

TODD PACIFIC SHIPYARDS CORPORATION

1801 - 16th Avenue Southwest, Seattle, WA 98134 • P.O. Box 3806, Seattle, WA 98124

Telephone: (206) 623-1635 X451
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ISO 9001 Certified No. 33332

DATE _____, 2002

To: _____

SUBJECT: REQUEST FOR PROPOSAL NUMBER: _____

TODD PACIFIC SHIPYARDS IS PRESENTLY PREPARING AN ESTIMATE FOR THE _____ . THIS LETTER IS TO SOLICIT YOUR BID IN SUPPORT OF THAT ESTIMATE. YOU ARE REQUESTED TO SUBMIT A PROPOSAL TO SUPPLY SERVICES AS DESCRIBED HEREIN.

ALL BID SUBMITTALS ARE TO INCLUDE THIS RFP LETTER WITH SUBCONTRACTOR AUTHORIZED SIGNATURE INDICATING ACKNOWLEDGMENT OF, COMPLIANCE WITH, AND INCLUSION OF ALL ITEMS THAT FOLLOW.

SIGNATURE

PRICE PROPOSALS ARE REQUIRED ON OR BEFORE: _____ 10:00 A.M.

VESSEL AVAILABILITY: _____ THRU _____.

WORK TO BE PERFORMED AT: _____

INSPECTION: _____

See <http://www.toddpacific.com/procurement.htm> for Standard and Subcontract Terms and Conditions, Assist Sheet and TS-560 General Safety Rules.

1. The successful bidder will be issued a firm fixed priced purchase order/contract. Subcontractors are responsible for any adjustments or fluctuations to unit cost, including, but not limited to material and labor escalation, foreign exchange, etc.
2. The Standard Terms and Conditions and Subcontract Terms and Conditions will apply to subcontracts resulting from this solicitation as applicable.
3. All pricing quoted is to be valid for contract duration.
4. All quotes must include change order rate valid for contract duration.
5. Appropriate fiscal year standard items are invoked per government contracts.
6. Labor subcontractors to Todd will be required to provide proof of adequate USL&H, worker's compensation, general liability, and automobile liability (if appropriate) insurance's prior to award of business.
7. Security levels at Todd Shipyard are dependent on the vessel schedule of the shipyard. Access delays and disruptions to the shipyard and the

vessel should be considered when preparing bid as typical security procedures will not be considered delay and disruption.

8. Todd Shipyard reserves the right to issue the proposed subcontract utilizing its Commercial Item Acquisition process, if applicable. If this process is used, Todd's Commercial Terms and Conditions, and Certifications are applicable to the resultant award.
9. All items are to be broken down by hours, labor rate & material costs, and manning. Pricing to be in U.S. dollars. Washington State Sales Tax is not applicable to this contract. Bidders should utilize Todd's DOC20-Request for Quotation (RFQ) Bid Submittal Form.

EXAMPLE:

Item #	Paragrah Discription	No. Worker	S.T. Hours	O.T. Hours	Labor Cost	Mat'l Cost	2 nd Tier Subc	Total
100-11-01	3.1-3.3.4.2	4	100	10	\$ 2,000	\$ 5,000	\$ 1,000	\$ 8,000
300-33-01	6.1-6.3.4.2	8	200	0	\$ 5,000	\$ 1,000	\$ 3,000	\$ 9,000

Please quote the following four ways:

- 5 Days week day & swing shifts plus total duration
- 5 Days week day shift plus total duration
- 7 Days week day & swing shifts plus total duration
- 7 Days week day shift plus total duration

- Quote straight time and overtime pricing for drydock critical items.
- Please state real time, work duration per work activity and any assumptions.
- Any proposals that are not submitted per the format & direction of this letter may be considered non-responsive & may be disqualified.

10. All subcontractor quotations shall include proposed payment terms including any and all discounts offered. Payment terms, including payment discounts shall be valid for original contract and change orders. Expect 10% retention per invoice until acceptance of vessel by customer. It is the subcontractor's responsibility to clarify, prior to invoicing, whether or not the 10% retention has been invoked.
11. Todd Pacific Shipyards Corp. will make payment of invoices dependent upon the receipt and approval of deliverable documentation, including, but not limited to mill certs, technical manuals, manufacturer's or subcontractor's certified drawings, priced spare parts listings, and proof of applicable regulatory body approval, when specified in the RFP or Customer Specification.
12. Awarded purchase orders shall contain a clause stating that all invoices shall be submitted with a "STATEMENT OF NO CLAIM" with the signature of the subcontractor authorized representative indicating that there are no pending claims against Todd Pacific Shipyards Corp. On this job. If subcontractor anticipates filing a claim, invoices shall reflect detailed claim value.
13. Upon Purchase Order award Todd Pacific Shipyards Corporation Purchase Order numbers must appear on all correspondence including invoicing.
14. Period of performance shall begin as stated above and coincide with Todd Pacific Shipyards Corp. master schedule. Further scheduling or performance of workscope shall be under the direction of the Project Manager or his designee.
15. All contract documents including, but not limited to, the prime contract flow down clauses, specifications, contract references, and guidance drawings pertaining to this vessel repair or vessel construction are hereby incorporated as an integral part of this RFP.

16. All work is to be bid & accomplished in accordance with, and/or the intent of the specification, guidance drawings, and manufacturer certified drawings.
17. Any delay of performance of subcontractors work progress or Todd Pacific Shipyards Corp. work progress against our master schedule, caused by the subcontractor, for whatever reason, will be back charged. This is in addition to any claims the buyer is permitted under the delay clause in the Purchase Order Terms And Conditions.
18. Todd Pacific Shipyards Corporation will make every reasonable effort to provide subcontractor with advance notification of planned service interruptions. No compensation shall be allowed as the result of necessary and reasonable interruptions to shipyard support services. Interruptions which are considered unreasonable and which cause significant adverse impacts on workscope performance may be submitted to Todd Pacific Shipyards Corporation for negotiation.
19. If an event occurs that the subcontractor believes entitles him to additional compensation, the subcontractor shall advise Todd within two days of the event of his recognition of potential impact. The subcontractor shall follow the verbal statement with written notice within 7 calendar days. Failure to do so signifies no impact due to the event.
20. Should the seller feel that he is entitled to consideration of additional funds due to changes in workscope or delays, Todd Pacific Shipyards Corporation will review such a request provided it is substantiated with supporting documentation. Should Todd or its customer reject the request the seller will not be compensated. The seller shall not be compensated for any claim submitted after final payment has been made by Todd.
21. Subcontractor is responsible for providing all of the equipment and Materials required to accomplish their workscope. Any assist required from Todd Pacific Shipyards Corporation must be detailed on the Todd Pacific Shipyards Corporation "ASSIST" sheet. Any labor or material cost expended by Todd Pacific Shipyards Corporation beyond those listed on the subcontractor submitted "ASSIST" sheet will be billed to the subcontractor at fully burdened rate of the Shipyard.
22. Subcontractors shall explicitly comply with Todd Pacific Shipyards Corporation Policy on Harassment, General Safety, Environmental Safety, and all other applicable policies. Failure to comply may result in termination of purchase order and exclusion from the shipyard premises.
23. Todd Pacific Shipyards Corporation will not guarantee exclusive access to spaces. Subcontractors are to bear in mind that during the course of their work, there will be other crafts accomplishing their workscope in the same spaces. If exclusive access is required for valid technical reasons, Todd Pacific Shipyards Corporation will attempt to accommodate that specific request.
24. Subcontractors shall be responsible for the cleanup, to a broom clean condition, all areas in which they are working. Should Todd Pacific Shipyards Corporation be required to accomplish cleanup, the subcontractor shall be back charged at the fully burdened rate of the shipyard. We will provide refuse containers adjacent to outfitting areas.
25. Equipment Considerations:
 - Todd does not normally allow access to it's Tool Room and Stores.
 - Todd does not provide manlifts
 - Todd does not provide paint/flammable lockers.
 - Do not bring red air hose into the yard. Todd's color is red and due to excessive loss, red hose will not be allowed out of the yard.

- Todd does not provide heat or ventilation for decking requirements.
- Todd does not allow use of it's steam pit by outside contractors.

26. Upon Purchase Order award and when directed to start work subcontractors must check in and check out daily with the Project Manager or his designee. Invoice payment is dependent upon this procedure.

27. Title 5 requirements invoked and all paint products, both Todd, subcontractor, and owner furnished, must be compliant with the Shipyard National Emission Standards For Hazardous Air Pollutants (NESHAPS). These standards limit general use paints to 340 grams/liter of volatile organic compounds and set limits for specialty applications. Available in the Paint Shop is a set of the Epa's Maximum Achievable Control Technology (MACT) Rules for the MSDS and VOC Data Sheets.

All owner and subcontractor supplied paint and related material must enter through the main gate and be received at the yard warehouse. Shipments will only be accepted Monday through Friday between the hours of 0700 a.m. and 0300 p.m., excluding public holidays.

28. All subcontractors that are painting on Navy vessels or are subcontracting the painting requirements are to provide proof of compliance with 009-32, NSTM 631-11 (blasting and painting certification of personnel in critical coated areas). Please provide with your quotation.

29. Measuring and Test Equipment (MTE) utilized in the performance of a quality test shall have a current calibration sticker. MTE utilized on all Navy vessels must be compliant with NAVSEA Standard Item 009-04 which requires MTE to be calibrated to ANSI/NCSL Z540-1-1994 calibration standard. Where contracts specifically call out a calibration standard, such as ANSI/NCSL Z540-1-1994. Measuring and Test Equipment shall be calibrated and compliant to that specified calibration standard.

SINCERELY,

SUBCONTRACTS DEPARTMENT
206/623-1635 EXT. _____
FAX: 206-442-8514