

**BEAVER ISLAND TRANSPORTATION
AUTHORITY
REQUEST FOR PROPOSAL
FOR
CONSTRUCTION
OF
CLASS K
296 PASSENGER/VEHICLE FERRY**

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BEAVER ISLAND TRANSPORTATION AUTHORITY
REQUEST FOR PROPOSAL 2026 - 3
FOR THE CONSTRUCTION OF A CLASS K
296 PASSENGER/VEHICLE FERRY
ISSUED August 11, 2026

SCHEDULE OF ACTIVITIES

BITA RFP # 2026 - 3 Released:	8/11/2026
Pre-Proposal Meeting	8/24/2026 3pm EST
Written Questions from Vendor Due:	8/31/2026 (15 days before due date, 5pm EST)
BITA's Responses to Questions Released:	Within 5 business days of receipt
Proposal Due Date:	9/22/2026, 12 Noon EST
Anticipated Award Date:	10/31/2026

BACKGROUND INFORMATION

The Beaver Island Transportation Authority (BITA) was formed pursuant of Public Act 196 to form a transit system in the greater Beaver Island area. The BITA Board is composed of five members appointed by St. James Township. Financial assistance is received annually through the Michigan Department of Transportation Act 51, State Marine Capital, and Federal Ferryboat Discretionary Funds. In 1993 BITA and the Beaver Island Boat Company (BIBCO) signed a management agreement to operate the ferry service. The service operates on a scheduled fixed route between April and December carrying passengers, vehicles, and freight to and from Charlevoix, Michigan to Beaver Island, Michigan.

Two vessels are currently in service making the 32-mile trip across Lake Michigan. BITA is the owner of the passenger/car ferry, M/V Emerald Isle (296 passengers, 20 vehicles). Through federal, state, and local funding the M/V Emerald Isle was launched in 1997. The M/V Beaver Islander is owned by BIBCO and was launched in 1962 (172 passengers, 10 vehicles). Combined, the ferries annually transport around 40,000 passengers and over 7,000 vehicles.

BITA is seeking qualified shipyards to build a Subchapter K vessel. Funding is through the State of Michigan Appropriation Act, Michigan Department of Transportation

(MDOT), and the Federal Transit Administration (FTA). It is imperative the building takes place in a timely manner as the M/V Beaver Islander, due to its age, is experiencing more down time because of repairs thus interrupting service. When the new vessel arrives the M/V Beaver Islander will be retired. The new vessel will be owned by BITA and operated by BIBCO.

For specifications on the Subchapter K vessel to be built see Attachment A – 296 Passenger/Vehicle Ferry Technical Specifications. See the next section “Contract Plans” to access the contract plans and complete specifications.

More information about BITA can be found on the website beaverislandtransportationauthority.com and the operator at BIBCO.com.

The shipyard awarded the project is also referred to as the “builder” throughout this document.

CONTRACT PLANS

Contract plans and complete specifications are located on a share file at: <https://ebdq.sharefile.com/d-s8bdd6769a678438d971d92957432e7ad>

PRE-PROPOSAL MEETING

BITA will conduct a virtual nonmandatory pre-proposal meeting at 3 pm EST on August 24, 2026. If interested in participating, email bitaboat@outlook.com for the connection link. In the subject area note “new vessel virtual meeting.” Call 231-448-3049 to confirm receipt of email. Meeting minutes and materials will be distributed to all potential bidders on the mailing list and as a Request for Proposal (RFP) clarification on the website.

QUESTIONS

Questions must be submitted by e-mail to Mary Cook, BITA Executive Director, at bitaboat@outlook.com with “new vessel questions” in the subject line. Call 231-448-3049 to confirm receipt of email. Verbal comments are not part of this RFP. Questions and answers from all interested parties will be compiled and uploaded in the same share file the contract plans are located by the end of September 8, 2026. An email will be sent to all parties who were sent an RFP and parties who submitted a RFP or a question, notifying questions and answers have been uploaded on the share file. Questions must be submitted fifteen (15) business days prior to the proposal due date. Questions will be answered within five (5) business days after submittal.

All correspondence, communication, and contact regarding any aspect of this solicitation shall be only with BITA’s executive director, unless otherwise instructed in

writing by BITA. Violation of this may lead to disqualification of the violating proposer/selected builder.

ADDENDA

BITA may issue addendums with changes, clarifications, or modifications to any part of this RFP. Addendums will be uploaded in the same share file the contract plans are located. An email will be sent to all parties sent an RFP, and parties who submitted an RFP or a question, notifying addendum has been uploaded on the share file.

THIRD PARTY AGREEMENT

The builder selected will sign a third-party contract approved by MDOT. The contract serves as BITA's award to the selected builder and is the builder's Notice to Proceed. All proposers are expected to review Attachment B – Sample Third Party Contract Agreement (MDOT Form 5634), prior to submitting a bid, which includes standard terms and conditions.

FEDERAL CLAUSES AND CERTIFICATIONS

Because this project is funded by federal/state grants it will be subject to federal and state guidelines.

Davis-Bacon

This project is subject to the Davis-Bacon Act (40 U.S.C. §3141 et seq.), as applicable, and all related federal regulations. The builder and all its subcontractors shall pay laborers and mechanics employed on the project wages and fringe benefits at rates not less than those prevailing on similar construction in the locality, as determined by the U.S. Department of Labor.

The builder shall:

- Comply with all Davis-Bacon Act requirements
- Submit certified payrolls as required
- Ensure compliance by all subcontractors

Failure to comply with prevailing wage requirements may result in contract termination or other penalties as provided by law.

See Attachment C - Sample Payroll Reporting Documents

Build America, Buy America

This project is subject to Build America, Buy America.

- See Attachment A – Section 040.3 Buy America Compliance and for reporting
- See Attachment D – Certification of Build America, Buy America (BABA) Compliance (MDOT Form 1083).

Materials and Supplies

Attachment E – Materials and Supplies More Than \$350,000 (MDOT Form 3164) will need to be signed and submitted with proposal.

BONDING

Bid Bond

The proposer must furnish at its own expense a bid bond equal to five percent (5%) of the total bid price made payable to BITA with its proposal. This bond will guarantee the bid was submitted in good faith and will be unconditional.

Performance Bond

The builder must furnish at its own expense a performance bond at the time of signing the third-party contract in an amount of fifty percent (50%) of the total bid price. The performance bond will guarantee the selected builder's faithful performance of and compliance with all terms, conditions, and requirements of this RFP and third-party contract. The performance bond must remain in full force and effect until the expiration of vessel's warranty period.

Payment Bond

The builder must furnish at its own expense a payment bond at the time of signing the third-party contract in an amount of fifty percent (50%) of the total bid price.

INSURANCE

The builder will submit proof of commercial general liability/worker's compensation insurance/commercial automobile liability insurance/umbrella liability insurance and if awarded the project will need updated certificates of insurance throughout the project and list BITA, BIBCO, State of Michigan, and MDOT as additionally insured. All

insurance will be at builder's expense and in effect from inception to delivery and owner's acceptance of vessel.

Commercial General Liability

Builder will maintain commercial general liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Coverage will include premises and operations, independent contractors, products and completed operations, and contractual liability. Products and completed operations will remain in place for two years after delivery.

Worker's Compensation

Builder will maintain workers' compensation with statutory limits as required by the state, and employer's liability insurance limits of at least \$1,000,000 per accident for bodily injury or disease.

Commercial Automobile Liability

Builder will maintain business auto liability insurance covering all owned and non-owned vehicles, and hired vehicles used in connection with the work, not less than \$1,000,000 combined single limit per accident.

Umbrella Liability

Builder will maintain an umbrella liability insurance policy in the amount of \$4,000,000 excess of underlying policies.

Builder's Risk

Builder will purchase and maintain builder's risk insurance on an all-risk basis for the full completed value of the project at time of award at its own expense. Project will not begin until in place. The policy will cover all construction materials, supplies, and equipment, on site or in transit.

Losses

Builder is responsible for all deductibles.

In the event of a covered loss or damage to the project, all insurance proceeds collected by the builder or owner shall be held in a separate escrow account. The proceeds shall be disbursed strictly for the repair, restoration, or replacement of the damaged work.

In the event of an actual, compromised, or arranged total loss, or constructive total loss should occur after the vessel has been substantially completed, the owner shall be reimbursed out of the proceeds of such policy for all progress payments made to builder and for the cost of any owner supplied equipment or materials.

EXPECTED VESSEL DELIVERY DATE

Delivery Date

The vessel will be delivered to the Beaver Island Boat Company facilities located on Beaver Island, Michigan. The vessel will be delivered within thirty (30) months of signing the third-party agreement and notice to proceed. If that time period falls during icing conditions the vessel will be delivered when icing conditions have cleared. If the vessel cannot be delivered due to weather conditions or any other unforeseeable circumstances the shipyard will house at no cost to the owner and the warranty period will be adjusted.

Should the vessel remain undelivered for thirty (30) days after launching, it shall be drydocked, cleaned, and coatings repaired as necessary and given one additional coat of anti-fouling if inspection indicates deterioration or fouling of the existing paint, all at the expense of the builder.

Extension of Time

If delivery of the vessel is delayed beyond the delivery date identified above and the delivery date has not been mutually agreed upon between the owner and builder through change orders or a force majeure event, and/or if owner's acceptance of the vessel is delayed due to delivery of the vessel beyond the conformity with this RFP and/or specifications, the builder understands and agrees the owner will suffer damages to the delay. Liquidated damages are the owner's exclusive remedy for late delivery.

Beginning at 12:01 a.m. on the first day after the latest mutually agreed upon delivery date and continuing until the time builder delivers the vessel to owner per this RFP, the builder will pay the owner liquidated damages per the following schedule:

- One to 30 (thirty) days past delivery date - \$0.00 per day
- 31 (thirty-one) days past delivery date - \$3,000 per calendar day, not to exceed 10% (ten percent) of the vessel contract value.

The builder is not entitled to compensation for delays, inconvenience, or any other cause attributed to BITA's reasonable inspection of the work.

TECHNICAL PROPOSAL

Proposals should contain the information below:

Project Understanding and Approach

Describe:

- Understanding of proposal.
- Staffing plan/address any unanticipated or anticipated shortfalls and ability to meet the proposed timeline for construction and delivery.
- Preliminary schedule, including key milestones dates such as steel delivery, engine delivery, launch, dock, and sea trials.
- Anticipated communication with owner/operator/owner's representative throughout project.
- How work is monitored and adjustments will be made to ensure timely completion/delivery.
- Who will be responsible for design engineering and oversight.
- Describe your quality control, assurance, and internal testing programs and how they will be implemented on this project.
- How USCG Marine Safety Center (MSC) drawing and document approval will be managed.
- How USCG inspections and testing will be managed.
- Facilities and equipment that will be used with location, yard capacity, areas used for fabrication, and materials storage, crane capacity.
- Plan for tracking and reporting Davis-Bacon and Build America, Buy America to BITA, which will be the shipyard's responsibility.
- Docking and launching plan.
- Working with BIBCO crew for vessel familiarization and training.
- Delivery plan to Beaver Island, MI.
- After delivery troubleshooting, technical and mechanical issues, and support.

Qualifications and Experience

Describe:

Qualifications of individuals that will be associated with project including key subcontractors throughout the project. Include resumes for overseeing shipyard project manager, design engineer, quality and assurance manager, and key subcontractors. BITA will be notified of any replacements.

- Knowledge of Subchapter K USCG regulations Great Lakes, compliance with Americans with Disabilities Act (ADA) and any other applicable codes and regulations.
- Developing production level, detailed drawings.
- Accounting and administrative.
- Similar projects builder has completed (minimum of 3 projects).

Financial Stability

Describe:

- Company history
- Financial stability and strength
- Any existing, potential lawsuits, settlements
- Documentation of ability to purchase a performance bond.
- Liability insurance

References

Proposers must provide three (3) references for similar projects.

- Entity Name
- Contact name, email address, and phone number
- Brief description of project

BITA may or may not contact references.

PRICE PROPOSAL

Price Submittal

Proposers are to complete and sign Attachment F - Price Proposal Form.

The proposer agrees to furnish and provide all labor, materials, tools, equipment, transportation services, and other facilities incidental and necessary to fully complete the work in strict conformity with the site conditions and contract documents within this RFP, and to furnish the entire within the time proposed for the firm fixed price.

The firm fixed price must be the sum of the ship work break down structure groupings in Attachment A – 296 Passenger/Vehicle Ferry Technical Specifications as follows:

- Project Management & Administration
- Hull & Superstructure
- Propulsion Machinery

- Electrical Systems (smaller value of Alternate One or Two)
 - Alternate One
 - Electrical Systems with larger gensets
 - Alternate Two
 - Electrical Systems with smaller gensets and parallel load shed capacity
- Electronics & IC Systems
- Auxiliary Systems
- Outfitting
- Integration & Engineering
- Shipyard Support Services

Travel

Travel expenses that will be incurred by the builder or its subcontractors included in this proposal (including delivery of the vessel) must follow the Michigan Department of Transportation's Travel Reference Card, Effective October 1, 2022, and reimbursement rates from the Department of Technology, Management & Budget, Vehicle and Travel Services. See [Attachment G](#) - Travel Reference Information. All travel receipts must be retained and submitted for reimbursement.

Tax Exempt

BITA is tax exempt and will not be responsible for any taxes levied on respondent or this RFP.

EVALUATION CRITERIA

Proposals will be evaluated by the executive director and two board members from BITA, two individuals from BIBCO, designing naval architect, and owner's representative to determine the award. The proposals will be evaluated based on points using the selection criteria below for a maximum of 100 points. Price is less important than the other technical factors as a whole.

Project Understanding and Approach – 30 points

Qualifications and Experience – 30 points

Financial Stability – 30 points

Price – 10 Points. Proposals will be evaluated using the following formula: lowest proposal price/price being evaluated x 10 points.

The selection committee may be assisted by other technical personnel as deemed appropriate for the purpose of selecting a potential builder.

Representatives from the company in a competitive range may be contacted for an interview via phone or video conference. Original non-price criteria scores may be modified based on the results of the interview. BITA reserves the right to award to other than the lowest price proposed. Award will be based on “Best Value” to BITA.

PROPOSAL SUBMISSIONS

Submissions Must Include

- Attachment E - Materials and Supplies More Than \$350,000, ensuring it is understood and will be in compliance with the requirements. Signed by an official of the submitting organization authorized to bind the submitter to the provisions of the RFP and be an authorized negotiator.
- Attachment F - Price Proposal Form. Signed by an official of the submitting organization authorized to bind the submitter to the provisions of the RFP and be an authorized negotiator.
- Attachment H - Proposal Signature Page, signed by an official of the submitting organization authorized to bind the submitter to the provisions of the RFP and be an authorized negotiator.
- Documentation showing vendor is not debarred in SAM.gov federal system. To fulfill this requirement, submit a screenshot showing a search, or searches, for vendor official name(s), selecting “all words” and search results that should show either (1) “No matches found” or (2) a green “Entity” indicator box at the top of the vendor entry in SAM.gov, both of which indicates the vendor is not on the federal debarred or suspended list.
- Proof of Insurance Coverage: Proposals must include proof of insurance. Each policy and Certificate of Insurance must be acceptable to the agency. Nothing contained in these insurance requirements is to be construed as limiting the extent of the builder's responsibility for payment of damages resulting from his operations under this contract. The builder shall maintain insurances in force at all times during the term of this agreement.
- Full business name and address, legal entity type, primary contact(s), authorized negotiator(s), and contact information.
- Bid Bond
- Technical Proposal
- References

Submitting

All documents are to be emailed to bitaboat@outlook.com by the due date and time listed in the RFP with “new vessel proposal” in the subject line. It is the responsibility of the proposer to contact BITA at 231-448-3049 to confirm receipt of the proposal before the due date.

Submission Conditions

The contents of the submitted proposal remain valid for 120 days after the submission deadline. Submitted proposals become the property of BITA and will not be returned.

Incurring Costs

BITA is not liable for any costs incurred by respondent incidental to this RFP.

Rejection of Proposals

BITA reserves the right to reject any or all proposals received as a result of this RFP for sound, documentable, business reasons. BITA also reserves the right to negotiate separately with any source whatsoever in any manner necessary. BITA is not obligated to award any contracts solely on the basis of any responses made or obtained. BITA reserves the right to waive any minor informalities or irregularities.

Proposal Due Date

BITA reserves the right to postpone the proposal due date for sound, documentable business reasons.

Late Submissions

Late submissions will not be accepted.

Disclosure of Proposal Content

After evaluation, all information contained in submitted proposals is subject to release to the public under Michigan’s Freedom of Information Act (1976 PA 422).

OTHER TERMS AND CONDITIONS

Federal and State Laws

BITA complies with all Federal and State civil rights, equal opportunity, ADA, and Title VI of the Civil Rights Act of 1964.

All applicable laws, ordinances, and the rules and regulations of all authorities having jurisdiction over the project shall apply to the contract.

Contract Termination

BITA reserves the right to cancel the contract with thirty (30) days' written notice.

Withdrawal of Offers

Submissions may be withdrawn by written request prior to due date. Withdrawn proposals may be resubmitted, with or without modifications, up to the due date and time.

Bid Protests

All protests relating to this RFP, the selections and/or award, must be submitted in writing to BITA. Protests about specifications must be received ten (10) days before the proposal's due date. Post award protests may be received by BITA at any time after proposal due date, but not later than five (5) working days after notification to all proposers of the contract award decision. Failure to timely submit a written protest will result in forfeiture of any protest right. BITA will respond within ten (10) days of receiving the protest. BITA is the final arbitrator on any question or dispute pertaining to proposals, proposal forms, and awards. This "disputes" clause does not preclude consideration of questions of law in connection with decisions provided for above; provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

Proposal protests shall contain:

- a) The name and address of the protester.
- b) Identification of the project.
- c) A statement of the grounds for the protest and any supporting documentation.
The grounds for protest shall be fully supported to the extent feasible. Additional materials in support of an initial protest may be permitted only at the sole discretion of BITA.
- d) The relief desired of BITA.

BITA's decision shall be binding once approved by BITA's Board of Directors, whether the proposal or award was in accordance with the constitution, statutes, regulations and terms and conditions of the RFP.

Indemnification

The selected proposer shall indemnify, defend, and hold harmless BITA, its officers, agents, and employees, BIBCO, the State of Michigan, the Michigan State Transportation Commission, MDOT and all officers, agents, employees thereof:

- From all claims by persons, firms, or corporations for labor, materials, supplies, or services provided in connection with any contract awarded, which the offeror shall perform under the terms of this contract; and

- From any and all claims for injuries to, or death of, any and all persons, for loss of or damage to property, environmental damage, degradation response and cleanup costs, and attorney fees or other related costs arising out of, under, or by reasons of this Agreement, including the design of the project, except claims resulting from the sole negligence or willful acts or omissions of said indemnities, its agents or employees.

PROGRESS PAYMENTS

If awarded, the offeror understands that milestone payments will be made according to a schedule similar to the following, unless otherwise specified in the offeror's bid and agreed to by BITA, with final payment issued after the scope of work is complete:

Payment #	Description	Percentage (%)
1	Milestone 1 – Contract Effective Date	15%
2	Milestone 2 – Steel Purchase	10%
3	Milestone 3 – Keel Laying	10%
4	Milestone 4 - Owner Approval of Design (Including USCG Approvals)	10%
5	Milestone 5 – Main Engines Installed on Foundations	10%
6	Milestone 6 – Hull Substantially Complete	10%
7	Milestone 7 – Launch of Vessel	10%
8	Milestone 8 – Incline Test	10%
9	Milestone 9 – Delivery to Beaver Island, MI	10%
10	Milestone 10 - As-Built Documentation	5%
	Total	100%

Payments will be subject to allow for time to request payment and receipt from MDOT. Final payment will not be made until all USCG inspections have been successfully completed including sea trials and BITA issues a written Notice of Final Acceptance along with USCG issued COI, and all other requirements specified in Attachment A – 296 Passenger/Vehicle Ferry Technical Specifications.

ATTACHMENTS

Attachment A – 296 Passenger/Vehicle Ferry Technical Specifications

Attachment B – Sample Third Party Contract which includes standard terms and conditions (MDOT Form 5634)

Attachment C – Sample Payroll Reporting Documents

Attachment D - Certification of Build America, Buy America (BABA) Compliance (MDOT Form 1083)

Attachment E – Materials and Supplies More Than \$350,000 (MDOT Form 3164)

Attachment F - Price Proposal Form

Attachment G – Travel Reference Information

Attachment H – Proposal Signature Page