



Proposal for Concession Operation

June 18, 1998

James Brady, Superintendent
Glacier Bay National Park and Preserve
Attention: Division of Concession Program Management
P.O. Box 140
Gustavus, AK 99826

Dear Mr. Brady:

We hereby offer to provide cruise ship and services at Glacier Bay National Park and Preserve, in accordance with the terms and conditions as specified in your Prospectus and to execute the draft permit contained in the prospectus without substantive modifications (except as may be required by NPS pursuant to the terms of the Prospectus and/or inclusion of items from the selected offer which are beneficial to the government). We are enclosing the required "APPLICATION" which, by this reference, is made a part hereof. We certify that the information furnished herewith is true to the best of our knowledge and belief. In addition, we agree to complete the execution of the Concession Permit within fifteen working days after it is presented by the National Park Service.

Sincerely,

Yachtship Cruiseline, Inc.
d.b.a. AMERICAN WEST STEAMBOAT COMPANY

A handwritten signature in cursive script that reads "Robert Giersdorf".

Robert Giersdorf
President
601 Union Street, Suite 4343
Seattle, WA 98101

National Park Service Note

**The Following items are not included in this NPS release of:
American West Steamboat Company Proposal for Cruise Ship
Services 2000-2004**

Marked "Trade secrets... exempt from disclosure" by the applicant (these items may be available, pending final determination of releasability):

Consolidated Financial Statements:
Criterion 7A: Financial Capability (16 pages)

Materials generally available to the public or which repeats information included (available on request):

Applications for Page 10 Question 11:

Enclosure 4: Alaska's Glacier Bay & Inside Passage Cruise & Tour Planner 1995 (35 pages)

Enclosure 5: Pacific Northwest Discovery Cruises Brochure (15 pages)

Enclosure 6: Columbia, Willamette & Snake River Cruises for Queen of the West Brochure (31 pages)

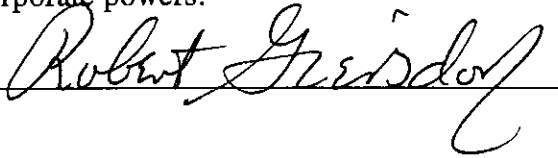
Enclosure 7: Alaska's Glacier Bay Tours and Cruises 1995-1996 Brochure (11 pages) and Columbia George Astoria and Willamette River Cruises Brochure

Attachment Wildlife Protection Page 21 & 22

Welcome Aboard Brochure for Queen of the West

CERTIFICATE OF CORPORATE OFFICER

I, Robert Giersdorf, certify that I am the President of the corporation named as Offeror herein; that Robert Giersdorf, who signed this proposal on behalf on behalf of the Offeror, was then President of said corporation; that said proposal was duly signed for and in behalf of the corporation by authority of its governing body within the scope of its corporate powers.

A handwritten signature in cursive script, reading "Robert Giersdorf", is written over a horizontal line.



STATE of WASHINGTON SECRETARY of STATE

I, Ralph Munro, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF INCORPORATION

to

YACHTSHIP CRUISELINE, INC.

a Washington Profit corporation. Articles of Incorporation were
filed for record in this office on the date indicated below:

U.B.I. Number: 601 207 408

Date: October 16, 1989



Given under my hand and the seal of the State of Washington, at Olympia, the State Capitol

A handwritten signature of Ralph Munro in black ink.

Ralph Munro, Secretary of State

OFFEROR, ENTITY, NEW CONCESSIONER, OPERATOR IDENTIFICATION FORM

(Enter the name of the person submitting the offer: The concession permit would be issued to this person)

Entity Name	Yachtship Cruiselines, Inc. DBA American West Steamboat Company
Address	Two Union Square 601 Union Street, Suite 4343 Seattle, WA 98101
Contact Person	Robert Giersdorf
Telephone Number	(206)292-9606
FAX Number	(206)340-0975
E-mail Address	

Form of business

Corporation
 Partnership
 Individual (Sole Proprietor)
 Other (Explain)

Describe the expected role in providing this concession service:

Structure of the Business: (how is it related to the other entities you have identified):

Ownership:

Name and Address of Owners (Corporations: Show controlling interest, Close Corporation: Show all interest)	Number and Type of Shares or Percentage of Ownership	Total Value of Investment
Robert and Lori Giersdorf	Common Stock 1000 shares	100%
Total of all Owners:	:	100%
Total Shares Outstanding:		

ANILCA Section 1307 Preferred Operator

Refer to the ANILCA Section 1307 regulations in the appendix to answer the following questions:

6. Is the entity making this offer a local resident, as defined in 36 CFR 13.81(f), for the services offered under this prospectus? *If yes, provide documentation to support this determination, as described in these regulations.*

Yes

No

7. Are you applying for "most directly affected Native corporation" status, as defined in 36 CFR 13.85? *If yes, provide the documentation to support this determination, as described in these regulations.*

Yes

No

Preference for New and Small Operators

8. Do you provide cruise ship services within Glacier Bay National Park under a current limited permit with the National Park Service?³

Yes

No

9. If yes, does the number of cruise ship entries from June 1 to August 31 exceed 19 entries (14 percent of 139 cruise ship entries allocated for Glacier Bay from June 1 - August 31)?

Yes

No

³ Answers will be used by the NPS to help identify offers from new prospective cruise ship concessioners or existing operators which have been allocated less than 14% of the available entries into Glacier Bay. Responsive offers from any qualified entity with less than 14% of the available entries (<14% offeror) will receive additional consideration during the selection process. If two or more offers, where at least one or more is a <14% offeror, are determined to be substantially equal offers by the NPS, additional consideration will be given to any <14% offeror in the selection process.

This policy is to "favor" new prospective concessioners or existing operators with less than 14% of the available entries. The policy is not meant to circumvent the established selection process contained in 36 CFR 51. Therefore, an offer which is determined by the NPS to best meet the overall objectives of the National Park Service will be selected. This selection criteria favors more rather than fewer cruise ships operators in compliance with the *Glacier Bay Cruise Ship Management Plan* (see business opportunity section, "preferences"). At such time as at least seven concessioners (separate ownership and control) are in operation, the policy will be reconsidered.

10. Do any of the above have operations or interest in other operations in areas adjacent to this national park area or operations in other national parks? *If Yes, please identify.*

Yes

No

11. The NPS is looking for an ENTITY that has demonstrated experience in managing this type of business activity. Give specific examples of business operations undertaken by ENTITY. Detail the OFFEROR's experience and skills in developing efficient, effective, defined, targeted goals for business programs according to pre-established management parameters.

12. Describe the business management qualifications and experience of the ENTITY and the NEW CONCESSIONER proposed to manage and operate this business.

13. Does the ENTITY have experience providing services under contract for an agency like NPS, United States Forest Service, Bureau of Land Management, city, state, large corporation, or other organization with significant philosophical and operational constraints? *If Yes, please identify.*

Yes

No

14. Use the format on the following page and add to it as necessary, or use your own format as long as it provides all of the requested information. Provide detailed resumes for all current and proposed partners, sole proprietors, and key management employees who will be actively involved in the management of this business and key ship-board personnel who will be operating in Glacier Bay. Identify the specific role the individual is to play and establish that person's ability to play that role.

When discussing work experience, be specific with respect to size of operation, dates, area of operation, specific duties, number of people supervised, hours worked per week, and other factors that would be helpful to reviewers in establishing a clear understanding. Do not omit training and education and do not omit special qualifications, ratings, or licenses that are needed in some special occupations.

Use the *Individual Experience Form* on the following page and add to it as necessary, or use your own format providing it includes *all* of the requested information.

YACHTSHIP CRUISELINES RELATED EXPERIENCE

YachtShip CruiseLine (YSCL) was incorporated in 1989 by Robert and Lori Giersdorf, as a corporate vehicle to carry forward with the type of hospitality and cruise/cruisetour services they successfully pioneered in the Alaska Market over the past twenty years.

CORPORATE POLICY STATEMENT

Questions #11 & 12

The substantial experience and expertise that the Giersdorfs have dated back to managerial and executive positions at Alaska Airlines in the late 1950s and 1960s (See personal biographical sketches attached).

In 1972 they founded Alaska Tour & Marketing Services, Inc. (ATMS) which evolved to a more broad-based geographical cruiseline--so they created the dba's Exploration Cruise Lines, and EXPLORATION Holidays.

A primary focus of each entity operated by the Giersdorfs has always been itineraries showcasing Glacier Bay National Park and Preserve with various combinations of day and overnight cruises. By 1985 they built the small start-up company from scratch, to over \$25 million gross revenues in excess of \$1 million in annual profits. It was at that time they were approached by Busch Entertainment Corporation (BEC) (an Anheuser Busch Company), which led to the formation of EXPLORATION CRUISE LINES, (ECL), 80% owned by BEC. Under the new structure, the company grew, but was no longer profitable. In 1988, Giersdorf and BEC interests were unable to work harmoniously together. The Giersdorfs attempted to salvage the company to return it to profitability, but instead ECL and the Giersdorf had to litigate the BEC and the Anheuser Busch Companies and shut down Exploration Cruise Lines. After four years of litigation, BEC/Anheuser Busch settled the litigation, paying approximately \$10 million to settle the suits and claims of ECL and the Giersdorfs.

With that unfortunate phase of history now behind, the Giersdorfs are still among the most experienced and dedicated travel industry veterans and innovators, and they bring that management depth to YSCL.

A recap of their experience directly relates to the background, resources, and the experience that exist now at YSCL. The original Seattle-based company (ATMS) was first organized to package and operate tours, then special Cruises and CruiseTour experiences using specially designed smaller cruise vessels.

The predecessor Company, ATMS, inaugurated its first ship, the GLACIER BAY EXPLORER, in 1978, then had additional vessels built to meet the response. The PACIFIC NORTHWEST EXPLORER, in 1980 was the beginning of the development of

Exploration's rapidly growing fleet of "Explorer Class" ships. In 1982, the GREAT RIVERS EXPLORER and the MAJESTIC EXPLORER entered service, followed by the NORTH STAR in 1984, the COLONIAL EXPLORER and EXECUTIVE EXPLORER in 1985, and the luxurious, mini-cruise ship EXPLORER STARSHIP in 1986, becoming the largest operation of small cruise ships in the world with eight vessels.

Exploration Cruise Lines also maintained a tour division EXPLORATION HOLIDAYS, to operate and/or market a variety of tour programs throughout Alaska, including such destinations as Nome, Kotzebue, Barrow, Prudhoe Bay, the Pribilof Islands and Glacier Bay National Park.

In August, 1985 Busch Entertainment Corporation of Anheuser-Busch Companies, Inc. acquired a majority interest in Exploration Cruise Lines and the demise of that Company started, ending with the shut down of the company in 1988.

In 1989 YACHTSHIP CRUISELINE was established to carry forward with the same philosophy and sound concepts that the Giersdorfs had originally founded for the operation of small overnight cruise vessels, and operation of day--excursion boats to deliver quality destination oriented experiences to its clients.

The Giersdorfs owned Glacier Bay Lodge, Inc., during which time they developed the many overnight land based programs with day boats, and extensively developed the small cruise ship business. They offered overnight cruises within the park and Glacier Bay was featured on more extensive cruises of Southeast Alaska.

In the spring of 1996, the Giersdorfs sold the Glacier Bay Concessions and their Alaska Cruise Operation to Goldbelt, Inc., a Juneau-based Native Corporation. They retained YachtShip CruiseLines as the holding company for two new entities, American West Steamboat Company and Great Rivers CruiseTours, with the corporate offices located in downtown Seattle.

Great Rivers CruiseTours was created by Mr. Giersdorf to provide Dayboat excursions along the scenic Columbia and Willamette Rivers. The two high speed catamarans, Great Rivers I and II, cruise daily from Portland, Oregon, and are specifically designed for all-weather sightseeing, with large view windows and comfortable seating on two spacious, enclosed decks. Cruising up to 25 knots, these vessels allow passengers to enjoy exciting day excursions to Astoria (at the mouth of the mighty Columbia), Hood River (at the base of majestic Mt. Hood), and to experience the breathtaking scenery of the Columbia River Gorge National Scenic Area. Itineraries have been expanded to include a luncheon cruise along the Willamette River and a spectacular Sunset Dinner Cruise among the cascading waterfalls of the Columbia River Gorge.

In the fall of 1995, Mr. Giersdorf introduced a totally new generation of small cruise ships with his newest company, American West Steamboat Company. The elegant Queen

of the West is the Company's first vessel. This newly constructed U.S.-flagged ship is the largest of all small cruise ships in Western America. The Queen of the West is an authentic, sternwheel-driven paddleboat which accommodates 163 passengers in 73 luxurious Staterooms and Suites. Seven-night itineraries explore the might Columbia, Snake, and Willamette Rivers. Each itinerary focuses on the spectacular beauty of the Pacific Northwest, highlighting the history and cultures of the Real West as the Queen cruises along the final segment of the Oregon Trail and along the historic route of Lewis and Clark.

The spacious vessel has an elegant Dining Room and two Grand Showrooms. On-board live Entertainment is the New Dimension that has been added to the Small Cruise Ship experience. "Showboat-type" variety entertainment features a different musical theme each day and varied performers join the ship along the river. As the first overnight sternwheeler in the Pacific Northwest in 80 years, the Queen of the West introduces a new era for the Small Cruise Ship market in Western America.

Question # 13

YACHTSHIP CRUISELINE has prior experience as a permit holder in national use areas. We have operated in Tongass National Forest, Princess Louise Inlet and Portland Parks and Recreation without incident.

In closing, YSCL is an experienced and qualified tour vessel operator with a strong familiarization with operations in Glacier Bay National Park and Preserve and Southeast Alaska, and would be a strong and capable concession operator to provide cruise ship services as outlined in this prospectus.

Individual Experience and Related Background of Key Managers

Key Management Staff:

Robert Giersdorf, President. Bob Giersdorf, along with his wife Lori, own and operate American West Steamboat Company and Great Rivers Cruises & Tours. Bob is a widely traveled and well-known leader in the fields of tourism and transportation. When Alaska achieved statehood in 1959, he was elected to the First State Legislature. He has been President of the Alaska Visitors Association and Chairman of the Alaska Tourism Marketing Council, serving many years on the Board of Directors of those associations. His various companies have conducted extensive cruise and tour operations throughout the Pacific Northwest, including Alaska's Glacier Bay National Park, the sightseeing operations of Arctic Tours, and naturalist tours to the Pribilof Islands. With Alaska Airlines Bob worked his way up through the sales department to become Senior Vice President of Marketing and Sales for 12 years, where he became known for his innovative and pioneering approach to marketing and promotion.

Though Bob Giersdorf originally built his reputation in commercial aviation, in 1972 he and Lori, created Alaska Tour and Marketing Services, Inc. by 1978 ATMS had evolved into a major Tour Company. By 1978, the Giersdorfs had purchased the concession operations, and then acquired a 64-passenger vessel to enable guests to better observe the marine life, nesting sights of birds, and to actually overnight near the glaciers. The Glacier Bay Explorer would become the first of many small ships operated world-wide by the Giersdorfs. The "Explorer Class" vessels provided the first such intimate access to some of the finest natural areas of Alaska, Canada, the Columbia/Snake Rivers, California Delta, the Caribbean, Tahiti, East Coast Inter-Coastal Waterways, and Baja, Mexico. Majority interest in Exploration Cruise Line, Inc. was ultimately purchased by Busch Entertainment. In the Spring of 1996 the Giersdorfs sold the Glacier Bay Concessions and their Alaska cruise operations. They retained YachtShip CruiseLines as the holding company for two new entities, American West Steamboat Company and Great Rivers Cruise Tours, with the corporate offices located in Seattle.

Today, Bob Giersdorf is continuing to pioneer the development of a new generation of small cruise ships and cruise related travel products.

(Museums and Aquariums) and Alumni Travel Companies who book exclusive use charters of our vessel.

Joel Perry - Manager of Communication Services

Joel has been in marketing and advertising for over 13 years and has wide experience in graphic design and production management. Joel spent 11 years as Marketing and Advertising Manager with Marine Distributors Inc., a wholesale distributor of recreational boating equipment in Seattle. During this time, Joel managed all trade and consumer advertising and promotions for MDI as well as direct mail promotions and display advertising for a franchise retail store chain with 52 member stores in 13 western states. Joel joined American West Steamboat Co. in April of 1996 to manage the creation, production and distribution of all AWSC advertising, marketing, communications and collateral materials. Virtually all creative work for American West Steamboat Company is done in house by Joel and his one assistant. Brochures, flyers, advertisements and collateral are designed in house. The services of a color house and printers are the only outside vendors utilized for final film and production. American West Steamboat Company also operates as its own in-house Advertising Agency, submitting insertion orders and materials direct to Magazines and Newspapers. Placement of all Advertising is at a NET rate because we save the 15% normal agency commission, and wherever 2 1/2% pre-payment discounts are offered, we also take advantage of those savings.

Kerry Jewett, Reservations Manager

A Native of Seattle, Kerry Jewett has 19 years of travel industry experience. With a degree in Business Transportation, Kerrys' experience comes from a variety of retail and wholesale travel venues. She oversaw the opening of two travel agencies in the area and managed one before becoming a Training and Development Consultant at Uniglobe Travel. Kerry joined American West Steamboat Company in July of 1996. She was recruited and brought onboard to oversee the reservations department functions of booking, inventory control, group reservations management, and documentation. She has been instrumental in developing the policy and operating procedures for the department.

services onboard the *Queen of the West* and development of the company's newest vessel, the *Empress of the North*.

Bob Wengel, Vice President Marine Operations/Master of the Queen of the West.

Bob was born in Los Angeles, California. After a number of years as a Sea Scout he joined the Navy at the age of 18. After 20 years of serving aboard Guided Missile Frigates and Submarine Tenders and achieving the rank of Senior Chief Bosen Mate he retired from the Navy. The private sector found him serving as Captain of a private yacht for two years and an introduction to small ship cruising with Bob Giersdorf's, Exploration Cruise Line. Bob Wengel has spent 17 years with various Giersdorf enterprises as Senior Captain in charge of training Captains and overseeing the building of a number of small ships including the Queen of the West. He has extensive operating experience in Alaska, The Inside Passage of Canada and Alaska, the Pacific Northwest, California Delta, The Columbia, Willamette and Snake Rivers, Hawaii, New England, the East Coast Inter-Coastal Waterways, Virgin Islands, Panama, Mexico and Baja; all on the small cruise ships of various Giersdorf entities. Primarily all vessels had deployment in Northern Waters in summer months, and warm water destinations in Winter.

Doug Pendleton, Vice President / National Accounts

Doug has been part of Bob Giersdorf's sales and product development team for most of the past decade. With 25 years' experience in travel, he was instrumental in the research and development of several small-ship adventure cruise programs in Hawaii, the Pacific Northwest, the Baja Peninsula, Alaska, the South Pacific, Antarctica, and the Yucatan. Doug earned his undergraduate and Master of Education degrees from the University of Hawaii (UH) in marine biology and outdoor education. While teaching at sea in the University of Hawaii Department of Marine Programs and personally running an adventure sailboat travel company in the Hawaiian Islands, he earned his USCG captains license. In 1986, he was recruited by Bob Giersdorf and, after 17 years in the islands, moved home to his native Washington State where he has spearheaded the development of unique programs and group sales for the Seattle Aquarium, Clipper Cruise Lines, Society Expeditions, Island Institute, and several of the Giersdorf companies. In the spring of 1996, Doug left a private consulting business to rejoin Bob Giersdorf and the American West Steamboat Company. Doug serves on the board of directors for Audubon International, a multi-national environmental organization. Doug's responsibilities are to develop business from ad to service major group cruise accounts, along with promoting our cruise product to major Tour Operators who create series-type bookings volume. He is also responsible for the liaison with the Non-Profit Travel Organizations

Michael Lomax-Executive Vice President/General Manager. Michael was recruited by Bob Giersdorf In 1994 to oversee the introduction and development of the American West Steamboat Company brand and to assist in establishing the *Queen of the West* cruise and excursion programs. Michael has extensive management experience in the travel and transportation industries that spans over 30 years. While at United Airlines, he held management positions for 13 years in Passenger Sales and Services and Inflight Services departments. He entered the cruise industry with Norwegian Cruise Lines in 1981. He later joined American Hawaii Cruises, where he spent 13 years serving as Director/National Accounts, Director of National Sales, and the last 7 years as Vice President of Marketing and Sales.

In May of 1996 Michael was promoted by Bob Giersdorf from the position of Vice President of Sales and Marketing to Executive Vice President and General Sales Manager responsible for overseeing daily operations of the companies.

John Hein, Senior Vice President Administration.

John has worked in the travel industry for the past 25 years. His background is primarily financial, having started in the industry as Director of Internal Auditing with Alaska Airlines in 1972. He later served as Director of Administration of Alyeska Ski Resort. For the past 18 years, John has held senior management positions with companies owned by Bob Giersdorf, operating small cruise ships around the world. John is a CPA with a degree in business from Pacific Lutheran University.

John, left Glacier Bay Tours and Cruises in August of 1996 to join YachtShip CruiseLine to manage special financial projects and the corporate MIS analysis.

Gary D. Sorrels, Vice President Passenger Services

Gary's introduction to tourism came while attending the University of Oklahoma, working part time as a Guest Service Agent for Holiday Inns. Gary spent the next six years working his way up through the ranks for Metro Hotel Corporation. While with Metro, he held senior department head positions in Guest Services, Food & Beverage, and Sales and Marketing, working at several hotels within their portfolio, including Holiday Inn, Ramada Inn, Radisson and Hilton. Gary later joined United Inns, spending two years as General Manager of a large airport Holiday Inn in Atlanta, Ga. In 1992 he accepted a position with Robert Giersdorf as General Manager of Glacier Bay Lodge. Gary was later promoted to Vice President Guest Services for Glacier Bay Tours and Cruises, responsible for overseeing concession operations in Glacier Bay National Park and hotel operations onboard three small overnight cruise ships, the Executive Explorer, Wilderness Explorer, and Wilderness Adventurer. In 1997 Gary left Glacier Bay Tours and Cruises to accept a position as Vice President Passenger Services for American West Steamboat Company. Gary's responsibilities include hotel



United States Department of the Interior
NATIONAL PARK SERVICE

Glacier Bay National Park and Preserve
P.O. Box 140
Gustavus, Alaska 99826-0140

IN REPLY REFER TO:

C38

December 4, 1998

American West Steamboat Co.
Attention: Gary Sorrels
601 Union Street, Suite 4343
Seattle, WA 98101

Dear Gary:

This letter is to advise you that elements of your June 18, 1998 offer to provide cruise ship services require clarification. Your clarifications must be received at the address shown above by January 6, 1999 in order to be considered in the final selection process. *Include with your submission, a certified statement that the information you provide is to be incorporated into your original proposal.*

1. We note that the same person (Robert Giersdorf) signed the offer letter and the *Certificate of Corporate Officer* statement at the bottom of the offer letter (Prospectus: Application section, page 6 of 26; first page of your offer). We need either an explanation and supporting documentation addressing the authority of the same person signing the offer letter and certification, or an offer letter and *Certificate of Corporate Officer* statement signed by the appropriate corporate officers.
2. You indicate that a new vessel, *Empress of the North*, will be built at an estimated cost of \$27,500,000 to provide the cruise ship services. However, information regarding sources of necessary funding is not provided (see Prospectus: Application section, page 25 of 26). You indicate a loan guarantee is to be sought under a federal law, but do not provide any information suggesting that such a loan would be approved. You indicate engine manufacturer financing is would be available but no specifics are provided. Please provide additional information (as specified in 7A: 2a - 2c & 3) demonstrating that needed funding is available.

Please contact Chief of Concessions Management, Dave Nemeth, at (907-697-2230) if you have any questions.

Sincerely,

Tomie Lee
Superintendent

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Robert Giersdorf		Employer American West Steamboat Company	
Address Two Union Square 601 Union Street Suite 4343 Seattle, WA 98101		Employer Address Two Union Square 601 Union Street Seattle, WA 98101	
Employee Phone Number (206) 292-9606	Date of Birth or SSN	Employer Phone Number (206) 292-9606	Employer Fax Number (206) 340-0975
Position President	Hours/Week 40	Number of People Supervised 94	Employer e-mail (optional)
Duties & Responsibilities			
Role in Proposed Business and Estimated Hours Per Week			
President, 40 hours			
Qualifications for This Role			
Biography attached.			

CRITERION 1B. NONE.

Robert Giersdorf Biography

Bob Giersdorf is President of American West Steamboat Company. He is a widely traveled and well-known leader in the fields of tourism and transportation. During the years 1984-85, he served as National Chairman of the Travel Industry Association of America (TIA), the umbrella organization embracing diverse components of the entire United States travel industry. He continues to serve on the TIA Board of Directors and has been honored by election to the Travel Industry Hall of Leaders, the US Travel Industry's most prestigious recognition.

Mr. Giersdorf maintains his home and business headquarters in Seattle, though he has spent much of his working career in Alaska. When Alaska achieved statehood in 1959, he was elected to the First State Legislature. He has been President of the Alaska Visitors Association and Chairman of the Alaska Tourism Marketing Council, serving many years on the Board of Directors of those Associations. His various companies have conducted extensive cruise and tour operations throughout the Pacific Northwest, including Alaska's Glacier Bay National Park, the sightseeing operations of Arctic Tours, and naturalist tours to the Pribilof Islands.

Born in Montana in 1935, Mr. Giersdorf spent his early years in Portland, Oregon, making his first trip to Alaska over the Alcan Highway while still in high school. After two years of study at the University of Oregon, he moved to Alaska, working first in construction and then the airline industry.

With Alaska Airlines, Mr. Giersdorf worked his way up through the Sales Department to become Senior Vice-President of Marketing and Sales. He served as Senior Vice President of Marketing and Sales for twelve years, where he became known for his innovative and pioneering approach to marketing and promotion. Alaska Airlines was the very first airline to show in-flight movies—from a projector in the aisle. During one period, Alaska Airline planes were decorated in a Gold Rush Gay 90s motif, with transcribed in-flight announcements adapted from the poetry style of Robert W. Service.

Mr. Giersdorf directly negotiated the protocol agreements between Alaska Airlines and the Soviet Union, opening the back door of Russia which allowed flights direct from Alaska to Siberia in 1970 and, additionally, from Anchorage non-stop over the North Pole to Leningrad in 1971. He has since been a

frequent visitor to the USSR, Japan, and other Pacific Rim nations. He has traveled extensively in Mexico, Europe, Africa, Central and South America, and much of the rest of the world.

Though Mr. Giersdorf originally built his reputation in commercial aviation, in 1972 he and his wife, Lori, created Alaska Tour and Marketing Services, Inc. (ATMS). By 1978 ATMS had evolved into a major Tour Company.

Also in 1972, Alaska Tour and Marketing Services began furnishing marketing services to Glacier Bay Lodge, Inc., the National Park concession for one of Alaska's most spectacular scenic areas. ATMS also purchased the ground-tour facilities, buses, and Arctic tour programs from Alaska Airlines and Wien Airlines to operate Arctic Tours; and began scheduled tours of the Pribilof Islands.

Glacier Bay became a focal point for the development of the small overnight cruise ship concept. In the beginning, only a program of overnight accommodations in the Lodge and day excursions into Glacier Bay by vessel were available. Then, Mr. Giersdorf conceived the idea of a small overnight full-service cruise ship that would travel deep into the bay, spending more time and enabling visitors to better observe the marine life, nesting sites of many birds, and to actually over night near the glaciers. By 1978, the Giersdorfs had purchased the concession operations, and then acquired a 64-passenger vessel for this new use, naming it the *Glacier Bay Explorer*.

This was the beginning of the mini-cruise fleet. The first *Explorer* proved very popular and subsequent ships were designed and built slightly larger to meet the expanding market requirements of the Company. The trade name Exploration Holidays and Cruises was implemented to suit the expanded geographic marketing identity of the Company, which offered cruises and tours in the diverse new areas of Panama, Tahiti, Mexico, and Western America. The "Explorer Class" vessels provided the first such intimate access to some of the finest natural areas of Alaska, Canada, the Columbia/Snake Rivers, California Delta, the Caribbean, the East Coast Inter-coastal waterways, and Baja, Mexico. This type of access provided a much different approach to the cruise experience and tour market than was possible on larger cruise ships. The fleet grew to eight "Explorer Class" vessels.

The successes were not unnoticed. The Company was approached by the entertainment division of the Anheuser Busch Companies, Busch Entertainment Company. The cruise portion of the Company was sold and a new Exploration Cruise Lines, Inc., emerged with Busch Entertainment owning 80% of the Company. However, the Busch adventure into the Cruise Ship Business was not successful for them. The Giersdorfs made an unsuccessful attempt to repurchase and rescue the company—but were unable to do so, and the company ceased to operate.

Until recently, the Giersdorf remaining CruiseTour entities revolved around two corporate structures: Yachtship CruiseLine, Inc. and Glacier Bay Lodge, Inc.

Glacier Bay Lodge, Inc. operated the Visitor Concessions based in Glacier Bay National Park and Preserve, consisting of a 56-room deluxe resort hotel, with restaurant, bar, and gift shop, and a fleet of motor coaches and vans for transferring clients to and from the Gustavus Airport. Additionally, from the Lodge the Concession operated a 300-passenger catamaran tour boat to view the glaciers and a small overnight Cruise Ship doing multiple night cruises in the Park. The Lodge offered three sport fishing charter boats, a fuel dock, as well as a whale watching boat. In Juneau, the Company offered city sightseeing tours from a busy tour sales office, and operated cruises into Tracy Arm Fjord.

Yachtship CruiseLine, Inc. operated both Day Excursion Tour Boats and the overnight Small Cruise Ship, Executive Explorer, a deluxe 25-stateroom vessel that spent each summer cruising Alaska's famous Inside Passage and each Fall and Spring cruising the waters of Puget Sound from Seattle to Victoria and Vancouver, BC, plus Princess Louisa Inlet, the Canadian Gulf Islands, and the San Juan Islands. Day Excursion vessels ran daily from Seattle to Victoria via the San Juans, and from Portland, Oregon, to Astoria, and through the Columbia River Gorge to Hood River.

In the Spring of 1996, the Giersdorfs sold the Glacier Bay Concessions and their Alaska Cruise Operation to Goldbelt, Inc., a Juneau-based Native Corporation. They retained Yachtship CruiseLines as the holding company for two new entities, American West Steamboat Company and Great Rivers CruiseTours, with the corporate offices located in downtown Seattle.

Great Rivers CruiseTours was created by Mr. Giersdorf to provide Dayboat Excursions along the scenic Columbia and Willamette Rivers. The two high speed catamarans, Great Rivers I and II, cruise daily from Portland, Oregon, and are specifically designed for all-weather sightseeing, with large view windows and comfortable seating on two spacious, enclosed decks. Cruising up to 25 knots, these vessels allow passengers to enjoy exciting day excursions to Astoria (at the mouth of the mighty Columbia), Hood River (at the base of majestic Mt. Hood), and to experience the breathtaking scenery of the Columbia River Gorge National Scenic Area. Itineraries have been expanded to include a luncheon cruise along the Willamette River and a spectacular Sunset Dinner Cruise among the cascading waterfalls of the Columbia River Gorge.

In the Fall of 1995 Mr. Giersdorf introduced a totally new generation of small cruise ships with his newest company, American West Steamboat Company. The elegant *Queen of the West* is the Company's first vessel. This newly constructed, US-flagged ship is the largest of all small cruise ships in Western America. The *Queen of the West* is an authentic, sternwheel-driven paddleboat which accommodates 163 passengers in 73 luxurious Staterooms and Suites.

Seven-night itineraries explore the might Columbia, Snake, and Willamette Rivers. Each itinerary focuses on the spectacular beauty of the Pacific Northwest, highlighting the history and cultures of the Real West as the *Queen* cruises along the final segment of The Oregon Trail and along the historic route of Lewis & Clark.

The spacious vessel has an elegant Dining Room and two Grand Showrooms. Onboard live Entertainment is the New Dimension that has been added to the Small Cruise Ship Experience. "Showboat-type" variety entertainment features a different musical theme each day and varied performers join the ship along the river. As the first overnight sternwheeler in the Pacific Northwest in eighty years, the Queen of the West introduces a new era for the Small Cruise Ship market in Western America.

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Michael Lomax		Employer American West Steamboat Company	
Address 23973 SE 42d Place Issaquah, WA 98029		Employer Address 601 Union Street Suite 4343 Seattle, WA 98101	
Employee Phone Number (425) 557-2848	Date of Birth or SSN	Employer Phone Number (206) 292-9606	Employer Fax Number (206) 340-0975
Position Executive VP/GM	Hours/Week 40	Number of People Supervised 50	Employer e-mail (optional)
<p>Duties & Responsibilities Reporting directly to the President performs a broad range of duties encompassing every aspect of the company's business including, exercising supervision over assigned personnel. More specifically, oversight of the general operation of the company's business encompassing vessel operations, onboard product delivery, product management and development, entertainment programs including talent and content, vendor relations and contracts, personnel recruitment and evaluations, sales, and marketing development, customer service, public relations, wage and salary administration and facility management.</p>			
<p>Role in Proposed Business and Estimated Hours Per Week</p> <p>40 hours per week Executive Vice-President/General Manager</p>			
<p>Qualifications for This Role</p> <p>Biography attached.</p>			

CRITERION 1B. NONE.

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name John Hein		Employer American West Steamboat Company	
Address 5032 200th St SE Bothell, WA 98012		Employer Address Two Union Square 601 Union Street Suite 4343 Seattle, WA 98101	
Employee Phone Number (425) 481-4498	Date of Birth or SSN	Employer Phone Number (206) 292-9606	Employer Fax Number (206) 340-0975
Position Sr. VP Administration	Hours/Week 40	Number of People Supervised 0	Employer e-mail (optional)
<p>Duties & Responsibilities Work with senior staff in corporate planning. Review of financial statements and supporting details. Preparation of pricing models. Preparation and monitoring of Proforma Income statements for company and projects. Review and monitor reservation booking system. Provide direction on administrative matters.</p>			
<p>Role in Proposed Business and Estimated Hours Per Week Planning and integrating this destination into our current financial and reservation computer system. (5-30 hours per week)</p>			
<p>Qualifications for This Role Degree in business and CPA certificate. Twenty-six years in the travel industry including airline, cruise, tour and travel agency.</p>			

CRITERION 1B. NONE.

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Gary Sorrels		Employer American West Steamboat Company	
Address 1907 First Avenue, #56 Seattle, WA 98101		Employer Address 601 Union Street, Suite 4343 Seattle, WA 98101	
Employee Phone Number (206)441-5612	Date of Birth or SSN	Employer Phone Number (206)292-9606	Employer Fax Number (206)340-0975
Position VP Passenger Services	Hours/Week 40	Number of People Supervised 30	Employer e-mail (optional) gsorrels@msn.com

Duties & Responsibilities

Oversee hotel department on the Queen of the West, including food and beverage stewards, galley, housekeeping and purser functions. Development of new vessel, Empress of the North, hotel department, including galley, stateroom, gift shop, dining room and lounges, design and outfitting, and ongoing administration of both vessels' hotel departments.

Role in Proposed Business and Estimated Hours Per Week

40 hours per week as VP Passenger Services

Qualifications for This Role

resume attached

CRITERION 1B. NONE.

GARY D. SORRELS

1907 First Avenue, #56
Seattle, Washington 98101
(206) 441-5612

WORK HISTORY

Aug 1997
to
Present

YACHTSHIP CRUISELINE, INC.
601 Union Street, Suite 4343
Seattle, WA 98101
(206) 292-9606
Supervisor: Robert Giersdorf, President

Aug 1997
to
Present

Vice President Passenger Services
American West Steamboat Company
Great Rivers CruiseTours

Aug 1992
to
Aug 1997

GLACIER BAY TOURS & CRUISES
520 Pike Tower, Suite 1610
Seattle, WA 98101
(206) 623-7110
Supervisor: Robert Giersdorf, President

Aug 1992
to
Aug 1997

Glacier Bay Lodge, Inc.
P.O. Box 199
Glacier Bay, Alaska 99826
(907) 697-2226
Vice President, Passenger Services, & General Manager

July 1991
to
Aug 1992

SAGE DEVELOPMENT & RESOURCES, INC.
7927 Jones Branch Drive, Suite 600 West
McLean, VA 22102
(703) 847-6900
Supervisor: Howell Hepner
East Coast Assistant Vice President

July 1991
to
Aug 1992

Days Inn Suites
1329 Bristol Pike
Philadelphia (Bensalem), PA 19020
General Manager (215) 245-5222

WORK HISTORY (cont'd)

August 1989
to
July 1991

UNITED INNS, INC.
Suite 2300 Clark Tower
5100 Poplar
Memphis, TN 38137
Supervisor: Vann Herring, & Brad Markbey,
Atlanta Regional Directors

August 1989
to
July 1991

Holiday Inn Airport North
1380 Virginia Avenue
Atlanta, GA 30344
(404) 762-8411
Rooms Division Manager, General Manager

November 1987
to
August 1989

METRO HOTEL CORPORATION
8080 North Central Expressway, Suite 1600
Dallas, TX 75206-1819
Supervisor: Ken Cunningham
Vice President of Operations

November 1987
to
August 1988

Holiday Inn
3560 NE Loop 286
Paris, TX 75460
(214) 785-5545
Director of Sales

April 1988
to
July 1988

Ramada Inn Capitol
300 E. Eleventh Street
Austin, TX 78701
(512) 476-7151
Director of Sales

July 1988
to
August 1989

Holiday Inn University
3400 South Street
Nacogdaches, TX 75961
(409) 569-8100
General Manager

January 1985
to
November 1987

AMERIWEST HOTEL CORPORATION
8080 North Central Expressway, Suite 1600
Dallas, TX 75206-1819
(214) 891-8881
Supervisor: Patrick Bajdek
President and CEO

WORK HISTORY (cont'd)

November 1985
to
March 1987

Raintree Inn
5000 S. 1500 W.
Riverdale, UT 84401
(801) 627-2880
Night Audit, Front Desk Manager
Director of Sales and Catering, Resident General Manager

March 1987
to
November 1987

Radisson Hotel Stemmons
2330 w. Northwest Highway
Dallas, TX 75220
(214) 351-4477
Sales Manager, Catering Manager, Rooms Division Manager

January 1985
to
November 1985

Holiday Inn
3306 Washington Blvd.
Ogden, Utah 84401
(801) 399-5671
Desk Clerk, Night Auditor, Front Office Manager,
Rooms Division Manager

REFERENCES

Available upon request

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Bob Wengel		Employer American West Steamboat Company	
Address 1709 24th Avenue Longview, WA 98632		Employer Address Two Union Square 601 Union Street, Suite 4343 Seattle, WA 98101	
Employee Phone Number (360)414-0673	Date of Birth or SSN	Employer Phone Number (206)292-9606	Employer Fax Number (206)340-0975
Position VP Marine Operations	Hours/Week 40	Number of People Supervised 45	Employer e-mail (optional)

Duties & Responsibilities

Serves as Master on Queen of the West. Works with shipyard on new vessel, Empress of the North, overseeing all vessel construction. Supervises all company licensed crew members including mates, engineers, and deckhands. Develops new itineraries, represents company in all Coast Guard matters. Serves as company safety officer.

Role in Proposed Business and Estimated Hours Per Week

40 hours per week, VP Marine Operations

Qualifications for This Role

Resume attached.

CRITERION 1B. NONE.

ROBERT J. WENGEL, LICENSED MASTER

1709 24th Avenue, Longview, WA 98632

Telephone (360) 414-0673

SUMMARY OF QUALIFICATIONS:

*** Successful background includes more than eight (8) years as Captain for a U.S. cruise line, transporting passengers to various U.S. and foreign locations; Captain of a corporate yacht for a trucking company and a Mate for a tug boat company; employment is supported by a Master License with a Radar Endorsement and by twenty (20) years in the U.S. Navy.

*** Proven ability to assemble and supervise a crew of individuals to work together as a well trained team to maintain the proper condition of the vessel and the safety and comfort of all passengers.

*** Consistently demonstrated ability to perform effectively under adverse conditions and in high-pressure situations; interacts effectively with passengers to instill confidence and promote a favorable public image which encourages repeat business and referrals.

AREAS OF EXPERIENCE:

- | | |
|--------------------------------|-----------------------------------|
| Ship Handling / Operations | Maintenance / Repair Supervisor |
| Firefighting | Personnel / Office Management |
| Damage Control | Problem Solving / Decision Making |
| Navigational / Radar Equipment | Customs Regulations |
| Cruise Ship / Yacht / Tug Boat | Ordering of Supplies |
| Annual Dry Dock Overhauls | Scheduling |
| Crisis Management | Time Management |
| Public Relations | Public Speaking |
| U.S.C.G. Inspections | |

EDUCATION / TRAINING:

Complete courses necessary to obtain the following Licenses and Certificates.

- | | |
|---|---|
| *Master of vessels up to 1600 gross tons upon oceans. | *Ship Stability |
| *FCC 3rd Class Radio Operator | *Damage Control |
| *Radar Observer (Unlimited) | *Instructor Training |
| *Firefighting | *Office Management |
| *Mangement Skills for Supervisors | *Time Management |
| | *The Supervisor's Job Today Advanced Skills |

EXPERIENCE:

owner/Operator of YACHTS AROUND * (1989 to Present). Delivering of all types of vessels worldwide. Also sea trials and acceptance trials for a ship yard and Captain for Wilderness Cruises.

captain (Senior Captain) * Exploration Cruise Line - Seattle, Washington and Training of new Captains for the Cruise Line (1981 to 1988). Fulfilling the following key positions with increased responsibilities for this, the largest small ship cruise line in the United States.

captain (Master) * (1981 to 1988). Assuming responsibility for safety and comfort of passengers; hiring; supervising 25 shipboard personnel; instructing crew and conducting weekly drills in safety procedures; supervising all logistical support for the vessel; identifying; implementing various maintenance and repair projects; interfacing with vendors; conducting Coast Guard inspections; overseeing annual dry dock and shipboard repair; ordering supplies; keeping accurate logs and passenger lists; solving difficult passenger problems; saving money for company by rearranging schedule to handle repairs and avoid cancellation of cruises; owner representative at ship yard for construction of new vessels; responsibility for training new captain.

PERSONAL AND PROFESSIONAL REFERENCES AVAILABLE UPON REQUEST

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Doug Pendleton		Employer American West Steamboat Company	
Address 2551 37th Avenue West Seattle, WA 98199		Employer Address Two Union Square 601 Union Street, Suite 4343 Seattle, WA 98101	
Employee Phone Number (206)282-5366	Date of Birth or SSN	Employer Phone Number (206)292-9606	Employer Fax Number (206)340-0975
Position VP National Accounts	Hours/Week 40	Number of People Supervised 0	Employer e-mail (optional)
<p>Duties & Responsibilities Create and develop report with group operators; negotiate draft and nurture charter agreements; develop relationship with industry consortiums; represent national accounts in senior management meetings; attend trade industry conferences and trade shows; conduct agent training seminars on company products; escort major group accounts on board; conduct familiarization tours for agents and group operators; responsible to "grow" the group accounts (increase group cabin sales, increase conversion of group block space, increase group load factor as a per cent of overall load increase yield from group sales, reduce number of released group blocked cabins); monitor and interpret sales progress and financial yield; direct distribution of group blocked space and sales throughout the year to increase overall yield.</p>			
<p>Role in Proposed Business and Estimated Hours Per Week</p> <p>40 hours per week, VP National Accounts</p>			
<p>Qualifications for This Role</p> <p>Resume attached.</p>			

CRITERION 1B. NONE.

DOUGLAS K. PENDLETON

2855 35th Ave W.
Seattle, Washington 98199
(206) 283-9668

My career objective is to be a positive and productive force in a company with a proven track record, a clear vision for the future, and a commitment to realize its vision through the empowerment of its employees.

EMPLOYMENT HISTORY

VICE PRESIDENT - DEVELOPMENT

GLACIER BAY TOURS & CRUISES AND YACHTSHIP CRUISELINE, SEATTLE, WA— April 1991 to present

PRODUCT DEVELOPMENT

Project lead for research and development of new products, such as the Wilderness Explorer Soft-Adventure Programs and Light Tackle Fishing Program in Glacier Bay. Responsibilities include:

- Spearheaded vessel identification and selection
- Appointed team leader in contract negotiations
- Developed financial proformas and tariff structures
- Project leader in market analysis and advertising strategies development
- Participated in brochure development (photos, copy writing, design)

SALES AND MARKETING

Responsible for direct-contact sales and marketing efforts

- Drafted corporate sales and marketing strategy
- Represented companies at national and international trade shows and conventions, e.g., TIA & NTA
- Attended Special Interest conventions and meetings, e.g., Non-profits in travel, AAZPA, AAM
- Attended consumer travel shows, e.g. Adventure Travel Expo, Henry Davis, Travel Market Place
- Responsible for all direct sales efforts with affinity groups and wholesalers
- Conducted agent and travel writer familiarization tours to all destinations
- Overhauled and re-wrote policies and contracts for group and wholesalers
- Developed internal critical path for group and wholesaler account management
- Designed and drafted sales presentation materials for potential group and wholesale clients
- Increased wholesalers on contract from seven to fifty-eight, group bookings increased similarly

PUBLIC RELATIONS

Corporate liaison with governmental agencies and professional trade associations

- Lead contact person with National Park Service, U.S. Forest Service, NOAA, National Marine Fisheries
- Corporate representative to Passenger Vessel Association, Alaska Visitor Association, et. al.
- Drafted press releases relating to new products and itineraries

ADMINISTRATION AND OPERATIONS

Reported directly to the president as active member of corporate management team

- Drafted strategy to increase communications, team-building, improve work environment
- Managed several special projects assigned by the president, e.g. insurance claims & vessel repair projects
- Participated in management meetings as company headquarters doubled in size in less than two years

MANAGER OF EXHIBITS AND PROGRAMS

SEATTLE AQUARIUM, SEATTLE, WA— July 1990 to April 1991

- Supervised 15 full-time and part-time employees, plus 250 volunteers
- Prepared and monitored a budget of approximately \$800,000 in operating costs and capital projects
- Generated annual work schedule in education and volunteer programs
- Supervised a \$100,000 exhibit repair and renovation project

- Responsible for design of educational and interpretive programs and special events
- Prepared and monitored grant and vendor contracts for boats for whale trips, consultant lecturers, etc.
- Identified funding strategies for priority projects
- Collaborated with agencies and community organizations on exhibits and educational programs
- Conducted group process planning to identify needs, goals, strategies, and educational programs
- Applied team-building strategies to enhance interpersonal communications and human relations among staff
- Appointed to Mayor's Environmental Education Committee
- Represented the City of Seattle on the Governor's Task Force on Environmental Education
- Reported to the Director of the Aquarium

DIRECTOR OF SPECIAL INTEREST SALES

CLIPPER CRUISE LINE, St. Louis, MO—October 1989 to April 1990

- Conducted ship-board familiarization trip for leading environmental education tour organizations
- As corporate liaison, coordinated communications with approximately 400 organizations nation wide
- Spearheaded implementation of shipboard naturalist program, significantly increasing its effectiveness
- Managed west coast marketing office—developed and managed budgets, managed accounts
- Increased special interest group bookings 20-fold in five month period
- Generated in excess of \$1,103,000 in bookings

DIRECTOR OF SPECIAL INTEREST MARKETING

EXPLORATION CRUISE LINES, Seattle, WA—April 1988 to November 1988

- Facilitated communications with approximately 300 organizations nation wide
- Planned, organized and managed Special Interest Marketing Department
- Developed and implemented business plan: developed administration policies, managed budgets, developed and supervised implementation of contracts, planned and managed itinerary development projects, supervised administration, managed account files, created promotional materials
- Represented Exploration Cruise Lines at annual special interest conferences: American Association of Museums; American Association of Zoological Parks and Aquariums; Western Museums Conference
- Directed fulfillment of \$2,000,000 in group bookings generated while with Catamaran Cruiselines

DIRECTOR OF SALES

CATAMARAN CRUISELINES & GLACIER BAY LODGE, Seattle, WA—February 1986 to March 1988

- Planned, organized, and managed sales, including policy development, administrative plan, sales strategies
- Developed business plan: supervised administration, managed budgets, developed promotional materials, negotiated contracts, developed sales policies, managed account systems
- Planned and developed natural history cruise programs for the Hawaiian Islands, the Channel Islands of Southern California, the Baja whale lagoons, Mexico's Copper Canyon, and Alaska; including itinerary design, vendor selection, pricing, logistics planning, hiring and training cruise staff, writing cruise manuals
- Planned and managed projects to research educational natural history tours in the South Pacific (Society and Cook Is.), Peruvian Amazon, the Yucatan Peninsula, and the Soviet Far East
- Represented Catamaran Cruiselines and Glacier Bay Lodge at major travel trade shows; e.g., Henry Davis, Travel Market Place, International Sportsman Show
- Conducted familiarization trips in Alaska and Baja establishing the special interest marketing effort for the company resulting in several group bookings
- Generated and managed in excess of \$2,000,000 group bookings for 1989/90

PRESIDENT

KEENE & ASSOCIATES, INC, Seattle, WA—July 1987 to February 1992

- Developed and managed sales and marketing consulting firm based in Seattle, including budgets, administrative policies, business plan, and promotional strategies
- Managed consulting projects with northwest resort destinations to increase their shoulder season profits
- Secured outside sales contracts with nationally-based tour operators
- Planned and researched two new adventure product lines for major western vacation publication
- Developed several natural history tours for Alaska resulting in increased sales for the companies represented
- Planned and managed focused marketing projects for major western destination resort association

PRESIDENT

TREK HAWAII, INC., Kaneohe, HI—December 1985 to July 1987

- Founded and managed largest outdoor/adventure tour company based in Hawaiian Islands
- Coordinated environmental education program planning, scheduling and communications with public and private schools throughout the State of Hawaii, the State Legislature, governmental offices, and educators.
- Developed 15 natural history adventure tours including itinerary design, vendor selection, equipment purchasing, tour pricing, logistical planning, sales and marketing
- Hired, trained and supervised staff of 20 employees including staff development, performance evaluation, group process planning, team building, and discipline
- Developed and managed operations manuals which reduced employee turnover by 50%
- Significantly reduced overhead costs by implementing safety procedures resulting in perfect safety record
- Lead over 100 multi-day tours throughout the Hawaiian Islands, including captaining vessels
- Negotiated multi-year contracts with nationally-recognized organizations; e.g., the Smithsonian Institution, which ensured bookings and reduced marketing expenses
- Developed marketing strategies and sales tools which resulted in an increase in sales of 20% per year

EXECUTIVE DIRECTOR

SEA TREK HAWAII, INC, Kaneohe, HI—December 1976 to December 1985

- Established Hawaii's first outdoor-adventure education tour organization (a private, non-profit corporation)
- Coordinated environmental education program planning, scheduling and communications with public and private schools throughout the State of Hawaii, the State Legislature, governmental offices, and educators.
- Developed business plan, managed budgets, developed administrative policies, managed 20 programs
- Hired and supervised 50 employees, including training, group process planning, development, evaluation
- Developed and managed Hawaii's first Drownproofing Program, a ten-hour water safety course which accommodated 10,000 school children per year with 95% success (and a perfect safety record)
- Developed and managed Hawaii's first formal marine education field trip program which successfully accommodated 5,000 school children per year
- Raised approximately \$500,000 through private and public sources which completely paid for programs
- Authored 250-page teacher's guide for program which increased the program's effectiveness in the classroom
- Planned and managed three capital development projects to implement educational programs

FACULTY, DEPARTMENT OF OCEAN STUDIES

HAWAII LOA COLLEGE, Kaneohe, HI—September 1981 to June 1982

- Planner and manager of Ocean Studies Program as a new degree curriculum at the college
- Developed and instructed courses in Seamanship, Navigation, and Research Vessel Sampling Techniques
- Developed Semester-At-Sea curriculum project aboard 200-ft sailing vessel cruising the south Pacific
- Attended conference in Tokyo, at the invitation of the Japanese Sail Training Association

FACULTY, COLLEGE OF CONTINUING EDUCATION

UNIVERSITY OF HAWAII, Honolulu, HI—June 1973 to August 1976

- Developed, and instructed *The Hawaii Experience*, a two-week, 3-credit field study course focusing on the natural and cultural history of the Hawaiian Islands
- Developed promotional materials and managed marketing plan which resulted in 100% course registration

ASSOCIATE DIRECTOR, BLUE WATER MARINE LABORATORY

UNIVERSITY OF HAWAII, Honolulu, HI—July 1973 to December 1976

- Founded and managed state-wide sea-going marine education program: *The Blue Water Marine Laboratory*
- Coordinated program planning, scheduling and communications with public and private schools throughout the State of Hawaii, the State Legislature, governmental offices, and educators.
- Project manager for developing program material and equipment
- Authored and published curriculum materials resulting in accreditation of the program in Hawaii
- Developed and managed training program for high school student instructors; the first of its kind
- Directed effort which resulted in first-ever accreditation of outdoor environmental science program in Hawaii
- Raised approximately \$50,000 in operating funds annually through grant proposals and legislative action

SERIAL NUMBER

21 268495

ISSUE NUMBER

3

UNLIMITED SHANNES COAST GUARD



REGULATIONS

TO OPERATE OR NAVIGATE PASSENGER CARRYING VESSELS

This is hereby that DOUGLAS K. PENDLETON *flag officer*
satisfactorily evidenced to the undersigned that he is in safety certified
with the duties and responsibilities of a flag officer of
propelled passenger carrying vessels as defined in Article 1000
of the Code of Regulations, Title 33, Chapter 1, Part 1000,
and is hereby licensed as such by the undersigned from this date.

Governor and commandant of the
 FIFTH DISTRICT
 STATIONER
 PACIFIC OCEAN NOT MORE THAN 40
 MILES OFFSHORE OF THE HAWAIIAN ISLANDS
 OCTOBER 19 19 87

PUGET SOUND, WASHINGTON
 By direction of *M. J. Mattie*
 M. J. MATTIE
 Officer in Charge, Marine Inspection

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Joel Perry		Employer American West Steamboat Company	
Address 8030 19th Avenue NW Seattle, WA 98117		Employer Address Two Union Square 601 Union Square, Suite 4343 Seattle, WA 98101	
Employee Phone Number (206)782-5975	Date of Birth or SSN	Employer Phone Number (206)292-9606	Employer Fax Number (206)340-0975
Position Advertising Manager	Hours/Week 40	Number of People Supervised 1	Employer e-mail (optional)
Duties & Responsibilities Manage the design, production, and distribution of advertising promotional materials, and collateral materials to market cruises to consumers, travel agents, and group operators.			
Role in Proposed Business and Estimated Hours Per Week 40 hours per week, Advertising Manager			
Qualifications for This Role Resume attached.			

CRITERION 1B. NONE.

Joel S. Perry
8030 19th Ave. NW, Seattle, WA 98117
(206) 782-5975

■ Employment History

Advertising Manager – American West Steamboat Company

April 1996 to Present

Manage the creation, production and distribution of advertising, marketing programs, direct mail and collateral material. Direct responsibilities include:

- Creating and implementing consumer and trade advertising program and evaluating the results of advertising expenses. Advertising program includes direct mail, newspaper, television, and magazines.
- Managing the design, production and printing of over 80 collateral material projects to generate cruise sales, for internal corporate use and for on-board retail sales and promotions.
- Purchasing all printing required for marketing programs including 4-color web and sheet-fed printing.
- Negotiating and purchasing advertising in newspaper, magazine and television.
- Managing in-house mailing list and purchasing brokered lists for direct mail fulfillment.
- Purchasing, installation and maintenance of desktop publishing system.
- Developing and managing production of television commercials.

Marketing Manager – Marine Distributors, Inc.

April 1992 to April 1996

Created and managed marketing programs to increase sales to current customers and generate new customers by improving services, promoting existing products and adding new products.

- Developed and produced consumer advertising and marketing program for 52 member marine store network that included a retail catalog, consumer membership program, 4-color product circulars and in-store signs.
- Created monthly sales promotions – selected products, established sale pricing, distributed to customers and evaluated impact on sales and profits.
- Evaluated new products and current product offering to maximize market opportunities.
- Produced annual 672 page marine hardware catalog with over 18,000 parts. Created computer networking system to automate production and integrate text, graphics and product pricing matrix.
- Organized annual trade show including site selection and layout, product promotions and customer entertainment.

Production Manager – Marine Distributors, Inc.

April 1988 to March 1992

Managed production of all sales and marketing collateral materials using a variety of software applications.

Graphic Artist – Marine Distributors, Inc.

September 1986 to March 1988

Graphic Artist – Ace Tank and Equipment

July 1985 to September 1986

Graphic Artist – Kolstrand Marine Supply

September 1984 to March 1985

■ Software

Desktop publishing on PC and McIntosh platforms using QuarkXPress, Adobe Photoshop, Adobe Acrobat, Macromedia Freehand, MS Word, MS Excel, MS Access, MS Powerpoint, CorelDraw and Corel PhotoPaint.

■ Education

Western Washington University, 1980 to 1984

BS in Visual Communications with concentration in Graphic Design and Production.

Individual Experience and Related Background of Key Managers

Use the following format to detail duties, qualifications, references, and contact information for the offeror and key managers. This information should cover employment history for a minimum of 10 years (if available).

Name Kerry Jewett		Employer American West Steamboat Company	
Address 1319 South Puget Drive, #37 Renton, WA 98055		Employer Address Two Union Square 601 Union Street Suite 4343 Seattle, WA 98101	
Employee Phone Number (425)271-1292	Date of Birth or SSN	Employer Phone Number (206)292-9606	Employer Fax Number (206)340-0975
Position Manager of Reservations	Hours/Week 40	Number of People Supervised 15	Employer e-mail (optional)

Duties & Responsibilities

Administration of Reservation Department including hiring, training, documentation, sales, and groups.

Responsible for daily inventory control and development of procedures to increase yield. Works daily with ship's purser, overseeing cabin assignments and special passenger requests.

Role in Proposed Business and Estimated Hours Per Week

40 hours per week, Manager of Reservations

Qualifications for This Role

resume attached

CRITERION 1B. NONE.

MS. KERRY J. JEWETT
1319 SOUTH PUGET DRIVE #D37
RENTON, WA 98055
(425) 271-1292

EMPLOYMENT HISTORY:

- 12/94 - 7/96 **UNIGLOBE TRAVEL (NORTHWEST) INC., Seattle, WA**
Regional Training and Development Consultant: Provided direction to UNIGLOBE Agencies to ensure the positive application and implementation of UNIGLOBE programs, procedures, systems and philosophies. Assisted with training, scheduling, agency development, preferred supplier management and consulted with franchise owners and management teams in areas of sales, marketing, financial management and agency operations.
Apollo/ Focalpoint Reservation System / Windows-Based
- 04/92 - 12/94 **CONNIE SWANSON TRAVEL, INC., Redmond, WA**
Manager: Opened branch office. Managed the daily operation of the agency. Responsibilities also included advertising, promotion and sales of group travel.
Apollo/Focalpoint Reservation System / Windows-Based.
- 02/91 - 02/92 **ALLSTATE TRANSPORT, INC., Seattle, WA**
Office Manager: Handled U.S. and Canadian licensing and prorate for company vehicles. Responsible for accounts payable, accounts receivable, company payroll, employee files and benefits.
Champion Accounting System
- 11/87 - 02/91 **USTRAVEL, INC., Seattle, WA**
Group Coordinator: Developed and coordinated group travel to international and domestic destinations for leisure groups, school groups, incentive travel awards, business meetings and conventions. Worked closely with airlines, cruise lines and ground operators in negotiating contracted rates. Duties included design, pricing, packaging and supervision of all details.
Apollo/Focalpoint Reservation System / Windows-Based.
- 01/84 - 12/86 **SUNDANCE CRUISES & TOURS, Seattle, WA**
Manager Inventory Control: Duties included acquisition and maintenance of block space with tour operators, hotels and motorcoach companies. Responsible for contractual agreements and payment policies with vendors. Managed daily request, waitlist and cancellation reports. Monitored group activity of Sundance Cruises and Sundance Tours.
December '84 to December '86 - AS400 computer system

Reservation Department: Assisted in the office start up for both manual and computerized reservation system. Trained reservation staff on selling cruise and tour packages to independent travelers and travel agents.
January '84 to December '84 -- AS400 Computer System.

06/78 - 06/83 **ALL AROUND TRAVEL, Seattle, WA**
Travel Consultant: Group sales and leisure travel planner. Duties included presentation and design of brochures for group travel. Escorted tour groups to international and domestic destinations.
Sabre Reservation System

ADDITIONAL SKILLS:

Microsoft Word, Microsoft Works, Microsoft Excel, Print Shop Deluxe, Power Point, Champion Accounting System, Quicken, AS400.

EDUCATION:

Highline Community College
Graduate
Associate Degree, Business Transportation

REFERENCES:

Available upon request

• **PRINCIPAL FACTOR 2. CONFORMANCE TO THE TERMS AND CONDITIONS OF THE PROSPECTUS IN RELATION TO QUALITY OF SERVICE TO THE VISITOR**

CRITERION 2A. THE OFFEROR AGREES TO PROVIDE THE SERVICES AS REQUIRED BY THIS PROSPECTUS.

1. Indicate below whether you agree to provide the required services under the conditions specified in the Permit.

Yes

No

2. Provide a basic description of the ship(s) which the offeror proposes to operate in the park, including, as a minimum, the following, and any other vessel design information the offeror feels is pertinent.

Ship Name Empress of the North	Former Names none	Registry U.S.
Gross Tonnage 250 U.S.	Builder undetermined	Date Launched March 2000
Length (ft.) 300	Beam (ft.) 58	Date of Last Refit Newbuild
Draft (ft.) 14	Stack Height (ft.) 52	Propellers (no. & type) Bow Thruster Sternwheel, Twin Z-drive
Propulsion type (diesel electric, etc.) diesel electric	Propulsion power (kW or HP) 6500 HP	Fuel (type/weight) #2 Diesel
Passenger Capacity (basis 2) 224	Passenger Capacity (all berths) 232	Cabin Size (mean sq. ft.) 224
Passenger/space ratio (basis 2) 1.2 U.S./34 Intl	No. of Cabins 112	No. of Wheel Chair accessible cabins 3
Officer Nationality American	Crew Nationality (approx. % each) All-American	

3. Do you agree not to use a substitute ship without the approval of the park superintendent and that any substitute must meet or exceed the standards of the ship approved in the proposal?

Yes

No

4. Specify the total number of cruise ship entries into Glacier Bay from June 1 - August 31 for which you are applying.

Number of Entries (maximum is 68)

13

As explained in "Business Opportunity", up to 68 entries are divided into the following six categories. This is necessary in order to give the incumbent concessioners their statutory right of preference in categories "B - F".

5. Do you wish to apply and compete in all categories in order to maximize your opportunity:

Yes No

If "NO", specify the category or categories under which you are applying and the number of entries as follows:

Category	Entries (enter number)
Category A (maximum 38 entries)	
Category B* (maximum 13 entries)	
Category C* (maximum 4 entries)	
Category D* (maximum of 7 entries)	
Category E* (maximum of 4 entries)	
Category F* (maximum of 2 entries)	

The best proposal will be selected in each of the above six categories.

* An incumbent concessioner has a right of preference in renewal for these entries (see "Application of Preference in Renewal", this section - above).

6. Do you intend to utilize all entries authorized throughout the term of the permit? (Unforeseen events or circumstances that intermittently interfere with operations may, with the approval of the superintendent, be excused.)

Yes No

7. Do you agree to notify the NPS of any unused entries that may become available in a timely manner and, if necessary, assist to facilitate the reallocation of the unused entry?

Yes No

SERVICE AND FACILITIES

Questions #1 & 2

The Empress of the North will showcase Native Alaskan art and handicrafts throughout the vessel. The onboard gift shop will emphasize local Alaskan artists and will provide opportunities for local craftspersons to give on-board demonstrations, i.e., wood and soapstone carving, basket weaving, beadwork, etc. The shop will offer items that are native to the area, locally and regionally, and will emphasize items that provide the visitors a better understanding of Southeast Alaska culture, scenery and wildlife. Resource materials on Glacier Bay and Surrounding Areas, Alaska and Native Culture will always be available free of charge in the ships library, for passenger use while aboard the Empress of the North. These items will also be available for purchase in the Gift Shop.

Our prior experience operating the Park Concession gift shop provides us an insider's advantage for obtaining local and native handicrafts. The Empress of the North will be a floating art gallery, emphasizing not only the rich native heritage and cultures, but the Gold Rush Era and area's Russian history. One of a kind, rare Russian works of art will be on display, throughout the vessel. An authentic Chilcat blanket, potlatch hats, headresses, button blankets and totemic wood carvings will also be exhibited. The onboard historian will act as the ship's curator, providing Empress passengers an opportunity to learn about the various works of art on display.

All crew members will be required to complete a mandatory orientation on National Park Service mission and policies and the company's responsibilities under the terms of its permits. This orientation will emphasize their stewardship role instilling in them an appreciation of park areas and resources. Serving park visitors while minimizing impact on the resource will be emphasized. We will work closely with the park's interpretive staff to educate crew members on the cultural, historical, and geographical features of the park. Books, maps, and reading material about Glacier Bay will be made available for officers and crew members. Films about Glacier Bay will be used to further crew knowledge of the area.

Question #3

The NPS optimal afternoon itinerary will be followed. In order to provide a superior visitor experience, subject to approval, the Empress will provide for an earlier entry into Glacier Bay. Arriving at 8 AM into Bartlett Cove, the passengers will have an opportunity to go ashore and participate in the guided nature walk and get a more complete park visit than other large cruise ship vessels can offer. Also subject to NPS approval, the Empress will cruise by the Marbel Island seabird colony and sea lion haul out area, at prescribed distances, allowing the NPS Naturalist an early opportunity to get the passengers involved on a more intimate basis.

1. Do you agree to this initial level of fees as shown above and in the sample permit?

Yes

No

CRITERION 3B. NONE

CRITERION 4A. THE OFFEROR PROPOSES TO PROVIDE INTERPRETIVE SERVICES (EITHER THOROUGH THE NPS INTERPRETIVE PROGRAM OR THOROUGH AN APPROVED CONCESSIONER PROGRAM) WHICH MEETS THE REQUIREMENTS OF THE PROSPECTUS AND PERMIT.

The National Park Service has determined that the following Interpretive program is the minimum acceptable program for cruise ship services in Glacier Bay.

Program Overview

The Interpretive program will support the missions of both the National Park Service and Glacier Bay National Park and Preserve. Please refer to the *National Park Service and its Mission* and the *Park Area and its Mission* sections in this Prospectus.

Staffing

A minimum of three staff (one supervisor and two interpreters) are needed to meet the minimum goals and objectives of the Interpretive Program.

Supervisor: The supervisor needs to exhibit the knowledge, skills and abilities to supervise employees, to direct an operation, to maintain cooperative working relationships, to communicate effectively orally and in writing and to demonstrate and teach interpretive methods and techniques. The supervisor needs a working knowledge of the area.

Interpreters: The interpreters must exhibit knowledge of the cultural and natural history of Glacier Bay and the skills and abilities to research, prepare and present professional quality interpretive programs to diverse audiences. The interpreters must utilize accepted interpretive techniques and principles found in the Support Materials list below.

Recruitment

In order to find applicants with extensive interpretive experience and education, recruit from a broad range of applicants with a comprehensive knowledge of cultural and natural history. As a minimum, Interpretive staff must have completed a 4-year course of study above high school leading to a bachelor's degree with 24 semester hours of job related course work; 1 year of relevant interpretive experience; a combination of 1 and 2 above; or knowledge, skills and abilities needed to perform the job by virtue of having lived in or near Glacier Bay National Park and Preserve.

Training

Provide a comprehensive training program that will result in an interpretive staff who are knowledgeable in the natural and cultural history of Glacier Bay, past and present research and park management issues. Training includes skills and techniques needed to prepare original thematically based presentations. A minimum of three days of orientation spent exploring Glacier Bay first hand from forest floor to glacial barrens. Interpreters will be provided with the opportunity to observe an experienced interpreter while

ADDITIONAL INTERPRETIVE ELEMENTS

Question # 6

Facility

Spacious outside deck viewing areas abound on the *Empress of the North* with the entire Upper Deck devoted to open area viewing. See-through wind shields, a canopy cover and infrared heaters allow comfortable outdoor passenger viewing during inclement weather, and while the vessel is under way. Inside viewing is the very best of any of the small cruise ships built. Large viewing windows exist in all staterooms and public areas. The ship's design includes spacious outdoor observation decks, informational bulletin boards, a video library and a superb selection of reference books. The onboard NPS interpreter will have excellent working platform. They may utilize the main showroom, located high up on the ship for better viewing. The showroom holds all the ships' passengers and has immediate access to the upper deck. The Video units in the dining room, lounge and all staterooms have proven to be an excellent way for passengers to enjoy natural history presentations either at their leisure or as part of the ongoing group educational cruise format.

Sound System

The sound system utilizes the latest advances in loudspeaker and electronic technology, achieves smooth frequency response, and even dispersion of sound through the ship. Wireless microphones provide mobility and immediacy to the many interpretive opportunities which present themselves. The ongoing Naturalist presentations are heard in all public areas and on all decks ship-wide, and may be listened to on a separate audio channel in all staterooms. We will provide the NPS naturalist with a walkaround wireless microphone as to opportunistically respond to any wildlife viewing opportunity. Additionally, an extra microphone and a backup sound system insures that the important narrative feature will never be unavailable due to a mechanical failure. The *Empress of the North* in total acts as an excellent viewing and communication platform. Close-up observation complimented by an ongoing narration and the educational format create an atmosphere of sincere appreciation for the scenic qualities, wildlife, natural and cultural history of all its destinations. Its size allows the visitor access to the less trafficked areas. Its audio visual system expands the interpretive possibilities for both the National Park Service Naturalist and the onboard specialist thus enhancing the passengers experience.

Prior to Entering Glacier Bay

On the evening prior to entering Glacier Bay, passengers receive a through orientation on Glacier Bay National Park and Preserve which enables them to maximize their understanding of the Glacier Bay experience. The ship's Naturalists lead the discussion, which includes such topics as "How to dress for Glacier Bay," "Tips on the art of wildlife watching," "Glacier and wildlife photography," "The creation of Glacier Bay as a National Park and Preserve," "The value of Glacier Bay as a National Park & Preserve and World Heritage Site," and "A Review of Passenger's responsibilities while traveling in environmentally sensitive areas such as Glacier Bay." Children will receive a special

information packet from the Naturalist, including a marine mammals coloring book and additional handouts. Children will be encouraged to learn about the surrounding wildlife and will be given a junior explorers pin upon completion of their "What I Saw in Glacier Bay" handout. Information about Glacier Bay will be distributed to all passengers the evening prior to arrival in Glacier Bay.

In addition to the Glacier Bay orientation meeting described above, a daily cruise letter, the "Cruise News," is distributed the night prior to our arrival which describes our next days activities in Glacier Bay. Passengers are advised that due to the variety of natural history opportunities which may arise, the ship's schedule will remain flexible, including meal times, and other routine activities so as to not conflict with the Park's service interpretive program, nor the prime observation time at the glaciers or wildlife areas.

YachtShip CruiseLine also enhances the passengers' Glacier Bay experience prior to arrival in the Bay, by including preparatory lectures and discussions, slide shows, videos, and guest lectures prior to entering the Park. Programs include the showing of specific Glacier Bay videos such as one on whales, focusing on the endangered species such as the Humpback Whale and other marine life.

As the Empress of the North enters Glacier Bay National Park, the ship's educational program will be turned over to the Park Service Naturalist for the duration of the Glacier Bay portion of the cruise, including unlimited access to the ship's public address system.

Inside the Park, the Empress of the North's Naturalist will assume a support position, coordinating the interface of other ship's functions for the National Park Service Naturalist presentation and program. In this way the day's activities are presented in a most professional and pleasing manner. Examples of specific support services including maintaining the ship's informational bulletin boards, assisting with course charting, distribution of complementary National Park Service materials, by the ship's Naturalist, enhances the passenger's experience of the glaciers and other primary of Glacier Bay.

The Empress will arrive at Bartlett Cove at 8 AM, for a full two hours on land, prior to its trip up the bay. The passengers' Glacier Bay experience will be additionally enhanced when the ship makes this port call. Here passengers will have the opportunity to experience the Park's trails and rain forest by participating in a guided nature trail walk, and by enjoying the National Park Service's interpretive displays, shop in the Glacier Bay Lodge gift shop, or viewing a slide show or National Park Service Naturalist's presentation at the lodge. Also subject to NPS approval, the Empress will cruise by the Marbel Island seabird colony and sea lion haul out area, at prescribed distances, allowing the NPS naturalist an early opportunity to get the passengers involved on a more intimate basis.

As an additional element, for convenience, the NPS interpreter will be provided a private crew cabin, while onboard the Empress of the North for the day trip in Glacier Bay National Park.

- Provide passengers and crew with supplemental materials about Glacier Bay prior to arrival in Glacier Bay.
- Provide programs for passengers by specialists on park related subjects, i.e. geology, ecology, natural history, Alaska history, native Alaskan culture and art, prior to arrival in Glacier Bay.

5. Do you propose to meet any or all of the elements shown above? If yes, provide details.

Yes

No

Opportunity for Applicants to Propose Innovative Interpretive Program Elements

Applicants are encouraged to provide details of any additional interpretive services or interpretive program details (not listed above) which they propose to provide and which would result in improved interpretive program.

6. Do you propose to any additional interpretive elements or services? If yes, provide details.

Yes

No

CRITERION 5A. THE OFFEROR AGREES TO SUBMIT A POLLUTION MINIMIZATION PLAN

Park vessel regulations (see appendix) require the following:

To obtain or renew an entry permit, a cruise ship company must submit and, after approval, implement a pollution minimization plan. The plan must ensure, to the fullest extent possible, that any ship permitted to travel within Glacier Bay will apply the industry's best approaches toward vessel oil-spill response planning and prevention and minimization of air and underwater noise pollution while operating in Glacier Bay. The superintendent will approve or disapprove the plan." (36 CFR 13.65(b)(2)(ii)(A))

The *Pollution Minimization Plan* was first implemented for the 1996 season. The NPS offered some initial ideas and suggestions to existing operators to help guide preparation of these pollution plans (see appendix - *Pollution Minimization Plan Elements*). These initial ideas are by no means exhaustive, nor are they mandatory requirements, but are offered to provide general guidance to all potential applicants. The *Pollution Minimization Plan* is an essential element of the Glacier Bay Vessel Management Plan's carefully crafted approach of providing increased access to the park while also assuring the performance of the NPS's fundamental and predominant stewardship responsibility to protect the park's resources and values. Companies are strongly encouraged to go beyond the elements initially suggested for these plans and to propose innovative, creative, and cost effective strategies to minimize air, water and underwater noise pollution.

1. Do you agree to submit the required *Pollution Minimization Plan* as part of your application and, after approval, implement the plan as approved? If yes, attach the plan (see Criteria 5B for additional elements which may be included).

Muir Inlet is not part of the optimal itinerary because the NPS believes that the transit time needed for traveling to both the East and West arms of Glacier Bay could diminish the time spent at tidewater glaciers and thus passenger enjoyment and understanding of the park.

Johns Hopkins Inlet is a secondary element of the optimal itinerary due to seasonal area closures, high concentrations of harbor seals and other factors that will often preclude going beyond, or even approaching, Jaw Point.

Other bays and inlets of Glacier Bay National Park (such as Dundas Bay, Lituya Bay) are not included due to potential conflicts of cruise ship activities with existing visitor uses.

Transit through Glacier Bay National Park marine waters outside of headlands: Icy Strait, Cross Sound and the outer coast open waters (the Park boundary extends three miles off shore) are considered an incidental use of the Park at this time. The NPS encourages cruise ship operators to develop appropriate ship-board programs to further passenger knowledge and appreciation of these remote areas of the park.

1. Do you propose to operate in accordance with an *optimal itinerary* shown above?

Yes

No

2. If NO, provide the proposed itinerary or itineraries, including, at a minimum, all areas to be visited, activities in each area and the times for each activity (one format for this is the table below).

Time(s)	Activity
	Glacier Bay Arrival
	Passing Queen Inlet northbound
	Begin Commentary
	Arrival at Margerie/Grand Pacific Glaciers
	Departure from Margerie/Grand Pacific Glaciers
	Interpretive presentation(s)
	Meals
	Times at other glaciers/inlets (specify)
	Activities which restrict interpretive commentary (specify activity)
	Departure from last glacier
	End Commentary
	Passing Reid Glacier southbound
	Depart Glacier Bay

The itinerary submitted should also include a list and timetable for all passenger activities, including meals, while in Glacier Bay, noting any activities that would restrict public address system interpretive commentary or impact the interpretive focus on the park.

3. If you answer yes to item 1, but would also like to propose possible alternative itineraries which you feel would provide a superior visitor experience, please do so here. Provide details of why you feel this would be a superior itinerary and whether or not this itinerary is an optional or integral element

- "Interpreting for Park Visitors" by William Lewis
- "The Process of Interpretive Critiquing" by William Lewis
- "The Tlingit Indians" by G.T. Emmons
- "Glacier Bay Official National Park Handbook"
- "Glacier Bay, the Land and the Silence" by Dave Bohn
- "Blue Ice in Motion, The Story of Alaska's Glaciers" by Sally D. Wiley
- "Glaciers of North America, A Field Guide" by Sue A. Ferguson
- "The Nature of Southeast Alaska" by R. O'Clair, R. Armstrong and R. Carstensen
- "Guide to Marine Mammals of Alaska" by Kate Wynne
- "Field Guide to the Birds of North America" by National Geographic Society
- "Plants of the Pacific Northwest Coast" by J. Poljar and A. Mackinnon
- "Glacier Bay, the Grand Design" video, NPS publication
- NPS Strategic Plan
- Glacier Bay NP Strategic Plan
- Glacier Bay NP Vessel Management Plan
- Glacier Bay NP General Management Plan
- Glacier Bay NP Interpretive Plan (when available)

1. Do you agree to provide an interpretive program meeting these minimum criteria?

Yes

No

The National Park Service offers cruise ship Concessioners the option of utilizing the *NPS Interpretive Program* on a cost-recovery basis (the Concessioner pays the prorated cost of the program). The NPS program exceeds the criteria stated above and the additional criteria identified in 4B (below) and consists of NPS trained Interpretive Rangers, who provide commentary, programs, interpretive materials, etc. as described below. The program includes pilot boat service for boarding and disembarking the Rangers as each ship enters and leaves Glacier Bay. The cost will range from \$0.75 to \$1.50 per passenger, based on actual program costs.

2. Will you participate in the NPS Interpretive Program (including cost-recovery)?

Yes

No

If you do not participate in the NPS Interpretive Program, submit a full description of your proposed interpretive program, including employment standards (resumes for existing interpretive staff or position descriptions for currently unfilled interpretive positions), staffing levels, staff and supervisory training program, monitoring and mentoring program, native and local hire program, procedures for updating interpretive program with current research and park management directives, sources for information, description of resource and reference materials available for the interpretive staff, description of slide file (or other media) available for audio-visual and other presentations, and other materials that would assist in evaluating the program. Minimum criteria for the Interpretive program (as stated above) must be met in order for the offer to be considered responsive.

POLLUTION MINIMIZATION PLAN

Criterion 5A and 5B

At significant additional expense beyond design criteria, the vessel is being constructed with a high level of environmental sensitivity. The following is a brief explanation of measures that YachtShip CruiseLine has taken to minimize or eliminate environmental impacts while operating in the Park, and elsewhere, including measures which exceed standards required by applicable laws and regulations.

STACK EMISSIONS / AIR QUALITY

The Empress will meet all marine vessel visible emission standards. The Caterpillar engines diesel/electric system will utilize state of the art catalytic converters and scrubbers to reduce emissions into the air, eliminating the haze that comes from other large cruise ships. The Empress will further reduce emissions by operating at a constant RPM while in Park waters and reducing the number of operating engines when applicable. Opacity sensors will be in place, alarming the Captain if emission levels are exceeded. Opacity data will be recorded and kept on file. The National Park Service will be provided the Empress of the North's Naval architecture plans, outlining the technology and equipment being utilized.

UNDERWATER NOISE

The Empress generators are diesel electric, soft-mounted and located above deck, providing for minimal underwater noise levels. The Captain will further reduce noise by maintaining a constant RPM, operate at constant reduced speeds and maintain appropriate engine loading by selective use of its Z-drives and Paddlewheel. The unique split Paddlewheel design, combined with the Z-drives, provides an opportunity to propel the vessel with any combination of the two. The company will provide underwater noise signature test data upon the vessel's completion.

DISCHARGE INTO PARK WATERS

The vessel shall have zero discharge of any and all effluents or solids which may be generated on board, except for condensate, grey water, and sewage system shall be type II marine sanitation devices in accordance with CFRSS, Part 159 Subpart A, Regulation 195.3 (S), Type III. Oily water system shall be in accordance with 33 CFR Part 155, subpart B, Regulations 155.330 (A) and 155.350 (A) (2), also 155.360 (2) (C). See Reference 1.2. The Empress will further reduce discharge by insuring that all grey water, sanitation devices, incinerator ash, and oil water effluent are held and only discharged out of Park waters.

OIL SPILL RESPONSE

The Empress will implement an Emergency Response Plan and will provide for adequate storage of absorbant pads and boom. The boom will be appropriately sized for a vessel of this nature. The licensed crew members will be trained in advance by licensed, certified state-approved response personnel. Certification and documentation of ongoing training will be maintained on board the vessel and made available for review.

WILDLIFE PROTECTION

Maintaining the Park's pristine condition is of primary importance in YachtShip CruiseLine. YachtShip CruiseLine will consequently take every prudent step to eliminate litter aboard the Empress of the North. Our "Welcome Aboard" brochure, which is distributed to passengers prior to embarkation also informs passengers of their environmental responsibility with regard to litter (See attachment). Aboard ship, a ship's officer is specifically assigned the responsibility of ensuring that all solid waste is handled properly. Waste receptacles with lids are placed throughout the vessel. All garbage is stored and dispatched appropriately. MARPOL placards are placed on the outside of the garbage locker. Full waste containers are placed in enclosed lockers and then put ashore at appropriate designated drop-off points outside the park. The vessel will never utilize light weight, disposable tableware on the outer decks. The passengers will have an opportunity to view a video about Glacier Bay prior to arrival, informing them of the dangers of feeding Park animals.

SHIPBOARD NOISE

The Empress state of the art sound system will ensure that unnecessary noise is not transmitted on the decks.

HELICOPTERS

YachtShip CruiseLine has never used helicopters for photography in Glacier Bay, nor do we intend to use them in the future.

Yes

No

CRITERION 5B. THE OFFEROR PROPOSES TO MINIMIZE ENVIRONMENTAL IMPACT IN THE PARK.

Following is a description of the potential environmental impacts cruise ships may have in Glacier Bay National Park. Offerors should address in their proposal measures they would take which go beyond law and regulation to further minimize or eliminate these environmental impacts while operating in the park (Address each item as an element of the *Pollution Minimization Plan* required in 5A.).

Stack emissions - Stack emissions from cruise ships are a potential problem in the Park. Even low levels of cruise ship stack emission can create a lingering visual blue-gray plume layer in front of the Park's tidewater glaciers. These visible plumes impair scenic and photographic opportunities in the park.

Discharge into park waters - Discharge of pollutants, including petroleum products, waste water and other wastes may negatively affect marine and coastal resources.

Underwater noise - Radiated noise from cruise ships contributes to underwater sound levels in Glacier Bay. Research has demonstrated that vessel noise can cause behavioral changes in marine mammals which may ultimately affect reproductive capability or survival.

Wildlife Protection - Cruise ships may affect additional marine resources in Glacier Bay including:

Harbor Seals - The upper part of Johns Hopkins Inlet is one of the largest harbor seal pupping areas in the world. A closure prohibits cruise ship traffic south of an imaginary line running approximately due west from Jaw Point from May 1 through August 31. However, ships should remain ¼ nautical mile from all seal concentrations and should avoid disturbance of seals when operating in Hopkins outside of the closure period.

Sea Birds - Ship crews and passengers occasionally feed sea birds, particularly near nesting colonies at tidewater glaciers where the vessels remain for extended periods. This may result in an altered diet and behavior pattern for certain bird species. Detailed instructions should be provided to crew members and shipboard newsletters should explain why birds should not be fed in the park. The NPS will work with companies to develop appropriate wording for these messages.

Sea Bird Nesting Colonies - Sea bird nesting colonies are particularly susceptible to vessel disturbance. Vessels are required to maintain a minimum of distance of 100 yards from seabird nesting colonies.

Litter - Trash, coffee cups, ping pong balls, balloons, etc., discarded from cruise ships have occasionally been found in the park.

Shipboard noise - Music, public address system announcements and other noise transmitted on outside decks of the ship travels readily over water and interferes with the quiet enjoyment of the park by passengers on other vessels and park visitors on-shore.

Helicopters - Helicopters are an intrusion on the quiet enjoyment of the park by visitors both on the ship and off. They may also disturb park wildlife. Although helicopters have been used by the companies in the past to take advertising photographs of their ships at the glacier faces, the NPS will consider an offer that agrees to minimize use of helicopters in the park as a component of a better offer. See the permit for conditions related to helicopter use.

Baseline Data Gathering - The NPS is interested in obtaining baseline data on stack emissions and vessel noise levels as part of the *Pollution Minimization Plan*. This information will assist NPS in evaluating the effects of vessels and will also be helpful in designing meaningful operating requirements. Examples of useful data would be: automatic opacity measurements every minute or less keyed to time and location; stack emission sampling, vessel sound signatures; and below waterline hull vibration measurements keyed to time and speed and machinery use. The NPS has not developed specific sampling criteria, but rather is interested in specific proposals from the cruise lines based on available sampling technology.

1. Do you offer to provide baseline data from your vessel(s), such as stack emission opacity or noise levels?

Yes

No

If yes, describe in detail the nature and format of the data, procedures for data submission and constraints, if any, for data use or distribution.

CRITERION 6A. THE OFFEROR'S PAST RECORD RELATED TO MARINE CASUALTIES, VIOLATION NOTICES AND FOOD SERVICE SANITATION.

The past record of marine casualties, violation notices and food service sanitation reports for *each cruise ship* must be included in the offeror's proposal. If there is less than a complete record for the time period described for any ship included in the proposal, establish a record for the company as a whole by providing the information requested for the company, including all cruise ships operated by the company.

1. **Has the offeror had any reportable marine casualties (as defined by USCG regulations), including but not limited to grounding, loss of primary propulsion, collision, flooding, capsizing, fire, explosion, loss of life or reportable injury for the period beginning three years prior to the date this prospectus was issued through the present⁴? If yes, submit a copy of the official report (U.S. Coast Guard or other), except for injuries (submit a brief summary, including reason for each injury).**

Yes

No

2. **Has the offeror received citations or notices of violation received from, or criminal information or indictments filed by local, state, or federal authorities in the United States, regardless of the outcome, for the period beginning three years prior to the date this prospectus was issued through the present? If yes, submit a copy of the citation, indictment, etc., and an explanation of the violation, settlement, penalty (if any), and any corrective actions taken by the offeror.**

⁴ Information which comes to the attention of the National Park Service for the period of time after a prospectus is issued but prior to the actual award of a permit will be considered in the selection process.

Yes

No

3. Has the offeror received any unsatisfactory food service sanitation inspection reports from the U.S. Public Health Service for the period beginning two years prior to the date this prospectus was issued through the present? *If yes, submit the reports for these inspections and a summary of any corrective actions taken by the offeror.*

Yes

No

CRITERION 6B. NONE

CRITERION 7B. NONE.

SECONDARY FACTOR(S). FRANCHISE FEE OFFERED ABOVE THE MINIMUM

CRITERION 8A. NONE

CRITERION 8B. A FRANCHISE FEE ABOVE THE LEVEL REQUIRED AT CRITERION 3A IS OFFERED.

A franchise fee offer above the required level will be a secondary factor as explained by the terms of PL 89-249 (and Public Law 104-333, Section 704, below⁵). Secondary factors will be used in the evaluation of offers when a selection of the best offer cannot otherwise be made from the results of evaluating the three primary factors. Public Law 89-249, Section 3(d) and 36 CFR Part 51.4b(3), (Both are included in the Appendix) provides guidance as to franchise fees.

1. Do you propose to offer a franchise fee above the level required at Criterion 3A?

Yes

No

2. If yes, state the total franchise fee that you propose. Express this as a per passenger fee.

Year	Per Passenger Fee
2000	\$ 15.00
2001	\$ 15.00
2002	\$ 17.50
2003	\$ 17.50
2004	\$ 20.00

⁵Public Law 104-333, Section 704, states: "Fees paid by certain permittees for the privilege of entering into Glacier Bay shall not exceed \$5 per passenger. For the purposes of this subsection, 'certain permittee' shall mean a permittee which provides overnight accommodations for at least 500 passengers for an itinerary of at least 3 nights". Therefore, the NPS may not be able to accept a higher franchise fee from applicants who fit the definition of 'certain permittee', but may accept such an offer from other applicants.



Monday, January 04, 1999

Tomie Lee
Superintendent
Glacier Bay National Park and Preserve
P.O. Box 140
Gustavus, AK 99826-0140

Dear Tomie:

Please accept the enclosed minutes of the First Meeting of Directors of YachtShip CruiseLine, Inc. confirming the election of Robert Giersdorf as President. This will confirm the Authority of Robert Giersdorf to sign the Offer Letter and Certificate of Corporate Officer Statement.

Section 431 of the Coast Guard Authorization Act of 1998 guarantee's our ability to qualify for 25-year financing for 87.5% of the cost of the Empress of the North, (see attachment A). We have previously submitted our Business Plan and Vessel Criteria to the Federal Maritime Administration (MARAD) for review. MARAD had asked for clarification of the qualification of the Sternwheeler type vessel, so with Senator Steven's sponsorship, the special interest clarification language passed in the last session of the Congress. The final formal application for the MARAD guarantee will be submitted in approximately 30 days. We have met or exceeded all required criteria and approval is anticipated in March of 1999. Also, I have included a letter from Debis Financial indicating their interest in providing financing for the EMPRESS OF THE NORTH, (see attachment B).

Sincerely,

A handwritten signature in cursive script that reads "Gary Sorrels".

Gary Sorrels
Vice President, Passenger Services



January 4th, 1999

I, Robert Giersdorf, certify that the attached information is to be incorporated into my original proposal for concession operation dated June 18th, 1998.

A handwritten signature in cursive script, appearing to read "Robert Giersdorf", written over a horizontal line.

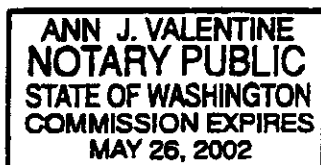
Robert Giersdorf
President
YachtShip CruiseLine, Inc.

On this 4th day of January, 1999, before me, a Notary Public in and for the State of Washington, personally approved Robert Giersdorf's signature, President of Yachtship CruiseLine, Inc..

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

A handwritten signature in cursive script, appearing to read "Ann J. Valentine", written over a horizontal line.

Ann J. Valentine
Notary Public for the State of Washington



MINUTES OF THE FIRST MEETING OF DIRECTORS
OF
YACHTSHIP CRUISELINE, INC.

The first meeting of the directors of YACHTSHIP CRUISELINE, INC., a Washington corporation, was held on the 4th day of January, 1990, at the registered office of the corporation, located at 500 Watermark Tower, 88 Spring Street, Seattle, Washington. All directors were present, or waived notice and call of the meeting and consented to the business transacted.

Robert Giersdorf acted as chairman, and Lori Giersdorf as secretary of the meeting.

The chairman advised the meeting that the Articles of Incorporation of the corporation had been filed with the Secretary of State in Olympia on October 16, 1989.

The secretary then presented a proposed form of Bylaws for the regulation and management of the affairs of the corporation. After discussion, the Bylaws were unanimously adopted and ordered to be inserted in the corporate minute book.

The chairman announced that the first order of business would be the election of officers to serve the corporation, at the pleasure of the Board of Directors, until the next organizational meeting of the Board of Directors and thereafter until their successors are elected. Whereupon, the following officers were unanimously elected to serve for said term:

President
Secretary

Robert Giersdorf
Lori Giersdorf

The chairman then stated that it would be in order to name a depository for the funds of the corporation. After discussion and upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the president/treasurer of the corporation is hereby authorized and directed to open general and special bank accounts as necessary, including general deposit accounts, payroll accounts, and working fund accounts with First Interstate Bank, Fidelity Lane Branch, 1620 Fourth Avenue, Seattle, Washington, to cause to be deposited in such accounts with such depository, or from time to time such funds as the corporation and such officers deem necessary and advisable; and to complete and execute and certify any customary printed blank signature card forms, including any resolutions printed thereon, in order to conveniently exercise the authority granted by this resolution.

RESOLVED FURTHER, that Robert Giersdorf or Lori Giersdorf is hereby authorized to endorse checks, drafts and other instruments for deposit and to execute checks, drafts and other instruments for withdrawal.

RESOLVED FURTHER, that all form resolutions required by the aforesaid bank are hereby adopted and made a part of these minutes and that the secretary of the corporation is hereby authorized and directed to certify such resolutions as they have been adopted at this meeting and is instructed to insert the form of such resolution in the minute book immediately following the minutes of this meeting.

A form of stock certificate was presented and approved by the directors, and a specimen copy shall be attached to these minutes.

The chairman then stated that the next topic for discussion was the issuance of corporate stock. The chairman further stated that Robert Giersdorf is transferring the sum of \$500 to the corporation for stock in the corporation. After due discussion, and

upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the corporation will issue 500 shares of the common capital stock to Robert Giersdorf.

The president then proposed that the corporation elect to be treated as an S corporation under Sections 1361 through 1379 of the Internal Revenue Code of 1986, as amended.

After due discussion, the Board unanimously adopted the following resolutions:

WHEREAS, it is now before the fifteenth day of the third month of the Corporation's taxable year; and

WHEREAS, the Corporation is a "Small Business Corporation" within the meaning of Section 1361 of the Internal Revenue Code of 1986;

NOW, THEREFORE, BE IT RESOLVED, that the Corporation shall elect treatment as an S Corporation in accordance with the Internal Revenue Code of 1986, as the same may be amended from time to time.

RESOLVED FURTHER, that the officers of the Corporation are hereby directed to obtain the consent of the shareholders to the foregoing S Corporation Election, upon such forms as shall be required by the Internal Revenue Service, to file said forms with the Internal Revenue Service, and to insert a copy thereof with the minutes of this meeting.

The chairman then stated that, as part of the operation, the corporation would need to apply for an appropriate liquor license. Following due discussion, the board unanimously adopted the following:

RESOLVED, that the corporation is hereby authorized to apply for a liquor license and the president/secretary of the corporation is hereby authorized to make such application and to execute any and all documents that may be necessary thereto on behalf of the corporation.

The chairman then stated that the organizational expenses incurred on behalf of the corporation should be assumed by the corporation. After discussion, the board unanimously adopted the following resolution:

RESOLVED, that the corporation does hereby assume the obligation to pay any and all sums advanced on its behalf for filing fees and other organizational expenses and the obligation to pay the attorneys' fees for its organization.

There being no further business, the meeting was adjourned.

Lori Giersdorf
Secretary

ATTEST:

Robert Giersdorf
Chairman

DIRECTORS;

Robert Giersdorf
Robert Giersdorf
Lori Giersdorf
Lori Giersdorf

NUMBER

SHARES



INCORPORATED UNDER THE LAWS OF THE
STATE OF WASHINGTON

YACHTSHIP CRUISELINE, INC.

AUTHORIZED: 10,000 Shares

This Certificate

represents that

is the

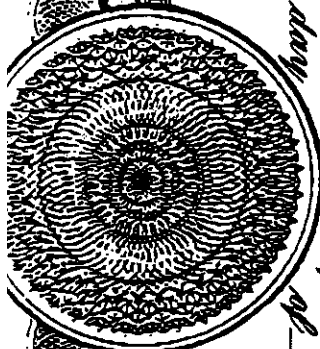
registered holder of

of the common capital stock of YACHTSHIP CRUISELINE, INC.

*transferable only on the books of the Corporation by the holder hereof in
person or by attorney upon surrender of this Certificate properly indorsed.*

President

Secretary



<u>THIS SEARCH</u>	<u>THIS DOCUMENT</u>	<u>THIS CR ISSUE</u>	<u>GO TO</u>
<u>Next Hit</u>	<u>Forward</u>	<u>Next Document</u>	<u>Now CR Search</u>
<u>Prev Hit</u>	<u>Back</u>	<u>Prev Document</u>	<u>HomePage</u>
<u>Hit List</u>	<u>Best Sections</u>	<u>Daily Digest</u>	<u>Help</u>
	<u>Doc Contents</u>		

HR 2204
PL 105-383

COAST GUARD AUTHORIZATION ACT OF 1998 (Senate - October 21, 1998)

[Page: S12956]

SEC. 430. BARGE APL-60.

- (a) **In General:** Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the barge APL-60 (United States official number 376857).
- (b) **Limitations:** The vessel described in subsection (a) may be employed in the coastwise trade only for the purpose of participating in the ship disposal initiative initially funded by the Department of Defense Appropriations Act, 1999, for the duration of that initiative.
- (c) **Termination:** A coastwise endorsement issued under subsection (a) shall terminate on the earlier of--

- (1) the completion of the final coastwise trade voyage associated with the ship disposal initiative described in subsection (b); or
- (2) ~~the sale or transfer of the vessel described in subsection (a) to an owner other than the owner of the vessel as of October 1, 1998.~~

SEC. 431. VESSEL FINANCING FLEXIBILITY.

The Secretary of Transportation may guarantee obligations under section 1103 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1273), for the vessels planned for construction to be purchased by the American West Steamboat Company and to be named QUEEN OF THE YUKON, which will operate on the Yukon and Tanana Rivers, and EMPRESS OF THE NORTH, which will operate in Alaska, Washington, and Oregon. Notwithstanding sections 509, 1103(c), and 1104A(b) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1159, 1273(c), and 1274(b)), the Secretary of Transportation may guarantee obligations of 87 1/2 percent of the purchase price of such vessels. Each obligation guaranteed under this section may have a maturity date of 25 years from the date of delivery of the vessel concerned.

SEC. 432. HYDROGRAPHIC FUNCTIONS.

(a) **Effective Date:** Subsections (b) and (c) shall take effect immediately after the later of--

- (1) the enactment of the Hydrographic Services Improvement Act of 1998; or
 - (2) the enactment of this Act.
- (b) **Authorization of Appropriations:** Section 306 of the Hydrographic Services Improvement Act of 1998 is amended to read as follows:

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Administrator the following:

- (1) To carry out nautical mapping and charting functions under the Act of 1947 and sections 303 and 304, except for conducting hydrographic surveys, \$33,000,000 for fiscal year 1999, \$34,000,000 for fiscal year 2000, and \$35,000,000 for fiscal year 2001.



December 30, 1998

Mr. Robert Giersdorf
President
American West Steamboat Company
601 Union Street, Suite 4343
Seattle, WA 98101

Dear Bob:

I want to take this opportunity to acknowledge that we have reviewed your very comprehensive Business Plan for the years 1998 through 2004.

Both Rick McElwain and I were pleased to be able to meet with you in Seattle in November, and to make a site-inspection trip to Oregon to actually see the QUEEN OF THE WEST in operation. The concept of a paddlewheel-driven vessel has certainly demonstrated its marketing appeal. The capacity load factors and customer satisfaction indicates that your project to build the EMPRESS OF THE NORTH is timely.

We at debis Financial are proud to have provided the financing for the QUEEN OF THE WEST. It is gratifying to see the success that vessel has achieved.

With the planned new building of the EMPRESS OF THE NORTH, we are interested in also being considered for the long term financing of that project. I understand that you are in negotiations now with the shipyard on the final cost and delivery schedules. When you have those details in hand, please submit the draft contract language to complete our package. Our due diligence of the new project will continue upon receipt of these items and your updated year-end results.

Again, congratulations for establishing such a unique niche in the market. The additional capacity on the Columbia/Snake Rivers, plus the summer deployment in Alaska for the EMPRESS OF THE NORTH should be equally as successful as the QUEEN OF THE WEST.

I'll look forward to hearing from you!

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Guy Owen".

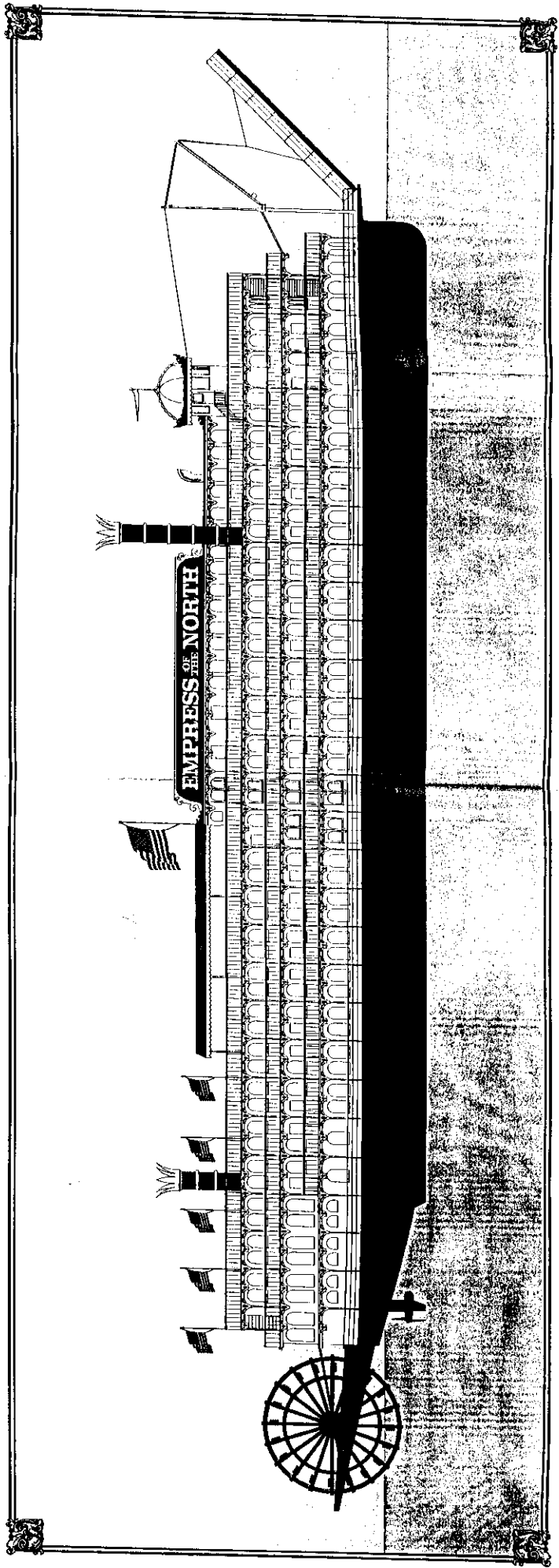
Guy Owen
Director - Domestic Marine
debis Financial Services, Inc.

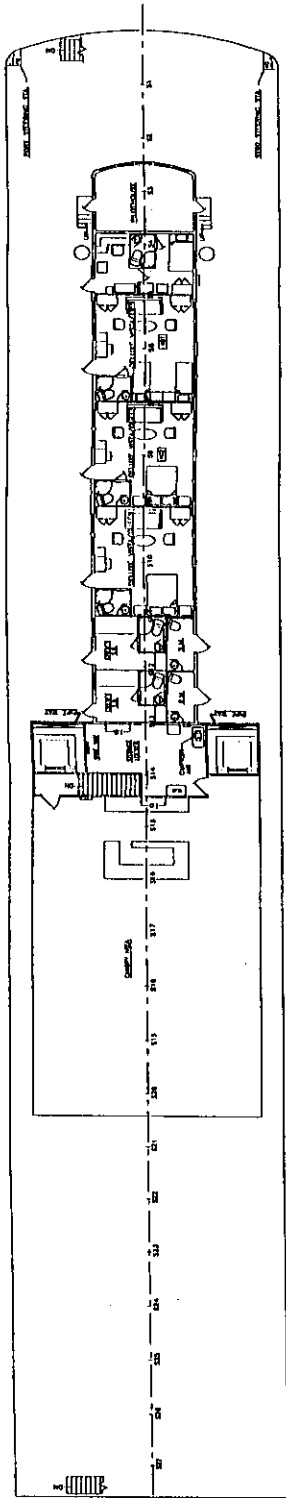
Mangrove Bay Office Centre
17757 U.S. Highway 19 North
Suite 475
Clearwater, FL 33764

Phone (888) 445-5009
(813) 531-5955
Fax (813) 507-2600
Web Site www.debisfinancial.com

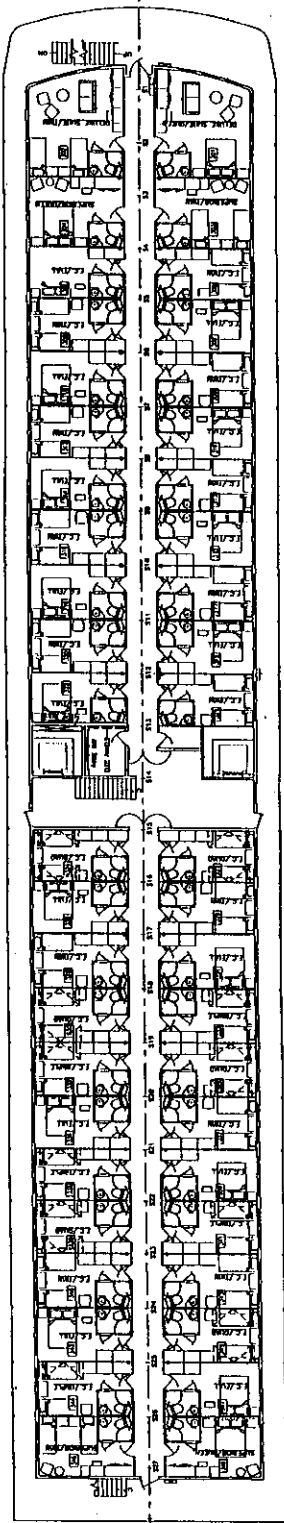
A subsidiary of
Mercedes-Benz Credit Corporation

Application
Page 14
Criterion 2B
Enclosure 8





PLAN 5-C
 SCALE: 1/8" = 1'-0"
 1. 1/8" = 1'-0"
 2. 1/8" = 1'-0"
 3. 1/8" = 1'-0"



PLAN 5-B
 SCALE: 1/8" = 1'-0"
 1. 1/8" = 1'-0"
 2. 1/8" = 1'-0"
 3. 1/8" = 1'-0"

THE COMMERCIAL AREAS
 HAVE BEEN MOVED FROM
 THE BOILER DECK TO THE
 TEXAS DECK

GUIDO PERLA &
 ASSOCIATES, Inc.
 ARCHITECTS
 7700 DALLAS AVENUE, SUITE 1000
 DALLAS, TEXAS 75230
 TEL: (214) 343-1000

GENERAL ARRANGEMENTS
 TEXAS & WEATHER DECKS

PROJECT NO. D RR0108-98598-801-01 | P1

DATE: 3/27/98 11:00 AM

1 2 3 4 5 6 7 8