

DERECKTOR

STATEMENT OF QUALIFICATIONS
FOR THE PORT OF
FORT PIERCE
RFQ NO. 18-049
RESPONSE II

AUGUST 22, 2018



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St. Lucie County Purchasing Department
Administration Annex
2300 Virginia Avenue, Room 228
Fort Pierce, Florida 34982

Dear Commissioners,

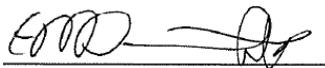
We are pleased to submit this additional information package in support of our response to RFQ No. 18- 049 for the development and operation of the Ft. Pierce Marine Terminal. Within we have provided the information requested in Addendum No. 4, as well as additional material we feel is relevant to our proposal. This includes our marketing and training plans, which outline what we believe are components critical to the success of Derektor Ft. Pierce (DFP).

You will also find an appendix containing examples supporting materials including, notably, letters of endorsement from customers, subcontractors and leading European megayacht builders. These last may be of value in evaluating our level of skill and our reputation in the international community. You will see from the customer letters that our clients, along with sharing their views on our service and abilities, express an interest in our having a facility to handle larger yachts - longer than 200 ft. and heavier than 900 tons. We cannot accommodate these in our Dania yard, and thus DFP represents an opportunity for us to leverage our reputation and relationships to serve an entirely new market.

In this submission, we also want to stress the importance to DFP of becoming an active member of and positive force in the community. DFP would employ 200 or more people directly and hundreds more through subcontractors, suppliers and related activity. Beyond this however, our intention to be a good neighbor, citizen, and supporter of Ft. Pierce and St. Lucie County, and their institutions and people.

We look forward with enthusiasm to the opportunity to work together with the City and County to make DFP a reality.

Sincerely,



Paul Derektor

1.0 Project Cost Breakdown

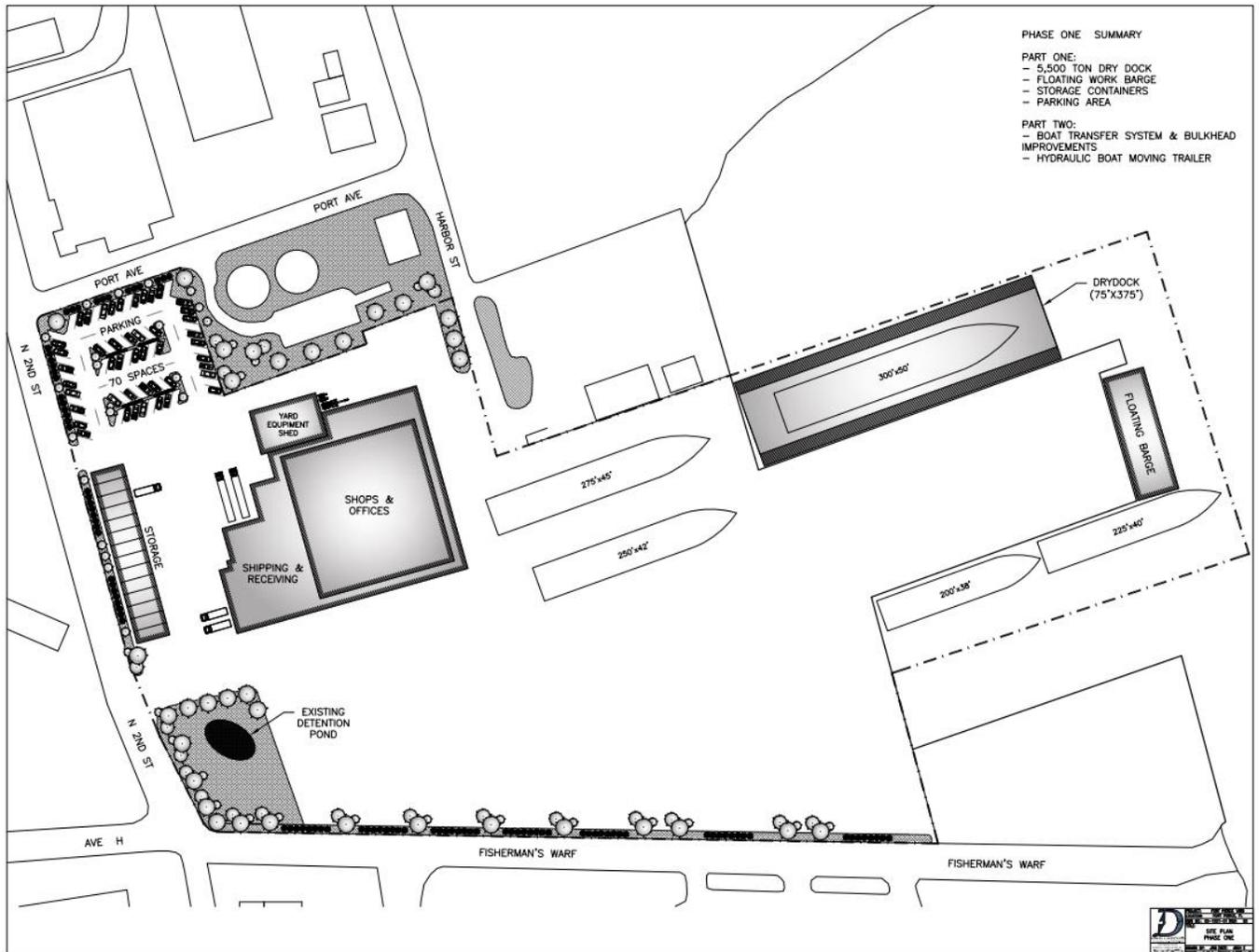
| Fort Pierce Equipment List and Capital Costs (5 year Plan) | | | | | | | | | | | | | |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| 1st Year | | | | | | | | | | | | | |
| Description | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 | 1st Year |
| Leasehold Improvements | | | | | | | | | | | | | |
| Dredging for Drydock | 0 | 0 | 0 | 250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 250,000 |
| Power - 3200A 480V 3ph | | | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | \$ 750,000 |
| Permits (10% of construction cost) | 163,500 | 145,000 | 117,500 | 115,000 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 741,000 |
| Signage | 10,000 | 0 | 25,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 35,000 |
| Building demolition (east building and west lean-to) | 350,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 350,000 |
| Fresh Water installation | 200,000 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 250,000 |
| Fire main installation | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 50,000 |
| Security lighting (perimeter) | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 50,000 |
| Shop power and lighting (west building) | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 100,000 |
| Renovate existing West Building | 150,000 | 150,000 | 150,000 | 150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 600,000 |
| Guard station | 25,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 25,000 |
| Wi-fi installation | 25,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 25,000 |
| Fire and safety equipment | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | 4,167 | \$ 50,000 |
| Travel lift piers - 180' x two | | | | | | | | | | 400,000 | 150,000 | 150,000 | \$ 850,000 |
| Washdown area site prep and tank install | | | | | | | | | | | | | \$ - |
| Waste water holding tank | | | | | | | | | | | | | \$ - |
| Air compressor piping and distribution (above ground along fence) | | | | | | | | | | | | | \$ - |
| Dredging | | | | | | | | | | | | | \$ - |
| Shore power pedestals | | | | | | | | | | | | | \$ - |
| Building Maga Yacht Refit | | | | | | | | | | | | | \$ - |
| Parking area - asphalt and striping | | | | | | | | | | | | | \$ - |
| Total Leasehold Improvements | 1,077,666.67 | 399,166.67 | 371,666.67 | 594,166.67 | 279,166.67 | 79,166.67 | 79,166.67 | 79,166.67 | 479,166.67 | 229,166.67 | 229,166.67 | 229,166.67 | \$ 4,126,000 |
| Equipment and Machinery | | | | | | | | | | | | | |
| Office equipment | 35,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 35,000 |
| Small tools | 35,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 35,000 |
| Forklift (extendable) new | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | \$ 60,000 |
| Air compressors (Buy 1 in phase 1) | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 50,000 |
| Mobile Hydraulic Crane 35 - 45 ton (used) | 325,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 325,000 |
| Fuel tanks | 25,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 25,000 |
| Work boat (used) | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 50,000 |
| Parts truck (used) | 0 | 0 | 0 | 0 | 0 | 15,000 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 15,000 |
| Trash containers (small - dumpster service not included) | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | \$ 6,000 |
| Engineering & Design for Phase 2 | 0 | 0 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 100,000 |
| Travel lift - 1400 ton capacity | 0 | 0 | 0 | 530,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 530,000 |
| Dry dock keel line and sliding bilge blocking | 0 | 0 | 200,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | \$ 290,000 |
| Cooling towers | 25,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 25,000 |
| Waste water treatment plant | | | | | | | | | | | | | \$ - |
| Ramps, Stairs & Gangways | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 75,000 |
| Bilge blocking (six vessels) | | | | | | | | | | | | | \$ - |
| Stand-by generators (One for West Building) | 0 | 0 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 100,000 |
| Shore power cable + transformer for Drydock | 35,000 | 0 | 100,000 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 155,000 |
| Keel blocking (six vessels) | | | | | | | | | | | | | \$ - |
| Rest room (modular) east yard | | | | | | | | | | | | | \$ - |
| Pressure washer (4000psi) | | | | | | | | | | | | | \$ - |
| Golf carts (ten) used | | | | | | | | | | | | | \$ - |
| Dry dock and spuds (4500 ton capacity) | 4,800,000 | 1,200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 6,000,000 |
| Shop large equipment purchase (used) | 0 | 0 | 0 | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 | \$ 75,000 |
| Total Equipment | 5,385,500 | 1,205,500 | 580,500 | 565,500 | 15,500 | 105,500 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 | 15,500 | \$ 7,951,000 |
| Total Estimated Equipment and Capital Costs | 6,463,167 | 1,604,667 | 952,167 | 1,159,667 | 294,667 | 184,667 | 94,667 | 94,667 | 494,667 | 244,667 | 244,667 | 244,667 | \$ 12,077,000 |

| Derektor Fort Pierce Budget Income Statement 1st 12 Months | | | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| SALES | | | | | | | | | | | | |
| 1st Boat in Water | - | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 |
| 2nd Boat in Water | - | - | - | - | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 | 587,500 |
| General Maintenance | - | 25,000 | 25,000 | 25,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| 1st Boat on dry dock | - | - | - | - | - | 200,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| 2nd Boat transferred from dry dock | - | - | - | - | - | - | - | - | 100,000 | 125,000 | 150,000 | 200,000 |
| Travel Lift (6 boats) | | | | | | | | | | | | |
| Major Refit | | | | | | | | | | | | |
| SALES REVENUE | - | 612,500 | 612,500 | 612,500 | 1,225,000 | 1,425,000 | 1,525,000 | 1,525,000 | 1,625,000 | 1,650,000 | 1,675,000 | 1,725,000 |
| DOCKAGE REVENUE | | | | | | | | | | | | |
| Electric | - | 15,000 | 15,000 | 15,000 | 30,000 | 35,000 | 38,000 | 38,000 | 40,000 | 41,000 | 41,000 | 43,000 |
| Storage and Rent | - | 6,000 | 6,000 | 6,000 | 12,000 | 14,000 | 15,000 | 15,000 | 16,000 | 16,000 | 16,000 | 17,000 |
| Environmental & SRLI | - | 18,000 | 18,000 | 18,000 | 37,000 | 42,000 | 45,000 | 45,000 | 48,000 | 49,000 | 50,000 | 51,000 |
| Dockage | - | 6,000 | 6,000 | 6,000 | 12,000 | 14,000 | 15,000 | 15,000 | 16,000 | 17,000 | 17,000 | 17,000 |
| Total Dockage Revenue | - | 45,000 | 45,000 | 45,000 | 91,000 | 105,000 | 113,000 | 113,000 | 120,000 | 123,000 | 124,000 | 128,000 |
| Commissions | - | 3,063 | 3,063 | 3,063 | 6,125 | 7,125 | 7,625 | 7,625 | 8,125 | 8,250 | 8,375 | 8,625 |
| Total Sales | - | 660,563 | 660,563 | 660,563 | 1,322,125 | 1,537,125 | 1,645,625 | 1,645,625 | 1,753,125 | 1,781,250 | 1,807,375 | 1,861,625 |
| Direct Cost of Sales | | | | | | | | | | | | |
| Direct Labor | 118,824 | 176,241 | 192,465 | 200,590 | 200,590 | 212,589 | 321,663 | 321,663 | 321,663 | 329,788 | 329,788 | 337,913 |
| Materials | - | 74,000 | 74,000 | 74,000 | 147,000 | 171,000 | 183,000 | 183,000 | 195,000 | 198,000 | 201,000 | 207,000 |
| Subcontractors | - | 282,000 | 282,000 | 282,000 | 564,000 | 656,000 | 702,000 | 702,000 | 748,000 | 759,000 | 771,000 | 794,000 |
| TOTAL DIRECT COST OF SALES | 118,824 | 532,241 | 548,465 | 556,590 | 911,590 | 1,039,589 | 1,206,663 | 1,206,663 | 1,264,663 | 1,286,788 | 1,301,788 | 1,338,913 |
| Indirect Cost of Sales | | | | | | | | | | | | |
| Overhead M&R | - | 9,188 | 9,188 | 9,188 | 18,375 | 21,375 | 22,875 | 22,875 | 24,375 | 24,750 | 25,125 | 25,875 |
| Depreciation and Amortization | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 | 41,725 |
| TOTAL INDIRECT COST OF SALES | 41,725 | 50,913 | 50,913 | 50,913 | 60,100 | 63,100 | 64,600 | 64,600 | 66,100 | 66,475 | 66,850 | 67,600 |
| DOCKAGE COST OF SALES | | | | | | | | | | | | |
| Electric | - | 14,000 | 14,000 | 14,000 | 28,000 | 32,000 | 34,000 | 34,000 | 37,000 | 37,000 | 38,000 | 39,000 |
| Storage and Rent | - | 5,000 | 5,000 | 5,000 | 10,000 | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 13,000 | 14,000 |
| Indirect Overhead- M&R | - | 18,000 | 18,000 | 18,000 | 37,000 | 43,000 | 46,000 | 46,000 | 49,000 | 50,000 | 50,000 | 52,000 |
| Cost of Sales Dockage | - | 37,000 | 37,000 | 37,000 | 75,000 | 86,000 | 92,000 | 92,000 | 99,000 | 100,000 | 101,000 | 105,000 |
| Total Cost of Sales | 160,549 | 620,154 | 636,378 | 644,503 | 1,046,690 | 1,188,689 | 1,363,263 | 1,363,263 | 1,429,763 | 1,453,263 | 1,469,638 | 1,511,513 |
| GROSS PROFIT | (160,549) | 40,409 | 24,185 | 16,060 | 275,435 | 348,436 | 282,362 | 282,362 | 323,362 | 327,987 | 337,737 | 350,112 |
| | | 6% | 4% | 2% | 21% | 23% | 17% | 17% | 18% | 18% | 19% | 19% |
| Operating Expenses | | | | | | | | | | | | |
| Administrative Salaries | 55,792 | 61,750 | 61,750 | 61,750 | 61,750 | 66,083 | 66,083 | 79,083 | 79,083 | 79,083 | 79,083 | 79,083 |
| Sales and Marketing Salaries | - | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 | 19,500 |
| Advertising and Marketing Expenses | 114,000 | 106,900 | 51,400 | 47,650 | 35,000 | 91,400 | 28,550 | 31,400 | 54,500 | 29,400 | 31,900 | 91,400 |
| Office | 5,000 | 1,838 | 1,838 | 1,838 | 3,675 | 4,275 | 4,575 | 4,575 | 4,875 | 4,950 | 5,025 | 5,175 |
| Telephone and Internet | - | 613 | 613 | 613 | 1,225 | 1,425 | 1,525 | 1,525 | 1,625 | 1,650 | 1,675 | 1,725 |
| Computer Expenses | 10,000 | 613 | 613 | 613 | 1,225 | 1,425 | 1,525 | 1,525 | 1,625 | 1,650 | 1,675 | 1,725 |
| Rent | - | - | - | - | - | - | - | - | - | - | - | - |
| Insurance | - | 4,288 | 4,288 | 4,288 | 8,575 | 9,975 | 10,675 | 10,675 | 11,375 | 11,550 | 11,725 | 12,075 |
| Professional Fees | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Truck Expense | - | 306 | 306 | 306 | 613 | 713 | 763 | 763 | 813 | 825 | 838 | 863 |
| Travel and Entertainment | - | 919 | 919 | 919 | 1,838 | 2,138 | 2,288 | 2,288 | 2,438 | 2,475 | 2,513 | 2,588 |
| Total Operating Expenses | 194,792 | 206,725 | 151,225 | 147,475 | 143,400 | 206,933 | 145,483 | 161,333 | 185,833 | 161,083 | 163,933 | 224,133 |
| Profit before Interest and Taxes | (355,341) | (166,316) | (127,040) | (131,415) | 132,035 | 141,503 | 136,878 | 121,028 | 137,528 | 166,903 | 173,803 | 125,978 |
| INTEREST EXPENSE | (16,877) | (18,565) | (20,253) | (33,754) | (23,628) | (50,631) | (50,631) | (50,631) | (50,631) | (50,631) | (50,631) | (59,070) |
| PROFIT/(LOSS) Before Taxes | (372,218) | (184,881) | (147,293) | (165,169) | 108,407 | 90,871 | 86,247 | 70,397 | 86,897 | 116,272 | 123,172 | 66,908 |
| Taxes | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Income after Taxes | (372,218) | (184,881) | (147,293) | (165,169) | 108,407 | 90,871 | 86,247 | 70,397 | 86,897 | 116,272 | 123,172 | 66,908 |

2.0 Schedule for Construction

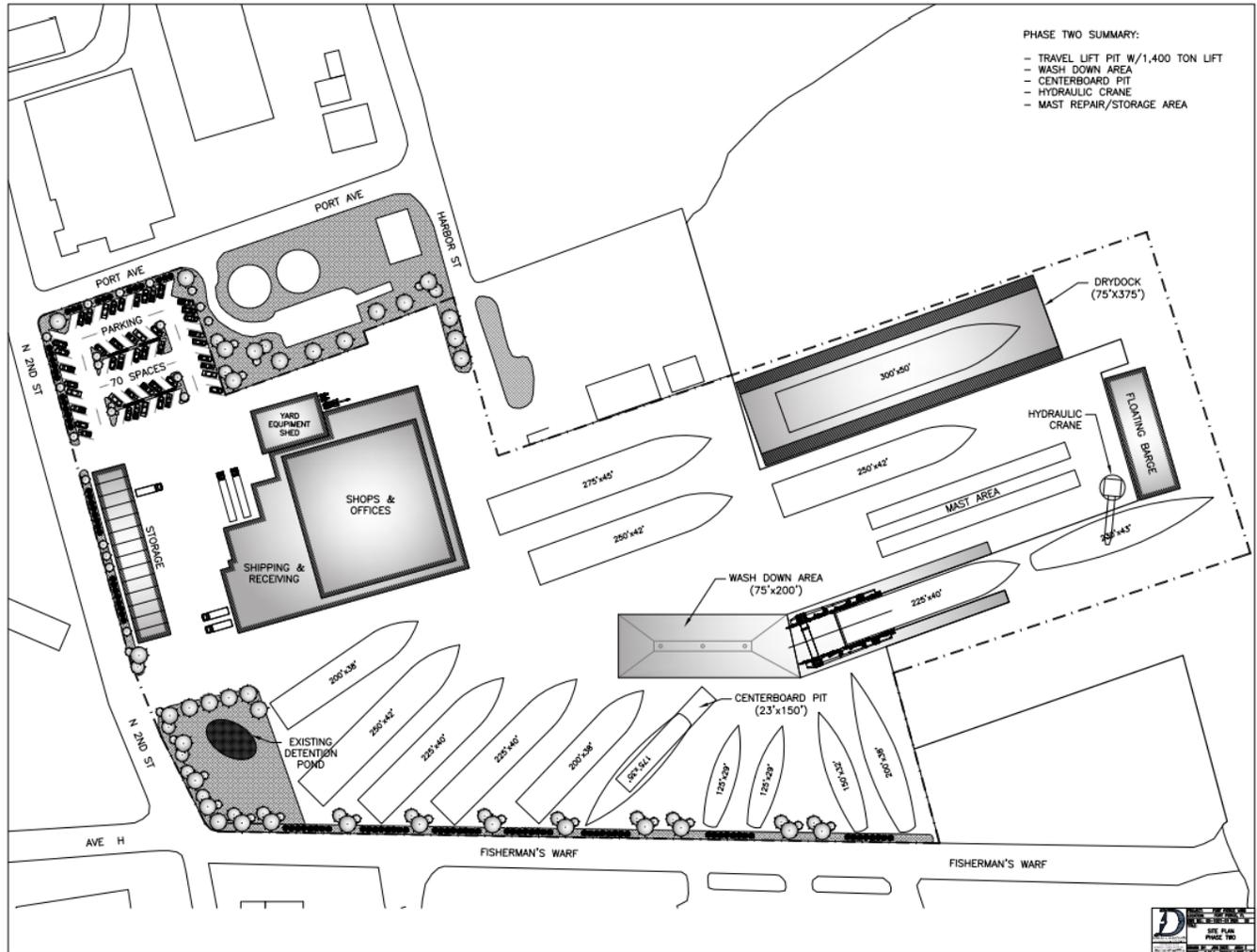
Phase I *November 2018 – September 2019*

- Commence site work and set up of infrastructure including building refit
- Demolition of south building
- Procure, permit, locate and operate 4500 ton drydock on site
- Design and install vessel transfer system to allow transfer off drydock and throughout yard
- Upgrade electrical service on site
- Bulkhead and pier improvements
- Install yard equipment including cranes, forklifts, ramps, etc.



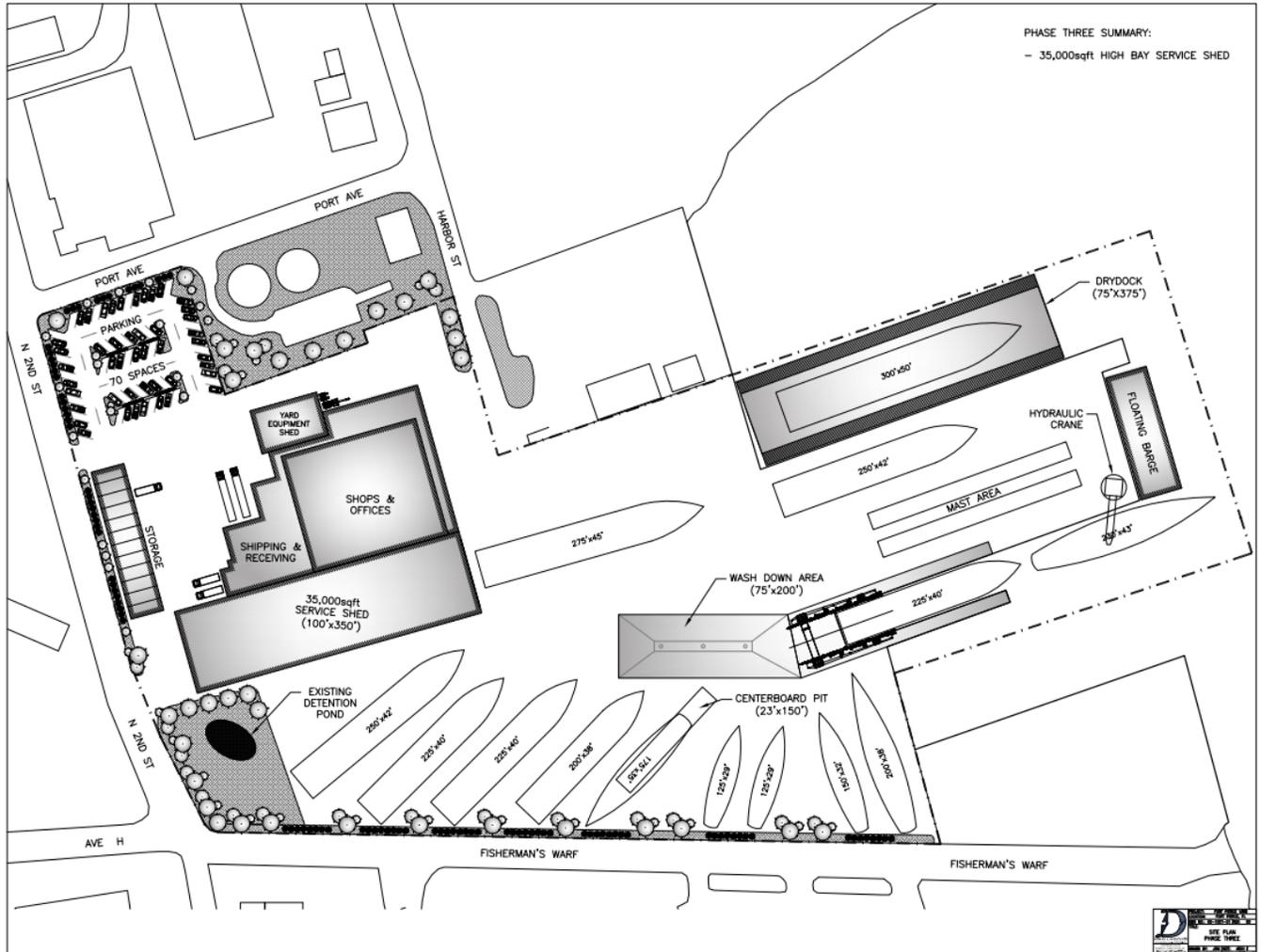
Phase II June 2019 – February 2020

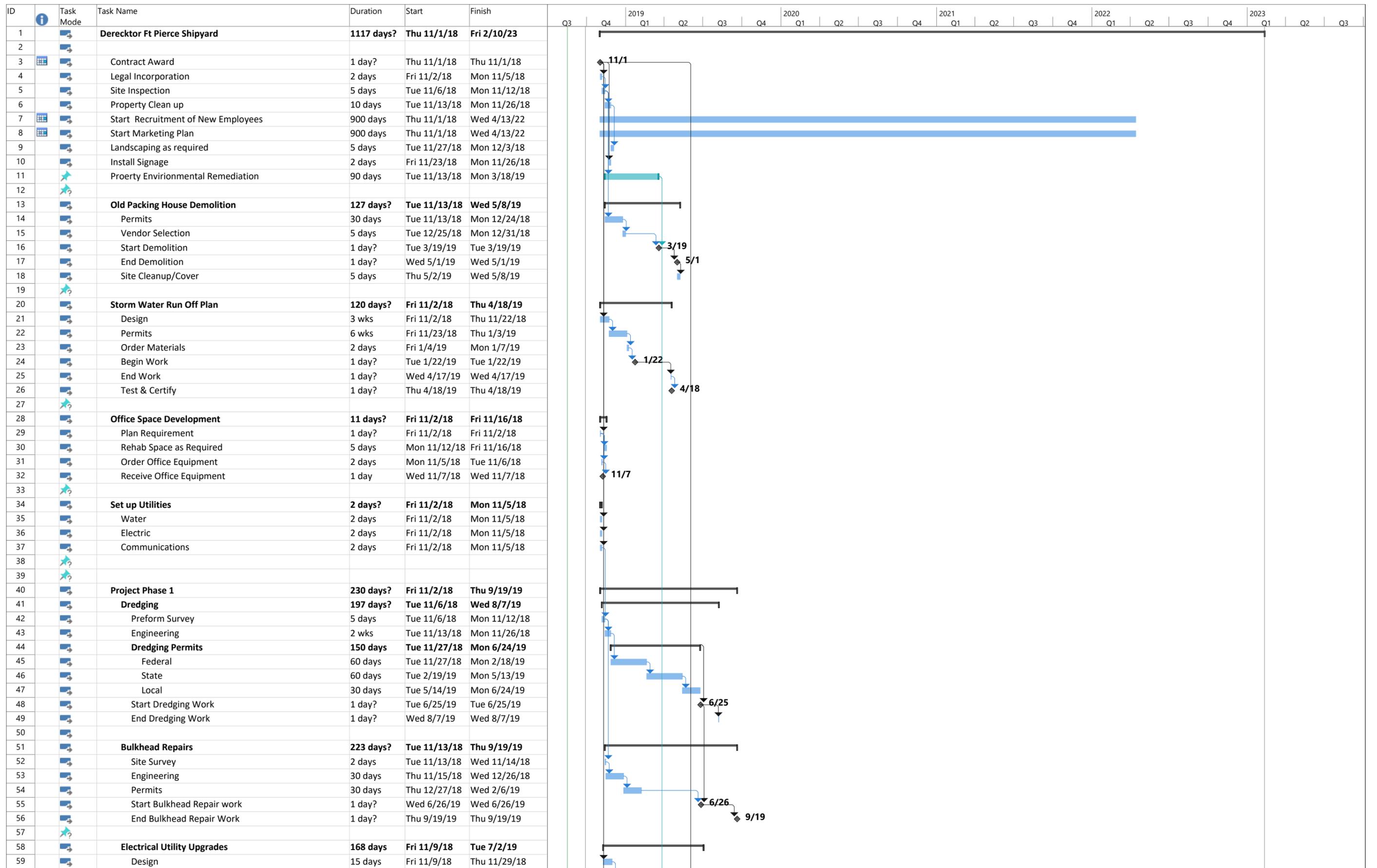
- Procure, permit and put 1400-ton mobile hoist in operation on site
- Design and install wash-down and filtration system in conjunction with mobile hoist
- Construct keel and centerboard pit to accommodate sailing yachts on land
- Design and construct stormwater runoff system



Phase III August 2021 – February 2023

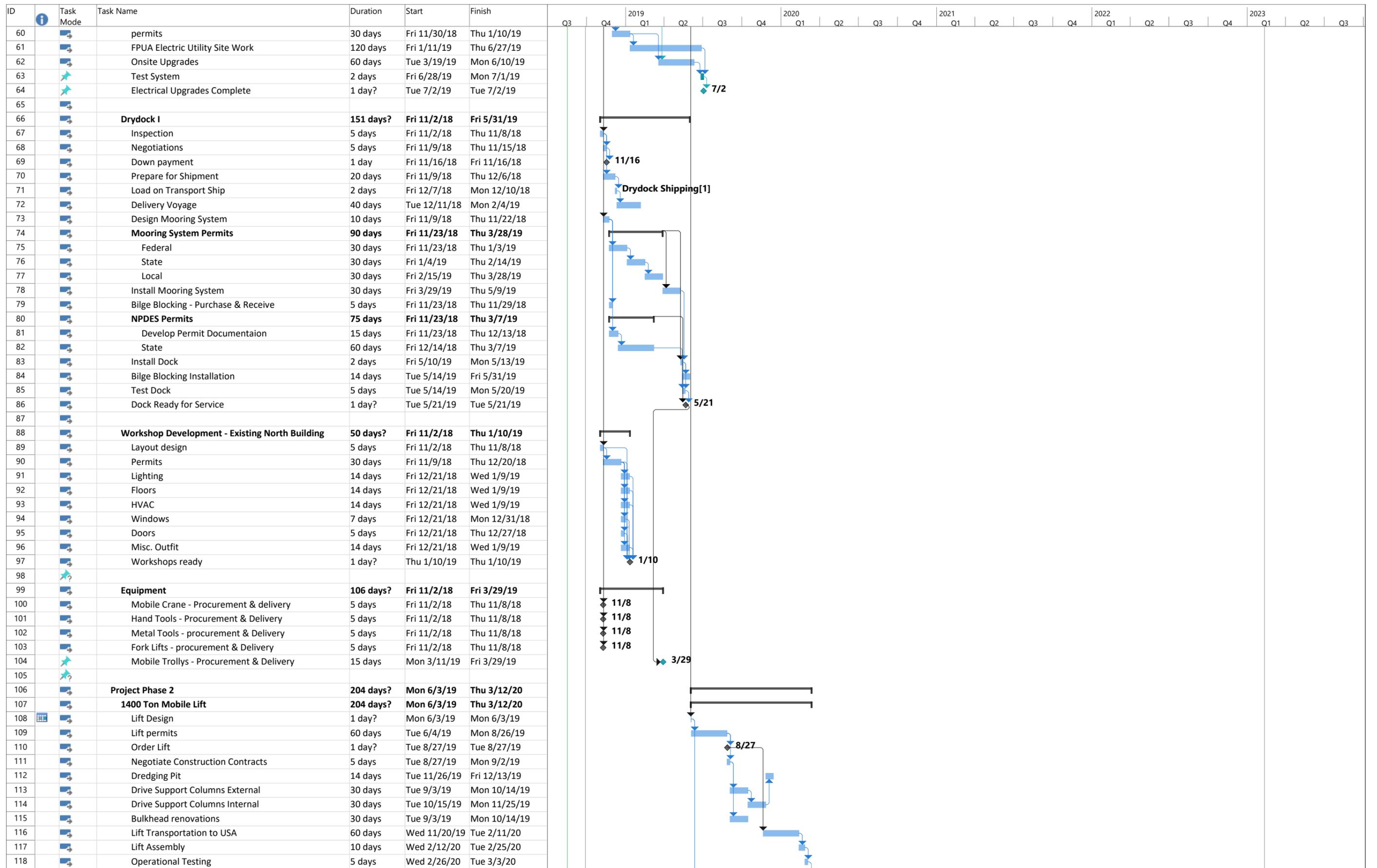
- Design, permit and construct climate controlled 300' x 100' paint and yacht refit hall
- Construct and outfit machine and metal fabrication shop





Project: DFPS Master Schedule
Date: Fri 8/17/18





Project: DFPS Master Schedule
Date: Fri 8/17/18



| ID | Task Mode | Task Name | Duration | Start | Finish | 2019 | | | | | | | | | | | | 2020 | | | | 2021 | | | | 2022 | | | | 2023 | | |
|-----|-----------|----------------------------------|------------------|-------------------|--------------------|------|----|----|----|----|----|----|----|----|----|----|----|------|----|----|----|------|----|----|----|------|--|--|--|------|--|--|
| | | | | | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | | | | | | |
| 119 | | Crew Training | 5 days | Wed 3/4/20 | Tue 3/10/20 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 120 | | Lift Certification | 1 day? | Wed 3/11/20 | Wed 3/11/20 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 121 | | Lift Completion Certificate | 1 day? | Thu 3/12/20 | Thu 3/12/20 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 122 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 123 | | Wash Area | 66 days? | Tue 6/4/19 | Tue 9/3/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 124 | | Design Wash Area | 14 days | Tue 6/4/19 | Fri 6/21/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 125 | | Permits | 30 days | Mon 6/24/19 | Fri 8/2/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 126 | | Order Materials | 3 days | Mon 8/5/19 | Wed 8/7/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 127 | | Re Level Grade | 5 days | Mon 8/5/19 | Fri 8/9/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 128 | | Piping | 5 days | Mon 8/12/19 | Fri 8/16/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 129 | | Filtration | 4 days | Mon 8/19/19 | Thu 8/22/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 130 | | Holding Tanks | 2 days | Fri 8/23/19 | Mon 8/26/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 131 | | Pressure Wash Equipment | 1 day | Thu 8/29/19 | Thu 8/29/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 132 | | Test Washdown System | 2 days | Fri 8/30/19 | Mon 9/2/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 133 | | Wash Area Completion Certificate | 1 day? | Tue 9/3/19 | Tue 9/3/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 134 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 135 | | Project Phase 3 | 396 days? | Fri 8/6/21 | Fri 2/10/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 136 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 137 | | Large Yacht Repair Hall | 396 days? | Fri 8/6/21 | Fri 2/10/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 138 | | Building Design | 30 days | Fri 8/6/21 | Thu 9/16/21 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 139 | | Permits | 60 days | Fri 9/17/21 | Thu 12/9/21 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 140 | | Building Construction | 12 mons | Fri 12/10/21 | Thu 11/10/22 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 141 | | Building Inspection | 5 days | Fri 11/11/22 | Thu 11/17/22 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 142 | | Building out Fit | 60 days | Fri 11/18/22 | Thu 2/9/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 143 | | Certificate of Occupancy | 1 day? | Fri 2/10/23 | Fri 2/10/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Project: DFPS Master Schedule
Date: Fri 8/17/18

| | | | | | | | | | | | | | |
|-----------|--|-----------------|--|--------------------|--|-----------------------|--|----------------|--|--------------------|--|-----------------|--|
| Task | | Summary | | Inactive Milestone | | Duration-only | | Start-only | | External Milestone | | Manual Progress | |
| Split | | Project Summary | | Inactive Summary | | Manual Summary Rollup | | Finish-only | | Deadline | | | |
| Milestone | | Inactive Task | | Manual Task | | Manual Summary | | External Tasks | | Progress | | | |

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3.0 Financial Plan

All projected revenues and expenses are based on a combination of market research and results of our 71 years of experience. Revenues in year one includes dockside work, which is a mix of painting and mechanical interior upgrades. Upon delivery of the dry dock (month 6) we will be able to increase sales by billing for work done both on the dry dock and one boat taken off the dry dock.

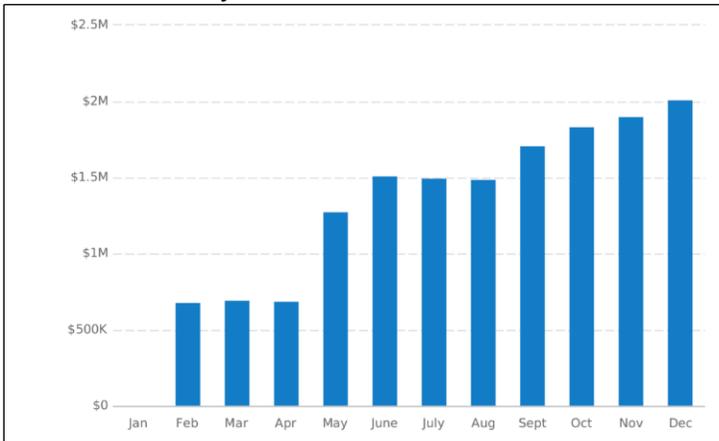
Our forecast includes a large increase in revenues in year 2 with the delivery of the United States largest mobile lift. This will allow service of up to 10 boats at the same time “on the hard”. DFP will become profitable in our second year of operation. Initial growth will be financed by a combination of equity investment and debt financing. Our ratios are well within prudent limits and our growth plans are challenging, but realistic. The tables in this section explain the detail behind our financing plan and our growth plans.

As you can see from our detailed forecast, we view this investment as a strong business opportunity. The first year detailed monthly projections are included in the Section 1.0. We have planned for relatively aggressive but stable general economic growth and an interest rate on borrowing of 6.0%.

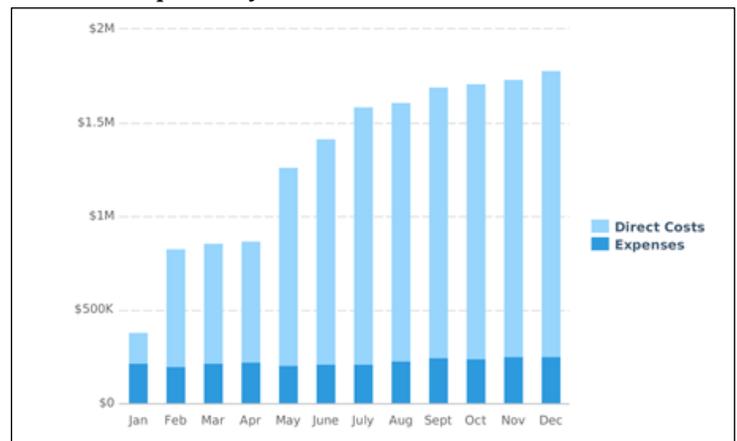
Typically, boat owner’s payment terms are Net-5 days and they are expected to pay their bill upon leaving the yard. We are conservative in our assumptions with an average of a 30-day payment schedule.

Our payments to vendors are assumed at under 30 days. All payments and commitments to the County will be bonded.

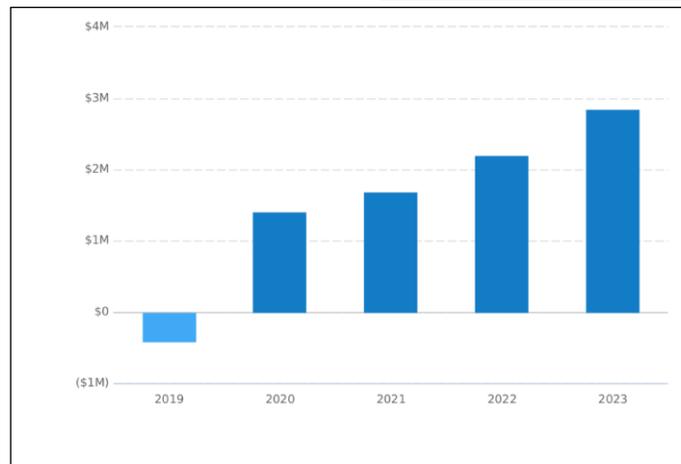
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



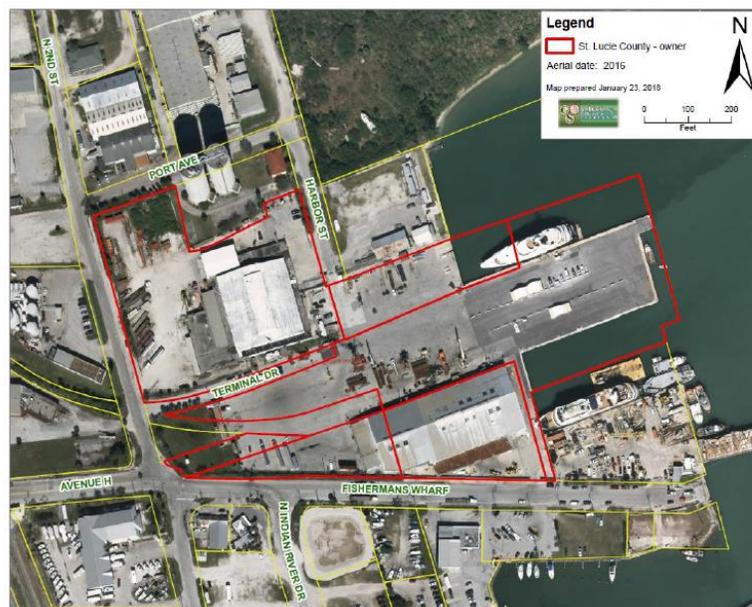
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4.0 Business Plan

4.1 Executive Summary

Derecktor Holdings, Inc. (DHI) is the parent company of three Derecktor family owned shipyards located on the east coast of the United States. Robert E Derecktor, Inc. of Mamaroneck, New York and Derecktor Florida, Inc of Dania Beach, Florida are wholly owned subsidiaries of Holdings. Derecktor Maine, LLC of Georgetown, Maine is owned in partnership with John Koenig, Communications Director for DHI. Derecktor has a world-wide reputation for the construction of high-quality custom yachts, complex refits and technically superior commercial vessels that dates to its founding in 1947.

DHI will create a new entity, Derecktor Fort Pierce (DFP), to develop and operate a new facility expressly designed and built to service yachts over 200 ft and 900 tons. These vessels are beyond the capacity of all but a few U.S. yards - including Derecktor's Dania facility. Using the expertise and knowledge gained through 71 years as a leader in the American yachting industry, DFP will develop a shipyard capable of fully competing with the leading international megayacht facilities within five years of start-up. The yard will also be an economic force in St Lucie County, creating close to 200 full-time jobs and hundreds more through subcontractors, suppliers and customer vessels. When complete, DFP will be the only yard in the U.S. built expressly for the service of megayachts.



Over the past 30 years, the “megayacht” has become a reality. Today, there are an estimated 250 private yachts over 200 feet globally.

Derecktor Florida has played a role in and benefited from this market growth by becoming the leading large yacht repair and refit facility in South Florida. As mentioned in our earlier RFQ response, the Dania facility has been running at capacity for some time and must also turn down work due to facility limitations. We have heard from numerous customers (see attachments in appendix) who are eager for us to be able to accommodate their larger vessels, which DFP would do comfortably. This existing demand creates a uniquely favorable initial situation. Yet that is just a potential early boost. We plan to extensively market and promote the new facility, to both existing and new customers in the worldwide market. As a result of a new and uniquely capable facility we foresee attracting yachts not currently choosing South Florida for service. As an example, the large sailboat market is currently largely untapped by U.S. shipyards. There are an estimated 300 or more sailing yachts over 100 feet worldwide. The requirements of these vessels for deep draft access and berthing, unlimited overhead clearance, and large hauling capacity, along with the expertise needed to service them, provides them with few, if any, U.S. options. DFP will

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change that. We anticipate that a significant portion of our business going forward will come from this fleet. Please see the attached letter from Perini Navi in the appendix. Alongside these vessels are the large power yachts which require the kind of hauling capacity and expertise that few yards can offer but DFP will. Read more about the market and competitive advantages of DFP in the Marketing Plan included in this submission.



Beginning with dockside service activities, DFP will steadily expand its capabilities with the completion of the workshops and warehousing areas. Initially, vessels will be tented and boomed for a safe and controlled environment to conduct surface preparation and painting dockside. Additional services such as interior, mechanical, electrical and electronic upgrades will also be conducted.

The process to permit, transport install and test the new 100m 4500 ton drydock will begin on day one. It is anticipated that the dock will become operational during Q2 of 2019. We have experience with drydocks unique to U.S. yacht yards, having both built and operated several docks during the last 50 years.



Soon after the start date, DFP will begin the design, permitting, installation and testing of a new high capacity mobile boat lift. The company currently owns and operates an 900T machine in Dania. The 1400 Ton machine in Ft

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Pierce will be the largest in the USA. When complete the device will lift and transport yachts up to 300 feet anywhere on the facility grounds. To work in conjunction with this lift DFP will install a dedicated, state-of-the-art, vessel wash down and containment system to comply with the Florida Clean Marina program and the County master plan.



Moving forward, as laid out in our site plans, we will refurbish existing buildings and construct new. In fact, we have determined that since DFP will be at the center of our future operations, that moving DHI corporate headquarters to Ft. Pierce is in our and the new yard's best interest. We therefore plan to do so within the first three years.

4.2 Opportunity



America’s next great mega-yacht center. That’s what we at Derecktor see when we look at the Port of Ft. Pierce. A shipyard surpassing any in the U.S. in capability and technology. A bustling, state-of-the-art port facility filled with skilled workers, engineers, yacht crews and owners, and yes, the world’s great yachts. A destination to equal Palma de Mallorca, Newport, Rhode Island, Ft. Lauderdale or any port in the world with the facilities and abilities for the repair, refit and berthing of the world’s ever-growing fleet of ever-growing yachts. A support community of suppliers and subcontractors. In short, a thriving new maritime hub. That’s what we envision in our proposal to create Derecktor Ft. Pierce (“DFP”).

We believe the Port of Ft. Pierce is ideal for such a future. Superior access through the inlet unobstructed by bridges or long channels, a deep and wide turning basin, combined with substantial existing wharf and apron areas all benefit the site. Land access is excellent, and the proximity to the suppliers and skilled marine trades labor market of South Florida is an important factor. These all add to our confidence that a major shipyard catering to the mega-yacht market will succeed in the port.

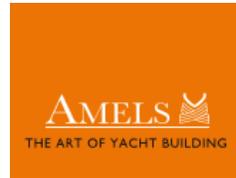
Yet the most compelling factor in forming this positive outlook is our history of success in developing, growing and operating facilities extremely similar in purpose and function. Fifty-one years ago, and 110 miles to the south of Ft. Pierce, Bob Derecktor took an undeveloped piece of property on the Dania Cut-Off Canal and began transforming it into what is now, in the opinion of many, the finest large yacht repair and refit yard in Florida. Today Derecktor Florida handles over 250 yachts annually for service ranging from emergency repair to paintwork to extensive multiyear refits. We have continually improved and updated the yard to meet the demands of a growing and changing market, while building an unrivalled reputation within the mega-yacht world. According to the recent refit study polling published in the April 2018 issue of Superyacht Report, “past work and reputation” is the most important factor for decision makers when choosing a refit yard, so this bodes extremely well for us at DFP.

Consider that the same issue of Superyacht Report put the average cost of a refit at \$3,816,890 on a yacht in the 50-70-meter range and at \$7,502,000 for yachts in the 70 meter and up category. As mentioned above, the global large sailing yacht (over 120 ft.) fleet has almost no viable service options in the U.S. due to depth and height limitations

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and DFP would offer this ever-expanding market a desirable option on this side of the Atlantic. We see a tremendous opportunity in the Port of Ft. Pierce to not only meet this existing demand but to create a comprehensive facility which will attract new market segments and help maintain Florida's world-wide leadership in mega yacht service.

During its 71-year history, Derecktor has serviced many of the world's best-known yachts - vessels from the finest builders in the world. A complete list of these builders is in the appendix along with letters from clients regarding their experience with Derecktor.



4.3 The Mission

To make the Port of Ft. Pierce a destination for megayacht service, repair and overhaul to the benefit of the customers, the employees, the business and the community.

4.4 Business Model

The business model for DFP is quite straightforward in description, but extremely complex in execution. DFP will be in the business of repairing and refitting the global fleet of megayachts. It will have the facilities and personnel to enable it to carry out the most difficult jobs on the world's most sophisticated yachts. The physical yard, the management and the workforce will be equal to the best in the industry worldwide. Building on Derecktor's global reputation and bolstered by comprehensive marketing, advertising, public relations and sales programs, the yard will attract the world's top yachts. Projects will include everything from varnishing woodwork to major structural modification to complete vessel refits.

That's the model. Simple enough. The execution however, as discussed here and in previous submissions, is something else again. It is a daunting task. Yet we approach it with enthusiasm - enthusiasm stemming from our 71 years of building shipyards and both building and repairing yachts. We know what it takes and are prepared to do it.

4.5 Services

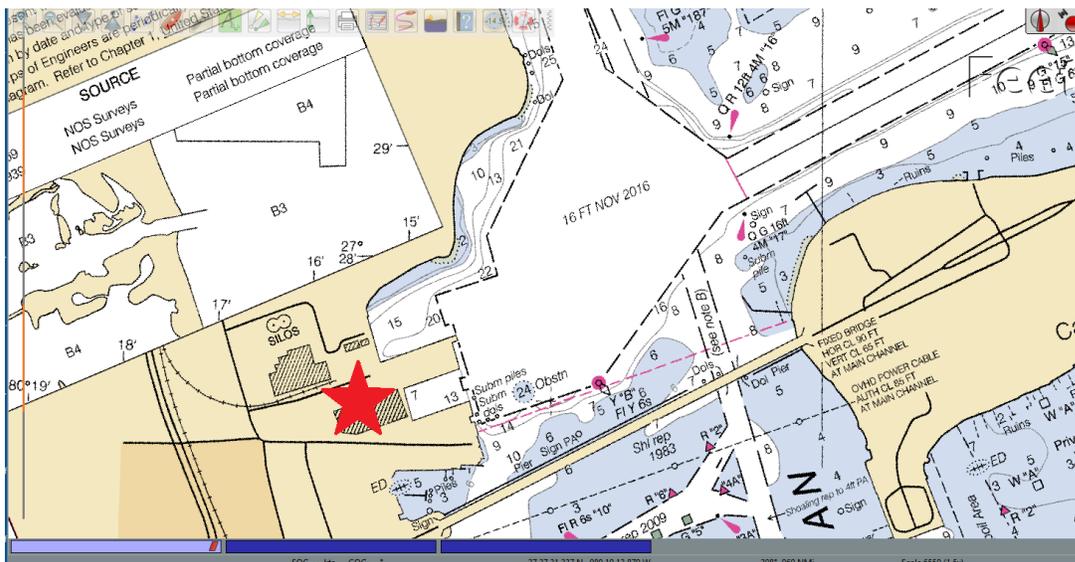
DFP will provide all the services associated with large yacht repair and overhaul projects. The following is a partial listing of these.

| Item | Basic Description |
|--------------------------|---|
| Metal Repair | Aluminum and steel welders certified to ABS & Lloyds |
| Custom metal fabrication | Aluminum, CuNi, stainless steel, bronze |
| Custom Joinery Work | Full Carpentry Shop |
| Shaft & Prop | Alignment, repair, ABS approved, stainless steel-clad welding of shafts |
| Composite Work | Carbon, fiber, epoxy, polyester, vacuum-bagging, high-tech cores |
| Propulsion | Repowering, alignment, repair |
| Paint/Finish | Bright-work, topsides, superstructure, non-skid, bottom paint, Ameron, Dupont (Imron®), International, US Paint (Awlgrip®), Jotun |
| Rigging | Standard, running, hardware |
| Vessel Haul Out | Vessel removed from the water by mobile hoist or drydock. |

With dockside access of 972 linear feet of available space in -water services can include everything from multi - million-dollar exterior painting jobs to simple repairs.

As new and updated facilities and equipment come on- line the service offerings will expand to include vessel haul - outs and major refit and structural services.

When the 100M drydock comes on line in 2019 Ft Pierce will become the only dedicated megayacht haul-out facility in Florida. With a 100-mile range to Ft Lauderdale, crews will soon see the advantage of the DFP experience.



We have developed a comprehensive plan to operate within the 12.5 acres owned by the County of St Lucie.

Large yacht repair requires specialized industries and services that will be initially supported by the South Florida marine trades community. As projects increase vendors will be encouraged to set up local shops to continue their operations.

The property enjoys major benefits from the county’s recent investment in the adjoining roadways and infrastructure however the site will need a major upgrade to the electrical services to the site. DFP will work with the Fort Pierce Utilities Authority and local electrical contractors to increase the electrical capacity at the facility.

The Derecktor Fort Pierce (“DFP”) we envision, as reflected in the plans and drawings contained in our response will be the most complete, capable, technically and environmentally advanced facility in the country.

4.6 Workshops and Offices

DFP will utilize the North building for operations, and warehousing. With its approximately 33000-sq. ft. of general warehouse area, 3400-sq. ft. of loading docks, 2870-sq. ft. of cooler storage, 12860-sq. ft. of office space, and approximately 7500-sq. ft. of shop area, it will be a perfect base of operations for DFP.

The offices will be maintained in a manner customary to the yachting community with comfortable meeting areas and access to the latest Information Technology services will foster the proper environment. The building will be brought up to code as necessary by working with the Ft Pierce Building Department (FPBD).

4.7 Hours of Operation

The main office will be open from 7:30 am to 4:00 pm Monday through Friday. The billable workday will operate Monday through Friday from 7:30am to 4:00pm with an unpaid lunch period between 12:00 and 12:30pm. Two 10-minute work breaks will occur at 10:00am and 2:30pm. Hours worked outside of these hours or on weekends will be billed as overtime at a premium rate.

DFP business hours will be as follows:

| | |
|-----------|---------------|
| Monday | 07:30 – 4:00 |
| Tuesday | 07:30 – 4:00 |
| Wednesday | 07:30 – 4:00 |
| Thursday | 07:30 – 4:00 |
| Friday | 07:30 - 4:00 |
| Saturday: | 07:30 – 12:00 |
| Sunday: | Closed |

Twenty-Four Hour (24) Seven Day (7) per week Emergency Yacht Repair Services will be available by telephone and other electronic devices requests.

4.8 Suppliers & Indirect Services

To support a large yacht repair facility several hundred suppliers will be utilized. Every effort will be made to demonstrate the viability for subs to relocate to St Lucie County to take advantage of the pro-business atmosphere that exists there. Real estate opportunities and the proximity to the St Lucie County Airport are all positive influences for expansion and relocation. When possible, St Lucie County businesses will be the first choice for all purchases.

The following is a list of business types within St Lucie County area that can be utilized from day one.

| | | | |
|-------------------------|------------------------------|--------------------------------|------------------------------|
| Food Service Truck | Food Prep | Solid Waste Removal | Liquid Waste Removal |
| Scaffolding/Shrink-wrap | Pipe Supply | Steel & Aluminum Supply | Hull Polishers |
| Electrical Supplies | Paint | Electric Cart supply | Facility Security |
| Fuel & Oil Supplies | Hydraulic Supplies | Hand tools | Stockroom Supplies |
| Lumber Supply | Sandblast Materials | Crew transportation | Crew Housing |
| Crew Meals | Crew Laundry | Boat provisioning | Portable Water Supply |
| Yacht Upholstery | Interior Furnishings | Engine servicing | Generator Services |
| HVAC Contracting | Glass Subcontractors | Carpet Installation | Personal Watercraft Supply |
| Diving Equipment | Stabilizer Equipment Service | Electronics Supply and Service | Appliance Supply and Service |
| Legal Representation | Accounting Services | Banking Services | Public Relations |
| Catering Services | Signage | Communications Equipment | Facility Construction |

4.9 New Construction- Future Opportunity



Figure 1 Bridgeport Facility 2010

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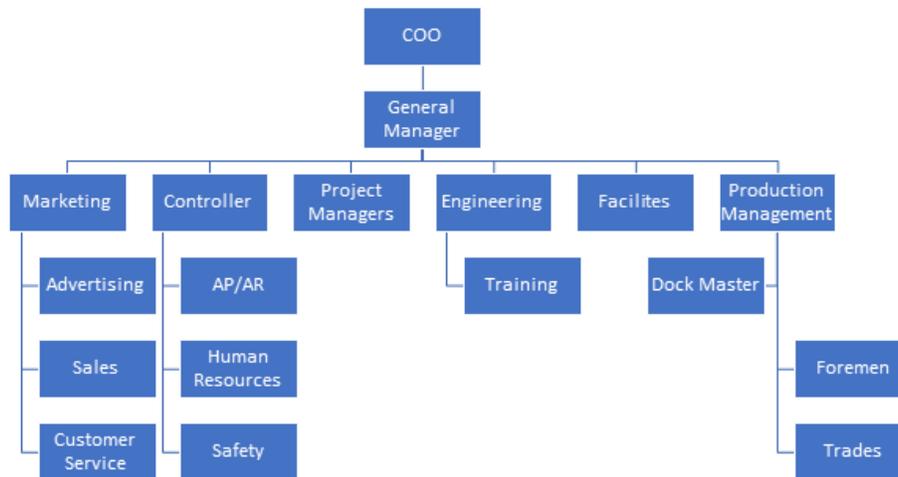
DFP will in the future be able to offer large yacht new construction capabilities once a new large yacht maintenance hall is completed in years 5-7. This capability will help increase and stabilize workflow and maintain and expand the workforce for years to come. In the case of a downturn in new yacht demand, as has happened in the past, the company will be able to continue with its primary business of megayacht repair and overhaul.

The long-term plan is to construct a building measuring 300 x 100 x 100. This will provide a purpose - built climate-controlled space that will be utilized for new construction, refit, and paint work.

4.10 Management

DFP will use a management structure proven to be effective in the Dania yard.

Direct managerial involvement in individual jobs will be a characteristic of the operation. Project Managers will provide a conduit for continuous communication with customers. All Foremen and above involved in technical and trade areas will require 10 years of previous yacht and ship repair and maintenance experience.



4.11 Jobs and Employment

DFP will advocate for diversity in its workforce when we fill the approximately 200 permanent direct jobs. In order to fully staff the facility, both initially and throughout its growth, we will rely on our recruiting and training programs. These have proved very successful over many years of developing and staffing our shipyards. We will recruit locally and expect to draw heavily from St Lucie County. The initial build-out and site work is expected to be done almost exclusively with local firms and workers. With the strong base of skilled marine professionals in South Florida, and the well-known and respected Derecktor brand, we expect to be able to attract excellent people for the shipyard operation, many locally and some who may relocate to the area. We will have a staffed HR office at startup and will use recruitment services and advertising as needed. Our history of training and apprenticeship is well established - Derecktor trained people are found throughout the worldwide yachting and marine communities.

4.12 Training

The future success of any business relies upon training. To meet our business goals, we are committed to teach our trades, so others may learn and benefit. Derecktor has a long history of starting new employees under the guidance of long-time employees. Today 3rd generation Derecktor workers are found at our yards following the same guidelines their forebears did of starting in the “bilge” (lowest part of a ship) and moving upward.

DFP will establish a training program in cooperation with the City, County and State of Florida. Indian River Community College is an excellent resource for this effort and we look forward to implementing the plans which are outlined and detailed in another section of this submittal.

Job descriptions:

General Manager

Oversees all aspects of the shipyard and is responsible and accountable for the performance of shipyard personnel for safety, quality, cost, and scheduling including the administrative functions needed to support shipyard operations.

Accounts Payable/Receivable

Obtains revenue and pays invoices by verifying transaction information; scheduling and preparing disbursements; obtaining authorization of payment.

Human Resources

Responsible for recruiting, screening, interviewing and placing workers. Handles employee relations, payroll, benefits, and training. Plans, directs and coordinates the administrative functions of the organization.

Training Supervisor

Develops and administers training programs for employees, assesses training and development needs for organizations, helps individuals and groups develop skills and knowledge, creates training manuals, presents in-person training sessions, monitors training for effectiveness.

Warehouse Supervisor

Oversees all warehouse activities, including shipping and receiving materials or goods, maintaining inventory levels and recording warehouse information.

Receptionist

Welcomes visitors by greeting, welcoming, and directing them appropriately; notifies company personnel of visitor arrival; maintains security and telecommunications system.

Security

Maintains safe and secure environment for customers and employees by patrolling and monitoring premises and personnel.

Project Manager

Project manager is responsible for the direction, coordination, implementation, executive, control and completion of project, while remaining aligned with strategy, commitments and goals of the organization.

Yard Manager

Responsible for overseeing shipyard vehicle operators, laborers, helpers, and material movers. Ensures safety procedures are followed and accuracy in order fulfillment and receiving procedures.

Dock Master

Oversee all dock activities, train crew, establish procedures, maintain dock equipment, and coordinate, plan and execute all dock operations.

Fabrication Foreman

Leads, supervises and oversees fabrication employees to ensure assigned work conforms to quality, time and productivity

Exterior Paint Foreman

Leads, supervises and oversees exterior painters to ensure assigned work conforms to quality, time and productivity

Marine Pipefitter Foreman

Leads, supervises and oversees marine pipefitter to ensure assigned work conforms to quality, time and productivity

Mechanical Foreman

Leads, supervises and oversees mechanics to ensure assigned work conforms to quality, time and productivity

Electrical Foreman

Leads, supervises and oversees electricians to ensure assigned work conforms to quality, time and productivity

Joinery Foreman

Leads, supervises and oversees joinery employees to ensure assigned work conforms to quality, time and productivity

Exterior Outfit Foreman

Leads, supervises and oversees exterior outfitters to ensure assigned work conforms to quality, time and productivity

Machine Shop Foreman

Leads, supervises and oversees machine shop employees to ensure assigned work conforms to quality, time and productivity

Fabrication

Utilizes technical drawings to construct and lay out metal structural parts, such as plates, bulkheads, and frames, and braces them in position within hull of ship

Welder

Responsible for welding FCAW, GMAW, SMA and TIG processes in the fabrication, joining, and or repair of marine vessels.

Exterior Paint

Clean and prepares wood, fiberglass, and metal surfaces for painting, and paints parts, equipment, and exteriors of ships, boats, and shipyard and marina buildings, using brushes, spray guns, and rollers.

Marine Pipefitter

Responsible for installing complex systems together on the ship and in the shop, must able to read and interpret blueprints, fabricate and install pipe systems of all types of materials and sizes; cut, prep, and test them in repair vessel and new construction.

Mechanical

Performs skilled work in the maintenance and repair of marine engines, marine machinery and related equipment

Electrical

Repairs, maintains, and installs wiring, motors, transformers, generators, lighting and other electrical systems for new construction and repair/refitting of yachts and commercial vessels.

Joinery

Responsible for constructing, erecting, installing, joining, and repairing the wood parts on new construction jobs and repair/refitting of yachts and commercial vessels. Participate in the repair, maintenance, inspection, and installation of systems and joinery level crafts projects.

Exterior Outfit

Responsible for installing, testing and inspecting ship machinery and equipment for new construction and repair/refitting of yachts and commercial vessels.

Machine Shop

Interpret mechanical drawings and ensure products are produced to specifications in an efficient manner. Set up machines, adjust settings, perform calibration, maintenance and repairs.

Dry Dock and Mobile Lift

Raise and support a ship out of water; safely maintaining that position throughout the period of work on the ship; and safely return it to its normal floating position.

Sales

Builds and creates company business by identifying and selling prospects; maintaining relationships with clients.

Marketing

Support online and offline marketing and advertising initiatives with the goal of expanding brand awareness within targeted, relevant audiences.

4.13 Financial Qualifications

We appreciate the opportunity to enter into a long-term agreement for the operation and development of the former Indian River Terminal, a part of Port of Fort Pierce, Florida.

Derecktor is well a managed and financially stable company. As you may expect, it starts with our leadership team. Our CEO, Chief Operating Officer, nearly all our executive leaders have each been with the company for over 20 years. We also have a seasoned financial management team that includes a CFO, with a CPA certification and master's in finance.

We understand the hallmarks of well run and financially stable companies. Derecktor was incorporated in 1947 and celebrated our 70th year in business last year. This longevity demonstrates our ability to weather financial downturns in the economy. What may be a better statement of financial strength is our ability to routinely guarantee the construction costs of projects that exceeded \$40 million in 2017.

Our banking relationships are very strong. We maintain a cash balance of more than \$10 million and over \$10 million in lines of credit. We can also readily establish project specific lines of credit as needed.

For the reasons stated above, we believe Derecktor has demonstrated our access to the capital and financial resources required by our proposed business plan for the successful development and operation of the Project from institutions acceptable to the County.

4.15 Community Involvement

We are committed to making DFP not only a business located in Ft. Pierce but an active and productive member of the community as well. We have a history of support for local community organizations and groups at our yards in NY, FL and Maine. We sponsor scholarships, contribute to and sponsor fundraisers, and support local educational and cultural institutions. We recently hauled and launched the vessel Mary B, the oldest surviving Bath - built schooner, for the Maine Maritime Museum (of which we are a sponsor) in Bath, ME.

DFP community involvement will include the continuation of environmental clean-ups and artificial reef building. Since 1975 Derecktor Dania has been actively engaged in the annual waterway cleanup of Broward County collecting hundreds of tons of waste. This year we also joined in the Treasure Coast Waterway Cleanup. We look forward to actively supporting local and county civic and non-profit organizations working to make Ft. Pierce and St. Lucie County better places to live and work. We will work to make our impact - through hiring locally, through responsible environmental stewardship, through good corporate citizenship - a positive one.

4.16 Startup/Acquisition Summary

Startup will begin with an in-depth review of facility constraints and known issues. As new information arrives on the property conditions plans shall be adjusted accordingly. One of the first priorities will be the acquisition and installation of the floating drydock, followed by the demolition of the South building (King Terminal Building) DFP will schedule the arrival of the first megayachts as soon as the necessary temporary services are in place (estimated week 2-3).

4.17 Company Ownership

Derecktor Fort Pierce will be a registered St Lucie County company, incorporated in the state of Florida. The primary member is Paul Derecktor. The company will offer all employees Industry Standard wages and benefits including overtime, health and a 401K plan.

4.18 Permits / Business Licenses

The business will require permitting on a Federal, State, County and Local level. some examples follow.

Environment – Stormwater Runoff. the yard will comply with all Florida Department of Environmental Protection (DEP) regulations by implementing an approved management plan based on Best Practice (BMP) guidelines. The company will apply for a Multi Sector Permit (MSP) to comply with National Pollutant Discharge Elimination (NPDES) for a Point Source Discharge activity for the operation of the floating Dry Dock.

Due to the Cone of Silence, the company has not been able to engage the City of Fort Pierce nor County officials to move any further on this topic. However, upon the conclusions of these negotiations all efforts will be made to ensure a smooth process for all parties.

4.19 Marketing

Bolstering the efforts to bring in large yacht repair business will be a robust marketing and sales effort, aided by our collaboration with leading international subcontractors and suppliers, aimed at the international mega-yacht market. This will build readily from our existing programs targeting segments of the same general customer base. We plan on expanding these, adding new personnel with specific expertise in the markets we will pursue, along with implementing advertising and public relations across a variety of media (print, digital, direct), boat shows and conference venues. We have repeatedly demonstrated our team's ability to build business through such efforts and strongly believe that, given the unique benefits DFP will offer, we will do the same here.

Please see the accompanying Marketing Plan (section 9.2) for a full discussion and calendar.

4.20 Transaction with the County

Subject to negotiation and County input, we propose the following structure for the business transaction with the County

- Property Owner: Saint Lucie County (SLC)
- Property Tenant: Derecktor Fort Pierce (DFP)
- DFP would be a Tenant on the Subject property paying Rent/Fees to SLC during the term of a negotiated land lease.
- DFP would propose that any real property improvements or build outs paid by Tenant should be the subject of negotiated credits or offsets issued by SLC to DFP
- SLC to work with DFP to decrease impact fees and permit costs.
- DFP would propose a long-term Lease – 20 to 30 Years with such Terms and Conditions to reflect, among others, the goals of the Public/Private Partnership concepts set out in the RFQ to further include standard Public Lands Lease provisions. Extension terms should also be discussed.
- Rental fees to SLC to be negotiated to include minimum agreed payments to SLC with alternative Variable Fees as a percentage of Sales and Revenues. DFP would propose that First Year fees be waived or substantially reduced considering the time frame and Tenant investment necessary to prepare the land and facilities for production.

5.0 Financial Pro- Forma

Use of funds

Derecktor Holding's is committed to investing up to \$10,000,000 of private funds. We are investing as equity, not loans to the corporation and do not expect to be paid interest or a dividend on the funds.

Megayacht refit and repair is our only business and we are engaged for the long term.

We intend to complement the \$10,000,000 equity investment with up to \$10,000,000 in borrowing for the project from Bank United. See appendix for copies of bank statements representing cash on hand and letter from Bank regarding borrowings.

The money will be invested in both leasehold improvements to the land and existing building and the purchase of new equipment. The funds from equity and borrowing will allow us to immediately purchase a dry dock and commit to the construction of the USA's largest mobile lift.

The dry dock will cost more than \$5,000,000 and will be available within 6-7 months of the start of operations. The mobile lift will be delivered one year after the purchase order is placed. This \$6,000,000 plus investment will allow us to transfer multiple boats around the yard and will be an important milestone in the development of the port's activity and revenue.

We do not plan on taking any distributions or interest on our contributions to the new organization, this will allow us to invest all profits back into the business and grow much quicker.

Derecktor Fort Pierce Shipyard Business Plan

Profit and Loss

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------|---------------|---------------|----------------|----------------|
| Sales | | | | | |
| Service Revenue | \$ 14,212,500 | \$ 35,930,000 | \$ 41,380,000 | \$ 44,080,000 | \$ 46,442,500 |
| Dockage Revenue | \$ 1,052,000 | \$ 2,666,000 | \$ 3,076,000 | \$ 3,273,000 | \$ 3,461,000 |
| Commission Income | \$ 71,063 | \$ 179,650 | \$ 206,900 | \$ 220,400 | \$ 232,213 |
| Total Sales | \$ 15,335,563 | \$ 38,775,650 | \$ 44,662,900 | \$ 47,573,400 | \$ 50,135,713 |
| Cost of Service | | | | | |
| Direct Labor Service | \$ 3,063,779 | \$ 7,297,086 | \$ 8,295,456 | \$ 8,323,397 | \$ 8,630,752 |
| Materials Service | \$ 1,707,000 | \$ 4,314,000 | \$ 4,968,000 | \$ 5,292,000 | \$ 5,570,000 |
| Subcontractors Service | \$ 6,542,000 | \$ 16,529,000 | \$ 19,036,000 | \$ 20,274,000 | \$ 21,367,000 |
| Total Direct Cost of Service | \$ 11,312,779 | \$ 28,140,086 | \$ 32,299,456 | \$ 33,889,397 | \$ 35,567,752 |
| INDIRECT COST OF Service Revenue | | | | | |
| Overhead | \$ 213,188 | \$ 538,950 | \$ 620,700 | \$ 661,200 | \$ 696,638 |
| Depreciation | \$ 500,700 | \$ 1,285,425 | \$ 1,736,400 | \$ 1,736,400 | \$ 1,736,400 |
| Total Indirect Cost of Sales | \$ 713,888 | \$ 1,824,375 | \$ 2,357,100 | \$ 2,397,600 | \$ 2,433,038 |
| Cost of Dockage | | | | | |
| Electric | \$ 321,000 | \$ 807,000 | \$ 932,000 | \$ 992,000 | \$ 1,042,000 |
| Storage and Rent | \$ 113,000 | \$ 288,000 | \$ 332,000 | \$ 352,000 | \$ 371,000 |
| Indirect Overhead | \$ 427,000 | \$ 1,075,000 | \$ 1,240,000 | \$ 1,323,000 | \$ 1,390,000 |
| Total Cost of Sales Dockage | \$ 861,000 | \$ 2,170,000 | \$ 2,504,000 | \$ 2,667,000 | \$ 2,803,000 |
| Total Cost of Sales | \$ 12,887,667 | \$ 32,134,461 | \$ 37,160,556 | \$ 38,953,997 | \$ 40,803,790 |
| GROSS PROFIT | \$ 2,447,896 | \$ 6,641,189 | \$ 7,502,344 | \$ 8,619,403 | \$ 9,331,923 |
| | 16% | 17% | 17% | 18% | 19% |
| Operating Expenses | | | | | |
| Administrative Salaries | \$ 830,375 | \$ 949,000 | \$ 949,000 | \$ 949,000 | \$ 949,000 |
| Sales and Marketing Salaries | \$ 214,500 | \$ 364,000 | \$ 364,000 | \$ 374,833 | \$ 494,000 |
| Advertising and Marketing Expenses | \$ 713,500 | \$ 600,000 | \$ 600,000 | \$ 600,000 | \$ 600,000 |
| Office | \$ 47,638 | \$ 107,790 | \$ 124,140 | \$ 132,240 | \$ 139,328 |
| Telephone and Internet | \$ 14,213 | \$ 35,930 | \$ 41,380 | \$ 44,080 | \$ 46,443 |
| Computer Expenses | \$ 24,213 | \$ 35,930 | \$ 41,380 | \$ 44,080 | \$ 46,443 |
| Rent | \$ - | \$ 1,163,270 | \$ 1,339,887 | \$ 1,427,202 | \$ 1,504,071 |
| Insurance | \$ 99,488 | \$ 251,510 | \$ 289,660 | \$ 308,560 | \$ 325,098 |
| Professional Fees | \$ 120,000 | \$ 35,930 | \$ 41,380 | \$ 44,080 | \$ 46,443 |
| Truck Expense | \$ 7,106 | \$ 17,965 | \$ 20,690 | \$ 22,040 | \$ 23,221 |
| Travel and Entertainment | \$ 21,319 | \$ 53,895 | \$ 62,070 | \$ 66,120 | \$ 69,664 |
| Total Operating Expenses | \$ 2,092,350 | \$ 3,615,220 | \$ 3,873,587 | \$ 4,012,235 | \$ 4,243,709 |
| Profit before Interest and Taxes | \$ 355,546 | \$ 3,025,969 | \$ 3,628,757 | \$ 4,607,167 | \$ 5,088,214 |
| Interest Expense | \$ (475,935) | \$ (746,813) | \$ (932,462) | \$ (805,883) | \$ (780,568) |
| Taxes | \$ - | \$ (797,705) | \$ (943,703) | \$ (1,330,449) | \$ (1,507,676) |
| Net Income after Taxes | \$ (120,390) | \$ 1,481,451 | \$ 1,752,592 | \$ 2,470,835 | \$ 2,799,970 |
| | -1% | 4% | 4% | 5% | 6% |

| Derecktor Fort Pierce Shipyard Business Plan | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Balance Sheet | | | | | |
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Current assets: | | | | | |
| Cash | \$ 200,000 | \$ 800,000 | \$ 1,500,000 | \$ 4,500,000 | \$ 4,000,000 |
| Accounts Receivable | \$ 1,184,375 | \$ 2,994,167 | \$ 3,448,333 | \$ 3,673,333 | \$ 3,870,208 |
| Inventory | \$ 56,850 | \$ 107,790 | \$ 124,140 | \$ 132,240 | \$ 139,328 |
| Prepaid expenses and other current assets | \$ 100,000 | \$ 200,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 |
| Total current assets | \$ 1,541,225 | \$ 4,101,957 | \$ 5,372,473 | \$ 8,605,573 | \$ 8,309,536 |
| Property, plant and equipment | \$ 12,077,000 | \$ 20,077,000 | \$ 20,452,000 | \$ 20,652,000 | \$ 26,727,000 |
| Accumulated depreciation | \$ (500,700) | \$ (1,786,125) | \$ (3,522,525) | \$ (5,258,925) | \$ (6,995,325) |
| | \$ 11,576,300 | \$ 18,290,875 | \$ 16,929,475 | \$ 15,393,075 | \$ 19,731,675 |
| Other assets: | | | | | |
| Deposits and other assets | \$ 200,000 | \$ 300,000 | \$ 300,000 | \$ 400,000 | \$ 400,000 |
| Total Assets | \$ 13,317,525 | \$ 22,692,832 | \$ 22,601,948 | \$ 24,398,648 | \$ 28,441,211 |
| Current liabilities: | | | | | |
| Current portion of debt | \$ 475,935 | \$ 746,813 | \$ 932,462 | \$ 805,883 | \$ 780,568 |
| Accounts payable | \$ 197,915 | \$ 1,092,820 | \$ 667,595 | \$ 452,960 | \$ 160,115 |
| Accrued expenses and other current liabilities | \$ 40,000 | \$ 538,950 | \$ 620,700 | \$ 661,200 | \$ 696,638 |
| Total current liabilities | \$ 713,850 | \$ 2,378,583 | \$ 2,220,757 | \$ 1,920,043 | \$ 1,637,320 |
| Debt & capital lease obligations, net current | \$ 6,524,065 | \$ 8,753,187 | \$ 7,067,538 | \$ 6,694,117 | \$ 8,219,432 |
| Stockholders' equity: | | | | | |
| Common stock | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| Additional paid-in capital | \$ 6,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ 10,000,000 |
| Retained earnings (deficit) | | \$ (120,390) | \$ 1,361,062 | \$ 3,113,654 | \$ 5,584,488 |
| Earnings | \$ (120,390) | \$ 1,481,451 | \$ 1,752,592 | \$ 2,470,835 | \$ 2,799,970 |
| Total shareholders' equity | \$ 6,079,610 | \$ 11,561,062 | \$ 13,313,654 | \$ 15,784,488 | \$ 18,584,459 |
| Total liabilities and shareholders' equity | \$ 13,317,525 | \$ 22,692,832 | \$ 22,601,949 | \$ 24,398,648 | \$ 28,441,211 |

Derecktor Fort Pierce Shipyard Business Plan

Cash Flow

| Cash Flow Statement: | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|------------------------|-----------------------|-----------------------|---------------------|-----------------------|
| Cash Flow from Operating Activities: | | | | | |
| Net Income: | \$ (120,390) | \$ 1,481,451 | \$ 1,752,592 | \$ 2,470,835 | \$ 2,799,970 |
| Depreciation: | \$ 500,700 | \$ 1,285,425 | \$ 1,736,400 | \$ 1,736,400 | \$ 1,736,400 |
| Amortization of Intangible Assets: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Stock-Based Compensation: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Goodwill Impairment: | \$ - | \$ - | \$ - | \$ - | \$ - |
| PP&E Write-Down: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Deferred Income Taxes: | \$ - | \$ - | \$ - | \$ - | \$ - |
| (Gains) / Losses on Investment Sales: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Change in Operating Assets & Liabilities: | | | | | |
| Change in Accounts Receivable: | \$ (1,184,375) | \$ (1,809,792) | \$ (454,167) | \$ (225,000) | \$ (196,875) |
| Change in Inventory: | \$ (56,850) | \$ (50,940) | \$ (16,350) | \$ (8,100) | \$ (7,088) |
| Change in Prepaid Expenses: | \$ (100,000) | \$ (100,000) | \$ (100,000) | \$ - | \$ - |
| Change in Accounts Payable: | \$ 197,915 | \$ 894,905 | \$ (425,225) | \$ (214,635) | \$ (292,845) |
| Change in Accrued Expenses: | \$ 40,000 | \$ 498,950 | \$ 81,750 | \$ 40,500 | \$ 35,438 |
| Change in Long Term Assets: | \$ (200,000) | \$ (100,000) | \$ - | \$ (100,000) | \$ - |
| Cash Flow from Operations: | \$ (923,000) | \$ 2,100,000 | \$ 2,575,000 | \$ 3,700,000 | \$ 4,075,000 |
| Cash Flow from Investing Activities: | | | | | |
| Capital Expenditures (CapEx): | \$ (12,077,000) | \$ (8,000,000) | \$ (375,000) | \$ (200,000) | \$ (6,075,000) |
| Purchases of Short-Term Investments: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Purchases of Long-Term Investments: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Proceeds from ST Investment Sales: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cash Flow from Investing: | \$ (12,077,000) | \$ (8,000,000) | \$ (375,000) | \$ (200,000) | \$ (6,075,000) |
| Cash Flow from Financing Activities: | | | | | |
| Debt Raised: | \$ 7,000,000 | \$ 2,500,000 | \$ (1,500,000) | \$ (500,000) | \$ 1,500,000 |
| Revolver Issued / (Repaid): | \$ - | \$ - | \$ - | \$ - | \$ - |
| Equity Issuance: | \$ 6,200,000 | \$ 4,000,000 | \$ - | \$ - | \$ - |
| Dividends Issued: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Share Repurchases: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cash Flow from Financing: | \$ 13,200,000 | \$ 6,500,000 | \$ (1,500,000) | \$ (500,000) | \$ 1,500,000 |
| Net Change in Cash: | \$ 200,000 | \$ 600,000 | \$ 700,000 | \$ 3,000,000 | \$ (500,000) |
| Beginning Cash Balance: | \$ - | \$ 200,000 | \$ 800,000 | \$ 1,500,000 | \$ 4,500,000 |
| Ending Cash Balance: | \$ 200,000 | \$ 800,000 | \$ 1,500,000 | \$ 4,500,000 | \$ 4,000,000 |

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6.0 Financial Statements

All company proprietary financial information will be submitted under separate cover and is to be treated as “Confidential - Business Sensitive” information and not to be disclosed to the public without prior notification.

7.0 Proposer’s Qualifications

Over the past 71 years, Derecktor has earned a worldwide reputation as both a pioneering yacht builder and as America’s leading large yacht refit yard. Along the way we have built and improved four shipyards, built and operated three drydocks, obtained and operated two of the largest mobile lifts in the world and created thriving businesses that are important members of their communities.

We have trained and employed over three thousand workers, many of whom have gone on to establish shipyards or other marine businesses. Along the way we have completed virtually every type of job on every type of vessel, from paint jobs on 285-foot megayachts to the construction of Coast Guard cutters to complex refits on yachts from the world’s finest builders. We have developed breakthrough techniques used in structural work and are considered by most experts to be the finest yard for metalwork in the U.S. Today, due to our expertise across a range of skills (including engineering and project management) we are the yard of choice for many professionals in the megayacht industry. Following are some of the yacht refits successfully completed at Derecktor.

Please see the appendix for letters regarding Derecktor from customers and leading companies in the industry.

Derecktor Florida – Partial List of Major Refits 2009 – current

| | |
|---|---|
| <p><i>2009 – AT LAST – 130’ Heesen</i></p>  | <p>Replace all major systems, including water jets</p> <p>Complete pilot house refurbishment</p> <p>Full paint and interior refit</p> |
| <p><i>2013 – THE BIG BLUE – 146’ Troy</i></p>  | <p>Hull extension including Transformer</p> <p>Helicopter deck addition</p> <p>Full mechanical refit</p> <p>Full paint</p> |
| <p><i>2013 – INGOT – 106’ Burger</i></p>  | <p>Repower – MTU to Caterpillar</p> <p>Engine bed modification</p> <p>Partial mechanical refit</p> |

| | |
|--|---|
| <p><i>2013 – DREAM 170' Feadship</i></p>  | <p>Partial mechanical refit</p> <p>Full paint</p> <p>Partial interior refit</p> |
| <p><i>2014 – HILARIUM – 131' Hakvoort</i></p>  | <p>Repower & Full mechanical refit</p> <p>Full paint, partial interior refit</p> <p>(Vessel was extended w/major structural mods. for same owner in 2008)</p> |
| <p><i>2014 – HIGHLANDER – 161' Feadship</i></p>  | <p>Hull extension including Transformer. Major re-plating</p> <p>Complete mechanical refurbishment including zero-speed stabilizers</p> <p>Full paint and complete interior refit</p> |
| <p><i>2015 – LAZY Z – 168' Oceanco</i></p>  | <p>Repower and major mechanical refit</p> <p>Structural modifications to superstructure</p> <p>Full paint</p> <p>Partial interior refit</p> |
| <p><i>2015 – TWILIGHT – 118' Burger</i></p>  | <p>Repower and major mechanical refit</p> <p>(Zero-speed stabilizer installation in 2013)</p> |

| | |
|---|---|
| <p>2015 – DOROTHEA 3 – 150 Cheoy Lee</p>  | <p>Complete mechanical refit</p> <p>Full paint</p> <p>Preparation for circumnavigation</p> <p><i>*Derecktor is currently refitting vessel for the third time in preparation for third circumnavigation</i></p> |
| <p>2016 – MEAMINA – 195' Benetti</p>  | <p>Complete mechanical refit</p> <p>Full paint</p> <p>Partial interior refit</p> |
| <p>2016 – MINDERELLA – 188' Feadship</p>  | <p>Complete mechanical refurbishment</p> <p>Major plate work</p> <p>Full paint</p> <p>Major interior refit</p> |
| <p>2017 – Carson – 150' Newcastle</p>  | <p>Structural modifications</p> <p>Hull extension including new passarelle</p> <p>Full paint</p> <p>Partial interior refit</p> |
| <p>2017 – ANODYNE – 116' Inace</p>  | <p>Complete mechanical re-placement</p> <p>Major structural modifications to hull including stern extension and midships lengthening</p> <p>Complete new superstructure</p> <p>Full paint and complete new interior</p> |

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| | |
|---|--|
| <p><i>2017 – NOBLE HOUSE – 173’ Sensation</i></p>  | <p>Complete mechanical upgrade</p> <p>Structural replacements</p> <p>Partial paint</p> <p>Class survey</p> |
| <p><i>2018 – CYNTHIA – 182’ Feadship</i></p>  | <p>Full Paint</p> <p>Mechanical upgrades</p> <p>Partial interior refit</p> |
| <p><i>2018 – VIXIT – 173’ Swedeship</i></p>  | <p>Partial Paint</p> <p>Mechanical upgrades</p> <p>Structural replacements</p> <p>Partial interior refit</p> |

8.0 Evidence of Insurance Cover



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/17/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| PRODUCER Brown & Brown of New York Inc. dba Spain Agency 625 Route 6 Mahopac NY 10541 | | CONTACT NAME: Anastasia Tsakanikas PHONE (A/C No. Ext.): (845) 628-4500 FAX (A/C No.): (845) 628-1804 E-MAIL Address: atscanikas@spainins.com | | | | | | | | | | | | | | | |
|---|--------|---|--|-------------------------------|--------|---------------------------|-------|---------------------------------------|-------|---|-------|-----------------------------------|-------|--|-------|----------------------------------|-------|
| INSURED Derecktor Holdings, Inc. 311 East Boston Post Road Mamaroneck NY 10543 | | <table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A STARR Indemnity</td> <td>38318</td> </tr> <tr> <td>INSURER B Travelers Indemnity Company</td> <td>25658</td> </tr> <tr> <td>INSURER C Travelers Property Casualty Ins. Co</td> <td>36137</td> </tr> <tr> <td>INSURER D Wesco Insurance Company</td> <td>25011</td> </tr> <tr> <td>INSURER E Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER F National Fire & Marine</td> <td>20079</td> </tr> </tbody> </table> | | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A STARR Indemnity | 38318 | INSURER B Travelers Indemnity Company | 25658 | INSURER C Travelers Property Casualty Ins. Co | 36137 | INSURER D Wesco Insurance Company | 25011 | INSURER E Continental Casualty Company | 20443 | INSURER F National Fire & Marine | 20079 |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | | | | | | | | | |
| INSURER A STARR Indemnity | 38318 | | | | | | | | | | | | | | | | |
| INSURER B Travelers Indemnity Company | 25658 | | | | | | | | | | | | | | | | |
| INSURER C Travelers Property Casualty Ins. Co | 36137 | | | | | | | | | | | | | | | | |
| INSURER D Wesco Insurance Company | 25011 | | | | | | | | | | | | | | | | |
| INSURER E Continental Casualty Company | 20443 | | | | | | | | | | | | | | | | |
| INSURER F National Fire & Marine | 20079 | | | | | | | | | | | | | | | | |

COVERAGES CERTIFICATE NUMBER: CL1871712971 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INBR LTR | TYPE OF INSURANCE | ADDL SUBR INSD WVR | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|---------------------------------|--------------------|-------------------------|-------------------------|--|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deductible: \$15,000 <input checked="" type="checkbox"/> Incl Shiprepairers Liab GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | MAB18AT00043517 | 6/1/2017 | 12/31/2018 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 Protection & Indemnity \$ Included COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| B | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS | | BA-6J19023A | 12/31/2017 | 12/31/2018 | BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| A | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE | | MAB18AT00043617 | | | EACH OCCURRENCE \$ 20,000,000 |
| C | <input checked="" type="checkbox"/> RETENTION \$ 25,000 | | EOB-13855937-17-RD | 6/1/2017 | 12/31/2018 | AGGREGATE \$ 20,000,000 Shiprepairers Liab \$ Included |
| D | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | Y/N <input type="checkbox"/> | N/A | WVC3324225 | | EL EACH ACCIDENT \$ 1,000,000 EL DISEASE - EA EMPLOYEE \$ 1,000,000 EL DISEASE - POLICY LIMIT \$ 1,000,000 |
| E | Boiler & Machinery | | 6045733384 | 12/31/2017 | 12/31/2018 | \$29,889,019 Blanket Limit Ded. \$1,000 |
| F | Property | | 42-FRP-301065-04 | 12/31/2017 | 12/31/2018 | \$25,518,955 Blanket Limit Ded. \$50,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: St. Lucie County RFQ No. 18-049 Addendum No. 4 (Fort Pierce Port)

| | |
|---|--|
| CERTIFICATE HOLDER Derecktor Holdings Inc. 311 East Boston Post Road Mamaroneck, NY 10543 | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Brian Miles/AT |
|---|--|

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Spain Agency

Your Insurance Professionals Since 1922
A BROWN & BROWN COMPANY



8/17/18

St. Lucie County Florida
ATTN: Purchasing Dept.
2300 Virginia Avenue
Fort Pierce, FL 34982

Re: Derecktor Holdings Inc.
Addendum No. 4, RFQ No. 18-049

To Whom It May Concern,

Please accept this letter as confirmation that the undersigned insurance broker or agent has reviewed the insurance requirements included in the bid and are capable of obtaining insurance that meets the requirements (including Pollution Liability) on behalf of our Insured at the limits requested.

Sincerely,

Brian Miles
Executive Vice President

9.0 Additional Information

9.1 Training Plan

9.1.1 Purpose

Derecktor Fort Pierce (DFP) is a new shipyard dedicated to the maintenance, repair and overhaul (MRO) of the world's great superyachts – a growing global fleet of complex and high-visibility vessels representing the state-of-the-art in modern yacht-building. Vessels from this fleet are between 100' and 400' in length and they regularly transit the waters of Florida's southeast coast in need of provisioning and shipyard services. The MRO of these vessels requires a dedicated workforce of highly trained tradespeople with a variety of skill sets. These occupations offer excellent compensation, continuous employment and several different career advancement opportunities. DFP is committed to St. Lucie County's community for staffing the new facility and has developed a training program to identify, recruit, train, certify and employ motivated individuals in a number of long-term trade-based careers. DFP will also partner with local agencies, providing career information within the local school system to identify opportunities for youth considering alternatives to the traditional college application process. DFP's ultimate goal is a sustainable program providing candidates with transferable skills, certifications and a path for continuing education that will develop long-term employees and fulfilling careers.

9.1.2 Program Summary

- Derecktor Fort Pierce (DFP) intends to recruit veterans and candidates from the local community via traditional methods, word-of-mouth and CareerSource Research Coast.
- Candidates are expected to undergo a pre-employment physical and drug test to ensure that he or she can sustain the physical demands of the shipyard environment.
- Once vetted, suitable candidates will be hired by DFP on a 90-day probation.
- Candidates will typically participate in all trades to determine fit within the organization, trade aptitude and personal fulfillment.
- Successful candidates will be hired full-time, with benefits, and enrolled in the DFP Apprentice Program of their choice (subject to aptitude).
- Apprentices are expected to participate in a minimum two-year program with academic training provided by Indian River State College (IRSC) and on-the-job-training (OJT) in the DFP shipyard as full-time, billable employees.
- Cross training in multiple trades will be made available to apprentices with demonstrated aptitude.
- Apprenticeships are intended to be State-registered or industry-recognized, depending upon the trade, with transferable qualifications where applicable.

9.1.3 Academic Support and Program Administration

Derecktor Fort Pierce (DFP), in partnership with Indian River State College (IRSC) of Fort Pierce, will provide practical training and academic instruction in each specific trade as part of an existing program or, where necessary, a program customized specifically for the shipyard industry. The overall goal is development of a workforce with practical skills and transferable certifications – providing equal benefits to employee and employer. IRSC is the primary provider of workforce training on the Treasure Coast and a state-designated career and technical center. DFP anticipates IRSC assuming responsibility for academic instruction and administration of both the State-registered and Industry-Recognized apprenticeship modules. IRSC is located at 3209 Virginia Avenue in Fort Pierce, within easy driving distance of the shipyard, minimizing inconvenience for apprentices transitioning between academic instruction and on-the-job training (OJT). IRSC is a member of the Florida College System earning a statewide and national reputation for excellence. Following a 57-year tradition of responsiveness to community needs, IRSC is committed to career-training, workforce and economic development of the surrounding area.

9.1.4 Recruiting

Derecktor Fort Pierce (DFP) is an equal opportunity employer. Prospective employees and apprentice candidates are expected to undergo a pre-employment physical and drug test to ensure that he or she can sustain the physical demands of the shipyard environment. DFP operates as a drug-free workplace as defined by law. The company will seek to recruit their initial workforce through traditional means, identifying trained and skilled personnel to fill vacancies via print advertising, local job fairs, CareerSource Research Coast advocacy and word-of-mouth/referrals. Preference will be given to local residents and veterans. Operational partners including specialist subcontractors will be expected to establish local facilities over time and to develop an in-house presence via local hiring. The DFP Apprentice Program is expected to begin within the first year of operation and recruiting within the local community and veteran's groups will commence immediately. Outreach to guidance departments within the local high schools will coincide with the academic year as appropriate.

9.1.5 Trades



Occupational Safety & Health Administration

Each Apprentice is expected to successfully complete 30-hour OSHA training with an emphasis on CFR 1915 (Shipyard Industry Standards)

OSHA 30-Hour General Industry Training topics offer comprehensive insight and education for health and safety workplace topics as designated by OSHA.

- Introduction to OSHA
- OSHA Inspection Procedures
- Safety & Health Programs
- Recordkeeping
- Hazard Communication
- Exit routes, Emergency Action Plans & Fire Prevention
- Fire Detection & Protection
- Electrical
- Electrical Part II
- Flammable & Combustible Liquids
- Lockout/Tagout
- Machine Guarding
- Walking & Working Surfaces
- Welding, Cutting & Brazing
- Material Handling
- Workshop
- Ergonomics
- Permit-Required Confined Spaces
- Personal Protective Equipment (PPE)
- Industrial Hygiene & Bloodborne Pathogens
- Hand & Portable Power Tools & Other Hand-Held Equipment
- Case Studies & Workshop

Welder/ Fabricator (SR)

A welder/fabricator in the marine industry is a talented craftsman capable of the layout and construction of complex shapes in both aluminum and steel. They work in all phases of vessel construction and repair, from the exterior hull to complex machinery installations. The welder apprentice is trained in the fundamental skills of blueprint reading, burning and welding to the standards developed by the American Welding Society (AWS). Welders become certified by the American Bureau of Shipping (ABS) to use the SMAW (stick welding), MIG and TIG processes for various types of material. Additional certifications for the welding of pipe and other metals in a variety of positions are available to those with demonstrated competence.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|-------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 3 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 4 | Welding theory and techniques | Basic welding practices, stick, MIG and TIG. Hot work requirements, Fire Watch procedures, Marine Chemist inspections and certificate responsibilities | 72 |
| 5 | Welding Procedures 1 | Advanced welding principles with emphasis on TIG welding processes | 72 |
| 6 | Welding Procedures 2 | Advanced welding principles with emphasis on MIG welding processes | 72 |
| 7 | Welding Procedures 3 | Advanced welding principles with emphasis on pipe-welding and pipe materials such as cupro-nickel in various positions. | 72 |
| 8 | Welding Essentials | Weld cost, definitions and terminology, welding joint design, filler metal selection, welding symbols, visual inspections, weld defects and remediation. | 72 |
| 9 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities Of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Pipefitter/ Plumber (SR)

The pipefitter is a highly skilled tradesman capable of the maintenance, repair and overhaul (MRO) of complex piping systems within a mega-yacht. Pipefitters are trained in the fundamental skills and techniques of piping fabrication, installation, inspection and testing, and perform their work in compliance with class surveyor’s standards and requirements. Pipefitters/Plumbers are responsible for the MRO of all hull penetrations including valves and over-boards and must be skilled at reading blueprints and system schematics. The pipe-welder is a highly skilled technician capable of welding a variety of materials in various positions.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|-------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 3 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 4 | Marine Pipefitting | Fundamentals of pipefitting and plumbing including tools and their uses, pipe and pipe material, valves and pipe fabrication techniques | 72 |
| 4 | Welding theory and techniques | Introduces the apprentice to basic welding practices, stick, MIG and TIG. Hot work requirements, Fire Watch procedures, Marine Chemist inspections and certificate responsibilities. | 72 |
| 5 | Welding Procedures 3 | Advanced welding principles with emphasis on pipe-welding and pipe materials such as cupro-nickel in various positions | 72 |
| 6 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Fitter/ Outside Machinist (IR)

The outside machinist is responsible for the maintenance, repair and overhaul (MRO) of propulsion machinery, sea valves, steering gear, anchor handling equipment, elevators, pumps, ventilation fans, cooling coils, refrigeration units, compressors, etc. Strong mechanical skills are required, together with an understanding of alignment theory. Aptitude for the use of math, blueprints, precision tooling, and portable machine tools is a prerequisite. The Outside Machinist must also become familiar with procedures for the precision alignment of machinery, line boring, bearing fitting, machinery assembly, precision reaming, and machinery testing.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|----------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 3 | Blueprint reading for Machinists | Introduces the apprentice to blueprint reading techniques in detail | 40 |
| 4 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 5 | Power machinery | Provides basic skills the apprentice must acquire to use standard hand and machinist tools | 72 |
| 6 | Rigging 1 | Safety, recognition of hazards, identification of loads and load angles, basic hand signals and communication, line handling | 72 |
| 7 | Equipment maintenance & repair | Provides basic skills to use to repair shipboard equipment | 72 |
| 8 | Marine System Integration | Provides basic information so the apprentice can understand the function and operation of shipboard systems | 72 |
| 9 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Heavy Lift Specialist/ Rigger/ Crane Operator/
Forklift Operator (IR)

Shipyard riggers are responsible for lifting and moving heavy and bulky objects, whether aboard vessels or around the facility. They must develop a working knowledge of various rigging equipment, including ropes, slings, shackles, clamps, chain falls, and lever hoists (come-alongs). Riggers are expected to read load charts and to calculate the weights and angles to ensure the proper lifting and transferring of heavy loads. They are responsible for line handling of cables and ropes when docking or undocking and installation of safety equipment such as nets and handrails onboard vessels. Riggers are also responsible for safe operation of mobile ship lifts, cranes, forklifts and other heavy equipment and are trained to use accepted industry hand signals involved in heavy lifts.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 3 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 4 | Rigging 1 | Safety, recognition of hazards, identification of loads and load angles, basic hand signals and communication, line handling | 72 |
| 5 | Rigging 2 | Tools, loads and stored energy, mobile boat hoist operation and safe techniques for supporting vessels on land | 72 |
| 6 | Rigging 3 | Floating Dry Dock theory, Crane theory, crane operation and forklift operation | 72 |
| 7 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Carpenter/ Joiner/ Cabinet Maker (SR)

Shipyard carpenters are expected to support all trades in a variety of disciplines – the successful candidate is equally familiar with simple construction techniques and the fine joiner-work that forms the interior of a modern superyacht. While the construction of a superyacht interior is generally executed by a modern computerized joiner-shop, the shipyard carpenter is often tasked with the disassembly and re-assembly of complex interior assemblies to provide access to systems located behind/beneath them. The shipyard carpenter is also tasked with the development of complex temporary structures and protection to facilitate the work of other trades.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 3 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 4 | Carpentry 1 | Introduction to carpentry – orientation and study of hand tools, materials, history of the trade and basic construction techniques. Shipyard support | 72 |
| 5 | Carpentry 2 | Basic machine tools and their safe operation. | 72 |
| 6 | Carpentry 3 | Instruction in modern modular construction of interior joiner components, interior finishes | 72 |
| 7 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Exterior Paint Specialist (SR)

Shipyard painters are trained as experts in coatings processes, from proper surface preparation techniques to the safe application of protective coatings. The painter must be aware of changing weather conditions such as dew points and relative humidity on the exterior and within confined spaces on superyachts, and their effect upon the coatings process. Bottom painters are certified to apply antifouling coatings. Finish painters become familiar with the application of fairing compounds and development of compound shapes per established design, the application of primer systems and finish coatings to a high standard of quality.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|-------------------------------|---|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Naval Architecture | Principles of ship construction and terminology | 72 |
| 3 | Surface Preparation | Abrasive blasting techniques, machine cleaning and other means of surface preparation, as well as the treatment of different types of surfaces found in marine applications. | 72 |
| 4 | Spray Painting | Knowledge of different application problems/challenges encountered in the painting trade. Provides knowledge of techniques of spray application and protection to prevent collateral damage | 72 |
| 5 | Anti-fouling paint | Provides instruction regarding the safe handling and application of modern anti-fouling paints and their biocides | 40 |
| 6 | Environmental Health & Safety | Safety problems/challenges encountered in the painting trade. Provides understanding of environmental issues and safety responsibilities. | 72 |
| 7 | Inspection Fundamentals | Coating inspection techniques, from surface preparation to marine coating quality defects. Provides proper procedures when using test equipment and instruments | 72 |
| 8 | Principles of Management | Development of apprentice leadership techniques. Includes day-to-day responsibilities of a foreman as well as training scenarios to prepare the apprentice for a managerial role | 72 |

Marine Electrician (SR)

The shipyard electrician is expected to understand the techniques involved in the layout, installation, hookup and testing of every electrical system aboard ship and in the shipyard. More complex systems, audio visual and navigation electronics are usually subcontracted to system-specific experts. However, the electrician must ensure that the vessel is safe to work on while in the shipyard and that systems are protected. The apprentice is expected to complete ABYC certification.



Curriculum

| Session | Academic Course | Course Description | Hours |
|---------|------------------------------|--|-------|
| 1 | Practical Math | Practical math including basic arithmetic, trigonometry and geometry | 72 |
| 2 | Naval Architecture | Principles of ship construction and terminology | 40 |
| 2 | Introduction to Shipbuilding | Blueprint reading techniques and principles. Covers major areas of ship structure. | 72 |
| 4 | ABYC course work | Basic electrical theory and fundamentals | 40 |
| 5 | ABYC course work | Multi-meter and test equipment | 40 |
| 6 | ABYC course work | Grounding and bonding systems including corrosion | 40 |
| 7 | ABYC course work | Battery installation, maintenance, testing. Including charging systems | 40 |
| 8 | ABYC course work | Inverter installation and troubleshooting | 40 |
| 9 | ABYC course work | AC shore power systems including converters | 40 |
| 7 | ABYC course work | AC generators | 40 |
| 8 | ABYC course work | AC circuits, components and distribution panels | 40 |
| 9 | ABYC course work | DC circuits, components and distribution panels | 40 |
| 10 | ABYC course work | Safety equipment | 40 |
| 11 | ABYC Certification | Study guide | - |

Project Manager/ Management Career Development (IR)

The project manager (PM) is the shipyard's single point of contact for the client, serving as the interface between the shipyard and the vessel. He/she will be responsible for, in addition to communication with the client's team, review of the initial scope of work, development of the project plan, execution of the project, billing and collections. He/she will, in conjunction with shipyard department heads, manage shipyard personnel and those subcontractors for which the yard has assumed responsibility. Typically, a PM has an industry background either in the trades or as an operator or engineer and will have a passion for project-related work.



The position requires excellent communication skills, a strong knowledge of yachts and their systems, good accounting and contract management skills. The successful PM will develop empathetic relationships with department heads and key employees and employ a proactive management style to ensure that projects are completed on-time and on-budget.

Derektor Fort Pierce (DFP) shall, where possible, promote qualified individuals from existing staff, preferring to invest in management training for personnel who have demonstrated competency within the trades and possess strong interpersonal skills and an aptitude for leadership.

The Project Management Professional (PMP) designation is considered the goal for all project managers who have been with the shipyard for 3-5 years.

9.2 Certifications & Definitions

A. *State Registered Apprenticeship (SR)*

The purpose of the registered apprenticeship program is to enable employers to develop and apply industry standards to training programs for registered apprentices that can increase productivity and improve the quality of the workforce. Apprentices who complete state-registered apprenticeship programs are accepted by the industry as journey-workers. By providing on-the-job training, related classroom instruction, and guaranteed wage structures, employers who sponsor apprentices provide incentives to attract and retain more highly qualified employees and improve productivity. Certifications earned through registered apprenticeship programs are recognized nationwide.

B. *Industry Recognized Apprenticeship (IR)*

Today, many employers and industry sectors have developed and are implementing competency-based work and learn models that link success to the mastery of established skills sets, rather than completing courses and on-the-job training based on a rigid – and sometimes arbitrary – set of hours. The Industry Recognized Apprenticeship program is a vehicle to move more traditional work and learn initiatives to higher levels of employer engagement and to achieve better outcomes for workers and employers. The Industry Recognized apprenticeship offers a pathway to learning in trades and specialties where a State Registered program is not available. Department of Labor guidelines are in development.

C. *OSHA*

The US Department of Labor Occupational Safety and Health Administration (OSHA) maintains standards specific to the Shipyard Industry contained in *Title 29 Code of Federal Regulations (CFR) Part 1915*, updated as of July 1st, 2014. Employees of employers performing shipyard activities on the shore, pier, terminal, yard, shipyard, machine shop, riverbank, etc., as well as on the vessels afloat or in drydocks or graving docks are covered by the Shipyard Standards.

D. *PMP*

Project Management Professional (PMP) is an internationally recognized professional designation offered by the Project Management Institute (PMI). As of March 2018, there are 833,025 active PMP certified individuals and 286 chartered chapters across 210 countries and territories worldwide. The exam is based on the PMI Project Management Book of Knowledge.

9.3 Marketing Plan

The vigorous and proper marketing of Derecktor Fort Pierce is critical to its success. Yet any successful marketing campaign starts with the product or service itself. The product, (in this case the shipyard) and its features, the benefits it offers the customer, its advantages over the competition, is essential in making any campaign truly effective. That said, intelligent, thoroughly planned and well executed advertising, communications and public relations efforts are vital in reaching and informing the market about these attributes.

For these reasons, we are confident we will develop and implement a particularly effective marketing plan.

First, what we are marketing will be a shipyard unlike any other in the U.S. As discussed in our initial RFQ response and detailed in this supplement, DFP will be the only purpose-built facility in the country dedicated to the repair, refit and rebuilding of power and sailing yachts of over 900 tons and 60 meters. It will be capable of serving a global market of large yachts that to date has had limited or no choices for repair or refit in the U.S. This, combined with the history, reputation and human and technical resources of Derecktor, will make DFP uniquely beneficial to customers and provide us a tremendous opportunity to present it to the market.

Second, we have marketing, sales and advertising experience and expertise that few, if any, industry competitors can match. For 71 years, Derecktor has been building a brand that today is known throughout the global yachting community. Throughout the industry, Derecktor has become synonymous with the highest standards of craftsmanship, technical expertise and efficiency. Along the way we have built yards and businesses from scratch into market leaders. The knowledge gained through this will be invaluable in marketing DFP successfully.

We also have within our own organization the ability to create advertising and communications materials in a variety of media. Our people have done this for our yards and a variety of other marine businesses as well as for major international corporations. Having such capability in-house lets us combine full understanding of our business, the industry and the market with the professional skill to seamlessly communicate it to customers and decision makers. Examples of our advertising over the years can be found in the appendix.

Great weather isn't the only reason Ft. Lauderdale has become the Yachting Capital of the World.



Sure, sun and sand have made South Florida one of the world's favorite destinations. But for those involved with yachts, particularly large yachts, there is a greater attraction. Over the last half-century, Ft. Lauderdale has become the undisputed mecca of megayacht service, repair and refit. At Derecktor we're proud to be one of the driving forces behind this phenomenon. Today we are widely recognized as the most complete megayacht facility on the East Coast of the U.S., regularly handling multiple vessels of up to 200 ft. We have continually upgraded and improved our shipyard to lead the market, culminating in the addition of our 900-ton mobile hoist. Yet while the boats and equipment have changed over time, our near-legendary commitment to craft, customers and detail has not.

As we mark the 50th anniversary of Derecktor in Florida, we invite everyone in the yachting community to celebrate with us.



DERECKTOR
NEW YORK + FLORIDA + MAINE SINCE 1947

775 Taylor Lane, Dania Beach, FL 33004, USA
+1 954.920.5756 | www.derecktor.com

NEW YORK + FLORIDA + MAINE

We will also utilize the services of specialists in specific areas including public and press relations, digital and social media and event planning.

Our sales team will include full-time representatives of DFP - building on our existing team already representing Dania Beach yard. They will travel to wherever yachts and customers are worldwide; we know that personal contact and relationships are key to bringing a global clientele (much of which has not previously looked to the U.S.) to Ft. Pierce. Our people are also frequent speakers at international yachting conferences, further enhancing our position in the market.

Further, we have strategic alliances with subcontractors, shipyards, suppliers, brokers and industry professionals throughout the world. These allow us to cooperatively advertise and market and also as a valuable source of leads and referrals. Indeed, Perini Navi of Italy, which is the leading builder of large sailing yachts worldwide, with 62 vessels built and 6 under construction since 1983, has already stated their intent to refer their vessels to DFP. A letter regarding this and noting that this represents the first viable option for them in the U.S., is found in the appendix along with letters from other leading European builders. We also welcome the possibility of collaborating with St. Lucie County and the City of Ft. Pierce on joint marketing efforts aimed at the business community. Finally, we would develop a community outreach campaign aimed at the local communities of St. Lucie County, to introduce the County. This campaign would introduce DFP, announce our job fairs and events such as open houses, and provide information relevant to the community.

In all, we plan a comprehensive approach to communications, marketing and sales. The relatively small size of the potential customer pool allows for effective targeting of decision makers. Even so, we project a substantial budget of approximately \$600,000 a year for this effort with a strong emphasis on introducing the new yard.

The plan can be outlined as follows:

Goal: To introduce DFP as the first and only repair and refit facility in the U.S. designed, constructed and operated to serve the world's megayacht fleet, particularly power and sailing yachts of over 900 tons. To establish and grow a global brand identity capitalizing on Derektor's reputation and tremendous breadth of experience building and refitting the world's great yachts.

Target Market: Decision makers in the management of megayachts, both sail and power, worldwide. Includes owners, captains, managers, owners' representatives, brokers, surveyors and other influencers. The world's large yacht fleet is estimated to exceed 2000 yachts over 120 feet in length and 250 over 200 feet in length and 900 tons displacement. Although we will pursue both groups and, our strongest focus will be on introducing the latter to the new facility. Given the numbers, we will be able to effectively and efficiently get our message to the right people. We also believe that the worldwide refit business for large sailing yachts (over 125 ft.) has been virtually untapped by U.S. yards due to both lack of proper facilities and an absence of effective worldwide marketing. We will reach this community and communicate the unique benefits DFP presents them.

Competition: Worldwide there are a number of commercial shipyards that can offer the capability of DFP. However, very few are dedicated exclusively to megayachts and megayacht owners generally prefer dedicated service when it is available. For smaller yachts (up 180ft) there are perhaps 100 capable yards globally. In the U.S., only 6 yards (Savannah Yacht Center – Savannah, GA, Rybovich – West Palm Beach, FL, RMK Merrill Stevens – Miami, FL, Jones Boatyard – Miami, FL, Bradford Bahamas – Grand Bahama, BAE Jacksonville – Jacksonville, FL) are able to compete for service on yachts over 200 feet and 900 tons. Even fewer are ideal for, or even truly capable of handling large sailing yachts in excess of 125 ft. None of these yards are purpose built for the service of megayachts and none carry the global Derektor reputation. Therefore, a competitive advantage exists within the U.S. We will exploit this in building and growing our business. Note European competition: MB92 – Barcelona, Spain; Monaco Marine - La Ciotat, France; Palumbo – Marseilles, France; STP – Palma, Spain; Astilleros de Mallorca – Palma, Spain; Amico – Genoa, Italy; Lusben – Livorno, Italy; Feadship – Makkum, Holland; Pendenis – Falmouth, England; Compositeworks – La Rochelle, France

Market Strategy: Position DFP as the premier facility for mega yacht maintenance, repair and overhaul (MRO) in the U.S., and one of the top few choices in the world. Communicate the unique aspects of DFP - its singular

capabilities combined with the renowned expertise and experience of Derecktor. Leverage the reputation and 71 year history of Derecktor as a yachting pioneer to our advantage.

Creative Strategy: Establish a voice for DFP - a tone and manner reflecting the attributes and character of the business, building on the Derecktor brand but having a distinct identity. Present the unmatched professionalism, experience and expertise of the people of Derecktor along with the new and unique capabilities of the facility itself. Convey the benefits of these attributes in a way that both informs and involves the customer. Develop campaign materials consistent with this in print and digital formats. Create a graphic identity including a logotype.

Sales:

Constant e-mail and telephone follow-up to CRM (Salesforce) data-base of Captains and influencers to solicit opportunities to bid

Sales trips to cold-call vessels:

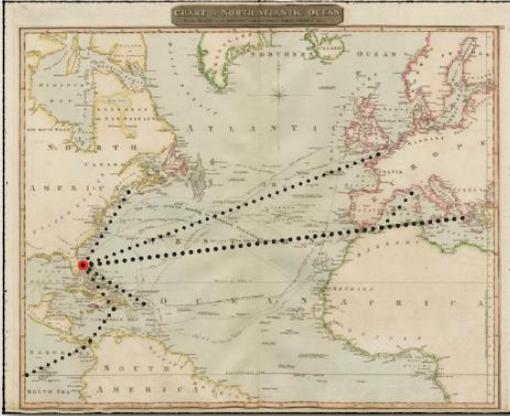
- *February – Antigua/St. Maarten + Florida marinas + New England marinas*
- *March – St. Thomas, USVI + Florida marinas + New England marinas*
- *April – Bahamas + Florida marinas + New England marinas*
- *May – Mediterranean + Florida marinas + New England marinas*
- *June – Bahamas + Florida marinas + New England marinas*
- *July – New England, Mediterranean + Florida marinas + New England marinas*
- *August – New England + Florida marinas + New England marinas*
- *September – Mediterranean (with MYS) + Florida marinas + New England marinas*
- *December - Antigua Charter Show*

Public Relations: This is an important component, particularly during the start-up and introductory phase. Along with in-house PR efforts, an industry-specific PR firm will be retained to extend our communication reach in the megayacht community. In addition to press events and relations, the firm will assist in event planning both at the yard and at yachting sites worldwide. Events to announce the new yard will be held at international yacht shows as well as on-site in Ft. Pierce.

Print Advertising: A variety of magazines and publications aimed at the mega yacht community of owners, crew, managers, subcontractors, brokers, etc. will be utilized. These include *Boat International*, *Dockwalk*, *Triton*, and *Superyacht Report*. Yacht shows and event programs will also be used. These offer an excellent opportunity to announce the new yard.

Sample Ad:

A Message to Megayachts Everywhere: Prepare to Alter Course.



Introducing Derecktor Ft. Pierce:
America's First Shipyard built exclusively
for Megayachts.

Cdbdbcebjbjebjebbbejhehdbebjbebjnjenke
ncejwnx. Gdgahjadhbcbjbbbejbacshe njksbdx
onclnwnxxojoejoinecejwkwxewbuiicecenciein
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DEREKTOR
FT. PIERCE
No Job Too Big.

Digital: Advertising through the online versions of industry publications, as well as online only directories, will be used. Campaigns will include banner and display ads targeted to specific audiences as well as search ads and introductory announcements. A website linked to the other Derecktor yards but designed specifically for DFP will be created. Online media providers such as Google Adwords will be used to place material on relevant sites and pages. Develop video presentation.

Social Media: All forms of social media will be active, including Facebook, Instagram, and Twitter. Weekly advertisements and boosted posts will be targeted toward megayacht decision makers and the international community. Once all accounts are set up, select influencers will be contacted to promote yard capabilities.

Direct Mail and Direct Digital: Direct contact through targeted email lists will be used as will select mailings of printed material. These will primarily be used to announce news or special programs and events. Apps including Yachting Pages and YachtNeeds will be used to further the digital accessibility of the business.

NEW YORK ↓ FLORIDA ↓ MAINE

Yacht Shows, Conferences, Events and Yard Visits: Grand Opening press and public event on-site Ft. Pierce, Exhibit and press and trade events at Monaco Yacht Show, Fort Lauderdale International Boat Show, exhibit at Refit Show, Miami Show, Palm Beach Show, attend Pinmar Golf, Antigua Charter Show, etc. Attend and participate at METS, Global Superyacht Forum.

Strategic Alliances: Leverage existing relationships and create new alliances with suppliers, subcontractors and major global megayacht yards for cross promotion, co-op advertising and event sponsorship along with direct referral. Several strong relationships with multinational industry companies will expand our reach. These include the major global paint contractor Pinmar, the marine electrical and leader Ward's Marine Electric, Superyacht Chandler National Marine Suppliers, Shipyards Monaco Marine (France), MB92 (Barcelona, Spain), STP and Astilleros de Mallorca (Palma, Spain) and Port Whangarei (New Zealand) along with other leading players in the industry. See relevant letters in appendix.

Budget: A first year budget of between six and seven hundred thousand dollars (\$600,000 - \$700,000) is anticipated. Ongoing budgets are expected to be at a similar level although the burst of start-up announcement events and advertising will not be needed.

Trade Organizations:

Marine Industries Association of South Florida (MIASF)
Marine Industries Association of the Treasure Coast (MIATC)
United States Superyacht Association (USSA)
International Superyacht Society (ISS)
Seakeepers Society

Preliminary Marketing Calendar

The following calendar projects the approximate execution of our marketing plan over the initial twelve-month period starting upon award of the lease.

MARKETING CALENDAR - DERECKTOR FORT PIERCE SHIPYARD

| Month | OCTOBER | NOVEMBER | DECEMBER | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | TOTALS | |
|---------------------|---|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|--------------|
| Item | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | General Expenses | | |
| BOAT SHOWS | Monaco Yacht Show | | | | | | | | | | | \$ 50,000.00 | \$ 50,000.00 | |
| | Pinmar Golf | \$ 18,500.00 | | | | | | | | | | | \$ 18,500.00 | |
| | Fort Lauderdale International Boat Show | | \$ 50,500.00 | | | | | | | | | | \$ 50,500.00 | |
| | METS Amsterdam | | \$ 4,000.00 | | | | | | | | | | \$ 4,000.00 | |
| | Antigua Charter Show | | | \$ 2,600.00 | | | | | | | | | \$ 2,600.00 | |
| | Refit Show | | | | \$ 8,150.00 | | | | | | | | \$ 8,150.00 | |
| | Miami Show | | | | | \$ 1,000.00 | | | | | | | \$ 1,000.00 | |
| | Palm Beach Show | | | | | | \$ 35,000.00 | | | | | | \$ 35,000.00 | |
| SPECIAL EVENTS | Boat Show Events | | \$ 20,000.00 | | \$ 5,000.00 | | \$ 10,000.00 | | | | | \$ 11,000.00 | \$ 46,000.00 | |
| | Grand Opening | \$ 30,000.00 | | | | | | | | | | | \$ 30,000.00 | |
| | Spring Festival | | | | | | \$ 15,000.00 | | | | | | \$ 15,000.00 | |
| | Summer Carnival | | | | | | | | \$ 20,000.00 | | | | \$ 20,000.00 | |
| | Winter Festival | | | \$ 20,000.00 | | | | | | | | | \$ 20,000.00 | |
| ADVERTISING | SYR Print advertising | \$ 3,500.00 | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | \$ 3,500.00 | \$ 3,500.00 | \$ 3,500.00 | \$ 31,500.00 | |
| | Boat International Print Advertising | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | | \$ 3,500.00 | \$ 21,000.00 | |
| | Triton | \$ 3,000.00 | | | | | \$ 3,000.00 | | | | | \$ 3,000.00 | \$ 9,000.00 | |
| | Dockwalk Print advertising | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 24,000.00 | |
| | Superyachts. com site | \$ 3,000.00 | | | \$ 3,000.00 | | | | \$ 3,000.00 | | | | \$ 9,000.00 | |
| | Yachting Pages | \$ 5,000.00 | | | \$ 2,600.00 | \$ 5,100.00 | | | | \$ 2,600.00 | | | \$ 15,300.00 | |
| | YachtNeeds app | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 2,500.00 | \$ 30,000.00 | |
| | Sponsorships | \$ 600.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 6,100.00 |
| | Digital Advertising | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 3,000.00 | \$ 2,000.00 | \$ 1,000.00 | \$ 24,000.00 |
| | Other Publications | \$ 3,500.00 | \$ 2,500.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 26,000.00 |
| | Social Media | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 300.00 | \$ 3,600.00 |
| Public Relations | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 60,000.00 | |
| DESIGN | Collateral | \$ 10,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 | \$ 32,000.00 | |
| | Photography/ videos | \$ 10,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 21,000.00 | |
| | Art and Design fees | \$ 5,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 16,000.00 | |
| GENERAL | Membership/ Credentials/ subscriptions | | \$ 2,000.00 | \$ 400.00 | \$ 500.00 | \$ 500.00 | | \$ 150.00 | | | | | \$ 3,550.00 | |
| | Travel | \$ 6,000.00 | \$ 7,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 6,000.00 | \$ 73,000.00 | |
| | Client Entertainment | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 6,000.00 | |
| | Miscellaneous | \$ 100.00 | \$ 600.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 1,700.00 | |
| TOTAL BUDGET | \$ 114,000.00 | \$ 106,900.00 | \$ 51,400.00 | \$ 47,650.00 | \$ 35,000.00 | \$ 91,400.00 | \$ 28,550.00 | \$ 31,400.00 | \$ 54,500.00 | \$ 29,400.00 | \$ 31,900.00 | \$ 91,400.00 | \$ 713,500.00 | |

9.4 Drydock – Mobile Hoist

Dry Dock

A key component of the future operations at the DFP facility will be the installation of a Floating Dry Dock to haul out large motor and sailing yachts. The following dock has been located and upon successful negotiation with SLC it will be purchased and transported to Ft Pierce for installation and operation.

F/D 4500 DWT Floating DOCK (Bit 2006)

| | | | |
|---------------------------------|----------------------|-------------------|---|
| BUILT YEAR | NOV. 2006, KOREA | | |
| L.O.A | 102.600 Mtrs | BALLAST PUMP | HORIZONTAL, CENTRIFUGAL 400M ³ /h X 20M X 36KW X 4SET |
| L.B.P. | 100.200 Mtrs | G/S & FIRE PUMP | HORIZONTAL, CENTRIFUGAL 60M ³ /h X 50M X 22KW X 2SET |
| BREADTH(MAX) | 29.238 Mtrs | BILGE PUMP | HORIZONTAL, CENTRIFUGAL 10M ³ /h X 30M X 0.4KW X 2SET |
| BREADTH(MLD) | 26.818 Mtrs | | |
| DEPTH (To 3 RD DECK) | 9.338 Mtrs | | |
| DEPTH (To 2 ND DECK) | 6.000 Mtrs | | |
| DEPTH (PONTOON DECK) | 3.000 Mtrs | | |
| DRAFT (LIGHT COND') | 0.758 Mtrs | MAIN SWITCHBOARD | DEAD FRONT SELF SUPPORTING & WALL MOUNTING TYPE MAKER : HHI |
| DRAFT (MAX IMMERSION) | 8.338 Mtrs | | |
| DRAFT (WORKING) | 2.500 Mtrs | | |
| WORKING DEC AREA | 2,448 M ³ | STERN ANCHOR | 1,590Kg X 2ea |
| LIFTING CAPACITY | 4,500 Ton | | |
| GROSS TONNAGE | 2,603 TON | | |
| | | | |
| STERN ANCHOR | 1,590Kg X 2ea | GENERATOR | 4-CYCLE VERTICAL DIRECT INJECTION AIR COOLING TYPE WITH F.O.& STARTING BATTERY 350PS X 1,800RPM X 230KW 2SET WITH F.O.& STARTING BATTERY 350PS X 1,800RPM X 230KW 2SET |
| ANCHOR CHAIN | 34ø X 412.5M | | |
| JIB CRANE(2SET) | 12TON/35M | | |
| | | | |
| HYDR' WINDLASS ASS'Y | 6.5TON X 2SET | DATE OF BUILD | NOV. 2006 AT MOKPO, KOREA |
| HYDR' MOORING WINCH | 3.5TON X 2SET | BALLAST TANK | TTL 16 TANK'S |
| | | PUMP (Free offer) | TAIKO, 650TON/H 2SETS |

Mobile Boat Hoist

To increase efficiencies and allow more vessels to be worked on simultaneously, DFP will purchase and install a 1280 Metric Ton/ 1400 US Ton Cimolai Technology spa Mobile Boat Hoist (MBH). When installed this machine will be the largest Mobile Boat Hoist in the USA.

This machine will be used to haul out megayachts in the 220 ft – 250 ft in length.



Figure 2 MBH 1 on land



Figure 3 MBH 1 in water



Mobile Boat Hauler MBH 1400 US ton



MAIN CHARACTERISTICS

| | | |
|------------------------------|------------------|-------------|
| Lifting capacity | 1400 | US tons |
| | 1280 | Metric tons |
| | <u>Meters</u> | <u>Feet</u> |
| Dock span | 13,00 | 42'-8" |
| Inner width | 14,40 | 47'-3" |
| Track - Span | 17,50 | 57'-5" |
| All out width (tires level) | 20,60 | 67'-8" |
| Inner height | 20,35 | 66'-9" |
| Overall height | 24,00 | 78'-9" |
| Gauge | 23,00 | 75'-6" |
| Overall length | 31,40 | 103'-0" |
| Shipping weight | 600 | Metric ton |
| Reference Drawing (attached) | ST.1748.01.0.MBH | |

HOISTING

| | |
|--|------------------------------|
| Winches synchronized and independent | No. 8 |
| Lifting slings (safety factor 7:1) | No. 32 included |
| Hoisting points (blocks) | No. 8 (4 each side) |
| Powered blocks (trolleys) for sling adjustment | No. 8 (4 each side) |
| Trolleys travel | All movable [*] |
| | All along longitudinal beams |
| Max slings spacing | 36,20 m (118'-9") |
| Hoisting travel | 21,95 m (72'-0") |
| Hoisting speed - laden | 0÷1,2 m/min-variable |
| Hoisting speed - unladen | 0÷2,4 m/min-variable |

TRAVELLING

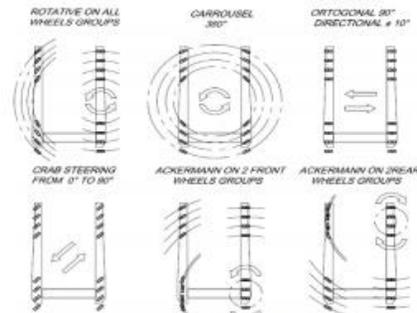
| | |
|--|------------------------|
| Motorized wheels | No. 8 out of 16 |
| Drive type | closed loop |
| Special steering on all wheel groups with powered slew drives and microprocessor controlled (see sketch below) | |
| Travelling speed - laden | 0÷16 m/min - variable |
| Travelling speed - unladen | 0÷32 m/min - variable |
| Tires (OTR brand new) | No. 16 size 36.00x51 |
| Tire pressure | 10 bar (Kg/cm²) |
| Affordable slope | 3% |
| Flash-light + mushroom button | included on each wheel |

THERMIC UNITS AND COMMANDS

| | |
|--|----------------------------------|
| N° 2 sound proofed thermic units (one for each side of the machine) with large inspection doors on the front and rear part | included |
| N° 2 diesel engines, Turbo Intercooler, water cooling - Volvo Penta or John Deere, TIER 4 final (pollution-prevention norms) | N° 2 x 265 KW (N° 2 x 360 HP) |
| Hydraulic pipes in bonderized steel, painted in compliance with a marine-environment cycle (total thickness of the dry film 240 µm) and with zinc-nickel Voss fittings | |
| Variable cubic capacity hydraulic pumps | with pistons |
| Capacity of the fuel tanks | N° 2 x 300 litres |
| Capacity of oil tanks | N° 2 x 600 litres |
| Remote control + emergency button strip + emergency 'DANFOSS' hydraulic proportional distributors | included |
| Remote tele-assistance via GSM | included |



Remote control



Steering diagram

Contact us: Via dell'Industria e dell'Artigianato, 17 - 35010 Carmignano di Brenta (PD) - ITALY
Tel. +39 049 9404539 - Fax +39 049 5973960
E-mail: info@cimolaitotechnology.com
Website: www.cimolaitotechnology.com



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Mobile Boat Hauler MBH 1400 US ton

The data contained herein are intended solely for the use of the individual or the entity to which they are addressed. The information is confidential and protected by law and must not be disclosed without the prior consent of Cimolai Technology Spa.

HIGH PRECISION WEIGHING SYSTEM

The load is measured by a weighing system with digital displays positioned near the main thermo-hydraulic group. In the displays, are shown not only the total weight, but also the load lifted on the open and on the closed side and the load lifted by every single lifting line.

The system includes load cells that enables a very precise weighing reading and the possibility to visualize the load lifted by each lifting line.



The load being lifted is also displayed on the remote-control:



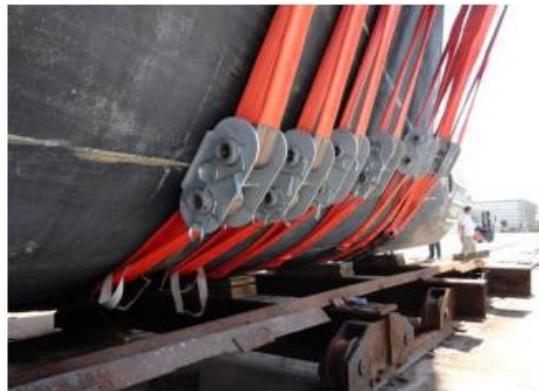
SLINGS

The machine is equipped with 32 slings, fabricated 100% in Polyester, sewn in 4 layers. The polyester is pigmented (imbibed) with a red coloured specific product that gives them resistance to UVA rays and abrasions / scraping

The slings are prepared in compliance with PR-EN 1492 standards, and have a capacity of no less than 40000 kg when in the "U" shape (model HCS20000 - Spanset or similar). Width of the strop: 0,3 m - reducing to a half at the ends. Safety factor > 7:1.

Slings can be subdivided into two parts. These are joined with hot zinc-plated metallic joining / coupling devices that ensure highest resistance.

Moreover, all sling segments come with textile anticut protections 12 m and 8.5 m long respectively.



Contact us: Via dell'Industria e dell'Artigianato, 17 - 35010 Carmignano di Brenta (PD) - ITALY
Tel. +39 049 9404539 - Fax +39 049 5973960
E-mail: info@cimolaittechnology.com
Website: www.cimolaittechnology.com



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9.5 Expansion in the Port

We at DHI have an interest in developing businesses in the Ft. Pierce/St. Lucie County area that are complementary to the DFP megayacht facility. We believe the 20-acre County owned parcel Northeast of the Bell property presents an opportunity for the development of a marina and storage and repair facility for smaller vessels (in the 20-90ft range) which would not be serviced by DFP. This type of facility is similar to our marina and boatyard in Maine, Derecktor Robinhood. There we have 110 slips for boats from 18 to 100 feet, along with a storage and service business, a restaurant and a “floating cottage” rental business. We have had preliminary discussions with a local Ft. Pierce marina operator regarding possible collaboration to develop the parcel and are eager to move forward on these should we be chosen to establish DFP. As mentioned earlier, it is our intent to relocate DHI corporate headquarters to DFP, and the possible marina development would be an excellent fit with our operations. We look forward to discussing this with the County and City.

10.0 Appendix

10.1 Letters of Recommendation



August 14, 2018

Mr. Paul Derecktor
775 Taylor Lane
Dania Beach, FL 33004

Dear Paul,

Per our discussion, this is to reiterate that the Board of Heesen Yachts will most definitely support the new Super Yacht Repair Marina in Fort Pierce, Florida, if under your supervision. This would be a major asset to the industry that we would utilize as we have your other repair facilities.

We wish you the very best of luck.

Please keep us apprised of your progress.

All the best,

Thom

Thom Conboy
Director of Sales
North America, Mexico, the Bahamas and Caribbean
m) +1 561-441-6131
e) tconboy@heesenusa.com



To Whom It May Concern,

Perini Navi is a world-famous builder of custom sailing and motor yachts up to 90m in length. As Perini Navi USA, we are associated with them here in the States, and many of our clients operate their yachts on all oceans, and South Florida hosts popular ports of call.

With the exception of one shipyard, all of the South Florida shipyards are limited in their ability to service our yachts, either because of insufficient lifting capacity, not enough space or restrictions on access to their facilities due to draft or mast height. Some of our vessels end up scheduling their service periods in other parts of the world, limiting the time spent in the area.

Derecktor is a well-known name in sailing circles and their shipyards are well respected throughout the world. A Derecktor shipyard in Fort Pierce, Florida would certainly be viewed positively with our clients who would like service in South Florida, and for whatever reason have been unable to get into the one yard capable of servicing them.

Perini Navi would have no hesitation in recommending Derecktor Fort Pierce as a viable option to their clients and other interested parties in need of haul-out and associated services while in the South Florida area.

Please contact the undersigned with any questions,

Sincerely,

Bruce Brakenhoff Jr.
President
Perini Navi USA Inc.
info@perinaviusa.com

Perini Navi USA
2 Marina Plaza, Goat Island
Newport, RI 02840 USA

T +1 401 619 2200
F +1 401 619 2211

info@perinaviusa.com
www.perinavi.com

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Marine Consultants
Equipment Specialists
Systems

Aug. 15, 2018

Paul Derecktor
Derecktor, Inc.
311 East Boston Post Rd.
Mamaroneck, NY 10543

Dear Paul,

I recently heard of your bid to build a shipyard in Ft. Pierce and wholeheartedly support that effort. We have many mega-yacht customers asking us where to go for a refit or paint job. Unfortunately, they have very few choices and an alternative to the few existing facilities would be most welcome.

Since 1974 I have enjoyed being first a customer then a contractor in your shipyards in Mamaroneck and Dania and the work has always been first rate. Your skilled workforce is second to none.

Ft. Pierce would be well advised to have a proven brand, with a long customer list and mature outreach program, build there. Good luck and please keep me posted.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve", written in a cursive, flowing style.

Steve McGowan
Pres., McGowan Marine Inc.
508-990-1114



Pinmar USA Inc. 2010 Avenue B,
Riviera Beach, 33404 FL, USA
+1 954 760 9626
info@pinmar-usa.com

31st July 2018

To whom it may concern

Pinmar USA has operated as a sub-contractor to Derecktors shipyard in the USA, since it's establishment in Fort Lauderdale in 2009. Pinmar holds Derecktors as a valued and highly respected business partner.

Pinmar USA provides painting and refinishing services to large superyachts as a part of their refit programmes. Pinmar USA has carried out many successful refit projects with Derecktors in the past nine years and believe we have the same vision for the future with regards to quality and service to the superyacht industry. The synergies between Pinmar USA and Derecktors Shipyard are based upon Integrity and service to the client, ensuring the superyachts of the world continue to recognize the importance of the Florida refit option

Pinmar USA fully supports Derecktors' proposed development for a new international superyacht refit facility at Fort Pierce. We believe the facility will offer our international client base of prestigious superyachts billionaire customers an exciting new option for service and paintwork on the east coast of the USA. Pinmar USA believes that Derecktors have the vision, capacity and skills to make the Fort Piece project a commercial success which will attract business and inward investment to the community. Pinmar USA is proud to be associated with this project and anticipate the establishment of on-site painting facilities and the recruitment of a locally based workforce.

Pinmar USA is a wholly owner subsidiary of GYG plc a UK a based global superyacht refit and service company. GYG plc is a public company listed on the London Stock Exchange' AIM index.

Peter Brown
President
Pinmar USA Inc.

PALMA BARCELONA MONACO LONDON HAMBURG FORT LAUDERDALE WEST PALM BEACH

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Registered office address: Cannon Place, 78 Cannon Street, London EC4A 3AF, United Kingdom



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637 S.W. 3rd Avenue
Fort Lauderdale
Florida, 33315 USA
Phone: 954.523.2815
Fax: 954.523.1967
www.WardsMarine.com

August 1, 2018

James Brewer
Derecktor Shipyard

Ward's Marine Electric (WME), founded in 1950, is a full-service marine electrical company located in Fort Lauderdale, Florida. Family owned and operated. Over the 68+ years that WME has been in business, we have refined and streamlined our company's capabilities. Today, every facet of our work can be performed using our own resources. From materials warehousing and distribution to manufacturing and global field service, we strive to be the marine industry leader in electrical power distribution.

Over the past several decades WME has had the opportunity and pleasure of working with Derecktor Shipyards in Florida, New York and Connecticut. We have designed and installed complete power packages for new vessels, including shore power frequency conversion systems, generator integration with seamless transfer and automatic bus paralleling, and power distribution switchboards. We have also participated in dozens of refit projects and classification society certification renewals that have been completed on time and on budget because of the strong partnership and management of Derecktor Shipyard.

One example of our excellent partnership is with our company's latest and current largest project is a new build at Derecktor Shipyard. On any given day we have between 5 and 8 employees onsite. To achieve peak performance and efficiencies WME has invested in a 40 foot custom trailer that Derecktor has allowed us to keep onsite and has provided electrical and water connections. This trailer provides meeting and office space for our project manager, storage of equipment and convenient amenities for our technicians



617 S.W. 3rd Avenue
Fort Lauderdale
Florida, 33315 USA
Phone: 954.523.2815
Fax: 954.523.1967
www.WardMarine.com

working at the shipyard. Working together our companies provide superior service that our global customers have come to expect in the southeastern United States.

Yachts have many choices in their global travels on where to go for their service. Fort Pierce represents not only an excellent geographic location in proximity to the Caribbean but also the great opportunity for yacht owners and crew to experience the most superior recreational marine services in the world. As the global fleet of yachts increases as well as their overall length, the need for deep water access and haul out capabilities increases as well. The haul out process starts the economic engine of refit and classification society recertification.

Derecktor Shipyard has provided these resources for vessels and the opportunity for subcontractor involvement for many years. It is this partnership that has made both of our businesses strong and enables us to look forward to a long and prosperous future. WME fully supports the addition of a Derecktor facility in Fort Pierce as it presents an excellent opportunity for growth in the industry. A full service shipyard will allow for workforce training and apprenticeship programs that create hundreds of jobs in the local area. These jobs offer longterm careers and salaries that afford employees the ability to purchase homes and companies to grow their businesses.

Sincerely,

Kristina Hebert - COO

Page 2 of 2

F L E E T  M I A M I

Captain Glen Allen
Fleet Miami
954 806 4244

August 10, 2018
Derecktor Shipyard
Mr. Paul Derecktor
Mr. Ken Imondi
Paul & Ken,

The prospect of Derecktor starting a shipyard in Ft. Pierce is very exciting to hear. Fleet Miami would endeavor to be your first customer and we will eagerly support you in this endeavor.

The Ft. Pierce area appears a perfect setting to build a world class facility servicing many yachts which cannot come to the Ft. Lauderdale area due to the many physical restrictions.

Professionals with the long-term knowledge and history of running a facility of this type will be required. I am glad to hear that Derecktor is involved.

Starting in 1987 I have witnessed firsthand all the aspects of operating a major shipyard. Derecktor has always stood ahead of every other yard I have dealt with whether it was doing a minor repair to a small boat, major refit or building a 29-meter sailing yacht. (as we did in the 90's)

Please feel free to share my contacts with anyone wishing to discuss my experience with Derecktor. I can share with them my appreciation of your expertise, integrity, industry knowledge and professionalism I have experienced working with you.

Best Regards,
Fleet Captain Glen Allen
gallen@fleetmiami.com
+1 954 806 4244

WRIGHT MARITIME GROUP LLC
A FAMILY OF DEDICATED PROFESSIONALS



15 August 2018

Paul Derecktor
Derecktor Shipyards

Dear Paul,

It has come to my attention that Derecktor is a contender on the development and operation of a large vessel berthing, service and dry-dock facility in Fort Pierce, Florida.

WMG is well aware of the development concept and are in full support of the US southeast coast having a facility of this kind. There is no question that the facility and the area amenities will attract all manner of yachts, but especially the larger fleet.

As a vessel operator, Derecktor's would be our choice to take lead in sight planning and the eventual facility operations. There are a number of reasons related to south Florida transferable workforce and sub-contractor relationships that makes Derecktor a good choice. There is the most important benefit of a highly experienced and collective refit yard management team that will not be replicated by a start-up group, regardless of finance.

WMG currently operates private yachts up to 450ft sailing globally but always making south Florida passes for service, provisioning and crew training. We have a number of projects in construction in northern Europe with a size range of 360ft to 420ft launching in the next few years.

We appreciate Derecktor's integrity in providing our clientele with the best value for money and for always doing more when needed.

We look forward to bringing our larger yachts to Fort Pierce for the same level of experience and value we receive in your Fort Lauderdale facility.

Most Sincerely,

AJ Anderson
Chief Executive Officer

WRIGHT MARITIME GROUP LLC
A FAMILY OF DEDICATED PROFESSIONALS



August 2018

James Brewer
Derecktor Shipyards

Dear James,

As the third quarter of 2018 sails through, we wanted to pause long enough to express our trust, respect and gratitude for the important role the team of Derecktor's Shipyards plays in our success of enhancing our clients' yacht ownership experience.

Derecktor's continues to serve our fleet to the highest and most consistent standard. We believe that in doing so, you also help to raise the overall industry bar on value and quality of service.

At Wright Maritime, we strive to ensure that we execute to the highest standards of corporate, operational and fiduciary practice – including value of service to our clients. The fact remains, WMG cannot achieve this without Derecktor fulfilling the same goal.

One of our responsibilities as operational manager is to appropriately represent the value of your service to our clients. It has been clear that you take your responsibilities seriously; investing in resources while operating according to best business practices.

We appreciate your integrity in providing our clientele with the best value for money and for always doing more when needed. We promise to continue to earn your trust and look forward to another year of collaboration.

Most Sincerely,



15 Aug 18

AJ Anderson
Chief Executive Officer

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750 West Sunrise Boulevard
Fort Lauderdale, FL 33311

Derecktor Shipyard

Bluewater is pleased to provide our endorsement of the bid by Derecktor Shipyard to operate the yacht repair facility at Fort Pierce.

The undersigned has provided yacht management services for almost 15 years, to yacht owners in new construction, operational management and refit of yachts ranging in size from 82' up to 420'. Throughout that period, I have used Derecktor Shipyard in support of yacht maintenance and repair services. Their performance is always exemplary and professional, with good technical abilities and project management support, and I can envisage no better partner for the City of Fort Pierce than Derecktor for this project.

Derecktor has a pedigree unlike most in the yacht market, with credibility not only for their repair services but also in newbuild and other services. As a company with a 70+ year history, and with already multiple locations in Florida, New York and Maine, Derecktor is well positioned to deliver an exciting and profitable facility that is much needed in the market, with other yards close to capacity in South Florida.

As a leading training provider in the yacht community, Bluewater will not only add it's support to the bid by Derecktor but will, in addition, undertake to partnering with Derecktor for the training of the local workforce needed for the operation of the repair facility.

Yours Sincerely

A handwritten signature in cursive script that reads "Clive McCartney".

Clive McCartney
Vice President, Marine Operations & Business Development
Bluewater Management & Crew Training
+1 954 478 7050
clivem@bluewateryachting.com

About Bluewater

One company, one complete service

We provide luxury yacht charter, yacht sales, crew training, crew placement and yacht management. We are an independent, full service, luxury yachting company that creates strong and lasting relationships with clients and crew. Composed with a team of maritime professionals, we work together as a global team sharing expertise, knowledge and passion.

Bluewater Management & Crew Training USA | 750 W Sunrise Blvd. | Fort Lauderdale, FL 33311 | +1 954.779.7764
www.bluewateryachting.com

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EXCELLENCE V

July 22 , 2018

Doug Morrison
Business Development Office
Derecktor of Florida

Good Day Doug ,

Thanks for your time on the telephone Friday, this short note is a follow up to our conversation.

I think it would be a very good opportunity to use Derecktor Shipyard again if it were to expand to the Fort Pierce area. As you know, we had worked with Derecktor in Dania with our first two yachts, Excellence and Excellence II . When we built Excellence III we were disappointed that the Dania facility was not large enough to haul us and perform our underwater maintenance. Derecktor always had a great work force and reputation. It still does !

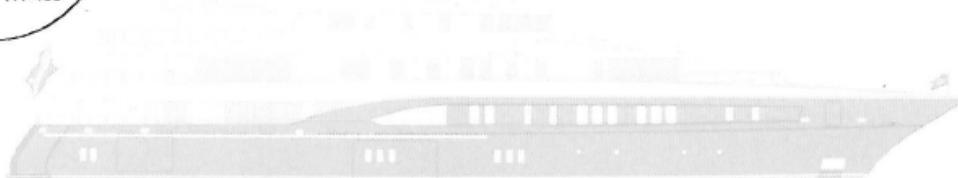
We are now cruising with Excellence V and building an 80 meter Excellence VI. At present our shipyard choices are a bit limited and it would be a great help to have Derecktor as a future possibility. We would be very interested in working with you should this opportunity arise. With a larger and deeper facility I think your yard would be very high in everyone's considerations for service.

Please keep me informed of how your process is progressing and I would look forward to working with you again.



Best Regards,
Ray Shore
Capt. Ray Shore

M / Y EXCELLENCE V



Ataraxia Offshore Ltd. ♦ 47 Eastern Boulevard ♦ Glastonbury ♦ CT 06033 ♦ United States of America

NEW YORK ↓ **FLORIDA** ↓ **MAINE**



July 31st 2018

Dear Cliff,

Good to hear from you again. Exciting news on the potential for Derecktor with the Fort Pierce property. With the launch of the 87 meter; M/Y Lonian, we have outgrown the service capabilities of practically all the current South Florida facilities.

If Derecktor were to operate a Fort Pierce Shipyard, I would definitely consider utilizing their services.

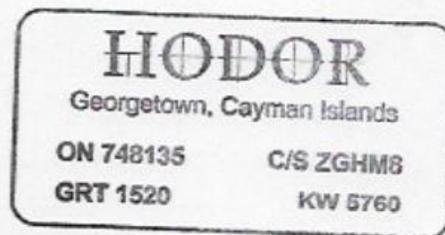
Keep me posted on the developments of the new facility.

I look forward to the opportunity of working with you again.

Regards,

Captain David Beharrell

David Beharrell
Captain
David@Lonian.com
USA Mob : +1 954 643 5434
Home : +1 507 777 9235
VOIP : +1 954 672 2482/2483



TO WHOM IT MAY CONCERN;

THE 190FT MOTOR YACHT LADY SHERIDAN SPENDS 6 MONTHS PER YEAR IN THE SOUTH FLORIDA REGION. DURING THIS TIME WE UTILIZE LOCAL CONTRACTORS AND SHIPYARDS TO DO MAINTENANCE AND MAJOR PROJECTS. DERECKTOR HAS ALWAYS OPERATED A FIRST CLASS OPERATION AND WOULD BE A GREAT ASSET TO THE LOCAL COMMUNITY AND MARINE INDUSTRY
IF GRANTED THE OPPORTUNITY TO MANAGE AND RUN THE FORT PIERCE YACHT FACILITY.
I WOULD PERSONALLY BE INTERESTED IN TAKING LADY SHERIDAN TO THIS FACILITY TO GET WORK DONE.

KINDEST REGARDS,

Captain Keith T. Moore

Cell: [954-701-3865](tel:954-701-3865)

French Cell: [+33\(0\)645989281](tel:+33(0)645989281)

VoIP: [954-672-3485](tel:954-672-3485)

Email: captain@ladysheridan.com



Good Afternoon James and Doug,

As always, I enjoyed our conversation and hearing about the potential for a new facility. We have enjoyed a symbiotic maintenance relationship for nearly 20 years now and I would like to continue that relationship.

As our unique industry sees the vessels increasing in size, it is an ongoing struggle to find a haul out / maintenance facility that works with our schedule and can accommodate our vessel. With the 1,000 plus ton footprint and greater than 60 meter length, our vessels have outgrown the Derecktors Dania facility . With the already established climate of trust, and several projects successfully in the rear-view mirror, we would happily continue to work with Derecktors and your capable team.

I would be very pleased to learn that you had secured a facility that could service the larger vessels and continue to meet our emerging needs. In case I failed to make it clear in our phone conversation, our team would be thrilled to continue to work together in the future.

Please keep me posted on the developments as the Derecktors Team work towards securing a new facility and we will look forward to working with you in the future.

Best Regards,

Len

Captain Len Beck
(CURRENT TIME ZONE UTC -5)

+1 954 591 5638
www.becknavigation.com

Florida:
1323 SE 17 Street, Suite 561
Fort Lauderdale, Florida 33316

New York:
69 Plochmann Lane
Woodstock, New York 12498

Hi Doug,

Hope all is well. Sorry for my tardiness in replying, but I have had some personal issues that has consumed all of my time this past week or so. With regards to your movement on Ft Pierce, I think that this would be an excellent location for the facility that you mentioned. One of the realities of the large yacht industry is that there are more boats than there are berthing and service options available. This is a global issues. Most of the South Florida yards are maxed out for the bulk of the year. Coupled with few facilities that can haul a 1000+ ton yacht out of the water, would make Ft Pierce an excellent potential option.

As I have hauled all over the east coast of the US, namely Norfolk VA, Savannah GA, and West Palm, one of the big issues is infrastructure availability. I find that the bulk of the service vendors needed on a large yacht are based in Ft Lauderdale or nearby, and they do not like to travel out of state, especially for small jobs. Ft. Pierce should likely not be an issue for them.

All in all, I think that a Ft. Pierce facility would be an attractive option that I and many of my peers would look to consider, especially with an experienced manager such as Derecktor.

best regards,

Bob Kercher



July 26, 2018

Cliff DeFreitas
Project Manager
Derecktor of Florida

Greetings Cliff,

It was a pleasure speaking with you today regarding potential service opportunities with Derecktor. As we have discussed in the past, the Just J's program has outgrown the shipyard facilities in South Florida, which has unfortunately prompted us to facilitate our haul-outs and shipyard periods elsewhere.

The prospect of a facility that could perform haul-outs and maintenance of a vessel of our size and larger in the Ft. Pierce area is exciting. We spend a great deal of time in South Florida and being able to achieve our maintenance goals there is of great importance. I think I can speak on behalf of numerous other captains and yacht owners who would welcome a location with the ability to service the ever-larger yachts of today.

With that in mind, please keep us informed as things progress. We look forward to hearing from you and hope that we get the opportunity to work together again.

Best regards,

Eric Edscorn

Captain-Just J's



NEW YORK ↓ **FLORIDA** ↓ **MAINE**



Lucky Lady

July 27, 2018

To whom it may concern,

I have had a great relationship with Derecktors Shipyard for refits in the past. We now have exceeded the lift capacity at the Dania Shipyard and are unable to haul out. I would definitely consider working with Derecktors again in Ft. Pierce with a larger lift capacity.

I can be reached with the phone numbers below if you need further information.

Best regards,
Captain Rob Shelnut
M/Y Lucky Lady



MAJESTIC



MY Majestic LTD
5150 Tamiami Trail N., Suite 505
Naples, Florida 34103
United States

31 July 2018

Doug Morrison
Sales Development – Derektor Shipyard
775 Taylor Lane
Dania Beach, FL 33004-2536

Re : Fort Pierce Shipyard Acquisition

To Whom it May Concern,

I'm writing this letter to recommend Derektor Shipyards for acquisition in the bidding of the shipyard in Fort Pierce Florida. I've had a working relationship with Derektor Shipyards for the past eighteen years. I've found their pricing very competitive, and they've always done a great for us. I've been running the 1052 GT Feadship Majestic for the past four years now, and due to our size we're limited as to where we can haul out. We actually brought the yacht from south Florida north to Jacksonville for our last shipyard period. Fort Pierce is so much closer and would have been a better option for us.

I'm familiar with the Codecasa Double Down project that took place at the shipyard in Fort Pierce and believe that with proper management this could become another great option for large yacht/ship works in the future.

Please call if I can provide any additional information or if you have any other questions.

Yours sincerely,

Rafe A. Palladino
Captain, MY Majestic
954-651-1146
captain@yacht-majestic.com



NEW YORK ↓ **FLORIDA** ↓ **MAINE**



ROCK.IT

George Town, Cayman Islands
Official Number: 746136

23 July 2018

Hello Dough, thanks for the chat the other day, I just wanted to follow up with a letter.

I think it will be a great idea to expand the Derecktor shipyard and cater for larger yachts in the Fort Pierce area. As you know options are limited in the Florida area. It's become the norm for a lot of the bigger yachts to do their service / bottom work in Europe.

I would most certainly consider doing work in the Fort Pierce area with you guys if ever it became an opportunity.

Please keep us updated on your progress and we wish you all the best.

Hendrik Jacobs
Captain
M/Y ROCK.IT

Portable GSM: +1 217 979 0069
Vsat 1 : +1 954 672 6745
Yacht GSM : +1 217 418 7619
capt@yachtrockit.com

| |
|--|
| ROCK.IT O.N 746136 IMO#1012347 G.T. 1052 N.T.315 K.W. 2280 C/S ZGEJ6 GEORGE TOWN |
|--|

LDG YACHTS LTD
PO BOX 1990 Grand Cayman KY1-1104 Cayman Islands

NEW YORK ↓ FLORIDA ↓ MAINE

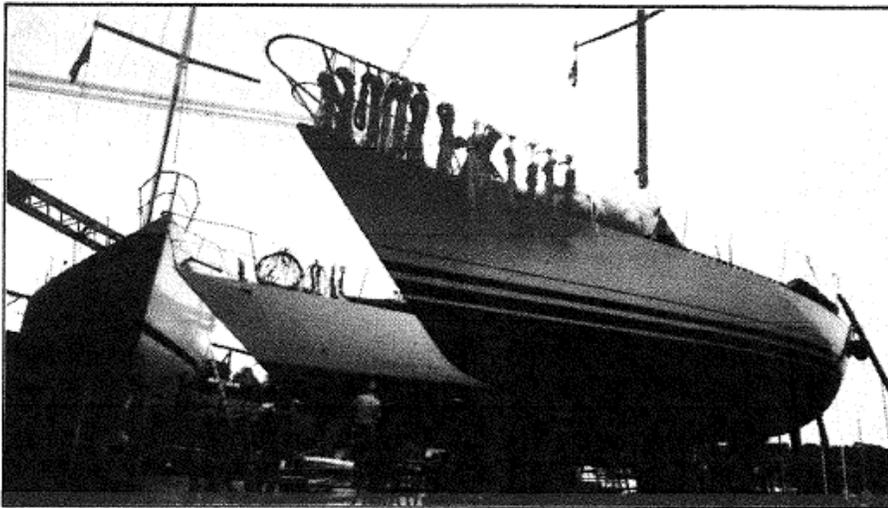
10.2 Builders of Vessels Serviced by Derecktor

| | | |
|-------------------|----------------|----------------------|
| Admiral | Affinity | Agean |
| Alia | Allied | Alloy |
| Azimut | Baglietto | Benetti |
| Bertram | Bilgin | Bloemsma Van Breeman |
| Blohm and Voss | Bowman | Breaux brothers |
| Broward | Buddy Davis | Burger |
| Cabo | CCN | Cheoy Lee |
| CNB | Codecasa | Conrad |
| | Couach | Crescent |
| CRN | Damen | Delta |
| Dennison | Derecktor | Destiny |
| Fairline | Falcon | Feadship |
| Ferretti | Fincantieri | Freedom |
| Golden | Hakvoort | Hargrave |
| Hatteras | Heesen | Holland |
| Horizon | Hunter | IAG |
| | | ICON |
| Inace | Intermarine | Isa |
| Johnson | Jongert | Kingship |
| | | Knight and Carver |
| Kuipers | Lazzarra | Leopard |
| Lurssen | Lyman Morse | Marlow |
| McMullen and Wing | Mondomarine | Montefino |
| Moonen | Mulder | Newcastle |
| Nordhaven | Nordlund | Northcoast |
| Northern | NQEA | Ocean Alexander |
| | Oceanco | Oceanfast |
| Ocean Pacific | Overmarine | Oyster |
| Pacific Mariner | Palmer Johnson | Pearson |
| Pendennis | Pichiotto | Poole Chaffee |
| President | Richmond | Riva |
| RMK | Royal Denship | Rybovich |

| | | |
|------------|-----------------|-------------------|
| Sanlorenzo | Shadow | Siar and Moschini |
| Sovereign | Sterling | Sunrise |
| Sunseeker | Swan | Swiftship |
| Tarrab | Trident | Trinity |
| Troy | Turquoise | Viking |
| Vitters | Vosper | Wally |
| Warren | Westbay Sonship | Westport |
| Westship | | |

10.3 Derecktor Advertisements Over the Years

The Next Best Thing to Having Your Boat Built by Derecktor



It only makes sense.

That a shipyard famous for craftsmanship in the yachts it builds would bring the same skill to repair work. Derecktor Repair and Refit allows repair customers to enjoy the renowned quality of Derecktors.

Power or sail, large or small, the full facilities of Derecktors are available. Custom metal fab-

rication in aluminum, stainless, titanium and bronze. Joiner-work of a quality that only a very few yards in the world can rival. A complete rigging and spar shop. A capable engineering and design staff. Painters expert in Awlgrip, Imron and Sterling.

Combine all this with a 110 ton haul-out capacity and

there's virtually no yacht that can't benefit from Derecktor expertise. At a cost competitive with yards that don't offer nearly as much.

If you have repair work to be done, contact Derecktors. You and your yacht deserve it.



Derecktor Repair & Refit

311 E. Boston Post Rd., Mamaroneck, NY 10543 | Call Steve Drago at (914) 698-5020/FAX: (914) 698-4641

Derecktor Shipyards' Winning Performance

Derecktor Shipyards' experience, innovation and quality have set yacht standards in new construction, repair and conversion for over 43 years.

State-of-the-art materials and service capabilities have made Derecktor Gunnell the yard of choice for the Whitbread Race.

DERECKTOR SHIPYARDS

NEW YORK Paul Derecktor
311 East Boston Post Road
Mamaroneck, New York 10543
Telephone: (914) 698-5020

RHODE ISLAND Bob Derecktor
Coddington Cove
Middletown, Rhode Island 02840
Telephone: (401) 847-9270

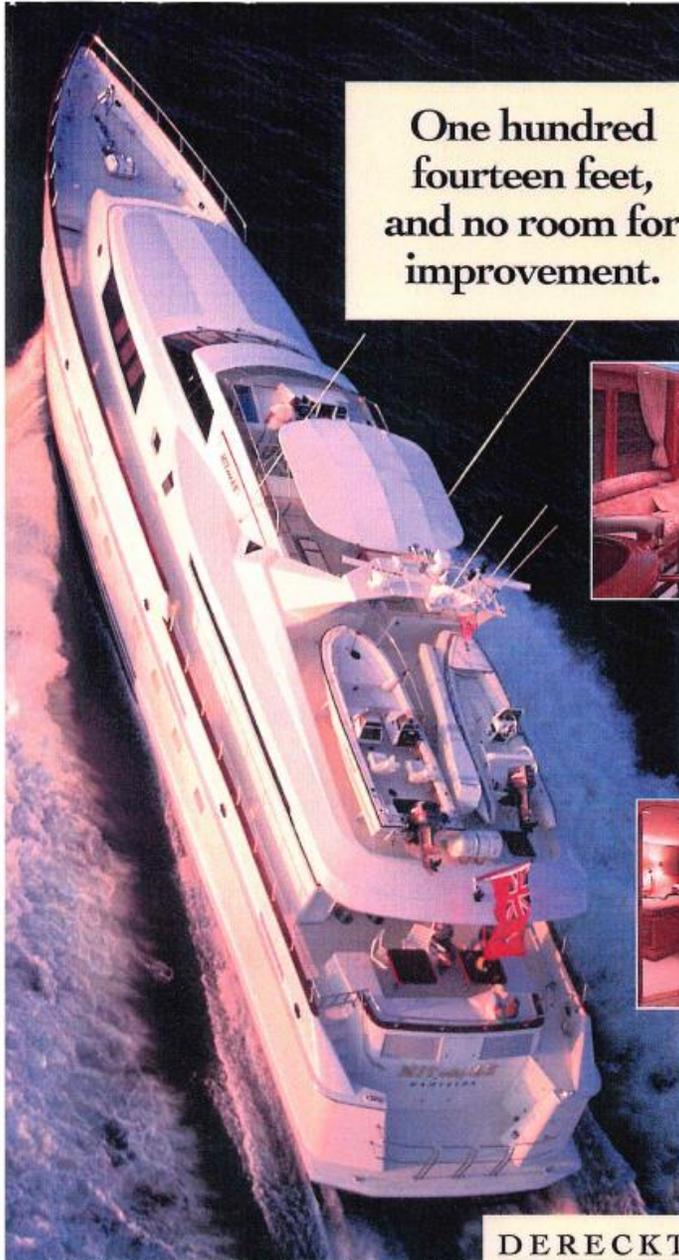
FLORIDA Skip Gunnell
Derecktor Gunnell
775 Taylor Lane
Dania, Florida 33004
Telephone: (305) 920-5756



Derecktor: Proudly Building The Finest Yachts



NEW YORK † **FLORIDA** † **MAINE**



**One hundred
fourteen feet,
and no room for
improvement.**

Boat International called her "what many are rating as the best yacht to be built in America in some years."
Showboats International awarded her their "Year's Best" title, proclaiming "she simply does everything right."



With all modesty, we must agree. For *MITSeaAH* is a true rarity – a yacht that reaches her potential and fulfills her owner's dream. A rarity that, at Derecktor Shipyards, is commonplace.



Our master boat builders and superb craftsmen make such perfection possible. Our commitment to building the

best makes it a reality, in every Derecktor yacht, power or sail, fifty feet or fifty meters. If our standards match your own, call Paul Derecktor at 1-800-691-2100.

DEREKTOR SHIPYARDS
New Construction - Repair & Refit

MITSeaAH - Designer: Lubbock Architects, Naval Architect: Sparkman & Stephens / Photos: Jim Hagerath

For further information contact Paul Derecktor at Derecktor Shipyards, 311 East Boston Post Road, Mamaroneck, NY 10543, phone 800-691-2100, or Skip Gunnell at Derecktor-Gunnell, Inc. 775 Taylor Lane, Dania FL 33004, phone 305-920-5756.
SEE US IN THE BUILDER'S TENT AT THE FT. LAUDERDALE BOAT SHOW

NEW YORK ↓ FLORIDA ↓ MAINE

105' (32M) DERECKTOR 1989
Built by America's finest craftsmen. 29 Kt. top speed. MTU 12 cylinder diesels with Kamewa Waterjets. Immaculate condition. Striking interior.

73' ALUMINUM SLOOP, 1989 BY DERECKTOR. Fine race record including Fastnet win. Beautiful, removable cruising interior. Highest quality throughout. Truly outstanding sailing yacht. New paint and many

102' DERECKTOR MOTORYACHT 1990. Built to ABS cert. Finest standard throughout. Exceptionally strong, worldwide capability. 2x Deutz, 28 Kts. Exquisite interior joinerwork.

When building a yacht, read the fine print first.

Yacht builders excel at presenting glossy packages extolling the virtues of their most recent launches. But let us suggest a better way to look for a new yacht: By looking at some old ones.

For on yachts that have been around the block (or world) a time or two you'll discover the real worth of a boat builder. Here, the enduring virtues of careful engineering, expert workmanship and stubborn commitment to craft cut through the glitz.

To hear more, or better yet, see what we're talking about, call Derecktor Shipyards at 1-800-691-2100. Because in building a new yacht, you'll need to separate mere style from real substance.


DERECKTOR SHIPYARDS
Since 1947

311 East Boston Post Road, Mamaroneck, New York 10543, phone 800-691-2100 or 914-698-5020.

NEW YORK ↓ FLORIDA ↓ MAINE



The success of every Derecktor refit project relies on one critical component.

State-of-the-art equipment. Proper facilities. Quality materials. All helpful to any refit project. Yet they alone don't make for an exceptional outcome. For that, things that can't be bought matter most. The skill, experience, passion and professionalism of the people doing the actual work are what separate truly first-rate work from merely acceptable – and what separates Derecktor from the competition. At Derecktor, you'll



find not only some of the world's finest metalworkers, joiners and shipfitters, but second-generation workers who began as apprentices learning their trade from master craftsmen. Contact us and learn firsthand how our people can make a critical difference in your refit.

DERECKTOR
NEW YORK + FLORIDA + MAINE

775 Taylor Lane, Dania, FL 33004 | 954.920.5756 | www.derecktor.com

NEW YORK ↓ **FLORIDA** ↓ **MAINE**

10.4 Bank Statements



Page 1 of 4



>019135 8978283 0001 008229 10Z
DEREKTOR FLORIDA INC
WIRE ACCOUNT
775 TAYLOR LANE
DANIA FL 33004



Statement Date: July 31, 2018

Account Number: [REDACTED]

Customer Service Information

- Client Care: 877-779-BANK (2265)
- Web Site: www.bankunited.com
- Bank Address: BankUnited
P.O. Box 521599
Miami, FL 33152-1599



Customer Message Center

Take control of your finances today with the BankUnited's Money Management tool. You'll be able to set up budgets, track expenditures, and much more. Sign up today!

COMMERCIAL ANALYSIS CHECKING [REDACTED]

Account Summary

| | | |
|------------------------------------|---|--------------|
| Statement Balance as of 06/30/2018 | | \$51,975.64 |
| Plus | 14 Deposits and Other Credits | \$925,964.50 |
| Less | 6 Withdrawals, Checks, and Other Debits | \$22,206.53 |
| Less | Service Charge | \$0.00 |
| Plus | Interest Paid | \$0.00 |
| Statement Balance as of 07/31/2018 | | \$955,733.61 |

Activity By Date

| Date | Description | Withdrawals | Deposits | Balance |
|------------|--|-------------|--------------|--------------|
| 07/02/2018 | [REDACTED] Deposit | | \$162,748.82 | \$214,724.46 |
| 07/05/2018 | [REDACTED] Deposit | | \$105,514.57 | \$320,239.03 |
| 07/09/2018 | [REDACTED] Deposit | | \$21,547.35 | \$341,786.38 |
| 07/10/2018 | INCOMING DOM WIRE: [REDACTED] | | \$21,353.10 | \$363,139.48 |
| 07/11/2018 | RDC Deposit | | \$71,262.90 | \$434,402.38 |
| 07/12/2018 | [REDACTED] Deposits 58800000862490 Derecktor Florida | | \$8,268.97 | \$442,671.35 |
| 07/12/2018 | RDC Deposit | | \$53,442.81 | \$496,114.16 |
| 07/17/2018 | [REDACTED] Deposits | | \$3,428.06 | \$499,542.22 |

BankUnited, N.A.

NEW YORK ↓ FLORIDA ↓ MAINE

P.O. Box 521599 Miami, FL 33152-1599



>001350 8983666 0001 008229 50Z
DEREKTOR FLORIDA INC
775 TAYLOR LANE
DANIA FL 33004



Statement Date: July 31, 2018
Account Number: [REDACTED]

Customer Service Information

Client Care: 877-779-BANK (2265)
 Web Site: www.bankunited.com
 Bank Address: BankUnited
P.O. Box 521599
Miami, FL 33152-1599

Customer Message Center



Take control of your finances today with the BankUnited's Money Management tool. You'll be able to set up budgets, track expenditures, and much more. Sign up today!

COMMERCIAL ANALYSIS CHECKING [REDACTED]

Account Summary

| | | | |
|------------------------------------|-----|---------------------------------------|----------------|
| Statement Balance as of 06/30/2018 | | | \$987,568.72 |
| Plus | 14 | Deposits and Other Credits | \$2,704,069.93 |
| Less | 258 | Withdrawals, Checks, and Other Debits | \$2,973,605.66 |
| Less | | Service Charge | \$0.00 |
| Plus | | Interest Paid | \$0.00 |
| Statement Balance as of 07/31/2018 | | | \$718,032.99 |

Activity By Date

| Date | Description | Withdrawals | Deposits | Balance |
|------------|---|--------------|------------|--------------|
| 07/02/2018 | OUTGOING DOM WIRE: [REDACTED] | \$150,000.00 | | \$837,568.72 |
| 07/02/2018 | [REDACTED] Deposits 588000000862490 Derecktor Florida | | \$3,310.36 | \$840,879.08 |
| 07/02/2018 | LN #53031 | \$10,527.48 | | \$830,351.60 |
| 07/02/2018 | LN #93828 | \$34,599.07 | | \$795,752.53 |
| 07/02/2018 | [REDACTED] [REDACTED] 0000DEREKTOR SHIPYA | \$6,809.00 | | \$788,943.53 |
| 07/02/2018 | CHECK #60040 | \$1,742.99 | | \$787,200.54 |
| 07/02/2018 | CHECK #60042 | \$1,020.00 | | \$786,180.54 |

BankUnited, N.A.

01350 8983666 015644 031287 0001/0022

NEW YORK ↓ **FLORIDA** ↓ **MAINE**



P.O. Box 521599 Miami, FL 33152-1599

Page 1 of 3



>010336 8978283 0001 008229 10Z
DEREKTOR FLORIDA INC
775 TAYLOR LANE
DANIA FL 33004



Statement Date: July 31, 2018
Account Number: [REDACTED]

Customer Service Information

Client Care: 877-779-BANK (2265)
 Web Site: www.bankunited.com
 Bank Address: BankUnited
P.O. Box 521599
Miami, FL 33152-1599

Customer Message Center



Take control of your finances today with the BankUnited's Money Management tool. You'll be able to set up budgets, track expenditures, and much more. Sign up today!

PROMOTIONAL BUSINESS MM | Account [REDACTED]

Account Summary

| | | | |
|------------------------------------|---|---------------------------------------|----------------|
| Statement Balance as of 06/30/2018 | | | \$4,329,800.59 |
| Plus | 0 | Deposits and Other Credits | \$0.00 |
| Less | 0 | Withdrawals, Checks, and Other Debits | \$0.00 |
| Less | | Service Charge | \$0.00 |
| Plus | | Interest Paid | \$6,383.89 |
| Statement Balance as of 07/31/2018 | | | \$4,336,184.48 |

Interest Summary

| | |
|-------------------------------------|-------------|
| Interest Paid this Statement Period | \$6,383.89 |
| Interest Paid Year to Date | \$23,592.16 |

Activity By Date

| Date | Description | Withdrawals | Deposits | Balance |
|------------|---------------|-------------|------------|----------------|
| 07/31/2018 | Interest Paid | | \$6,383.89 | \$4,336,184.48 |

BankUnited, N.A.

10336 8978283 020672 041343 0001/0002

NEW YORK ↓ FLORIDA ↓ MAINE



21 Scarsdale Road
Yonkers, New York 10707

RETURN SERVICE REQUESTED

DEREKTOR HOLDINGS INC
215 E 91st St, Yonkers, NY 10707

June 2018

Reporting Activity 06/01 - 06/30

Page 1 of 2

Contact Us

- Client Services 855-274-2800
- Automated Telephone Banking 855-274-2802
- Mailing Address 21 Scarsdale Road Yonkers, NY 10707
- Online Access <https://www.snb.com>

SUMMARY OF ACCOUNTS

| ACCOUNT TYPE | ACCOUNT NUMBER | ENDING BALANCE |
|----------------------------------|----------------|----------------|
| PREMIUM BUSINESS MONEY MARKET II | [REDACTED] | \$4,063,210.95 |

PREMIUM BUSINESS MONEY MARKET II - [REDACTED]

Account Summary

| Date | Description | |
|------------|-------------------------|----------------|
| 06/01/2018 | Beginning Balance | \$3,758,913.38 |
| | 0 Debit(s) this period | \$0.00 |
| | 2 Credit(s) this period | \$300,000.00 |
| 06/30/2018 | Ending Balance | \$4,063,210.95 |

Interest Summary

| Description | |
|--|----------------|
| Interest Earned From 06/01/2018 Through 06/30/2018 | |
| Annual Percentage Yield Earned | 1.3200% |
| Interest Days | 30 |
| Interest Earned | \$4,297.57 |
| Interest Paid This Period | \$4,297.57 |
| Interest Paid Year-to-Date | \$20,091.79 |
| Interest Withheld Year-to-Date | \$0.00 |
| Average Ledger Balance | \$3,993,913.38 |
| Average Available Balance | \$3,993,913.38 |

Transaction Activity

| Transaction Date | Description | Debits | Credits | Balance |
|------------------|-------------------|--------|--------------|----------------|
| 06/01/2018 | Beginning Balance | | | \$3,758,913.38 |
| 06/04/2018 | [REDACTED] | | \$150,000.00 | \$3,908,913.38 |
| 06/11/2018 | [REDACTED] | | \$150,000.00 | \$4,058,913.38 |
| 06/30/2018 | INTEREST DEPOSIT | | \$4,297.57 | \$4,063,210.95 |
| 06/30/2018 | Ending Balance | | | \$4,063,210.95 |



NEW YORK † FLORIDA † MAINE



21 Scarsdale Road
Yonkers, New York 10707

RETURN SERVICE REQUESTED

DEREKTOR HOLDINGS INC
311 E BOSTON POST RD
MAMARONECK NY 10543-3738

June 2018

Reporting Activity 06/01 - 06/30

Page 1 of 4

Contact Us

- Client Services 855-274-2800
- Automated Telephone Banking 855-274-2802
- Mailing Address 21 Scarsdale Road Yonkers, NY 10707
- Online Access <https://www.snb.com>

SUMMARY OF ACCOUNTS

| ACCOUNT TYPE | ACCOUNT NUMBER | ENDING BALANCE |
|----------------------------|----------------|----------------|
| ENHANCED BUSINESS CHECKING | [REDACTED] | \$182,426.84 |

ENHANCED BUSINESS CHECKING - XXXXXX8401

Account Summary

| Date | Description | |
|------------|-------------------------|--------------|
| 06/01/2018 | Beginning Balance | \$215,609.15 |
| | 8 Debit(s) this period | \$333,182.31 |
| | 2 Credit(s) this period | \$300,000.00 |
| 06/30/2018 | Ending Balance | \$182,426.84 |

Interest Summary

| Description | |
|--|--------------|
| Interest Earned From 06/01/2018 Through 06/30/2018 | |
| Annual Percentage Yield Earned | 0.0000% |
| Interest Days | 30 |
| Interest Earned | \$0.00 |
| Interest Paid This Period | \$0.00 |
| Interest Paid Year-to-Date | \$0.00 |
| Interest Withheld Year-to-Date | \$0.00 |
| Average Ledger Balance | \$254,101.40 |
| Average Available Balance | \$254,101.40 |

Transaction Activity

| Transaction Date | Description | Debits | Credits | Balance |
|------------------|-------------------|--------|--------------|--------------|
| 06/01/2018 | Beginning Balance | | | \$215,609.15 |
| 06/01/2018 | [REDACTED] | | \$150,000.00 | \$365,609.15 |
| 06/04/2018 | [REDACTED] | | \$150,000.00 | \$515,609.15 |



NEW YORK ↓ FLORIDA ↓ MAINE

10.5 Bank Financing Letter

BankUnited
7815 NW 148th Street
Miami Lakes, FL 33016
T 877 779 2265
www.bankunited.com



Date: August 20, 2018

Re: Derecktor Holdings, Inc.

To whom it may concern:

At the request of our referenced customer, please be advised of the following information:

We currently have demand deposit accounts and money market accounts with the named client, the relationship has existed for over 6 years. The average balances for the year 2018 in all of the accounts has been in the mid 7 figure range. We have also provided the company with a real estate loan in the low to mid 7 figure range. This loan is secured by a first position security interest in the real estate where the client maintains its primary Florida operations.

The banking relationship has been handled in a satisfactory manner since inception, with no late payments or overdrafts. They are a very valued client, and BankUnited has been supportive of their growth and expansion during the past several years, and anticipate being a resource for future endeavors as well.

In that regard, BankUnited has been provided a copy of the Statement of Qualifications (RFQ No. 18-049) for the Port of Fort Pierce project, which appears to require an estimated capital infusion of \$20,427,000. \$10,000,000 is contemplated to be invested directly by the owner, with the remaining \$10,427,000 to be provided via debt financing. BankUnited has provided the borrower a comprehensive overview of how we could play a role in the financing, the vast majority of which is to finance equipment. It should be noted, this equipment is similar in nature to equipment we have previously financed for the client in the past and, as noted above, it has repaid in full via cash flow well in advance of the requirements under the credit agreement.

While this letter is not a commitment to lend, it is merely an expression of our interest in providing the aforementioned financing request, and any formal conveyance of a final approval would be detailed in a formal commitment letter. Again, based on the historical relationship between BankUnited and Derecktor Holdings, the overall strong financial position of the company, and its extensive equity position in its existing Florida real estate, we look forward to pursuing this opportunity to work together to bring this project to fruition for all involved and play a role in the capital structure required to bring the project to completion.

If any further detail or reference is desired, please contact me at (954) 383-6831, or email me at tganzel@BankUnited.com. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads 'Troy A. Ganzel'.

Troy Ganzel

Vice President

NEW YORK ↓ **FLORIDA** ↓ **MAINE**

10.6 Derecktor Fort Pierce Headcount

| Derecktor Fort Pierce Headcount | | | | | |
|-----------------------------------|-----------|------------|------------|------------|------------|
| | 1st Year | 2nd Year | 3rd Year | 4th Year | 5th Year |
| General Manager | 1 | 1 | 1 | 1 | 1 |
| Controller | 1 | 1 | 1 | 1 | 1 |
| Accounts Payable/Receivable | 1 | 1 | 1 | 1 | 1 |
| Human Resources | 1 | 1 | 1 | 1 | 1 |
| Training Supervisor | 1 | 1 | 1 | 1 | 1 |
| Warehouse Manager | 1 | 1 | 1 | 1 | 1 |
| Receptionist | 1 | 1 | 1 | 1 | 1 |
| Security | 3 | 3 | 3 | 3 | 3 |
| Enviromental/ Safety | 1 | 1 | 1 | 1 | 1 |
| Customer Service | 1 | 1 | 1 | 1 | 1 |
| Facilities/governmental relations | 1 | 1 | 1 | 1 | 1 |
| Project Manager | 4 | 6 | 6 | 6 | 6 |
| Yard Manager | 1 | 1 | 1 | 1 | 1 |
| Dock Master | 1 | 2 | 2 | 2 | 2 |
| Fabrication Foreman | 1 | 1 | 1 | 1 | 1 |
| Exterior Paint Foreman | 1 | 1 | 1 | 1 | 1 |
| Plumbing Foreman | 1 | 1 | 1 | 1 | 1 |
| Mechanical Foreman | 1 | 1 | 1 | 1 | 1 |
| Electrical Foreman | 1 | 1 | 1 | 1 | 1 |
| Joinery Foreman | 1 | 1 | 1 | 1 | 1 |
| Exterior Outfit Foreman | 1 | 1 | 1 | 1 | 1 |
| Machine Shop Foreman | 1 | 1 | 1 | 1 | 1 |
| Engineer | 1 | 2 | 2 | 2 | 2 |
| Fabrication | 12 | 36 | 36 | 36 | 36 |
| Bottom Paint | 8 | 23 | 23 | 23 | 23 |
| Plumbing | 8 | 23 | 23 | 23 | 23 |
| Mechanical | 8 | 23 | 23 | 23 | 23 |
| Electrical | 4 | 6 | 6 | 8 | 8 |
| Joinery | 4 | 6 | 6 | 8 | 8 |
| Exterior Outfit | 4 | 6 | 6 | 8 | 8 |
| Machine Shop | 1 | 2 | 2 | 2 | 2 |
| Dry Dock and Mobile Lift | 4 | 6 | 6 | 6 | 6 |
| Salespersons | 1 | 2 | 2 | 3 | 3 |
| Marketing | 1 | 1 | 1 | 1 | 1 |
| | | | | | |
| Totals | | | | | |
| Administrative | 13 | 13 | 13 | 13 | 13 |
| Production Supervisors | 15 | 19 | 19 | 19 | 19 |
| Production Jobs | 53 | 131 | 131 | 137 | 137 |
| Sales and Marketing | 2 | 3 | 3 | 4 | 4 |
| | | | | | |
| Total Employees | 83 | 166 | 166 | 173 | 173 |
| | | | | | |
| | | | | | |

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10.7 Addendums

**BOARD OF COUNTY
COMMISSIONERS**



**PURCHASING
DEPARTMENT**

ADDENDUM No. 4

RFQ No. 18-049

Operation and Development of the former Indian River Terminal at the Port of Fort Pierce

July 25, 2018

To: All Prospective Bidders:

The following changes, additions, clarifications, and deletions amend the Bid Documents of the above captioned Project, and shall become an integral part of the Contract Documents. Please note the contents herein and affix same to the documents you have on hand.

NOTICE OF SHORTLISTING RECOMMENDATION

The Review Committee voted at its public meeting held on June 29, 2018, to recommend that the following Proposers be shortlisted for further consideration in RFQ No. 18-049:

- Derecktor Holdings, Inc.
- Ft. Pierce Yacht & Ship, LLC

The Board of County Commissioners, on July 24, 2018, shall consider the shortlisting recommendation of the Review Committee for approval, and for authorization to proceed to Step Two of the RFQ process as set forth below.

STEP TWO OF THE PROCUREMENT PROCESS

Additional Proposal Information

In accordance with Section 2.2 of RFQ No. 18-049, the Shortlisted Proposers shall submit the following, additional information to the County no later than 4:00 PM on Wednesday, August 22, 2018:

1. Detailed project costs breakdown of design, construction, operations, and maintenance costs
2. Detailed schedule for construction and operations, and Proposer's ability to meet the proposed schedule
3. Detailed financial plan, including costing methodology, project finance approach, satisfactory evidence of secured obligation to finance and construct the project as proposed, including proportion of equity cash and unsubordinated debt, and source of funds
4. Detailed structure of business plan and transaction with the County, including any proposed legal terms for consideration
5. Financial Pro-Forma, commitments, and Payment Guarantees

Page 1

6. Most recent audited financial statements and/or other information to demonstrate financial stability and the ability to access the financial resources required by its proposed business plan for the successful development and operation of the Project.
7. Any additional information regarding the Proposer's qualifications and demonstrated technical competence
8. Evidence of insurance coverage suitable for the Project, in threshold amounts no less than the following:
 - a) Commercial General Liability (CGL)
 - i. The minimum limit (inclusive of any amount provided by an umbrella or excess policy) of CGL coverage must be a total of \$10 million per occurrence/ \$15 million annual aggregate.
 - ii. The CGL shall not include any exclusion for liability resulting from operations performed by subcontractors, including, but not limited to, exclusions for damage to work performed by subcontractors such as, or similar to, ISO Exclusion CG 22 94 or Exclusion 22 95.
 - iii. Products and Completed Operations in the minimum amount of \$10,000,000.00.
 - b) Automobile Liability (AL)
 - i. The minimum limit (inclusive of any amount provided by an umbrella or excess policy) of AL coverage must be \$5 million per accident.
 - ii. Coverage shall include all owned, non-owned and hired autos used in connection with the Project.
 - c) Worker's Compensation/Employer's Liability (WC/EL)
 - i. Coverage shall be no more restrictive than that provided by the standard Workers Compensation And Employers Liability Insurance Policy, as filed for use in Florida by the National Council on Compensation Insurance (NCCI), without any restrictive endorsements other than the Florida Employers Liability Coverage Endorsement (NCCI Form WC 09 03), those which are required by the State of Florida, or any restrictive NCCI endorsements which, under an NCCI filing, must be attached to the policy (i.e., mandatory endorsements). In addition to coverage for the Florida Workers' Compensation Law, where appropriate, coverage is to be included for the Federal Employer's Liability Act, and any other applicable Federal or State law.
 - ii. The minimum amount of coverage (inclusive of any amount provided by an umbrella or excess policy) shall be:

| | |
|-----------|-----------------------------------|
| Part One: | "Statutory" |
| Part Two: | \$500,000 Each Accident |
| | \$500,000 Disease - Each Employee |
| | \$500,000 Disease - Policy Limit |
 - iii. When applicable, the policy shall be endorsed to include the Longshore and Harbor Workers' Compensation Act and/or Maritime Coverage Endorsement (Jones Act Endorsement).
 - a) **Longshore & Harbor Workers' Compensation Act Endorsement** – When work will be performed on or over navigable waterways, a Longshore and Harbor

Workers Endorsement shall be provided to cover the employees' wages, transportation, maintenance and cure, in accordance with applicable laws.

- b) **Maritime Coverage Endorsement (Jones Act)** – When Operations are to be performed upon navigable waterways and barges, Tug Boats, and all other vessels on the ocean and all intra-coastal rivers and canals, as well as drivers, divers, and underwater personnel are utilized, a Maritime Coverage Endorsement shall be provided to cover the seamen, masters and members of a crew in accordance with applicable laws, providing remedy for damage or injury in the course of employment.

d) Pollution Liability

- i. The minimum limit of pollution liability coverage must be \$5 million per accident.
- ii. The maximum deductible or self-insured retention is \$100,000.00.

The County will accept as documentation for this section a Certificate of Insurance showing existing coverages and limits in compliance with the requirements, or a letter from Proposers' agent, broker or carrier attesting that Proposers, if awarded the contract, can obtain the coverages and limits required.

9. Any other additional information that the Proposers deem relevant to best describe and expand on the Proposed Project Concept, as described in Section 1.3 of the RFQ.

Evaluative Process and Criteria

In accordance with Section 2.2 of RFQ No. 18-049, the Review Committee will evaluate the additional information following the criteria set forth in Section 2.1 of the RFQ, while also taking into consideration any refinement and clarification of materials previously submitted. The County will also contact references disclosed by the Proposers to assist in the evaluation of the review criteria. The Review Committee shall rank the Proposers (1st or 2nd) in each criterion set forth in the RFQ, as follows:

1. Experience

Depth and breadth of relevant expertise and experience of the Proposer, including any successful development, operation and economic performance of marine-related industry projects in waterfront locations

2. Financial

Demonstrated evidence of the Proposers access to the capital and financial resources required by its proposed business plan for the successful development and operation of the Project (See Section 1.4 of the RFQ)

3. Project Concept

The concept of the proposed Project, including schedules (See Section 1.3, Subsections (1), (2), (4), (5) and (6) of the RFQ)

4. Business Plan

The concept of the proposed business plan and structure of the agreement with the County (See Section 1.3(3) of the RFQ)

5. Marketing Plan

The capability to develop and implement a marketing plan to generate revenues sufficient to sustain operations and sustain growth

The Review Committee will tally the ranking numbers in all 5 categories, with the Proposer having the lowest total number of ranking points being ranked first for award.

| Proposer | (1)Experience | (2)Financial | (3)Project Concept | (4)Business Plan | (5)Marketing Plan | Total Ranking Points (Add (1) – (5)) |
|------------------------------|---------------|--------------|--------------------|------------------|-------------------|---------------------------------------|
| Derecktor Holdings, Inc. | | | | | | |
| Ft. Pierce Yacht & Ship, LLC | | | | | | |

The objective is to identify through ranking the responsive and qualified proposer whose selection is in the best interest of the County (i.e., most advantageous), based on the evaluative criteria. The Review Committee shall make its ranking recommendation to the Board of County Commissioners. The Board intends to conduct interviews and host presentations by the Proposers after the ranking recommendation of the Review Committee. The Board shall then make a final ranking of the Proposers and instruct County staff to engage in negotiations with the top-ranked Proposer in accordance with Section 2.3 of the RFQ. If the County is not satisfied with the results of the negotiations with the top-ranked Proposer, the County may terminate negotiations with that Proposer and then proceed to negotiations with the second-ranked Proposer.

The Review Committee and Board shall be assisted in their evaluation of the financial data by the County’s Financial Advisor, PFM. PFM shall perform an independent review and evaluation of the financial data submitted by Proposers, and serve as an advisor to the Review Committee and Board at any public evaluation meetings. PFM shall not make any award decisions or recommendations, ranking or scoring, and instead, shall serve only as an advisor. PFM shall be bound by the confidentiality rules set forth below. The review by PFM shall be in lieu of any review by the St. Lucie County Economic Development Council.

Presubmittal Conference and Questions

A presubmittal conference shall be held on Monday, August 6, 2018, at 2:00 PM in Conference Room 3, St. Lucie County Administration Building, 2300 Virginia Avenue, Fort Pierce, Florida, so that the Proposers have an opportunity to ask questions related to the requested information and the process for evaluation and award. Proposers also may submit written questions related to this Addendum and the process described up through 5:00 PM on Wednesday, August 15, 2018. Oral inquiries will not be entertained. The County will record responses to questions and any supplemental instructions in the form of a written addendum.

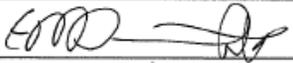
Cone of Silence

This procurement shall be governed by a Cone of Silence. Proposers, including any representatives, shall refrain from contacting or communicating with any member of the County, including Members of the Board of County Commissioners, regarding this procurement. County staff are bound by the same Cone of Silence, and shall not engage in communications with any Proposers regarding this procurement, except for the limited circumstances set forth above for the Presubmittal Conference and written questions. Any violations of this Cone of Silence may subject the offending Proposer to a disqualification from the procurement and rejection of any proposal. The intent of the County is to continue promoting a fair, transparent, competitive procurement process.

Confidentiality

Financial or trade secret information may be submitted on a confidential basis as set forth in Section 1.4 of the RFQ. Please see, generally, Florida Statutes Sections 119.071, 812.081 and 815.045 for reference. The County offers no legal opinion, representation or guarantee that any information submitted and labeled on a confidential basis is in fact an exempt public record, and instead, advises Proposers to seek independent legal counsel in this regard.

Please sign and return by e-mail to ciminod@stlucieco.org or fax to (772) 462-1704.

Name of Firm: Derecktor Holdings^s
Signature: 
Date: 8/20/18

**BOARD OF COUNTY
COMMISSIONERS**



**PURCHASING
DEPARTMENT**

ADDENDUM No. 5

RFQ No. 18-049

Operation and Development of the former Indian River Terminal at the Port of Fort Pierce

July 25, 2018

To: All Prospective Bidders:

The following changes, additions, clarifications, and deletions amend the Bid Documents of the above captioned Project, and shall become an integral part of the Contract Documents. Please note the contents herein and affix same to the documents you have on hand.

Review Committee – Appointed by the St. Lucie County Board of County Commissioners

- Jeffrey Bremer, St. Lucie County BOCC - Deputy County Administrator
- Peter Jones, St. Lucie County BOCC – Economic Development Manager
- Nicholas C. Mimms, City of Fort Pierce - City Manager
- Mary Chapman, Port of Fort Pierce Advisory Committee Board Member
- Andrew Treadwell, Administrative Director of Legislative & Executive Communications, Office of the President, Indian River State College

Cone of Silence

This procurement shall be governed by a Cone of Silence. Proposers, including any representatives, shall refrain from contacting or communicating with any member of the County, including Members of the Board of County Commissioners, regarding this procurement. County staff are bound by the same Cone of Silence, and shall not engage in communications with any Proposers regarding this procurement. Any violations of this Cone of Silence may subject the offending Proposer to a disqualification from the procurement and rejection of any proposal. The intent of the County is to continue promoting a fair, transparent, competitive procurement process.

Please sign and return by e-mail to ciminod@stlucieco.org or fax to (772) 462-1704.

Name of Firm: Derecktor Holdings

Signature: [Handwritten Signature]

Date: 8/20/18

**BOARD OF COUNTY
COMMISSIONERS**



**PURCHASING
DEPARTMENT**

ADDENDUM No. 6

RFQ No. 18-049

Operation and Development of the former Indian River Terminal at the Port of Fort Pierce

August 14, 2018

To: All Prospective Bidders:

The following changes, additions, clarifications, and deletions amend the Bid Documents of the above captioned Project, and shall become an integral part of the Contract Documents. Please note the contents herein and affix same to the documents you have on hand.

Submission of Additional Information:

Statements of Qualifications must be received at the following address:

St. Lucie County Purchasing Department
Administration Annex
2300 Virginia Avenue, Room 228
Fort Pierce, Florida 34982

To facilitate processing, Proposers must mark the outside of the envelope as follows: "Additional Information for RFQ No. 18-049 For the Operation and Development of the Former Indian River Terminal, Port of Ft Pierce." The envelope shall also include the Proposer's return address.

Proposers shall submit ten (10) copies including one marked original, one electronic copy on flash drive or CD and eight hard copies of the submittal in a sealed, opaque package marked as noted above. Packages may be submitted in person or by mail, but must be received by the County on or before the submission deadline.

THE COUNTY MUST RECEIVE ALL REQUESTED INFORMATION BY:

4:00 P.M. ON WEDNESDAY, AUGUST 22, 2018.

Question & Answers:

Below are answers to questions the County has received from the proposers, in accordance with Addendum #4:

Q1: South Building:

Please confirm the County's plans for the "South Building" on the subject property.

Who will be responsible for the Demolition and any associated environmental issues? The County or the Partner selected as a result of this RFQ?

Answer: Proposers' business plans should assume the responsibility for Proposers demolishing this building structure in order to conform to its own plans and schedule. The business proposals may also assume that the County will contribute either \$100,000 toward the demolition as set forth in the County budget or make available any state grant proceeds made available for this purpose. The County has applied for a state grant to share in the cost of the demolition and rehabilitation, but a response from the State is not expected until September 2018. Therefore, the total or actual cost of the demolition, and the allocation of costs, will be finalized during contract negotiations.

Any environmental issues associated with the demolition shall be assumed by the winning Proposer. Please see attached the condition survey of the subject building.

The County Budget for 2018 has a Line item for \$100K -Demolition of Old Packaging House, is this the same building?

***Answer: Yes**

What is the time frame for the proposed demolition?

Answer: Subject to negotiation, but should State funding become available, Proposer should plan project completion within a year.

Q2: Please advise what plans the County has for the "Environmental Remediation" of the Marine Terminal Property as referenced in the Addendum reports supplied as part of this RFQ.

Answer: The plan for remediation involves an anticipated duration of 3 to 6 months. Proposers' proposals should factor the 6 month timeframe into their schedule, with flexibility to account for a shorter duration. The schedule for remediation, including commencement, shall be subject to negotiation with the winning Proposer.

Q3: The current Marine Terminal property does not include the following three (3) parcels.

1 - Parcel ID 240343100010004, Owners, Beyel Brothers Inc

2- Parcel ID 240331400030008, Owners, Ft Pierce Oil Co,

3- Parcel ID 240313300010009, Owners, Destin Beach Inc.

Please advise if the County has any plans to acquire any or all of these properties and what is the timetable for any future acquisitions or access to these properties.

Answer: There are no current plans to acquire these parcels.

Q4: Building permit protocol – County Property: do we route building permit requirements through the County and Port Authority or deal directly with the City?

Answer: New building permits are processed by the City (though I assume the County as owner will want to see); Renovation permits are processed by County Building Department per Interlocal agreement with City.

Q5: North building repair protocol – can we simply proceed as a “tenant” or do we have to get approval from County and Port Authority for maintenance and repairs?

Answer: This will be subject to lease negotiations, but it can be assumed that more extensive maintenance and repair projects will require County approval.

Q6: What is the status of any mitigation to environmental contamination? Is there a written report?

Answer: See Q2 (A summary was made available); the following reports were uploaded to DemandStar.com during Phase I of this RFQ:

2017 Environmental Phase I

2017 Environmental Phase II

2017 Environmental PAC Report

Environmental Summary for the Port of Fort Pierce – King Maritime Parcels

Roadway Soil Survey – Fisherman’s Wharf East of Indian River Drive

Subsurface Soil Exploration – Structural Retaining Wall Fisherman’s Wharf Roadway Design.

Q7: Is there a Storm Water plan/permit? If so, can we have access to it? The County 2018 budget has a \$199,000 line item for a Master Stormwater Plan, what is status of this item?

Answer: There is a permit available online (Typically, substantial changes in the facility could require an amended stormwater plan/permit). It is anticipated that the development of a Master Stormwater Plan for the entire Port will begin in November/December, 2019.

Q8: Substrate questions: the boring analysis we have been provided pertains to Fisherman’s Wharf and the adjacent bulkhead, not the subject property. Does any boring data exist for the property and, if so, can we have access to it. If not, is there any intention to properly survey the substrate? Can we have permission for our engineer to speak with the engineer that prepared the existing data to get an impression of the integrity of the existing substrate?

Answer: A geophysical investigation was performed in June, 2018 to identify buried underground storage tanks (UST) and debris in the Terminal area. That information can be provided upon request. No other such studies have been or will be performed by the County. Please feel free to discuss the existing data with the provider.

Q9: A 2018 County budget has line item for \$90,000 for Security Protection for the Port. Please advise what this includes.

***Answer: The budget item is to improve the physical security of the Terminal. It is the County’s intention to apply for Federal Port security grants to supplement this.**

***The County’s budget will not be formalized and finally adopted until September 2018.**

Cone of Silence

This procurement shall be governed by a Cone of Silence. Proposers, including any representatives, shall refrain from contacting or communicating with any member of the County, including Members of the Board of County Commissioners, regarding this procurement. County staff are bound by the same Cone of Silence, and shall not engage in communications with any Proposers regarding this procurement. Any violations of this Cone of Silence may subject the offending Proposer to a disqualification from the procurement and rejection of any proposal. The intent of the County is to continue promoting a fair, transparent, competitive procurement process.

Confidentiality

Financial or trade secret information may be submitted on a confidential basis as set forth in Section 1.4 of the RFQ. Please see, generally, Florida Statutes Sections 119.071, 812.081 and 815.045 for reference. The County offers no legal opinion, representation or guarantee that any information submitted and labeled on a confidential basis is in fact an exempt public record, and instead, advises Proposers to seek independent legal counsel in this regard.

Please sign and return by e-mail to ciminod@stlucieco.org or fax to (772) 462-1704.

Name of Firm: Derecktor Holdings

Signature: 

Date: 8/20/18

**BOARD OF COUNTY
COMMISSIONERS**



**PURCHASING
DEPARTMENT**

ADDENDUM No. 7

RFQ No. 18-049

Operation and Development of the former Indian River Terminal at the Port of Fort Pierce

August 15, 2018

To: All Prospective Bidders:

The following changes, additions, clarifications, and deletions amend the Bid Documents of the above captioned Project, and shall become an integral part of the Contract Documents. Please note the contents herein and affix same to the documents you have on hand.

Clarification:

The County is clarifying and appending its answer to Question 6, set forth in Addendum 6, as follows:

Q3: The current Marine Terminal property does not include the following three (3) parcels.

- 1 - Parcel ID 240343100010004, Owners, Beyel Brothers Inc
- 2- Parcel ID 240331400030008, Owners, Ft Pierce Oil Co,
- 3- Parcel ID 240313300010009, Owners, Destin Beach Inc.

Please advise if the County has any plans to acquire any or all of these properties and what is the timetable for any future acquisitions or access to these properties.

Answer: There are no current plans to acquire these parcels. The County previously drafted and discussed an Exchange Agreement on the Destin Beach, Inc, parcel, but that Agreement was neither executed nor closed. Please see attached draft documents.

Attachments:

**Destin Beach Draft Agreement
Destin Beach Draft Attachments
Florida Statute 286.0113 – General Exemptions from Public Meetings**

Please sign and return by e-mail to ciminod@stlucieco.org or fax to (772) 462-1704.

Name of Firm: Derecktor Holdings
Signature: [Signature]
Date: 8/20/18

Page 1

**BOARD OF COUNTY
COMMISSIONERS**



**PURCHASING
DEPARTMENT**

ADDENDUM No. 8

RFQ No. 18-049

Operation and Development of the former Indian River Terminal at the Port of Fort Pierce

August 16, 2018

To: All Prospective Bidders:

The following changes, additions, clarifications, and deletions amend the Bid Documents of the above captioned Project, and shall become an integral part of the Contract Documents. Please note the contents herein and affix same to the documents you have on hand.

Questions/Answers:

Below are answers to questions the County has received from the proposers, in accordance with Addendum #4:

Q1: In this amendment (Addendum No. 6) we are provided a time frame for the "Environmental Remediation" work required on the property based on known conditions. Please confirm what party or parties will be responsible for the costs of these efforts. Will it be paid for by St Lucie County's account or the tenants?

Thank you for your clarification of this item.

Answer: St. Lucie County

Q2: The initial document for the "REQUEST FOR QUALIFICATIONS RFQ No. 18-049 FOR THE OPERATION AND DEVELOPMENT OF THE FORMER INDIAN RIVER TERMINAL PORT OF FORT PIERCE, FLORIDA" as provided on DemandStar.com, the Table of Contents it lists various items, and, in Part III, it begins with 3.1 and goes through 3.17. The referenced Part III in the document ends with 3.14. Please supply the missing references and conform that the section 3.14 is complete.

Answer: Section 3.14 Public Entity Crimes Statement is complete as listed in the RFQ document. The section for Pre-submittal Conference and Site Visitation and the section for Timetables were moved to page 2 of the RFQ document so that the information was easier to find by potential proposers. The Section for Oral Presentation was incorporated into Part II Evaluation Process and Criteria.

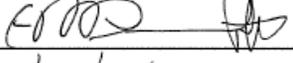
The Table of Contents should have been numbered 3.1 through 3.14 and titled as follows:

| | |
|-----------------|---------------------------------------|
| PART III | GENERAL INFORMATION |
| 3.1 | Definitions |
| 3.2 | Invitation to Propose; Purpose |
| 3.3 | Issuing Office |
| 3.4 | Awards |
| 3.5 | Development Costs |

Page 1

- 3.6 Inquiries
- 3.7 Delays
- 3.8 Submittals Submission and Withdrawal
- 3.9 Rejection of Irregular Qualifications
- 3.10 Addenda
- 3.11 Equal Opportunity
- 3.12 Insurance
- 3.13 Lobbyist Disclosure
- 3.14 Public Entity Crimes statement

Please sign and return by e-mail to ciminod@stlucieco.org or fax to (772) 462-1704.

Name of Firm: Derecktor Holdings
Signature: 
Date: 8/20/18



NEW YORK † **FLORIDA** † **MAINE**