

PUGET SOUND PILOTS' RESPONSES TO UTC STAFF DATA REQUESTS 56-69

DATE PREPARED: March 13, 2020	WITNESS: Weldon Burton
DOCKET: TP-190976	RESPONDER: Weldon Burton
REQUESTER: UTC Staff	Puget Sound Pilots

UTC STAFF DATA REQUEST NO. 58:

Follow-up to Data Request Response 46 – Depreciation Expense

What is the fair market value of each of the two pilot boats, “184 Launch” with an asset cost of \$3,220,340 and “167 Puget Sound” with an asset cost of \$3,632,659?

RESPONSE TO DATA REQUEST NO. 58:

On January 21, 2019, Puget Sound Pilots had each pilot boat surveyed by Commercial Marine Service, Inc. The purpose of the surveys was to provide values for insurance coverage, rather than determining “Fair Market Value,” representing the price a willing buyer will pay for the asset. Each vessel is specifically designed for service as a pilot boat and thus has a limited market for resale.

The surveys are therefore merely broad estimates of fair market value and do not represent actual cash values of either vessel.

The “PUGET SOUND” is a 74.2-ft, LOA, fiberglass construction and was built by Nordlund Boat Company at Tacoma, WA. in 1999 and estimated current fair market value established by the surveyor is \$3,150,000 to \$3,400,000.








The “JUAN De FUCA” is a 74.2, LOA, fiberglass construction and was built by Nordlund Boat Company at Tacoma, WA. in 2001 and estimated current fair market value established by the surveyor is \$3,528,000.

The surveyor also provides a comparable vessel for consideration in his report. The vessel is a 75-ft 2010 model aluminum vessel built-in 2004 that was listed for sale in Savannah, GA, for \$3,000,000.

The surveys and comparable vessel listings relied upon by the appraiser are being produced with the following file and bates labels:

- DR 58 - 1-22-19 Pilot Boat Replacement Comparison.pdf; PSP_007140-007141.
- DR 58 - JUAN DE FUCA - Survey.pdf; PSP_007142-007160.
- DR 58 - PUGET SOUND - Survey.pdf; PSP_007161-007177.

Puget Sound Pilots Comparable Pilot Boat Replacements

SPEC SHEET FOR NEW PILOT BOAT										
PARTICULARS-	CHEHALIS	Final Spec	USED STANPILOT 1505	USED DAMEN 07483	USED-Krivchak Savannah	NEW DAMEN Stan Tender 1905	NEW DAMEN Stan Pilot 2205	NEW Baltic BoatWorks US 1700WP	NEW BUILD Krivchak 53'	
The hull shall be semi V bottom, shall be of deep draft with about 4" of deadrise in 12" ov beam. The nuckle shall be carried from about 1/4 length to the stern			Aluminum Chined Hull with Deep V Bottom Transom Stern Raked Bow	Aluminum V Hull	Aluminum Hull Double Chined Camarc Design	Steel Hull Single Chine Deep V Bottom Transom Stern	Fiberglass Reinforced Plastic Low Impact Chine Medium V-Axe Bow	Aluminum Double Chined Wave Piercing Bow	Aluminum Hull Double Chined Camarc Design	
Length-Over-All	64' 9"	60-85	50.5	69.5	78.2	62.9	74.5	55.8	55.3	
Beam-Over_All	17' 10"	15-25	16.4	18	21.5	17.4	20	18.4	16.5	
Length on W.L.	63' 9"	60-85		57					52.5	
Depth	10' 6"	TBD	7.2			8.9	8.5		16	
Mean Draft	6' 2"	5-10'								
Maximum Draft	7' 9"	5-10'	4.3	3.8	3.7	2.6	6.2	14.76	4.6	
Minimum Draft	6' 11"	5-10'								
Rake of Keel	3' 0"	TBD								
Zincs weld or bolt on 3/4" x 4" x 8"	8	TBD	Bolted			Bolted				
Tanks										
Fuel Capacity	3000 US Gallons	2000-3000 gallons	687	Approx 950	1250	1558	1320	2 x 370	660	
Potable Water Capacity	1500 US Gallons	1000 min	26.4		200	106	264	40	66	
Gray Water	500 US Gallons	300-500 gallons						40		
Black Water	500 US Gallons	500 gallons	26.4			79	290		66	
Arrangement, Compartmentation, and Access										
Sleeping Accomodations Crew	4	2	2- Seated	3-Seated	6 Berths	3 Berths Total	3 Berths Total	2-Seated	2-Seated	
Sleeping Accomodations Pilots	6	2	4-Seated	12 Seated	9 Seats	16 Seats	6 Seated	6-Seated	6 Seated	
Displacement full load	54.4 Long Tons	TBD			57	58	75	28.6	30.5	
Design Full Speed @ 440 HP- 700 RPM	12.0 knots	15-20 knots	27 kts	28 kts	28kts	25kts	30kts	30kts	823 HP-27 kts	
Crusing Speed @ 215 HP- 600 RPM	9.5 knots	12 knots						27 kts		
Forepeak access	Galvanized flush watertight manhole	TBD	Aluminum flush watertight manhole		Aluminum flush watertight manhole	Aluminum flush watertight manhole	Aluminum flush watertight manhole		Aluminum flush watertight manhole	
Crew Quarters Access	Watertight door	TBD	NA			Yes	Yes		Aluminum Quick Acting Water Tight Door	
Pilot Quarters Access	Watertight door	TBD	Aluminum Door		Aluminum Door	Aluminum Door	Aluminum Door		"	
Galley- cabinets, sink, range, refrigerator	1 ea	Galley yes	None			Has Galley	Has Galley	Partial in Cabin	Has Galley	
cabinets metal		TBD	2 Lockers				Yes	In Cabin		
countertops formica		TBD								
Toilet, paper holder, coat hooks, paper towel holder	1	TBD	Single Manual Toilet			Restroom No Holding Tank	Restroom No Holding Tank	Restroom in Cabin	Restroom w Tank	
Berths and lockers	10 ea	4-6	0			3- total	3 total 2 rooms	Optional Berthing		
Interior doors fitted with securing locks and butt hinges	all	TBD	1 to Engine Room							
Exterior door and window frames weather stripped and gasketed	all	TBD	All		Fixed Windows	Yes	Yes	Yes		
Engine Room-										
Main diesel propulsion unit	2	2- propellor units	2-Fixed Pitch Propellers	2- Hamilton Water Jets	2 Hamilton Water Jets	2-Fixed Pitch Propellers	2-Fixed Pitch Propellers	2-Fixed Pitch Propellers	2-Fixed Pitch Propellers	
Diesel generator set GM 2-71 at 20 KW 120/208 vac	2	2-20kw diesel	1-5KW	Onan 17.5KW		1-Cat 16 KW	1-Onan 22.5KW		Kohler 16EKOZD	
switchboard	1		230V 50hzAC	50hz 220/380V		230V 50hzAC	115V/60HZ Option		16 KW 120/240VAC	
engine driven bilge pump	1	1	1 elec+2 Hand			1 elec+2 Hand				
fresh water pressure system	1	1								
Work bench	1	1								
Racks for spare parts	1	1								
Sea chests for each engine	4	Yes	Separate Intake Pipes			Separate Intake Pipes	Separate Intake Pipes	Yes		
Ventilation 500 cfm	1	TBD	397			370	264		2 HP motor	
Main Deck-										
Railings fitted with cap and two rungs	2 1/4"	Yes, Clear with rubber protected deck	1.18"	Hadrian Safety Railings	Single Railings	1 1/4"	1 1/4"	1 1/4"	1 1/4"	
Cleats 20" cast steel	5	TBD	7-Aluminum		4 Aluminum	2	0		0	
Closed Chocks 4" x 7" opening cast steel	5	TBD	None		2- Bollards	4 Bollards	6 Bollards	6 Bollards	3 Bollards	
Winch- 1/2" chain, 36 fpm	Hydraulic	Electric	Electric 3/8"		Winch	Electric 3/8"	Electric-3/8"	Optional Elec	None	
Boarding Area	Platform		Deck	Deck	Platform	Deck	Deck	Platform	Deck	
Pilot House-										
Access aft side	Dogged Weathertight door	TBD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Steering stand	1	1-2	1-Seated	1-Seated	1-Seated		1-Seated	1-Seated	1-Seated	
Portable chart table	1	Yes	1-Nav Position	Yes				Yes		

Puget Sound Pilots Comparable Pilot Boat Replacements

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PARTICULARS-	CHEHALIS	Final Spec	USED STANPILOT 1505	USED DAMEN 07483	USED-Krivchak Savanah	NEW DAMEN Stan Tender 1905	NEW DAMEN Stan Pilot 2205	NEW Baltic BoatWorks US 1700WP	NEW BUILD Krivchak 53'
Engine controls	1	2- stations	1 Station	1	Yes		1	1	2- one external
Side Lights, running lights, masthead lights	8	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Windows- safety glass	all	Yes all	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Navigation Equipment-									
Air Horn	1	1-yes	Electric	Yes	Yes	Yes	Yes	Yes	Yes
Brass Bell 5"	1	1-yes	Can be Added		Yes	Yes	Yes	Yes	Yes
Portable Co2 operated fog horn	1	1-yes	Can be Added						
Compass	1	1	Yes	Yes	Yes	Yes	Yes	Electronic	Yes
VHF radio	1	2	Yes	Yes	Yes	Yes	Yes	Yes	Yes
VHF radio with loudhaler	1	1			Yes			Yes	Yes
AIS / GPS	1	1	Yes			Yes	Yes	Yes	Yes
Radar	2	2	1-2nd Optional	Yes	Yes	Yes	Yes	Yes	Yes
Wipers		Electric	Electric	Yes	Yes	Yes	Yes	Yes	Yes
Auto Pilot		1	Optional	Yes		Optional	Optional		
External Comms System			Optional			Optional	Optional	Yes	
PROPULSION									
General Motors G-71	2	MTU, Cummins or Cat	2-Cat	2-Cat type 3412	2-Cummins KTA-38 Ms	2-Cat C32 TTA	MTU 10V2000	Volvo Penta D16	Cat- C18 ACERT
440 HP at 2100 RPM		TBD	1000HP @2100	1931HP	1350	1790hp @1800rpm	2410 @ 2250 RPM		715HP @2100RPM
320 HP at 1800 RPM		TBD							
Gear reduction unit 2:1 reduction	2	TBD				Reintjes WVS	Twin Disk 6599 RV	ZF 665	ZF665A-1
Fuel filters w/ replaceable elements screw on type	2	TBD							
Mufflers- spark arrestor type	2-4	TBD							
Shafting- 3 1/4" Stainless steel	2	TBD							
Propellers- 44" diameter, 30" pitch right hand stainless steel	2	TBD							
RESCUE + SAFETY									
Automatic External Defibrillator in cabinet	1	1							
First aid kit	3	3	1			1	1	1	1
Life Raft 8-person	1	1	14 person	Yes	Yes	14 person	8 Person	8 Person	10 Person
EPIRB	1	2							Yes
Side mount hydraulic davit (stb side)	1	0			Stern Mounted				Stern Mounted
Stern mount hydraulic rescue system	1	1	Manual, Hydraulic Option +\$50K	Manual	Boarding Platform	Electric Platform Add\$25K	Electric Platform Add\$25K	Hydraulic Platform Standard	Stern Platform Raised by Davit
Life rings 30" with rope (name of vessel painted on ring)	4	4	2	2	2	2	2	2	2
Fire extinguisher on-board system	1	1	3 Manual			3 Manual	3 Manual	3 Manual	4 Manual
Fire extinguisher 5 lb. ABC	2	2	Fixed System			Fixed System	Fixed System	Fixed System	Fixed System
Fire extinguisher 20 lb. ABC	1	1	in Engine Room			in Engine Room	in Engine Room	in Engine Room	in Engine Room
Fire extinguisher 20 lb. Co2	2	2							
Life Preservers	10	10	Yes			Yes	Yes	Yes	
FLIR (Infrared Camera)		1						Optional	
Fendering System	Tires		2-Layer Rubber D	1-Layer Rubber D	Pop-Safe	Rubber D and M	2-Layer Rubber D	Rubber D	Foam/HDPE Pipe
OPERATING CONDITIONS									
Maximum Sea State		20 feet							
Maximum Boarding State		15 feet							
Normal Boarding State		8-10 feet							
Location			Bahamas	Netherlands	Savanah	Netherlands	Netherlands	Estonia	Seattle
Year Built			2017	1997	2004	Base Price	Base Price	Delivered Price	Est Cost
Cost			\$850,000.00	\$347,000.00	\$3,000,000.00	\$2,100,000.00	\$3,130,000.00	\$2,000,000.00	\$3,000,000.00

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

	COMMERCIAL MARINE SERVICE, INC.
	<i>Marine Surveyors, Consultants & Appraisers</i> P. O. Box 33836 Seattle, Washington, 98133 Visit Us @ www.cmservice.us
	Local Phone (425) 742-7424 Facsimile (425) 742-9523

MARINE SURVEY

REPORT No. : CMS-19-4238

CONDITION AND VALUATION

PILOT BOAT "JUAN DE FUCA"

Official No. : 1120139

Call Sign: WDA5852

Requested By: Joe Semler / Puget Sound Pilots Assn.

101 Stewart Street, Suite 900
Seattle, WA. 98101



This Report Issued at Seattle, WA on January 30, 2019

In accepting this report or certificate it is agreed that the extent of the obligation of Commercial Marine Service, Inc., with respect thereto is limited to furnishing a Surveyor believed to be competent and in the making of this report or certificate it is acting on the request of the person requesting the same, and no liability shall attach to Commercial Marine Service, Inc., for the activity thereof.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

THIS IS TO CERTIFY that the undersigned marine surveyor did on January 21, 2019, at the request of Captain Joe Semler and for the account of Puget Sound Pilots Association, attend survey of subject vessel as it lay afloat at Owner's dock at Pilot Station in Port Angeles, WA, in order to ascertain its general condition and valuation for insurance purposes.

ATTENDING

Captain Andy Dreyer_____ Owner's Representative

Mr. Thomas D. Laing, Jr. CMS, ASA, _____ ---- Marine Surveyor

PARTICULARS

Registered Owner: Puget Sound Pilot Association,
101 Stewart Street - Suite 900, Seattle, WA 98101.

Official No.: 1120139	Length: 74.2-ft LOA / 69.0-ft LWL
Breadth: 19.6-ft	Depth: 9.0-ft
Draft: 2.5-ft	Displacement: 80,000-lbs
Place Built: Tacoma, WA	Year Built: 2001
Gross Tonnage: 87	Net Tonnage: 70
Horsepower: 2,200 @ 2300-rpm	Fuel Capacity: 1,.800 gal.
Estimated Speed: 24-knots	Water Capacity: 60-gal.
Accommodations: 10-Persons	Construction: Fiberglass
Area Of Operations: Puget Sound,	Service: Pilot Boat

NAVIGATION LIMITS

Route

Waters: Coastal and inshore waters Pacific Northwest not to exceed 20 miles offshore.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Range

Mechanical Endurance: Vessel's fuel capacity of 1,800 gals. will allow vessel to operate for approximately 16-hours at full throttle.

Distance: Under ideal conditions subject vessel could travel approximately 375 miles at full throttle.

DESCRIPTION OF VESSEL

Type

Vessel: A typical twin diesel water jet powered, single cabin vessel specifically designed for service as a pilot Boat

Designer

Hagen Marine, Inc. and Tim Nolan Design, Seattle, WA.

Design Characteristics

Watertight Hull Compartmentation: Subject vessel's hull is divided into six major compartments as follows: Forepeak; Supply Room; Switch Room; Utility Room; Tank Compartment; Engine Room and Pump room by bulkheads at longitudinal stations 1.6-M, 4.87-M, 8.47-M, 12.83M, 14.63-M, 21.02-M. forming the aforesaid six compartments

Hull Form: Displacement type non-planing hull with moderately raked, sharp bow; plumb square stern; flared vertical with increased flare forward and tumblehome aft sides; flat sheer; Reported to be semi "V" bottom with light dead-rise at midsection.

Superstructure Form: Flush deck forward with Single level trunk cabin with ladder accessible escape hatch forward, containing helm and passenger seating Forward of amidships with Flying Bridge atop; One fiberglass articulating mast followed by flush deck extending to transom notch which contains man overboard lift.

Hull Protection: Formed D"D section hard rubber all around vessels' sides; Fourteen aircraft tire fenders suspended from laid in stainless steel mounts.

Accommodations: Subject vessel is a day boat and has no sleeping or cooking facilities; On main level of cabin there is a Helm Station console, with navigation & communication electronics as

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

well as Evjaand Hnsen operator and lookout shock absorbing, post mounted chairs with adjustable foot rests. The helm station has 360degree visibility through eleven windows and one aft door view port. Passenger area is fitted with four pairs of aircraft type passenger seats with leather covered seat cushions Seats are arranged to face each other on Starboard side with convenience table between seat pairs; Port side configuration is two rows of 2-seats each facing forward; At aft end of cabin there are storage lockers Port and Starboard; Vessel is fitted one crew and passenger head with Incinolet marine toilet and adjacent lavatory located below in separate compartment to the starboard side of Switch Room;

Mooring Fittings: Eight 18-n stainless steel mooring cleats ranging four and each side.

Watertight Integrity: Hatches, doors, scuttles and windows opening to weather deck are (weather-tight/watertight) types.

Minimum Freeboard to Weather Deck: At time of survey 3-ft. 3-in.

Construction

Builder: Nordlund Boat Company at Tacoma, WA in 1999.

Method/Material: Hull, deck and house All hand laid fiberglass reinforced plastic with Arex or Airlite Foam core. _____ framing ; (teak and holly cabin sole;) (carpeted throughout;) (Teak)(Mahogany) cabinetry and ceiling with vinyl fabric overhead liner.

Major Scantlings: Hull scantlings considered normal for vessel's intended service.

NAVIGATION EQUIPMENT

Required Lights

Running Lights: Red and green 112.5° side lights; white 225° bow light, white 135° stern and 360° anchor light, all properly screened.

Identification Lights: White over red 360°visibility lights.

Signaling Equipment

Horn: One single trumpet Kahlenberg pneumatic horn with whistle

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

control switch.

Bell: None sighted at time of survey.

*

Flares: None sighted at time of survey.

Navigation Aids

Radar: One JRC model Anritsu RA 713 with ARPA.

Global Positioning System: One Furuno, model GP-30 DGPS;

Video Chart Plotter: One Transas, model Navisailor ECS NS2400

Depth Indicator: One Furuno model RD-30.

Depth Indicator: Integral to videoplotter.

Automatic Pilot: One Comnav, model 2001.

Compass: One KVH model ADGC Gyro with Ritchie 4.5-in repeater at helm.

Automatic Identification System: One Furuno, model FA 100.

FLIR: One Forward looking infrared unit.

Searchlight(s): Two 12-in-dia hand directed incandescent bulb type located port and starboard from flying bridge corners. *

Windsheild Wipers: Three Hepworth, model 80NM Pantograph electric.

Charts for Area of Operation: Sufficient.

Defrosters: Five ()5) Sea Clear heated windows.

Chart Plotting Equipment: Sufficient.

Communication Equipment

VHF Radiotelephone: Two Furuno, model FM8900 with Furuno, model RB-8800 remote terminals.

C/B Radiotelephone: One Motorola, model COMI-1550.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Cellular Telephone: Captain's Personal

Loud Hailer-Intercom: Integral to VHF.

AUXILIARY SYSTEMS AND EQUIPMENT

Propulsion Machinery

Machinery: Two Caterpillar, model 3412E, twelve cylinder, electric starting, fresh water cooled through heat exchanger, 1,100 shaft horsepower each @ 2300-rpm, diesel engines each close coupled to one Rentjis, model VVS 334, 3.0367:1 marine reduction gear coupled to reduction driving one Hamilton Jet, model 741B mounted through transom.

Engine Exhaust System

Piping: Dry to Wet type steel and reinforced rubber piping exiting hull below water line.

Fuel System

Tanks: Two, freestanding, welded aluminum tanks with vents and shut off valves) at tanks.

Filtration: Jet Mag, model FD-X400 fuel de-contaminator; Racor model 79/1000 MVA filters.

Engine Oil Centrifuges: Two Spinner II, model 1404-200-HD.

Plumbing: Flexible reinforced neoprene hose through strainer, water trap, and filters to engine with flex lines at engines.

Operational Controls

Steering: Hamilton Jet model HYRC wheel control with hydraulic actuators for thrust direction and reverse gate operation.

Engine: dual lever, electronic controls for throttle and reverse gear; two stations located one each at main helm in cabin and atop on flying bridge console.

Monitors: Two Caterpillar electronic monitoring panels continuously showing digital readouts of all real time engine conditions.

Trim Tabs: Integral to Hamilton Jet system

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Power Supply: 220/110 volt AC from shore power as well as 12VDC and 24-VDC from storage battery banks in utility room.

Batteries: Two banks of two each group 24 12VDC in 12VDC auxiliary engine starting banks; Two Banks of two 8-D marine batteries in 24-VDC main engine starting banks; Two Banks of two 8-D marine batteries in 24-VDC electronics backup power banks; Two Banks of two 8-D marine batteries in 24-VDC in utility bank; All with isolation switches, located in corrosion proof boxes in utility room.

Battery maintenance: 24-VDC from Two Ratelco, model 102B-3602 62A, 24 VDC @ 75 amperes and two McCarron, model 20-1240, 12-VDC @ 40-amperes.

Wiring: Plastic covered, stranded copper marine type.

Fixtures: Marine exterior lighting fixtures with marine switches, light sockets and receptacles in vessel's interior.

Circuit Protection: Circuit breakers (and/or fuses) in all circuits with master switch located in switch room.

Ship Generators

Auxiliary Generators: Two Northern Lights, model M864W, 120/240 AC 25-kW generating unit powered by one Luggar model M1-984, four cylinder, electric starting fresh water through heat exchanger diesel engine.

Battery Maintenance Generators: Two) Delco30 ampere (12volt DC alternator belt driven by auxiliary engines.

Hydraulic System

Pumps: Two, Brunening Hydromatic, No. 09910545, 225 to 1,500-psi; one each close coupled to reduction gear accessory drives, Providing service to Man Oveerboard Lift and to hydraulic ram articulated mast.

Reservoir: 65-gal aluminum tank in Utility room.

Ventilation System

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Accommodations: (Natural and mechanical) type through hatch, port-light, and scuttle openings and Five (5) King mode DE-2422-SS-St 240 VAC electric space heating; Two (2) Cruiseair model EO110016, electric air conditioning with air handlers supplying cooled air to passenger cabin.

Engine Room: (Natural and mechanical) type through hatches and vent openings, equipped with electric blowers.

Ground Tackle

Winch: Anchor hauled by hand from foredeck.

Anchor: One 69-lb. Fortress model XF125 Aluminum/Magnesium alloy lightweight dual fluke angle up to 27,000=lb. holding capacity type anchor and with 7/8-in-dia X 300-ft nylon synthetic line cable rode with spliced eyes, thimbles, shackles and swivels ,and 50-ft length of 5/8-in-dia galvanized chain leader and chain leader.

Alarm System

Auxiliary Propulsion Engine (s): Ships Co, model Watchman Audible and visual type for abnormal operating conditions.

Generator Engine: Ships Co, model Watchman Audible and visual type for abnormal operating conditions.

Bilge: Ships Co, model Watchman Audible and visual type for abnormal conditions.

Fire/Smoke Alarm: Ships Co, model Watchman Audible and visual type for smoke in store room, Head, Switch Room, Utility Room, Engine room and Pump Room

Potable Water System

Tanks: one freestanding plastic tanks with vent shut off valve at tank.

Plumbing: (Steel-Copper-Plastic) piping with (out-in) line strainer or filter.

Water Pressure System: (One Flojet, model 4405 demand type electric-powered pressure unit.

Water Heater: None, cold water only.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Bilge System

Pumps: One Jabsco, model 18370, 3-hp electric motor driven 2-in. dia. Rotary pump, plumbed into bilge manifold with bronze ball valved service to all compartments.

Sewage System

Marine Toilet: One Incemolet, model EB. Non fluid typ.

Oily Water Seperator: One Nelson, model Bilge Boy, 3-gal per minute unit with two liberty bay filters with oil content meter.

Emergency Lighting

System: DC throughout vessel.

Life Saving Gear

Personal Flotation Devices: Ten USCG approved Type I life preservers equipped with reflective tape, working water lights and whistles, and with vessel's name lettered thereon, located in well marked storage locker located in passenger cabin.

Survival Suits Eight Adult and two Jumbo Sizen, UDCG Approved Type V, survival suits with water light battery renewal next due 8/2020.

Life Raft: One Beauford, USCG/SOLAS Approved, "A" Pack, inflatable 10-person life raft, in good condition, with vessel's name lettered thereon, located in hydrostatic release on top of deck house. Next raft inspection due 10/2019.

Life Ring Buoys: Five 30-in-dia USCG approved ring buoys, each with float light, and with 90 ft. by 3/8 in. retrieving line and vessel's name lettered thereon. Located port an Starboard aft seck; Port abd starboard on Flying Bridge; Center line on cabin trunk forward.

Life Sling: Three USCG Approved life sling in deck mount at rail Port and Starboard forward and Starboard side aft.

First Aid Equipment: One reasonably well maintained, industrial first aid kit with first aid book located in passenger cabin.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

First Aid - CPR Certification: at least One member of crew hold valid certificates.

EPIRB: One ACR, Model RLB 23, (Category A 406 MHz satellite) emergency position indicating radio beacon, with service due by 12/2020.

Hand Rails

Weather Deck: 3-ft. 6-in. minimum height stainless rails on side and foredecks as well as grab rails along side of deckhouse.

Portable Fire Fighting Apparatus

Portable Fire Extinguishers USCG Approved, Hand Held:

CO₂ : Two 15-lb

Dry Chemical: Two Type ABC, 10-lb

Fixed Fire Fighting System

Type: Kidde model KM 200 with auto discharge and engine room damper activation; Last inspection 12/2018.

General Condition

Subject vessel is 18-years old and it shows evidence of superior maintenance and continuous upgrading and is considered to be in very good condition.

SPECIFIC CONDITIONS

Circumstances of Survey

Vessel: Afloat all accessible compartments entered; Some machinery inspected while operating.

Housekeeping: Good

Protective Coatings: Good

Structural: Good

Machinery: Apparently Good

Cordage: Good

Safety Gear: Good

Vessel Security

Mooring: Vessel normally moored at owner's dock on Ediz Spit in Port Angeles, WA. Dock is inside locked gate area; mooring is semi protected waters of Port Angeles harbor

Police/Night Watchman: Mooring is inside compound with 24 hr. duty

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

personnel; area also patrolled by (local police department

Fire Protection: (Local/Volunteer) Fire Department located approximately 2.0-mile(s) from vessel; reported response time is < 10 minutes; nearest fire main located approximately 300 feet from vessel.

Onboard: Vessel not usually left at un-attended dock unattended while in port.

Remarks

Bow, port side, starboard side, stern, bulwarks, superstructure and deck: found free of-waste areas-chafing or rot) and contained) scattered light scuffs and/or scratches.

Bilges and Internal Framing: Visible areas found free of waste, rot and/or oil accumulation.

Engine Room Machinery: Found to be clean and appeared to be subject of an adequate maintenance program. Sufficient oil supply and extra oil and fuel filters on board for expected usage; engines operate without excessive exhaust smoke or crank case back pressure.

Rigging and Deck Gear: Generally found to be well maintained and in serviceable condition

OPERATION ADVICE

(A) All personnel should be made aware of location of fire extinguishers and

life saving equipment and its proper usage.

(B) All doors and hatches not in use should be kept secured while at sea.

(C) All fire extinguishers should be periodically checked by a qualified service person, serviced and tagged as necessary.

(D) All bilges to be kept as near dry as possible, clean and free of oil.

(E) Engine room should be checked by competent crew member every hour while operating at sea.

(F) Disconnect master switch on electric circuitry excluding properly fused bilge pump while vessel is unattended.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

(G) Bilges in machinery space to be kept free of oil accumulation

RECOMMENDATIONS

For Implementation Prior To Sailing

- (1) Vessel to have minimum of 2-person crew including captain while at sea.
- (2) Vessel to carry six properly dated USCG approved distress flares conforming to USCG Navigation Rules Annex IV.
- (3) Locate and properly mount fog bell.

NOTES

- (A) Last dry-docking for bottom maintenance October 2018.
- (B) Present Engine Hours
Port 14,084.
Starboard 25,099.
- (c) Auxiliary engine hours
Port 28,893.1
Starboard 20,093.6
- (E) Major hull repairs have not been necessary during this ownership.

Valuation Method

We considered the depreciated Cost, Income and Market methods of valuation. From our records we find that a similar pilot boat was built in 2009 for the cost of \$5.4-million. We consulted the US Department of Labor, bureau of labor statistics Producer Price index and found that from December year 2009 through December 2019 the index for boat and ship construction had risen 16%. When we applied that factor to the known cost of \$5.4-million we arrived at a new replacement cost in the amount of \$6.254-million.

We depreciated subject on a standard 40-year Normal Useful Life schedule. From observations we estimate that subject vessel pursuant to previous continuing maintenance has up to a 22-year Remaining useful Life which leads us to a Current Estimated Fair Market Value in the amount of \$3,692,000.00.

When we turned to the Market we found one 75-ft 2010 model aluminum similar Kvichak built vessel offered for the amount of \$2,900,000.00. If we take the mean of the cost and market we arrive at a \$3,150,000.00 Current Estimated Fair Market mean Value generally varies from actuality by 12%. When this factor is applied we arrive at \$3.52-million.

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

APPRAISAL

Valuations

Estimated New Replacement Cost ----- \$6,524,000.

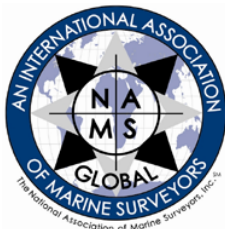
Estimated Current Fair Market Value -----\$3,528,000.

CONCLUSION

It is the opinion of the undersigned, as far as could be determined by the foregoing general inspection, without making removals to expose parts normally concealed, or making borings or ultrasonic measurements to ascertain thickness, or opening up machinery to ascertain exact condition, that the vessel described herein, subject to compliance with the foregoing recommendations and limitations, was found to be in satisfactory condition to continue in its intended service.

THIS SURVEY REPORT MADE WITHOUT PREJUDICE TO THE RIGHTS OR INTERESTS OF WHOM IT MAY CONCERN

Commercial Marine Service, INC.



A handwritten signature in blue ink, appearing to read 'T. Laing, Jr.', is enclosed in a rectangular box.

Thomas D. Laing, Jr. NAMS-CMS, ASA
Principal marine Surveyor



Attachments:

Color Photographs of Vessel

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"



01 Forward Aspect



02 Aft MOB Platform



03 Aft Deck From Above



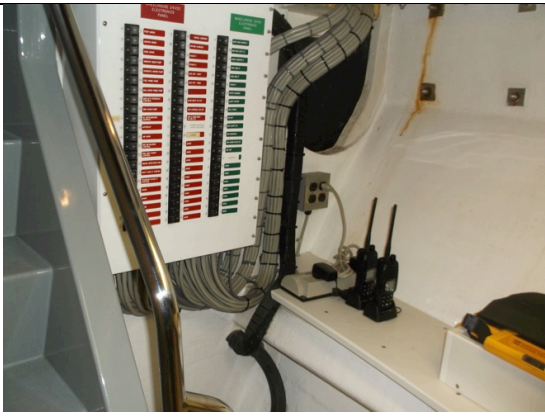





04 Shore Power Connection









Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

05 Typical Side Deck	06 Passenger Cabin Looking Forw
	
07 Life Preserver Storage	08 Alarm Panel
	
09 Main Helm	10 Location & Engine Monitor
	
11 Communications & Gyro	12 Vessel's Head

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

	
<p>13 DC & 15 24Volt Panel</p>	<p>14 Emergency Medical gear</p>
	
<p>15 Lower Deck Forward Escape Hatch</p>	<p>16 Switch Gear</p>
	
<p>17 Fixed Fire Fighting System</p>	<p>18 Inflatable Life Raft</p>

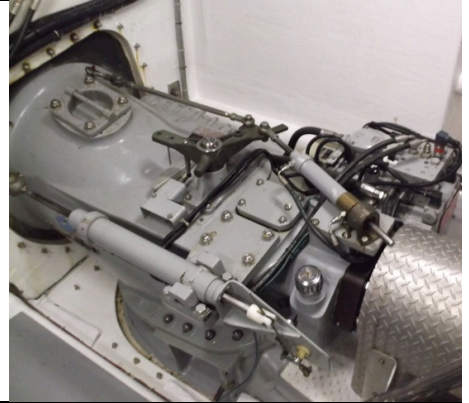
Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

	
<p>19 Bilge Pump</p>	<p>20 Bilge Manifold</p>
	
<p>21 Typical Air Conditioning Unit</p>	<p>22 Typical Battery Box</p>
	
<p>23 Typical Battery Chargers</p>	<p>24 Typical Main Engine</p>

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"



25 Hydraulic Pump



26 Jet Pump



27 Water Filtration



28 aft Lower Deck Escape Hatch



29 Maintenance Tool Chests



30 Side View of Flying Bridge

Puget Sound Pilots - Survey of Vessel "JUAN De FUCA"

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"

	COMMERCIAL MARINE SERVICE, INC.
	<i>Marine Surveyors, Consultants & Appraisers</i> P. O. Box 33836 Seattle, Washington, 98133 Visit Us @ www.cmservice.us
	Local Phone (425) 742-7424 Facsimile (425) 742-9523

MARINE SURVEY

REPORT No. : CMS-19-4239

CONDITION AND VALUATION

PILOT BOAT "PUGET SOUND"

Official No. : 1088139

Call Sign: WCZ 5670

Requested By: Joe Semler / Puget Sound Pilots Assn.

101 Stewart Street, Suite 900
Seattle, WA. 98101



This Report Issued at Seattle, WA on January 30, 2019

In accepting this report or certificate it is agreed that the extent of the obligation of Commercial Marine Service, Inc., with respect thereto is limited to furnishing a Surveyor believed to be competent and in the making of this report or certificate it is acting on the request of the person requesting the same, and no liability shall attach to Commercial Marine Service, Inc., for the activity thereof.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

THIS IS TO CERTIFY that the undersigned marine surveyor did on January 21, 2019, at the request of Captain Joe Semler and for the account of Puget Sound Pilots Association, attend survey of subject vessel as it lay afloat at Owner's dock at Pilot Station in Port Angeles, WA, in order to ascertain its general condition and valuation for insurance purposes.

ATTENDING

Captain Andy Dreyer _____ Owner's Representative

Mr. Thomas D. Laing, Jr. CMS, ASA, _____ ---- Marine Surveyor

PARTICULARS

Registered Owner: Puget Sound Pilot Association,
101 Stewart Street - Suite 900, Seattle, WA 98101.

Official No.: 1120139	Length: 74.2-ft LOA / 69.0-ft LWL
Breadth: 19.6-ft	Depth: 9.0-ft
Draft: 2.5-ft	Displacement: 80,000-lbs
Place Built: Tacoma, WA	Year Built: 1999
Gross Tonnage: 87	Net Tonnage: 70
Horsepower: 2,200 @ 2300-rpm	Fuel Capacity: 1,800 gal.
Estimated Speed: 24-knots	Water Capacity: 60-gal.
Accommodations: 10-Persons	Construction: Fiberglass
Area Of Operations: Puget Sound,	Service: Pilot Boat

NAVIGATION LIMITS

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Route

Waters: Coastal and inshore waters Pacific Northwest not to exceed 20 miles offshore.

Range

Mechanical Endurance: Vessel's fuel capacity of 1,800 gals. will allow vessel to operate for approximately 16-hours at full throttle.

Distance: Under ideal conditions subject vessel could travel approximately 375 miles at full throttle.

DESCRIPTION OF VESSEL

Type

Vessel: A typical twin diesel water jet powered, single cabin vessel specifically designed for service as a pilot Boat

Designer

Hage Marine, Inc. and Tim Nolan Design, Seattle, WA.

Design Characteristics

Watertight Hull Compartmentation: Subject vessel's hull is divided into six major compartments as follows: Forepeak; Supply Room;; Switch Room; Utility Room; Tank Compartment; Engine Room and Pump room by bulkheads at longitudinal stations 1.6-M, 4.87-M, 8.47-M, 12.83M, 14.63-M, 21.02-M. forming the aforesaid six compartments

Hull Form: Displacement type non-planing hull with moderately raked, sharp bow; plumb square stern; flared vertical with increased flare forward and tumblehome aft sides; flat sheer; Reported to be semi "V" bottom with light dead-rise at midsection.

Superstructure Form: Flush deck forward with Single level trunk cabin with ladder accessible escape hatch forward, containing helm and passenger seating Forward of amidships with Flying Bridge atop; One fiberglass articulating mast followed by flush deck extending to transom notch which contains man overboard lift.

Hull Protection: Formed D"D section hard rubber all around vessels' sides; Fourteen aircraft tire fenders suspended from laid in stainless steel mounts.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Accommodations: Subject vessel is a day boat and has no sleeping or cooking facilities; On main level of cabin there is a Helm Station console, with navigation & communication electronics as well as Evjaand Hnsen operator and lookout shock absorbing, post mounted chairs with adjustable foot rests. The helm station has 360degree visibility through eleven windows and one aft door view port. Passenger area is fitted with four pairs of aircraft type passenger seats with leather covered seat cushions Seats are arranged to face each other on Starboard side with convenience table between seat pairs; Port side configuration is two rows of 2-seats each facing forward; At aft end of cabin there are storage lockers Port and Starboard; Vessel is fitted one crew and passenger head with Incinolet marine toilet and adjacent lavatory located below in separate compartment to the starboard side of Switch Room;

Mooring Fittings: Eight 18-n stainless steel mooring cleats ranging four and each side.

Watertight Integrity: Hatches, doors, scuttles and windows opening to weather deck are (weather-tight/watertight) types.

Minimum Freeboard to Weather Deck: At time of survey 3-ft. 3-in.

Construction

Builder: Nordlund Boat Company at Tacoma, WA in 1999.

Method/Material: Hull, deck and house All hand laid fiberglass reinforced plastic with Arex or Airlite Foam core. _____ framing ; (teak and holly cabin sole;) (carpeted throughout;) (Teak)(Mahogany) cabinetry and ceiling with vinyl fabric overhead liner.

Major Scantlings: Hull scantlings considered normal for vessel's intended service.

NAVIGATION EQUIPMENT

Required Lights

Running Lights: Red and green 112.5° side lights; white 225° bow light, white 135° stern and 360° anchor light, all properly screened.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Identification Lights: White over red 360°visibility lights.

Signaling Equipment

Horn: One single trumpet Kahlenberg pneumatic horn with whistle control switch.

Bell: None sighted at time of survey.

*

Flares: None sighted at time of survey.

Navigation Aids

Radar: One JRC model Anritsu RA 713 with ARPA.

Global Positioning System: One Furuno, model GP-30 DGPS;

Video Chart Plotter: One Transas, model Navisailor ECS NS2400

Depth Indicator: One Furuno model RD-30.

Depth Indicator: Integral to videoplotter.

Automatic Pilot: One Comnav, model 2001.

Compass: One KVH model ADGC Gyro with Ritchie 4.5-in repeater at helm.

Automatic Identification System: One Furuno, model FA 100.

FLIR: One Forward looking infrared unit.

Searchlight(s): Two 12-in-dia hand directed incandescent bulb type located port and starboard from flying bridge corners. *

Windsheild Wipers: Three Hepworth, model 80NM Pantograph electric.

Charts for Area of Operation: Sufficient.

Defrosters: Five ()5 Sea Clear heated windows.

Chart Plotting Equipment: Sufficient.

Communication Equipment

VHF Radiotelephone: Two Furuno, model FM8900 with Furuno, model RB

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

-8800 remote terminals.

C/B Radiotelephone: One Motorola, model COMI-1550.

Cellular Telephone: Captain's Personal

Loud Hailer-Intercom: Integral to VHF.

AUXILIARY SYSTEMS AND EQUIPMENT

Propulsion Machinery

Machinery: Two Caterpillar, model 3412E, twelve cylinder, electric starting, fresh water cooled through heat exchanger, 1,100 shaft horsepower each @ 2300-rpm, diesel engines each close coupled to one Rentjis, model VVS 334, 3.0367:1 marine reduction gear coupled to reduction driving one Hamilton Jet, model 741B mounted through transom.

Engine Exhaust System

Piping: Dry to Wet type steel and reinforced rubber piping exiting hull below water line.

Fuel System

Tanks: Two, freestanding, welded aluminum tanks with vents and shut off valves) at tanks.

Filtration: Jet Mag, model FD-X400 fuel de-contaminator; Racor model 79/1000 MVA filters.

Engine Oil Centrifuges: Two Spinner II, model 1404-200-HD.

Plumbing: Flexible reinforced neoprene hose through strainer, water trap, and filters to engine with flex lines at engines.

Operational Controls

Steering: Hamilton Jet model HYRC wheel control with hydraulic actuators for thrust direction and reverse gate operation.

Engine: dual lever, electronic controls for throttle and reverse gear; two stations located one each at main helm in cabin and atop on flying bridge console.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Monitors: Two Caterpillar electronic monitoring panels continuously showing digital readouts of all real time engine conditions.

Trim Tabs: Integral to Hamilton Jet system

Power Supply: 220/110 volt AC from shore power as well as 12VDC and 24-VDC from storage battery banks in utility room.

Batteries: Two banks of two each group 24 12VDC in 12VDC auxiliary engine starting banks; Two Banks of two 8-D marine batteries in 24-VDC main engine starting banks; Two Banks of two 8-D marine batteries in 24-VDC electronics backup power banks; Two Banks of two 8-D marine batteries in 24-VDC in utility bank; All with isolation switches, located in corrosion proof boxes in utility room.

Battery maintenance: 24-VDC from Two Ratelco, model 102B-3602 62A, 24 VDC @ 75 amperes and two McCarron, model 20-1240, 12-VDC @ 40-amperes.

Wiring: Plastic covered, stranded copper marine type.

Fixtures: Marine exterior lighting fixtures with marine switches, light sockets and receptacles in vessel's interior.

Circuit Protection: Circuit breakers (and/or fuses) in all circuits with master switch located in switch room.

Ship Generators

Auxiliary Generators: Two Northern Lights, model M864W, 120/240 AC 25-kW generating unit powered by one Luger model M1-984, four cylinder, electric starting fresh water through heat exchanger diesel engine.

Battery Maintenance Generators: Two) Delco30 ampere (12volt DC alternator belt driven by auxiliary engines.

Hydraulic System

Pumps: Two, Brunening Hydromatic, No. 09910545, 225 to 1,500-psi; one each close coupled to reduction gear accessory drives, Providing service to Man Overboard Lift and to hydraulic ram articulated mast.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Reservoir: 65-gal aluminum tank in Utility room.

Ventilation System

Accommodations: (Natural and mechanical) type through hatch, port-light, and scuttle openings and Five (5) King mode DE-2422-SS-St 240 VAC electric space heating; Two (2) Cruiseair model EO110016, electric air conditioning with air handlers supplying cooled air to passenger cabin.

Engine Room: (Natural and mechanical) type through hatches and vent openings, equipped with electric blowers.

Ground Tackle

Winch: Anchor hauled by hand from foredeck.

Anchor: One 69-lb. Fortress model XF125 Aluminum/Magnesium alloy lightweight dual fluke angle up to 27,000=lb. holding capacity type anchor and with 7/8-in-dia X 300-ft nylon synthetic line cable rode with spliced eyes, thimbles, shackles and swivels ,and 50-ft length of 5/8-in-dia galvanized chain leader and chain leader.

Alarm System

Auxiliary Propulsion Engine (s): Ships Co, model Watchman Audible and visual type for abnormal operating conditions.

Generator Engine: Ships Co, model Watchman Audible and visual type for abnormal operating conditions.

Bilge: Ships Co, model Watchman Audible and visual type for abnormal conditions.

Fire/Smoke Alarm: Ships Co, model Watchman Audible and visual type for smoke in store room, Head, Switch Room, Utility Room, Engine room and Pump Room

Potable Water System

Tanks: one freestanding plastic tanks with vent shut off valve at tank.

Plumbing: (Steel-Copper-Plastic) piping with (out-in) line strainer or filter.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Water Pressure System: (One Flojet, model 4405 demand type electric-powered pressure unit.

Water Heater: None, cold water only.

Bilge System

Pumps: One Jabsco, model 18370, 3-hp electric motor driven 2-in. dia. Rotary pump, plumbed into bilge manifold with bronze ball valved service to all compartments.

Sewage System

Marine Toilet: One Incemolet, model EB. Non fluid typ.

Oily Water Separator: One Nelson, model Bilge Boy, 3-gal per minute unit with two liberty bay filters with oil content meter.

Emergency Lighting

System: DC throughout vessel.

Life Saving Gear

Personal Flotation Devices: Ten USCG approved Type I life preservers equipped with reflective tape, working water lights and whistles, and with vessel's name lettered thereon, located in well marked storage locker located in passenger cabin.

Survival Suits Eight Adult and two Jumbo Sizen, UDCG Approved Type V, survival suits with water light battery renewal next due 8/2020.

Life Raft: One Beauford, USCG/SOLAS Approved, "A" Pack, inflatable 10-person life raft, in good condition, with vessel's name lettered thereon, located in hydrostatic release on top of deck house. Next raft inspection due 10/2019.

Life Ring Buoys: Five 30-in-dia USCG approved ring buoys, each with float light, and with 90 ft. by 3/8 in. retrieving line and vessel's name lettered thereon.
Located port an Starboard aft seck; Port abd starboard on Flying Bridge; Center line on cabin trunk forward.

Life Sling: Three USCG Approved life sling in deck mount at rail Port and Starboard forward and Starboard side aft.

First Aid Equipment: One reasonably well maintained, industrial first aid kit with first aid book located in passenger cabin.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

First Aid - CPR Certification: at least One member of crew hold valid certificates.

EPIRB: One ACR, Model RLB 23, (Category A 406 MHz satellite) emergency position indicating radio beacon, with service due by 12/2020.

Hand Rails

Weather Deck: 3-ft. 6-in. minimum height stainless rails on side and foredecks as well as grab rails along side od deckhouse.

Portable Fire Fighting Apparatus

Portable Fire Extinguishers USCG Approved, Hand Held:

CO₂ : Two 15-lb

Dry Chemical: Two Type ABC, 10-lb

Fixed Fire Fighting System

Type: Two 100-lb CO₂ cylinders with auto discharge and engine room damper and activation; Last inspection 12/2018.

General Condition

Subject vessel is 20-years old and it shows evidence of superior maintenance and continuous upgrading and is considered to be in very good condition.

SPECIFIC CONDITIONS

Circumstances of Survey

Vessel: Afloat all accessible compartments entered; Some machinery inspected while operating.

Housekeeping: Good

Protective Coatings: Good

Structural: Good

Machinery: Apparently Good

Cordage: Good

Safety Gear: Good

Vessel Security

Mooring: Vessel normally moored at owner's dock on Ediz Spit in Port Angeles, WA. Dock is inside locked gate area; mooring is semi protected waters of Port Angeles harbor

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

Police/Night Watchman: Mooring is inside compound with 24 hr. duty personnel; area also patrolled by (local police department

Fire Protection: (Local/Volunteer) Fire Department located approximately 2.0-mile(s) from vessel; reported response time is < 10 minutes; nearest fire main located approximately 300 feet from vessel.

Onboard: Vessel not usually left at un-attended dock unattended while in port.

Remarks

Bow, port side, starboard side, stern, bulwarks, superstructure and deck: found free of-waste areas-chafing or rot) and contained) scattered light scuffs and/or scratches.

Bilges and Internal Framing: Visible areas found free of waste, rot and/or oil accumulation.

Engine Room Machinery: Found to be clean and appeared to be subject of an adequate maintenance program. Sufficient oil supply and extra oil and fuel filters on board for expected usage; engines operate without excessive exhaust smoke or crank case back pressure.

Rigging and Deck Gear: Generally found to be well maintained and in serviceable condition

OPERATION ADVICE

(A) All personnel should be made aware of location of fire extinguishers and

life saving equipment and its proper usage.

(B) All doors and hatches not in use should be kept secured while at sea.

(C) All fire extinguishers should be periodically checked by a qualified service

person, serviced and tagged as necessary.

(D) All bilges to be kept as near dry as possible, clean and free of oil.

(E) Engine room should be checked by competent crew member every hour while

operating at sea.

(F) Disconnect master switch on electric circuitry excluding properly fused

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019

bilge pump while vessel is unattended.

(G) Bilges in machinery space to be kept free of oil accumulation

RECOMMENDATIONS

For Implementation Prior To Sailing

- (1) Vessel to have minimum of 2-person crew including captain while at sea.
- (2) Vessel to carry six properly dated USCG approved distress flares conforming to USCG Navigation Rules Annex IV.
- (3) Locate and properly mount fog bell.

NOTES

- (A) Last dry-docking for bottom maintenance October 2018.
- (B) Present Engine Hours
Port 2,106.1.
Starboard 2,717.8.
- (c) Auxiliary engine hours
Port 15,130.
Starboard 15,940.
- (E) Major hull repairs have not been necessary during this ownership.

Valuation Method

We considered the depreciated Cost, Income and Market methods of valuation.

In the Depreciated Cost Method we are informed by owners that subject vessel's new cost was in the amount of \$3,500,000.00. We consulted the US Department of Labor, bureau of labor statistics Producer Price index and found that from December year 200 through December 2019 the index for boat and ship construction had risen 55%. When we applied that factor to the known cost of \$3,500,000.00 we arrived at a new replacement cost in the amount of \$5,450,000.00.

We depreciated subject on a standard 40-year Normal Useful Life schedule. From observations we estimate that subject vessel pursuant to previous continuing maintenance has up to a 60% or 24-year Remaining useful Life which leads us to a Current Estimated Fair Market Value in the amount of \$3,400,000.00.

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"

 Commercial Marine Service, Inc. Report No. CMS-19-4239 Issued At Seattle, WA	PILOT BOAT "PUGET SOUND » Condition & Valuation January 30, 2019
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When we turned to the Market we found one 75-ft 2010 model aluminum similar Kvichak built vessel offered for the amount of \$2,900,000.00. If we take the mean of the cost and market we arrive at a \$3,150,000.00 Current Estimated Fair Market Value. This gives us a value range of \$250,000 which is 7.9% and less than 10% of the aforesaid methodology mean.

APPRAISAL

Valuations

Estimated New Replacement Cost ----- \$5,450,000.

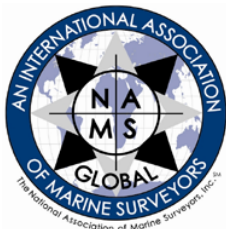
Estimated Current Fair Market Value \$3,150,000. To \$3,400,000.

CONCLUSION

It is the opinion of the undersigned, as far as could be determined by the foregoing general inspection, without making removals to expose parts normally concealed, or making borings or ultrasonic measurements to ascertain thickness, or opening up machinery to ascertain exact condition, that the vessel described herein, subject to compliance with the foregoing recommendations and limitations, was found to be in satisfactory condition to continue in its intended service.

THIS SURVEY REPORT MADE WITHOUT PREJUDICE TO THE RIGHTS OR INTERESTS OF WHOM IT MAY CONCERN

Commercial Marine Service, INC.



Thomas D. Laing, Jr. NAMS-CMS, ASA
Principal marine Surveyor



Attachments:
Color Photographs of Vessel

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND" »
Condition & Valuation
January 30, 2019



01 Starboard Side Quarter



02 Foredeck Looking Aft



03 Foredeck



04 Aft Deck

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND" »
Condition & Valuation
January 30, 2019



05 Forward Escape Hatch



06 Aft Deck Survival Suit Locker



07 Port Aft MOB Station



08 Aft Control Station



09 Hydraulic MOB Platform



10 Flying Bridge Control Console

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND" »
Condition & Valuation
January 30, 2019



11 FLIR Camera



12 Typical LED Flood Light



13 Bridge Console



14 Passenger Seating



15 Communications Electronics



16 DC Lighting

Puget Sound Pilots - Survey of Vessel "PUGET SOUND"



Commercial Marine Service, Inc.
Report No. CMS-19-4239
Issued At Seattle, WA

PILOT BOAT "PUGET SOUND »
Condition & Valuation
January 30, 2019



17 Typical Portable Fire Extinguishers



18 Fixed Firefighting System