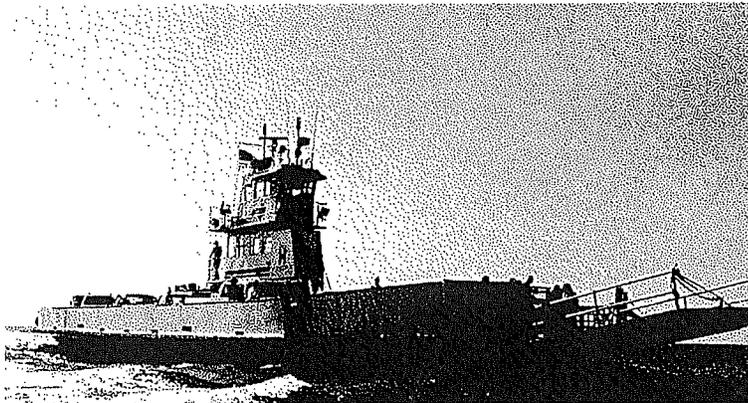
**Vessels**

## Pierce County Ferry, Washington

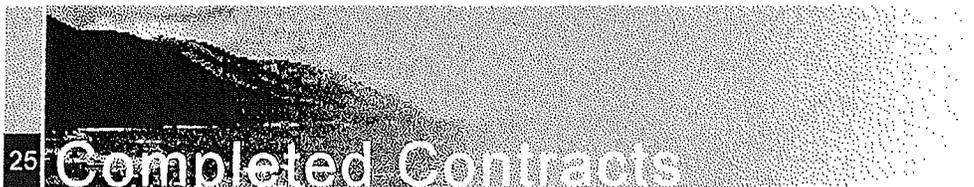
On behalf of Pierce County (WA), HMS operates the combined passenger and vehicle ferries M/V Christine Anderson and M/V Steilacoom which serve the communities of Steilacoom, Ketrion Island, and Anderson Island. Under this vessel management and terminal service contract, Our company provides all crew including: Masters, Deckhands, Engineers, and terminal/guest service personnel.



## Mississippi Department of Transportation



A Hurricane Katrina relief project sponsored by the Mississippi Department of Transportation fund by Federal Highways. HMS developed landings, roadways and temporary infrastructure to open this service on a fast track. The vessel operated the 3 mile route 12 hours a day and managed over twenty crossings per day.



### **SCX, LLC**

Marine Services Express, Inc., another subsidiary of HMS contracted with SCX, LLC to manage and operate the high speed ferry, the Waverider. The 149-passenger foil-assisted monohull ferry was funded for a one-year demonstration project from the Governor's Traffic Congestion Relief Program to operate between San Diego and Oceanside, California. HMS was responsible for the day-to-day ferry management of the ferry.

The Vessel used was an 80 foot long, jet propelled, monohulled, foil assisted passenger vessel, constructed by Westport and modified by Pacific Marine. The fiberglass hulled Subchapter T classed Vessel was equipped with quad diesels and had an estimated maximum speed of 40 knots.

### **HarborLink Passenger Ferry, Hampton, VA**

HMS entered an agreement in May 1999 with HarborLink to provide a premier ferry service between Downtown Hampton and Downtown Norfolk. This service was a private sector financed service, by Metro Marine Holdings and Hornblower Marine Services, Inc and was supplemented by CMAQ federal funds. Additional funds were provided by the Norfolk Convention and Visitors Bureau and the Hampton Convention and Visitors Bureau.

The service commenced on June 25th, with a seven-day, 365 day per year service. The trip time is 45 minutes with an additional fifteen-minute turnaround time. The service utilized a 90 foot monohull passenger vessel with a capacity of 149 passengers and a crew of three. The proximity of the ferry to Nauticus in Norfolk and the Virginia Air and Space Center in Hampton was a strategic decision that provided the ferry service with a high level of exposure to the tourist market. The vessel comprised of an upper and lower deck and a nine-person VIP room. The vessel is US flagged and certified by the United States Coast Guard.

### **Fox Navigation**

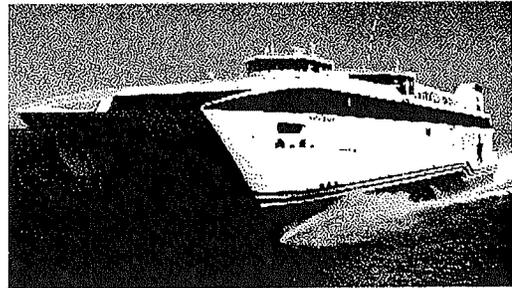
The Mashantucket Pequot Tribal Nation entered into a contract with HMS to provide business management, operating infrastructure development, vessel operations and implementation of the International Maritime Organization's High-Speed Craft Code (IMO HSC) compliance procedures. The IMO HSC Code was developed by the International Maritime Organization in recognition of the growth in size and types of high-speed craft now in operation. The High Speed Craft Code became part of SOLAS Convention in January 1996 and recognizes the new philosophy for safety onboard faster and lighter, ferry transportation. The IMO HSC Code is considered to be one of the most stringent regulations adopted in the United States by an operator and HMS worked closely with the US Coast Guard and Det Norske Veritas to ensure its success.

## Completed Contracts 26

# Canadian American Transportation Systems (CATS)

- 86.6 meter car/passenger ferry
- Lake Ontario from Rochester to Toronto
- 86 nautical miles/2.5 hour crossing
- 774 passengers/238 autos
- Speed 42 knots
- First new border crossing after 9/11
- Built by Austal Australia

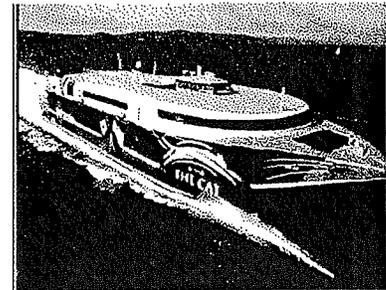
A high-speed ferry, the Spirit of Ontario commenced operations in the summer of 2004, on an international route from Rochester, New York to Toronto, Canada.



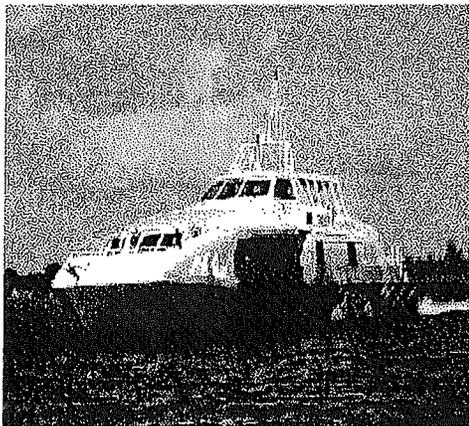
# Bahamas Florida Express

- INCAT 98 meter wave-piercing catamaran
- 900 passengers/250 autos/14 buses
- Speed 45 knots

This is one of the highest speed vessels in North America, operating an international route from Port Everglades, Florida to Grand Bahama Island.

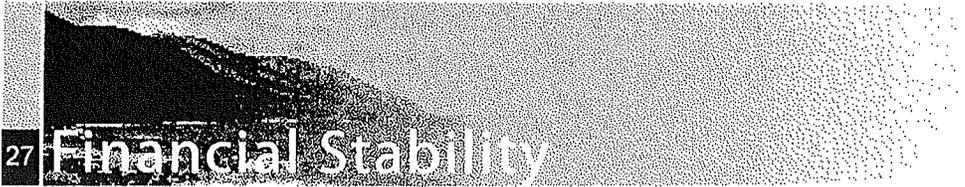


# Bahamas Fast Ferries



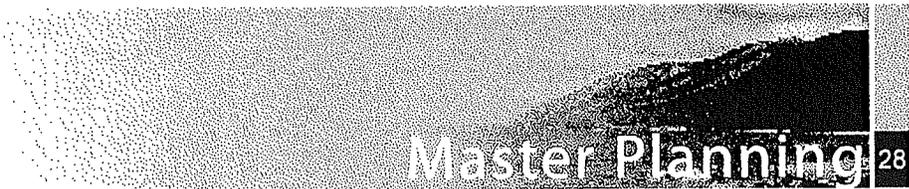
- HMS' first international project
- 35 meter high-speed catamaran "Bo Hengy"
- Designed by FBM Marine LTD/built by Pequot River Shipworks.
- 177 passengers
- Speed 35 knots

The ferry service provides high-speed passenger transportation between Nassau, Harbor Island, Eleuthera, and other destinations within the Bahamas for both visitors and Bahamian residents.



Hornblower Marine Services, Inc. and subsidiaries are Sub-chapter S corporations offering marine management and consulting services since 1989. In our 2006 revenues HMS earned over 13 million dollars. The company has net assets of approximately 3.6 million and net positive equity of \$973,000.

The primary banking relationship is with Fifth-Third bank a regional bank based in Cincinnati, Ohio. Although HMS has deposit accounts nationally to support the respective operation, all corporate accounts are with Fifth-Third. Additionally, the corporation has a line a credit with the bank of \$300,000, of which currently is not being utilized.



## Master Planning 28

### Marine Master Planning Service

In virtually every marine operation that HMS participates in there is some level of marine master planning that it must engage in. The degree and focus of these planning efforts vary depending on the particular needs of the client, yet one aspect remains constant: HMS has to live with the planning recommendations and decisions it makes. Therefore, HMS approaches its planning duties with a unique commitment to practicality and financial viability.

Current marine ferry projects that HMS is engaged in that required planning activities include:

WestPac Express – High-speed passenger-vehicle ferry operation for the U.S. Marines

Lake Express – High-speed passenger-vehicle ferry for private owners

Hawaii Super Ferry – High-speed passenger-vehicle ferry for private owners

Delaware River Port Authority – Convention passenger-only ferry for public entity

St. Johns River Ferry – Convention passenger-vehicle ferry for public entity

Mobile Bay Ferry – Conventional passenger-vehicle ferry for public entity

Gees Bend Ferry – Conventional passenger-vehicle ferry for public entity

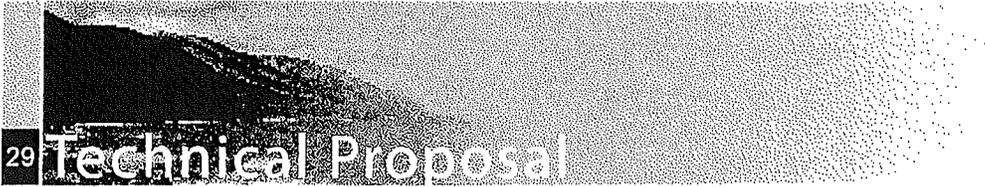
Hornblower Marine Services will implement complementary master planning procedures that will be effective for the Authority's project. Our success will be achieved by a Team vision that offers the following features:

- Strong leaders able to articulate the vision of future ferry operations combined with an ability to build consensus among the diverse interests of the Authority;
- Previous experience with maritime transportation projects of similar scope and size;
- Depth of resources and knowledge of the Delaware Bay region and its maritime resources and operations;
- A thorough project understanding of how to completely satisfy the project's goals and expectations;
- A management approach with clear lines of communication, with a Project Manager and an inter-disciplinary leadership group prepared to team with the Authority to achieve exceptional results.

HMS effectively manages its team of experts to deliver master planning studies by emphasizing the needs of the client throughout the process. We put a premium on client communication to ensure that we remain on-track, and within the expectations of the governing body.

Our general approach to master planning is simply defined by the following steps:

- Visioning;
- Data collection and inventory;
- Data analysis and evaluation;
- Recommended Plan
- Implementation Plan

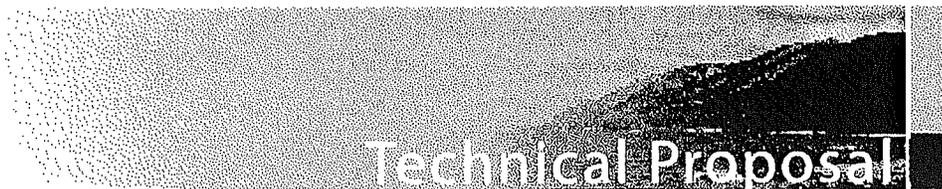


The corporate team at HMS has already made a small investment in the Glasgow Community. We would never respond to a RFI with some ground work completed. HMS Senior Project Manger Mr. Fred Berley visited the area and met with the mayor to get a feel for the community, their needs and the feasibility of a ferry. A ferry service is capable of operating in Glasgow.

The east and west banks of the river, south of the bridge location seems more suitable for vehicle traffic than the locations north of the bridge.

If we are able to use Stump Island Park as a ferry landing as recommended by Mayor McMillan, the service road will have to be improved to handle the additional traffic. Cluster pilings or dolphins will have to be placed near the ramp to permit the vessel to lie against them for support and safety during vehicle onload/offload operations. The cluster piling or dolphins could also be used to secure the vessel during non operational hours. Appropriate lighting would have to be placed on the for safety of navigation of other vessels traveling on the river.

If the decision is made to use the west bank, south of the bridge as the other onload/offload point, the road leading to the ramp will require improving. Also, a ramp would either need to be repaired or a new ramp will need to be built in a suitable location and outfitted similarly to the ramp on the east bank. You could expect that the landing particularly on the west banks of the river would have to be dredged prior to operating

A graphic header for the 'Technical Proposal' section. It features a dark, textured background on the right side that transitions into a lighter, stippled background on the left. The words 'Technical Proposal' are written in a white, serif font across the middle of the graphic.

## Technical Proposal

### Expenses

We understand that this is a RFI for feasibility and interest. Hornblower Marine Services is interested in developing a partnership with MoDOT.

Our initial evaluation would bring us to some conclusions that may be useful to you.

From our experience as a operator of car/passenger ferries HMS would be concerned about a small community being able to financially support this service.

From what we understand from the RFI is that MoDOT would provide the road and dock improvements while the users would provide the ferry fees. Our experience in similar situations would dictate that it would be very difficult for a service to be successful without a substantial subsidy. The operating expenses in similar ferry services can be expected to reach near \$900,000.00 per year. The capital outlay for a vessel for this route could range as high as \$1,000,000.00 dollars. Given the short duration of the contract it would be difficult to recover the expenses and be profitable.

If interested we can meet with MoDOT representatives to review in great details individual costs and expenses with ferry operation. Also we would encourage you to contact our other DOT clients in Alabama and Mississippi for further information about us and their ferry experiences.

There are leasing solutions that could be investigated on behalf of the state. HMS representatives can be available for consulting and comparative analysis.

There may be existing owners of ferries that could afford to provide the service. Our caution to is that this may not be a area wear the cheapest option is the best. HMS has grown to be the trusted organization of choice for many State and Federal clients because of our Safety, financial and success record.

We are very interested in helping this community and MoDOT find the next natural step in tier critical path for this project.



Lake Express LLC  
David Lubar President  
700 N. Water Street, Suite 1200  
Milwaukee, WI 53202  
414-291-9000  
Hours: 2000

St. Johns River Ferry  
Debra Doran, CPA, Principal Internal Auditor  
City of Jacksonville  
Department of Admin & Finance  
City Hall Suite 300  
117 W. Duvall St.  
Jacksonville, FL 32202  
904-630-3432  
Hours 900

Austal Pty Ltd  
WestPac Express  
Jim Black, Special Projects Manager  
100 Clarence Beach Road  
Henderson, Western Australia 6166  
61-418-918-050  
Hours: 800

Alabama Department of Transportation  
Fort Morgan and Gees Bend Ferries  
Joe McInnies  
Director ALDOT  
1409 Coliseum Blvd.  
Montgomery, AL 36110  
334-242-6358  
Hours: 600

United States Coast Guard  
Marc Cruder, Traveling Senior Marine Inspector  
Quality Assurance Staff  
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*Traditional Marine Services &  
Contemporary Management Solutions*



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