

DIERS AND STARK, INC.

Professional Certified Marine Surveyors, Consultants, Auditors and Appraisers

All of our Staff Surveyors are Members of the National Association of Marine Surveyors

Corporate Office Physical Address:

211 S. Highway 69
Nederland, Texas 77627

Corporate Office Mailing Address:

9101 Lisa Lane
Port Arthur, Texas 77640

August 30, 2024

File No.: 24-11865-V

CONDITION AND VALUATION SURVEY

MOTOR VESSEL ISLA MARGARET

MOTOR VESSEL ISLA MARGARET, LLC.

LYDIA ANN CHANNEL FLEET

ROCKPORT, TEXAS

JULY 16, 2024

THIS IS TO CERTIFY THAT THE UNDERSIGNED MARINE SURVEYOR DID to whom it may concern, attend the Motor Vessel ISLA MARGARET, on July 16, 2024, while the vessel lay moored at Lydia Ann Channel Fleet, Rockport, Texas, in order to conduct a physical inspection of the vessel to determine its the overall general condition for valuation purposes.

VESSEL PARTICULARS

<u>NAME:</u>	ISLA MARGARET
<u>VESSEL SERVICE:</u>	Inland Towing Vessel
<u>OFFICIAL NUMBER:</u>	513369
<u>PORT OF REGISTRY:</u>	Port Aransas, Texas
<u>CALL SIGN:</u>	WDI5513
<u>OWNER:</u>	TMT M/V ISLA MARGARET, LLC. P. O Box 60267 Corpus Christi, Texas 78466
<u>DIMENSIONS:</u>	Length 65' 06" Breadth 26' 00" Depth 8' 00"
<u>TONNAGE:</u>	Gross 153 Net 104
<u>BUILT:</u>	Circa 1968 / Greenville, Mississippi
<u>HORSEPOWER:</u>	2,000
<u>U. S. COAST GUARD CERTIFICATE OF DOCUMENTATION:</u>	Issued: February 8, 2024 Expires: March 31, 2025
<u>U. S. COAST GUARD CERTIFICATE OF INSPECTION:</u>	Issued: June 16, 2022 Expires: June 16, 2027

CONSTRUCTION

This fifty-six (56) year old vessel was found to be a typical inland towing vessel of all welded steel construction with raked bow, slab sides and square stern. The hull is fitted with approximately 24" high flanged plate bulwarks with adequate freeing ports at the port and starboard, forward and aft bow and stern quarters and across the headlog and stern. The port and starboard sides of the vessel's main deck are fitted with 24" high, square tube, single course safety rails. The bow is fitted with port and starboard rubber padded push knees, extending above the fleet deck with integral ladders and safety rails for safe barge access. Additionally, the 01 deck is fitted with an extended fleet deck to provide access to barges that are empty and riding high.

The vessel's superstructure is of 3-tier construction with raised pilothouse fitted on top and forward. The upper decks and ladderways are fitted with 42" high 2-course safety rails fitted throughout the full perimeter of all levels with removable safety chains fitted at all personnel walk

through openings. The 01-deck, above the bow main deck, is fitted with a fleet deck forward and with galvanized non-skid grating for safe access to barges that are light of cargo (empty) and riding with high freeboards. The vessel's hull protection is provided by fixed 12" x 12" x 24" fixed laminated rubber fending sections positioned just below the main deck throughout the full perimeter, to include the port and starboard, forward and aft stern corners, throughout the port and starboard sides and across the bow and stern.

The aft main deck is fitted with raised steel frame platforms with fiberglass non-slip grates to provide a work area over the vessel's dual ram hydraulic flanking and stern rudder components.

ARRANGEMENT

The vessel's hull is segregated by four (4) transverse watertight bulkheads into the following main subdivisions from forward:

1. Bow void compartment.
2. Port, center, and starboard fuel tanks.
3. Engine room compartment.
4. Port and starboard potable water tanks.
5. Stern void compartment.

Hull (forward to aft)

1. Bow void.
2. Engine room.
3. Port and starboard freshwater tanks.
4. Port and starboard diesel fuel tanks.
5. Lazarette (after steering).

Main Deck (forward to aft)

1. Bow main deck with port and starboard deck winches and push knees.
2. Port and starboard 2-person bunkrooms.
3. Head at starboard side.
4. Inclined internal ladderway to upper 0 -1 deck bunk rooms at port.
5. Engine room upper fidley.

6. Galley.
7. Inclined internal and external ladders to upper 0 -1 deck living quarters.
8. Access to the engine room and main deck level fiddly aft, via interior galley door and port and starboard exterior watertight doors.
9. The aft most section of the main deck accommodations extends aft over the vessel's dual ram hydraulic flanking, stern rudders, and jockey bar.

01-DECK

1. The 01-deck contains the crew quarters consisting of two (2) double bunk state rooms arranged one (1) each port and starboard sides. Both staterooms with port and starboard exterior passageway weathertight doors.
2. A common crew head with a basin, shower and toilet is located on the starboard side.
3. Inclined, internal ladderway leading down to the main deck to port.
4. Inclined, internal ladderway leading up to the pilothouse on centerline.
5. Port and starboard exhaust stacks.
6. Open 01-deck with davit and small boat in cradle.

PILOTHOUSE

The pilothouse is fitted with eight (8) aluminum framed windows set in rubber, providing the operator 360° visibility with approximately a 25' focal height and centerline windshield wiper. The control console is located forward containing engine gauges, flanking and stern rudder steering controls and navigation and communication equipment variously mounted within operators view and reach with a single pilot chair on centerline. The aft area of the pilothouse is fitted with a settee bench seat. Access is via inclined external ladder aft and port weather tight doors leading out to the aft exterior inclined ladder.

The interior of the vessel is fitted with white wood FRP paneled bulkheads and ceilings, oak jointer wood trim and laminated vinyl flooring. Each deck of the vessel and staterooms are heated and cooled by individual window type units.

MACHINERY

Main Propulsion Engines

Two Cummins®, model QSK 38M1, 12-cylinder diesel engines, each rated at 100 horsepower, each driving a Eisenwerke Reintjes, model WAF-551 marine reduction gear with 5.947:1 reduction ratio, each rotating a 4-bladed stainless-steel propeller through an 8" stainless steel propeller shaft.

The diesel engines are air-pneumatic started, fitted with RACOR primary fuel filters, polishing filters and water separators and keel cooled.

The main diesel engines are fitted with dry type exhaust systems, consisting of schedule 80 steel piping, connected to the engine with a bolted flexible flanged coupling and insulated throughout full height, and exit the vessel through port and starboard common stacks fitted aft of the pilothouse.

AC Generators

Two John Deere, model 4045TF290B, 6-cylinder inline diesel engines, each driving a MagnaPlus® 67 kW, 208-volt, 232 amp, 3-phase A/C synchronous generator. The generator diesel engines are electric motor started and fitted with dry type exhaust systems, consisting of schedule 80 steel piping, connected to the engine with a bolted flexible flanged coupling and insulated throughout full height, and exit the vessel through port and starboard common stacks fitted aft of the pilothouse.

AC power supplied from the vessel's generators and can also be provided via shore power connection and is controlled through a generator distribution panel and/or shore power through a main disconnect switch and various breaker panels to circuits throughout the vessel. All alternating (AC) and direct (DC) electrical current wiring was found to be marine and commercial grade and was found to be properly bundled and routed throughout the vessel.

All 12/24-volt DC batteries are provided with appropriate 12/24-volt Charles and NewMar three stage smart battery chargers. All batteries are properly stored with battery tray and contained in approved battery box.

NAVIGATION AND COMMUNICATION EQUIPMENT

One Furuno Marine Radar with display unit.

One Furuno NAVNET, interfaces with radar.

One Furuno FA-170 Automatic Identification System, interfaces with radar.

Two Digital main engine gauge panels with audible and visual alarms.

Two Digital generator gauge panels with audible and visual alarms.

One General Alarm switch.

One Navigation light control panel.

One Carlisle & Finch port and starboard, manual operated searchlights with power switch control panel.

One Pushbutton horn activation switch.

Two	Port and starboard main engine fuel and blower stop buttons.
One (set ea.)	Rio Marine Manual tiller levers for stern and flanking rudders, with flanking and stern rudder indicators.
One	Flanking rudder hydraulic jog stick for non-follow-up steering.
One	Stern Rudder hydraulic jog stick for non-follow-up steering.
One	Digital rudder angle indicator panel displays flanking and stern rudder information display panel.
One	Digital port and shaft tachometer RPM display panel.
Two	Port and starboard bow winch control panels.
One	Richie 6" compass.
Two	Standard Horizon GX5500S, VHF-FM marine radios.
One	Furuno Loud Hailer.
One	Dehart RZ-8082 Swing Meter.
One	NewMar 115-12-4 Power Supply.
One	Power-Pac with internal battery.
One	Hydraulic steering control panel / pump selector.
One	Fuel, hydraulic oil level alarms.
One	Centerline windshield wiper with Cornell windshield wiper control.
One	Pilot chair.
One	Brass bell mounted aft on the exterior of the pilothouse.
One	Siemens® fire alarm panel with audible and visual notification display lights.
One	Computer with rose point navigation system with large VISIO® display monitors.
One	Cannon model MB2720 printer.
One	Frigidaire thru-bulkhead HVAC conditioner.

- One White anchor light displaying a 360° all round light. The mnemonic displaying "at anchor" and not "under power".
- One Red navigation light displaying an unbroken light over an arc of the horizon of 112.5° and fixed as to display the light from right ahead to 22.5° abaft the vessel's port beam.
- One Green navigation light displaying an unbroken light over an arc of the horizon of 112.5° and fixed as to display the light from right ahead to 22.5° abaft the vessel's starboard beam.
- One Masthead white light positioned over the fore and aft centerline of the vessel displaying an unbroken light over an arc of 225° abaft the vessel's port and starboard beam.
- One Stern white light displaying an unbroken light over an arc of the horizon of 135° and fixed as to display the light 67.5° from directly aft of each side of the vessel.
- One Mast with amber towing lights for proper configuration.

AUXILIARY EQUIPMENT

- One Type II Marine Sanitation Device.
- Two Electric motor driven Quincy twin cylinder air compressors, each servicing approximately a 60-gallon horizontal/cylindrical steel air receiver tanks.
- One Electric motor driven centrifugal fire pump.
- Two Electric motor driven centrifugal bilge/ballast pump with bilge valve manifold.
- One Electric motor driven dirty oil transfer pump.
- One Electric motor driven fuel transfer pump with hose reel and nozzle mounted forward on the fleet deck within aluminum weather tight housing and provided with pump activation switch.
- One Tuthill Fill-Rite, series 900 gallons dispensed meter.
- One Electric motor driven diesel fuel transfer pump.
- One TIMCO Towing Vessel main engine and generator alarm panel with digital display monitors located on engine fidley forward bulkhead.
- One Whirlpool dual element electric water heater.
- One Hydraulic Power Steering Unit with two (2) electric motor driven hydraulic steering pumps mounted on top of a hydraulic fluid reservoir.

- Two Engine room exhaust blowers mounted in the port and starboard exhaust stacks.
- One Amana® electric clothes washer located on the engine room fidley starboard side.
- One Amana® electric clothes dryer located on the engine room fidley port side.
- Four NewMar battery chargers.
- One TIMCO APS-DC-JB dual battery charger located on engine fidley forward bulkhead.
- Two Electric motor driven Grundfos® potable water pumps.
- Two Electric motor driven engine room exhaust fans.

LIFESAVING AND FIRE FIGHTING EQUIPMENT

- Ten U.S.C.G. approved lifejackets with lights and whistles per USCG Certificate of Inspection.
- One Commercial First Aid Kit.
- Two Commercial eye wash stations.
- One First Aid Only ® Burn Kit.
- One First Aid Only ® Bloodborne Pathogens Protection Kit w/ one way valve CPR mask.
- One AEDS® Rescue Defibrillator.
- One Lockout / tagout kit.
- Three 30" diameter ring buoys with retro-reflective marking, retrieving lines, and water lights.
- Ten U.S.C.G. approved portable fire extinguishers located variously throughout the pilothouse, galley, and engine room. Inspection tags dated July 2024.
- One U.S.C.G. approved 50lb wheeled BV fire extinguisher located on the port side of the aft main deck. Inspection tags dated July 2024.
- Two Firefighting station with 50' hose, nozzle, and valve wrench, mounted on the main on the port and starboard forward sides of the deckhouse with fire pump activation switch.
- Two Fire axes.

- Two Blower shut-off switches mounted amidships on main deck accommodations.
- One Emergency flare/signaling kit.
- Three Emergency port and starboard main engine and generator fuel shut off pull cables.

Note: Battery powered emergency lighting located strategically throughout all decks the vessel.

Note: All of the fire extinguishers were found with inspection tags dated July 2024. All fire extinguisher pressure gauges indicated that the fire extinguishers were fully charged under pressure with pressure gauge indicators positioned in the green.

DECK FITTINGS

- Two Electro-hydraulic motor driven deck winches mounted one (1) each port and starboard sides of the bow main deck. Winch controls mounted at the pilothouse operator's station and on the main deck exterior deckhouse bulkhead.
- One 10" double cruciform double bitt fitted on bow centerline.
- Two 12" roller button bitts fitted one (1) each port and starboard, forward quarters.
- Two 10" button bitts fitted one (1) each port and starboard forward quarters.
- Two Push knees fitted to the port and starboard of centerline, with port push knee fitted with integral ladderway with port side right/left safety handrail to access fleet deck.
- Six 24" elevated kevels fitted three (3) each port and starboard sides.
- One 4-person aluminum Jon boat with 20 horsepower four stroke outboard motor.
- One THERN, boat davit with electric motor driven cable winch to raise and lower the aluminum Jon boat skiff.
- One Double side aluminum locker located on the main deck.

GALLEY EQUIPMENT

- One Set of stained wood upper/lower cabinets with granite countertops and double stainless-steel sink.
- One Fixed granite bar with seating for four (4) people.
- One Frigidaire countertop ice maker.

- One General Electric microwave oven.
- One General Electric oven with glass cook top.
- One Stainless-steel 4-slice toaster.
- One Bunn coffee maker.
- One Keurig coffee maker.
- One Frigidaire ceramic cooktop stove with oven below.
- One BROAN forced air vent hood.
- One General Electric refrigerator/freezer.
- One Living Good LG through bulkhead HVAC unit.
- One Hisense, model HRB171N6ASE, upper refrigerator and lower freezer drawer.
- One Midea upright freezer.
- Two Standard Horizon handheld, VHF radios.
- One Standard Horizon Quantum VHF-FM marine radio.
- One Samsung 32" color television.
- One DirecTV receiver.

SURVEYOR'S NOTES

1. The recipients of this report, including but not limited to requestors, clients, principals, entities, all persons and vessel owners associated with this survey report and/or subject inland towing vessel, by acceptance and use of this report, agree to hold harmless and defend and indemnify Diers and Stark, Inc., its principals, employees, agents, representatives, contractors and surveyors from any and all liabilities arising from the use of this formal survey report caused by and/or contributed to wholly, or in part, by the alleged errors, omissions, negligence, strict liability, breach of contract, breach of express or implied warranties, gross negligence, heedless and reckless disregard, willful, wanton and/or intentional conduct, if any, of Diers and Stark, Inc., the undersigned marine surveyor, and others noted above.
2. The M/V ISLA MARGARET was surveyed while afloat, without removal of sheathing, ceilings, or bolted enclosures to expose parts and areas ordinarily concealed or testing for water tightness or operating any equipment. Some standby auxiliary equipment was inspected while not operating (static). However, the vessel's Captain reported all machinery and equipment to be fully operational and without limitations.

3. The M/V ISLA MARGARET was found to be in very good physical and operational condition at the time of attendance. The undersigned marine surveyor assumes the inland towing vessel was designed by a licensed Naval Architect and constructed as per commercial marine shipyard industry standards. Additionally, the undersigned marine surveyor assumes the inland towing vessel's stability characteristics and/or inherent structural integrity is acceptable, as it has been issued a U. S. Coast Guard, Certificate of Inspection, and has been operated safely since circa 1968 without incident. Therefore, no determination of stability characteristics or inherent structural integrity has been made, and no opinion is expressed thereto.
4. The M/V ISLA MARGARET has a current Certificate of Inspection (COI). However, this condition and valuation survey is not considered to be an audit to determine if the vessel's crew is following the requirements of the owner's Towing Safety Management System (TSMS) or is still in full compliance with 46 CFR Subchapter M, since last issuance of the vessel's Certificate of Inspection by the U. S. Coast Guard and/or Third-Party Organization (TPO).
5. All specifications and dimensions recorded are as noted by the undersigned marine surveyor at the time of survey and/or reported by the vessel's U. S. Coast Guard licensed Captain onboard at the time of survey.
6. Some photographic views of the ISLA MARGARET are not available due to the mooring position on the vessel at the time of the survey.
2. The vessel's housekeeping is considered to be very good.
3. The Head log contains some minor indentations scattered variously throughout full width and height. This condition is considered to be normal wear and tear.
4. Bow/port/starboard and stern bulwarks were found with minor indentations 0 - 1/2" or less scattered variously throughout. This condition is considered to be normal wear and tear.
5. The vessel's exterior coatings were found to be in good condition with some scattered areas of surface corrosion. This condition is considered to be normal wear and tear.
6. The engine room and machinery coatings were found to be in good condition.
7. All machinery and auxiliary equipment were reported to be fully operational and appear to be the subject of a detailed ongoing inspection, preventive maintenance and repair program.
8. All doors and hatches were found to be in good condition and were able to properly provide a weathertight and/or watertight seal.
9. The vessel's accessible bilge areas are generally clean and free of debris, sediment and oil.
10. The vessel's deck winches contained some scattered areas of surface corrosion. However, the deck winches did appear to be well lubricated and are the subject and appear to be subject of an ongoing inspection, preventive maintenance and repair program.