

The Lordstown-Lorain Project

– Restoring Critical Naval Shipyard Capacity & Capability –



Solving the Submarine Maintenance & Construction Crisis Within Budget Limitations

January 26, 2022

American Naval Shipyard, LLC

– A Bartlett Maritime Corporation Company –

CAPT Edward L. Bartlett, Jr., Founder

P.O. Box 470863

Broadview Heights, OH 44147

Phone: 216-379-0033 Fax: 440-746-0002

edwardbartlett@bartlettmaritime.com

Executive Overview

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We Can't Keep our SSNs Certified for Sea

- Between 2008 – 2018 SSNs incurred >10,0000 days of idle time waiting on other ships to complete overhauls
- USS *Boise* (SSN 764) spent 4 years waiting to enter overhaul and will now go more than a full decade between deployments
- 5 Years for a 6-month Availability (USS *Helena* (SSN 725))
- Between 2015-2019 75% of Naval Shipyard maintenance periods were completed late, with an average delay of 225 days per SSN (7,241 days of CVN/SSN total delay)
- CBO forecasts that in 25 of the next 30 years SSN maintenance demand will exceed existing shipyard capacity

“I don't have enough capacity.

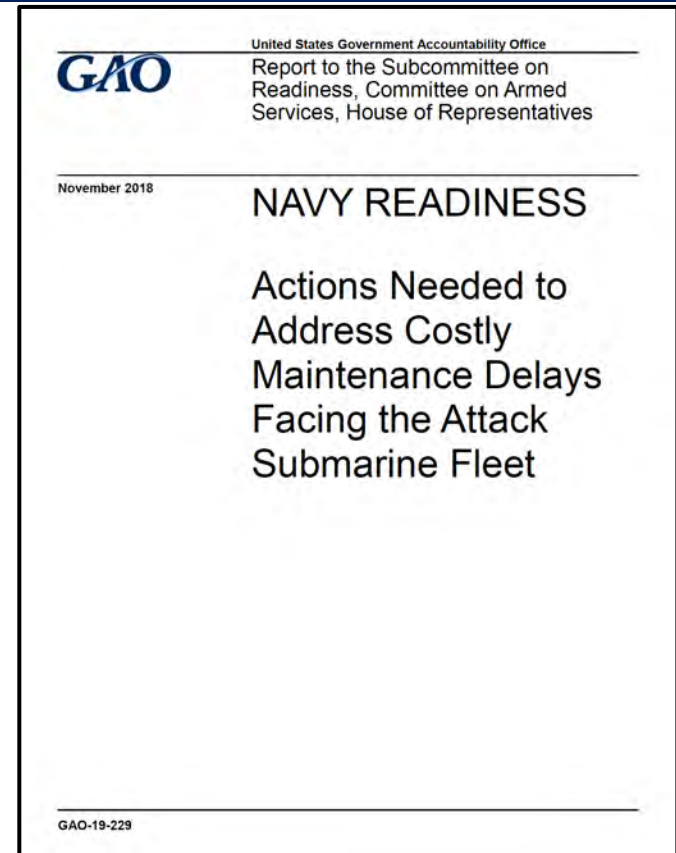
I don't have enough dry docks, and I don't have enough shipyards”

Admiral Daryl Caudle, Commander, Fleet Forces Command

January 12, 2022

This Project Started in Response to GAO Report 19-229

- While the submarine maintenance crisis had existed for a significant period, before this GAO Report was published it was not known outside of the Navy. **This GAO Report was a wake-up call for us.**
- This GAO Report came on the heels of our effort to develop a feasible CVN recycling plan and led to a series of events. These events included meetings with associates and with the Navy.
- The result was the formation of Bartlett Maritime Corporation and a multi-million-dollar multi-year commitment by CAPT Bartlett to assist the Navy in solving this problem.



Bartlett Maritime Corporation

On Course; Building Value

Serving America's Submarine Fleet

***Bartlett Maritime Corporation is Committed
To Assisting the Navy in Solving this Problem***

Our Final
Vision -
NOT Step
One

The Lordstown – Lorain Project Solves These Problems

Lordstown Naval Equipment Depot

- Located in the Village of Lordstown, OH
- Greenfield construction; will be designed with growth in mind; Can support Columbia Class component manufacturing
- Forecast to employ 500 to 1,000 personnel



American Naval Shipyard, Lorain

- Located in the City of Lorain, OH
- Two drydocks in an enclosed Integrated Drydock Production Facility
- Forecast to employ 2,000 to 3,000 personnel



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***The North Coast Industrial Midwest
Provides the New Labor Pool***

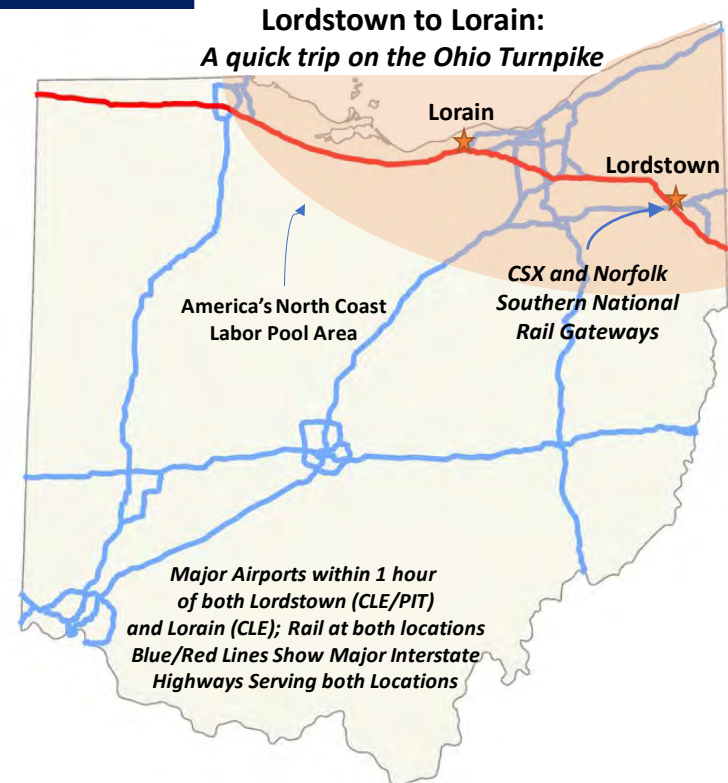


Why OHIO ????

Available Funding; Available Workforce



- **Ohio has an Available Industrial Revenue Bond Program** which can Fund the Multi-Billion \$\$ Capital Cost of the Facilities in a 3-way Public Private Partnership (1 ORC § 165)
- The Navy can use an **Existing Federal Lease-Purchase Program** to Acquire the Facilities through Bond Repayments (10 USC § 2812)
- **Ohio has the Available Skilled Trades Workforce** – *Not Readily Available Elsewhere*



Strong Local, State and Congressional Delegation Support for the Project

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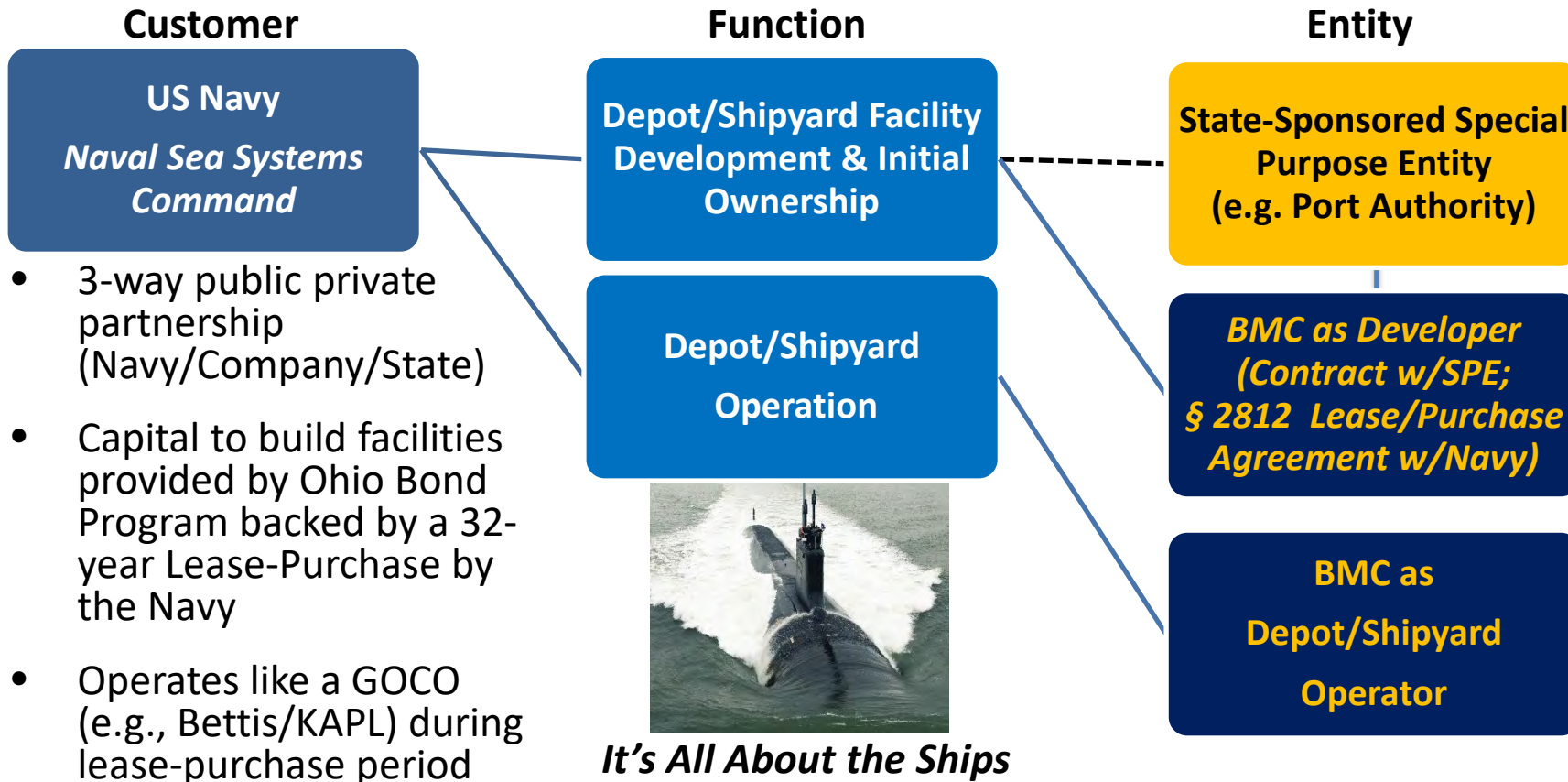
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Advantages Only Available in Ohio

Includes No Capital Cost During FYDP

An Innovative, Unique Acquisition Process Eases Implementation



The Critical Skilled Trades Shortfall along the 3 Ocean Coasts Continues to Get Worse

THE MIDDLETOWN PRESS
BUSINESS
With backlog of future work, General Dynamics to add 2,200 Electric Boat jobs in 2021

Alexander Soule
Feb. 1, 2021 | Updated Feb. 1, 2021 11:51 p.m.



The Virginia-class fast-attack submarine USS North Dakota enters the Thames River in January 2019 en route to the Naval Submarine Base Groton, Conn., where the submarine was built at Electric Boat owned by General Dynamics. (U.S. Navy photo by Cmdr. Jason M. Geddes)

U.S. Navy photo by Cmdr. Jason M. Geddes / Naval Submarine Support Center

- Thousands of open shipbuilding jobs to fill on the nation's 3 ocean coasts
- Many available trainees in Ohio. . .



Norfolk Naval Shipyard

7,029 followers
59m •

Norfolk Naval Shipyard (NNSY) is actively hiring welders, machinists, electricians, IT specialists and contract specialists! Federal employees at NNSY enjoy great benefits including ten paid holidays, up to 26 vacation days, and generous retirement plans! Visit <https://NNSY.jobs> to learn more. #jobs #hiring #careers #shipyardsVisit <https://NNSY.jobs> to learn more. #jobs #hiring #careers #shipyards

You can also visit NNSY jobs at:
Facebook: https://lnkd.in/dDWu_7g
Linkedin: <https://lnkd.in/ddKqc3F>



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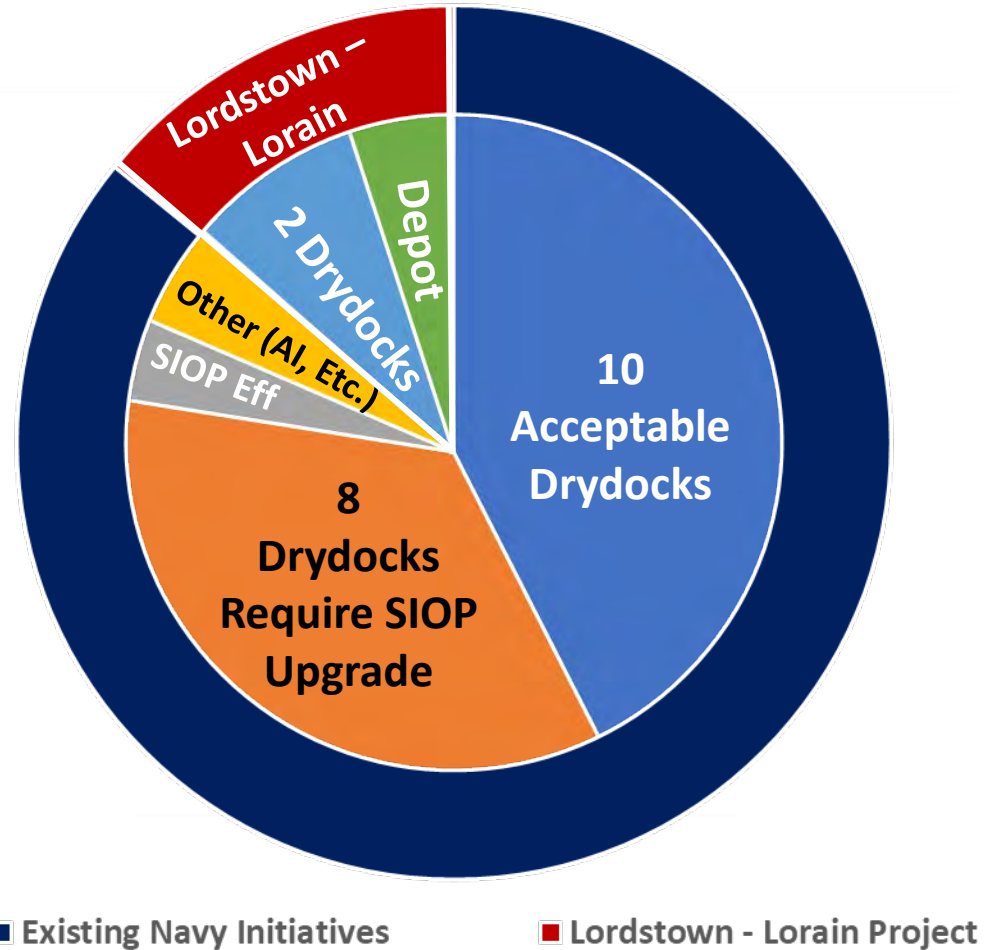
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2/1/21 Press & 1/30/21 LinkedIn Post - Aggressive Recruiting at Both Construction & Overhaul Yards

SIOP and Other Navy Efficiency Initiatives Alone are *Not Enough*

- The Lordstown Depot is a Navy-Originated Concept to Improve Overall Naval Shipyard Throughput
- The Shipyard at Lorain brings the Total Number of Certified Naval Shipyard Drydocks to 20
- Lordstown-Lorain Importantly Adds Geographic Diversity and Expands the Overall Available Labor Pool
- The Proposed New Facilities *Close the Gap to Achieve Required Capacity and Capability*, while Accelerating SIOP Completion



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Lordstown-Lorain is the Only Affordable Alternative Which Can Close the Gap

The Capacity of the Navy's Shipyards to Maintain Its Submarines

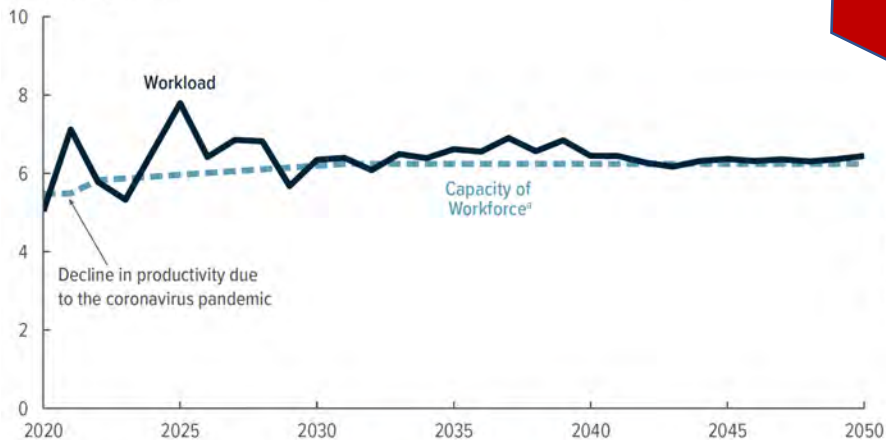


MARCH | 2021

Figure 9.

Projections of Workforce and Workload for Nuclear Ships

Millions of Days of Labor



Data source: Congressional Budget Office. See www.cbo.gov/publication/57026#data.

CNA has Developed Results Indicating an Even Larger Capacity Shortfall

The number of hours of labor required to maintain the nuclear fleet is projected to exceed the capacity of the workforce in most future years.

The Congressional Budget Office Independently Arrived at the Same Result as the Bartlett Maritime Analysis

- The CBO workload forecast averages 2,500 personnel more demand than supply (reflects universal 20% overtime and only partial overhead staffing; all at historical productivity plus Navy forecast efficiency gains)
- In January 2019 the Navy forecast *“being caught up”* by now – but is farther behind now than in 2019 (The Navy fleet maintenance demand has exceeded the forecast for most of this century)
- The FY22 Long Range Shipbuilding Plan forecasts Submarine Force growth of 15-24% – *further exacerbating this problem*



Bartlett Maritime Corporation

- Founded February 22, 2019, for the express purpose of supporting the US Navy in resolving the capacity and capability shortfall in the Naval Shipyard industrial enterprise
- Immediately successful and very profitable providing shipyard-related technical services to an international client base
- Fully re-invested in developing the Lordstown-Lorain Project

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***A Multi-Million \$\$ Speculative Investment;
A Total Commitment to Success***

CAPT Edward L. Bartlett, Jr.

Submariner, Submarine Design Engineer, Industrialist

- Cold War service on USS *Bergall* (SSN 667), USS *La Jolla* (SSN 701), USS *Gato* (SSN 615), USS *Fulton* (AS 11); Nuclear Power School Instructor
- Design Engineer at EB for both Seawolf and Virginia Classes, *Key Personal Design Innovations on Virginia Changed Past Practices*
- Rescued an important but financially failed supplier to Naval Reactors; *successful serial entrepreneur*



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Sole Investor in Bartlett Maritime Corporation
“We owe our Submariners Properly Maintained Ships”

11

The Bartlett Maritime Team



ADM Frank Bowman, USN(Ret),
Former Director, Naval Reactors



Mr. J. William Shirley,
SES, Retired from NR



Hon. George Sawyer,
Former Asst. SECNAV



Mr. Richard Burkhart,
Industrial Entrepreneur



Mr. Bob Hogue,
CEO In-Dept Engineering



Mr. Renold Thompson,
ANS Chief Financial Officer



Mr. Stuart S. Dye, Esq.,
General Counsel



RDML Robert Frick, USN(Ret)
VP, Planning



CAPT Frank Simei, USN(Ret)
VP, Operations



Mr. John Alden, Jr, PE
VP, Engineering



CAPT David McCall, USN(Ret)
VP, Test and Trials

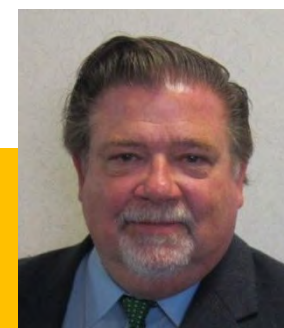


Ms. Melanie D. Lewis,
Chief Human Resources Officer

More Team Information at:
[Key Personnel — Bartlett Maritime Corporation](#)



Ms. Katharine Vavpetic
VP, Education & Training



CDR Richard Deschauer, SC,
USN(Ret), VP Contracts &
Compliance

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The Bartlett Maritime Team is Fully Developed



*Lorain County
Community College*

FINCANTIERI
MARINE GROUP



American Naval Shipyard, LLC
Supporting the Greatest Navy on Earth

*Our Subsidiary
Operating Company*



**Goldman
Sachs**

LINCOLN
ELECTRIC

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***The Bartlett Maritime Plan™ was Endorsed by the
AFL-CIO Metal Trades Department January 14, 2022***

Phase 1: Research, Planning & Concept Demonstration (\$10.2M)

- **First formally proposed:** October 15, 2019
- **Declination returned:** July 31, 2020, with comments
- **Resubmittal Date:** December 2, 2020, *resolving all declination comments*. Updated Resubmittal made January 21, 2022
- **An Affordable 6-month Program to:**
 - *Demonstrate a comprehensive Facility Acquisition Plan for each facility*
 - *Demonstrate the Proposed Workforce Development Plan*
 - *These concept demonstrations are for unique and innovative plans (sole source eligible)*

Step One is a Modest Phase 1 Study Program

Lordstown-Lorain Project Phase 1 Planning, Research and Concept Demonstration Program Contract Work Breakdown Structure



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A Modest Investment to Fully Plan the Program



Final Note: Collaboration, *Not* *Competition*, with Existing Shipyards

- This project only seeks to expand Naval Shipyard capacity and capability in order to restore and maintain full fleet readiness – ***it is not competitive with nor a threat to the existing Naval Shipyards (Portsmouth, Pearl Harbor, Norfolk and Puget Sound)***
- This project is not a substitute for the Shipyard Infrastructure Optimization Plan (SIOP) and related Navy initiatives – ***these initiatives are urgently required at all 4 existing Naval Shipyards***
- The proposed facilities will not have the unique equipment required to build new ships or submarines – ***and is therefore not competitive with either Electric Boat or Newport News***. EB & NNS both require full capacity to build new nuclear-powered ships – our future fleet
- ***The Lordstown-Lorain Project deconflicts accelerating urgently required upgrades at existing Naval Shipyards while protecting the entire US Navy shipbuilding and repair enterprise industrial base by quickly adding required capacity and capability without sacrificing other priorities in today's constrained budget environment***

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***The Lordstown-Lorain Project
Protects the Existing Industrial Base***

15

The US Navy & Bartlett Maritime

– Partners in Successfully Restoring Naval Shipyard Capacity & Capability –



The Only Meaningful Measure is Deployable, Combat-Ready Ships

Admiral Jonathan Greenert, USN(Ret)

The Lordstown-Lorain Project

– Restoring Critical Naval Shipyard Capacity & Capability –



Additional Detail

National Union Relationship Established

- The AFL-CIO Metal Trades Department represents American shipyard skilled trades
- Bartlett Maritime leadership has a long, successful record of great union relations
- Strong, mutually respectful union/management relations always produces better results for all involved



Executive Council

Newton Jones First Vice President	Lonnie Stephenson Fifth Vice President	Mark McManus Ninth Vice President
Terry O'Sullivan Second Vice President	Eric Dean Sixth Vice President	Gregory Revard Tenth Vice President
James T. Callahan Third Vice President	Robert Martinez, Jr. Seventh Vice President	James Williams, Jr. Eleventh Vice President
Joseph Sellers, Jr. Fourth Vice President	Daniel E. Stepano Eighth Vice President	

James Hart, President

Metal Trades Department, AFL-CIO • 815 Black Lives Matter Plaza • Washington, DC 20006
Phone: 202-508-3705 • Fax: 202-508-3706 • Email: jhart@metaltrades.org • www.metaltrades.org

January 14, 2022

Mr. Edward Bartlett
President
Bartlett Maritime Corporation
PO Box 470863
Broadview Heights, OH 44147

Re: American Naval Shipyard Lordstown – Lorain Project

Dear Mr. Bartlett,

I am pleased to announce that The Executive Council of the Metal Trades Department, AFL-CIO, has approved my request for the department and its affiliates, to join with the Bartlett Maritime Corporation in cooperation and support of implementing "The Bartlett Maritime Plan" which entails the construction and operation of what shall serve as a public/private partnership in developing what is in essence the fifth Navy Repair Yard in our nation.

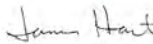
I respectfully propose the date of Wednesday, February 3, 2022, to announce our alliance at a time and location to be determined in Washington, DC, at which the department will invite its affiliates to meet with you and your team to map out our path forward and address any questions.

I look forward to speaking with you in the very near term as we kickoff our journey together in an endeavor that will serve as the impetus to address several severe national security concerns facing our nation, while creating new good paying American jobs in a region of our country and an industry that sorely needs them.

Thank you for your time and consideration!

With warmest wishes, I remain

Sincerely,


Jimmy Hart
President

cc: MTD Executive Council
MTD Keys

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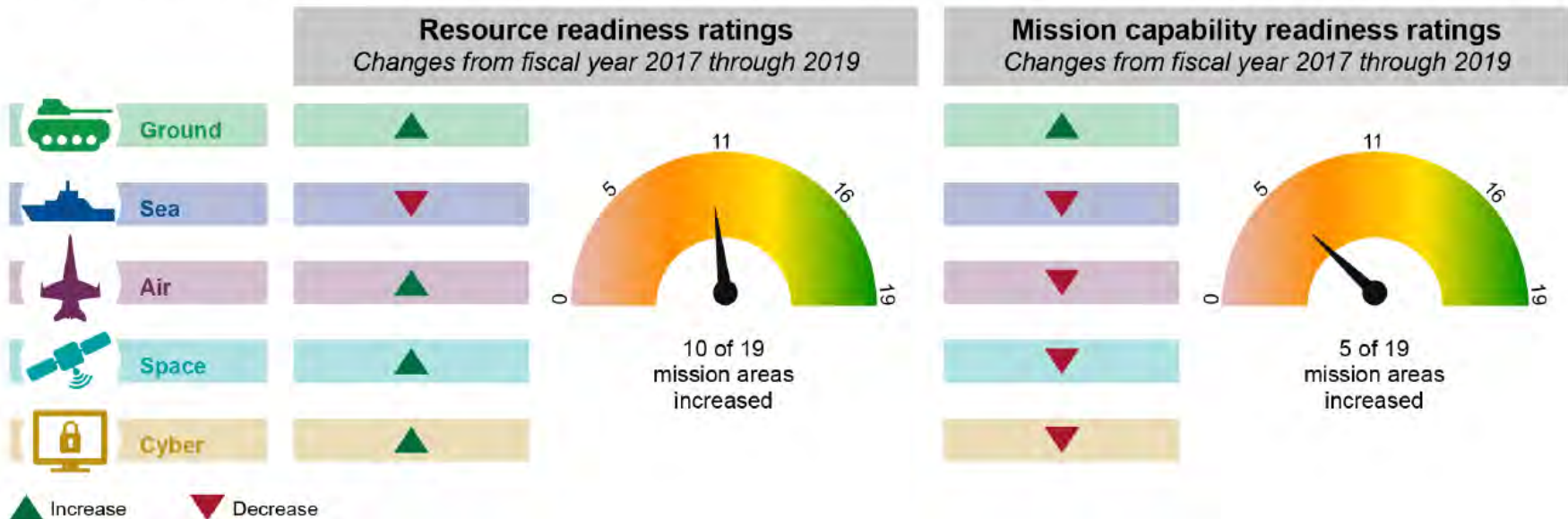
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The Bartlett Maritime Team

Has Established a Strong Union Relationship

(Public Union Endorsement of the Bartlett Maritime Plan™ sched. 1/27/2022)¹⁸

Figure 4: Change in Domain Resource and Mission Capability Readiness Ratings from Fiscal Years 2017-2019



Source: GAO analysis of Department of Defense data. | GAO-21-279

Note: Resource readiness ratings measure the status of personnel, equipment, supplies, and training. Mission capability readiness ratings measure whether a unit can accomplish its designed missions.

DOD has identified a wide range of challenges it faces as it seeks to recover readiness across the warfighting domains, for example:

- Sea domain. The Navy cited limited maintenance capacity at private and public shipyards as the primary challenge for recovering ship and submarine readiness.

Only the Navy Showed Declining Readiness and Mission Capability

The Problem Has Roots From More than 30 Years Ago

- *Repair facilities were reduced after the Cold War by much more than the fleet size as the BRAC Process was Dollar-Driven to deliver a “Peace Dividend”*
- *Post 9/11 heavy CVN operation-driven maintenance has overwhelmed the Naval Shipyards*
- *BCA 2011 cut resources at the worst possible time*

Date	9/30/1989	9/30/2019	
Event	Berlin Wall Taken Down	SSN Maintenance Problem Becomes Obvious	Percentage Change over 30 years
Attack Submarines	100	50	-50.0%
Total Battle Fleet	592	290	-51.0%
Number of Repair Ships	25	2	-92.0%
Number of Naval Shipyards	11	4	-63.6%

Reopening any of the closed Naval Shipyards (e.g., Mare Island or Charleston) is not feasible – they have all been repurposed and are unavailable

No Drydock for Overhaul Start

- USS *Toledo* started overhaul on schedule (1/21/21), but could not enter drydock because the drydock was being rebuilt
- This completely upset the normal overhaul process, extending the schedule and increasing cost

NAVSEA NAVAL SEA SYSTEMS COMMAND
THE FORCE BEHIND THE FLEET

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USS Toledo (SSN 769) arrives at Norfolk Naval Shipyard for Engineered Overhaul

By Michael Brayshaw, NNSY Lead Public Affairs Specialist | Jan. 29, 2021

NORFOLK NAVAL SHIPYARD, Portsmouth, Va. — Norfolk Naval Shipyard (NNSY) welcomed the Los Angeles-class submarine USS Toledo (SSN 769) Jan. 21 for an Engineered Overhaul.

Approximately 437,000 workdays are required to replace, repair and overhaul components throughout the boat. This will mark NNSY's third Engineering Overhaul and first in several years, following USS Newport News (SSN 750) and USS Albany (SSN 753).

In a first for one of NNSY's Engineered Overhauls, the boat will be pierside for an extended period before heading into dry dock. The boat's hosting dry dock is currently undergoing maintenance upgrading its caisson, flood wall and piping. NNSY's submarine dry dock upgrades are part of the Shipyard Infrastructure Optimization Program (SIOP), a 20-year, \$21 billion program dedicated to completely refurbishing the nation's four public shipyards by modernizing equipment, improving workflow and upgrading dry docks and facilities. "Due to the construction timeline on having Dry Dock 2 ready for us to dock, we decided to build a plan to get as much work finished as possible pierside prior to docking," said Waldroup.

Norfolk Naval Shipyard (NNSY) welcomed the Los Angeles-class submarine USS Toledo (SSN 769) Jan. 21 for an Engineered Overhaul.

Finally Entered Drydock 5/1/21

SIOP Work Competes with Overdue Ship Overhaul Work, Yet in 20+ Years When SIOP is Complete, Naval Shipyard Capacity will Still be Inadequate

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***The Existing Naval Shipyards are Overbooked
But Require Urgent Rehabilitation***

A Planned 6-Month Docking SRA (mini-overhaul) has Taken More than Twice as Long as Ship Construction Took*

This is Strategically Unacceptable



Award Date	Award Amount	Contract Number	Overhaul Projected Completion Date	Projected Overhaul Span Time (months)	Overhaul Schedule Growth
FY16	\$ 18,000,000	N00024-16-C-4316	4/13/2017	6	0%
10/13/2016	\$ 65,000,000	N00024-16-C-4316	4/13/2017	6	0%
9/24/2019	\$ 38,000,000	N00024-16-C-4316	1/31/2020	39	550%
7/13/2020	\$ 35,346,618	N00024-16-C-4316	10/30/2020	48	700%
9/28/2020	\$ 13,053,382	N00024-16-C-4316	1/8/2021	50	733%
2/2/2021	\$ 12,500,000	N00024-16-C-4316	4/30/2021	54	800%
4/7/2021	\$ 8,780,000	N00024-16-C-4316	5/31/2021	55	817%
5/20/2021	\$ 10,700,241	N00024-16-C-4316	7/22/2021	57	850%
10/21/2021	Berthed at NOB Norfolk, Still Not Recertified			60 +	900% +
Final Total	\$ 201,380,241	Cost Growth	\$ 118,380,241	% Cost Growth	143%

Award Date	Award Amount	Contract Number	Overhaul Projected Completion Date	Projected Overhaul Span Time (months)	Overhaul Schedule Growth
FY15	\$ 57,800,000	N00024-15-C-4301	8/31/2019	25	0%
7/3/2017	\$ 219,000,000	N00024-15-C-4301	8/31/2019	25	0%
4/5/2019	\$ 18,900,000	N00024-15-C-4301	8/31/2019	25	0%
3/24/2019	\$ 194,474,563	N00024-15-C-4301	12/31/2022	65	160%
Current Total	\$ 490,174,563	Cost Growth	\$ 213,374,563	% Cost Growth	77%

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GAO Documents an average of 3.4 Submarines and 0.6 Aircraft Carriers are Constantly Sidelined due to Delayed Maintenance

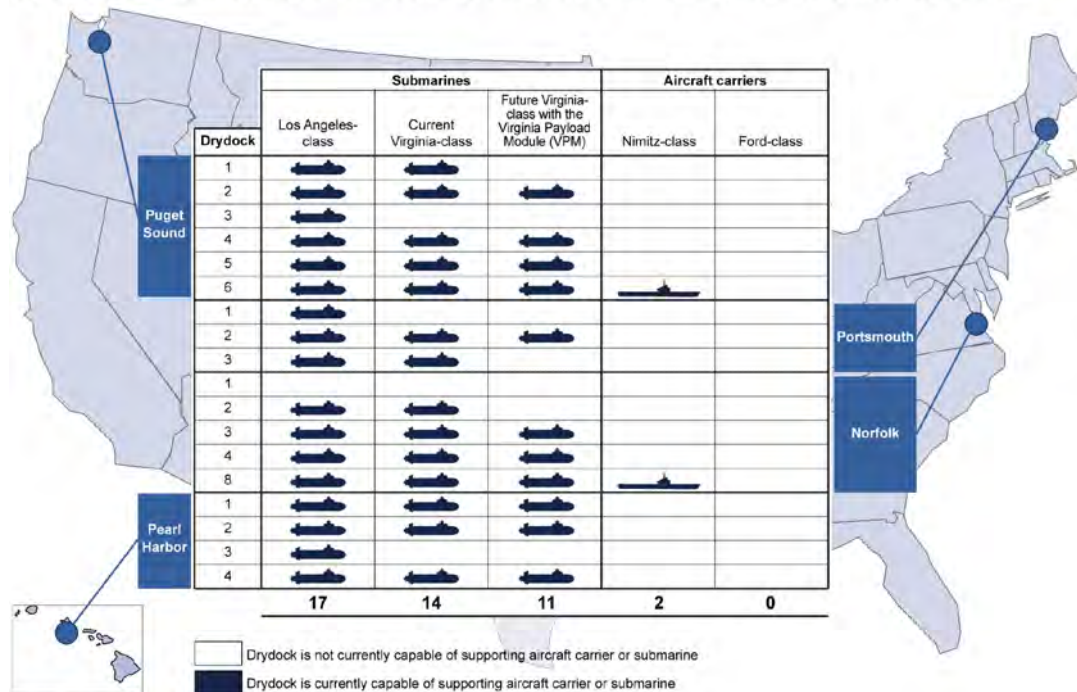
2 More Virginia Class VPM-Capable Drydocks are Required

#	Dry Dock	Current Capability	Configuration and Condition
1	NNSY Dry Dock 4	All SSN Classes and SSBN/SSGN 726 Class	Requires repairs in FY19 & FY20 (RM12-1896 Phase I & II) for continued certification and use.
2	NNSY Dry Dock 2	SSN 688 Class and SSN 774 Class without Virginia Payload Module	Not SSN 774 with VIRGINIA Payload Module capable and will require rehabilitation.
3	NNSY Dry Dock 3	SSN 688 Class and SSN 774 Class	Requires significant rehabilitation.
4	NNSY Dry Dock 8	CVN 68 Class, SSBN/SSGN 726 Class, and all SSN Classes	Does not support CVN 78 Class
5	PHNSY & IMF Dry Dock 2	SSN 688 Class	Will be obsolete in FY30 after last SSN 688 Class availability.
6	PNS Dry Dock 1	SSN 688 Class with Buoyancy Assist Tanks only	Does not support SSN 774 Class. Currently requires buoyancy assist tanks for SSN 688 Class that reach end of service life in FY21.
7	PSNS & IMF Dry Dock 3	SSN 688 RCDs Only	Will be obsolete after last SSN 688 Class RCD in FY39.
8	PSNS & IMF Dry Dock 6	CVN 68 Class, SSBN/SSGN 726 Class, and all SSN Classes	Does not support CVN 78 Class

Table 4. Naval Shipyard Dry Dock Capability

Source: U.S. Navy FY20 Long Range Plan for Maintenance and Modernization of Naval Vessels

Figure 5: Naval Shipyard Drydock Maintenance Configuration and Capacity, by Shipyard and Ship Class, as of June 2017



Sources: GAO analysis of Navy documents; Map Resources; | GAO-17-548

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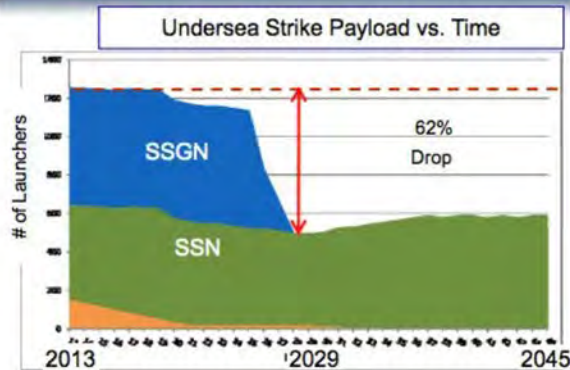
GAO: One Third of Submarine/Aircraft Carrier Scheduled Shipyard Maintenance Through 2040 Cannot be Completed – Naval Shipyards Lack the Capacity & Capability

Navy VPM Description

– An 84 Ft Hull Extension –



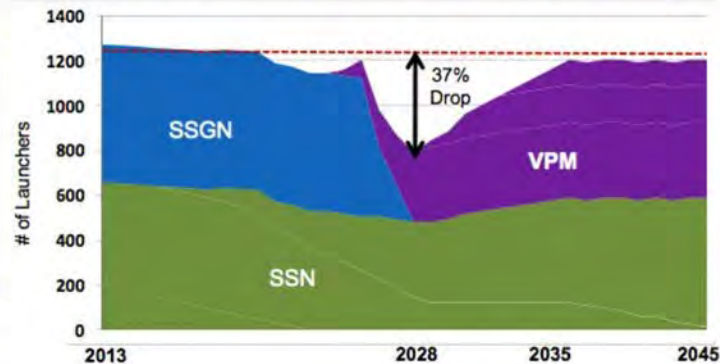
Block V: VIRGINIA Payload Module (VPM)



20 VIRGINIAs with VPM close the strike gap

VIRGINIA Payload Module

- Four large tubes in a new hull section
- Uses Multiple All-up Round Canisters (MACs) already employed in SSGN & VIRGINIA Block III Payload Tubes
- Proven VIRGINIA Class construction processes
- Preserves Special Operations Force (SOF) Capacity lost with SSGN retirement



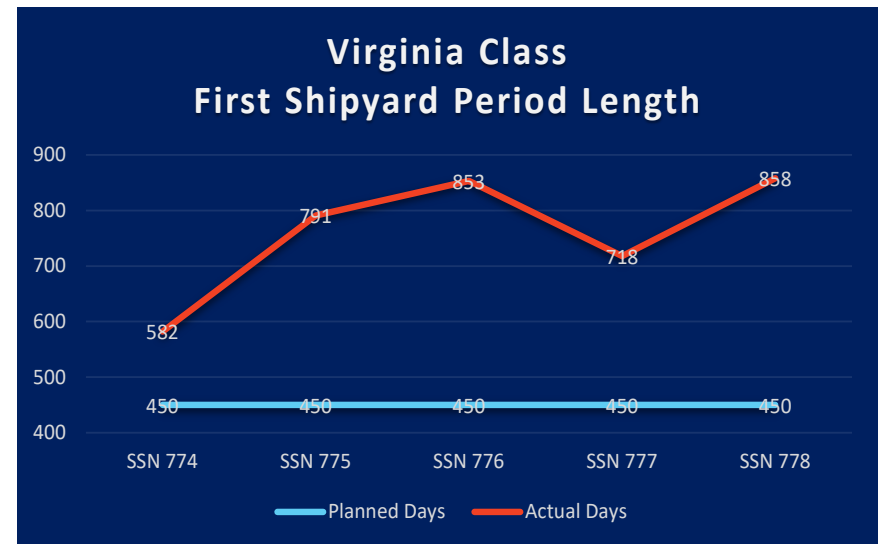
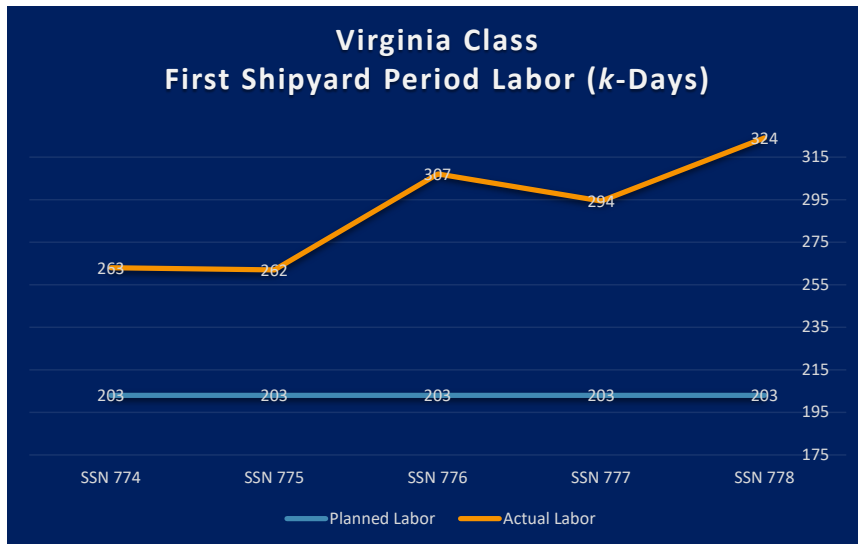
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*The VPM Modification Adds
Significant Maintenance Complexity*

Virginia Class Maintenance: More Demanding Than Planned Even Before Adding VPM





USS California (SSN 781): First on-time Virginia Class Initial Overhaul

- Eighth *Virginia* Class ship; first to complete its initial shipyard period on-time (6/15/21); first overhaul since the class maintenance plan was reset in 2015
- Commendable achievement by Portsmouth NSY and ship's crew – *but not evidence that the fundamental underlying problem has been solved*

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Maintenance Delays, according to COMSUBLANT, are the “Number One Challenge” for the Submarine Force

An Expansion of the NAVSEA Naval Shipyard Industrial Enterprise



- Lordstown: NAVSEA's Central Industrial Facility
- Lorain: NAVSEA's 5th and Smallest Naval Shipyard
- Both Certified and Operated under the Existing NAVSEA/Naval Reactors Regulatory Regime

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A Proven Operating and Regulatory Model

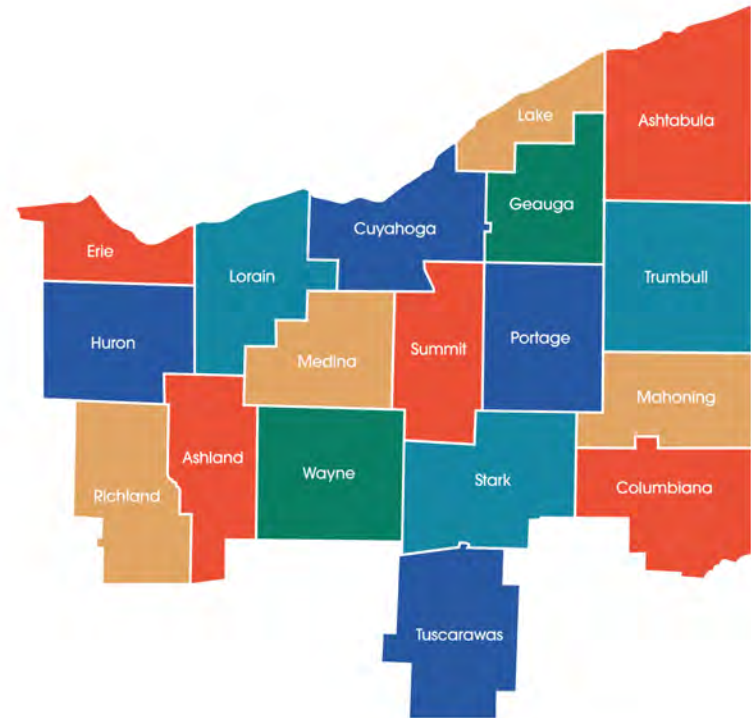
A Validation of the Prospective Labor Pool was Conducted by State of Ohio Agencies

- JobsOhio, Ohio's Economic Development Corporation, agreed to conduct a laborshed assessment in support of Bartlett Maritime Corporation's Lordstown-Lorain Project.
- The laborshed assessment scope is a "standard assessment" conducted for prospective new Ohio businesses
- Team NEO, the JobsOhio network partner for 18 counties in Northeast Ohio, conducted the assessment



Ohio's 88 Counties vs. Team NEO's 18 Counties

This Graphic Provides Necessary Context For Reviewing the Analysis Results



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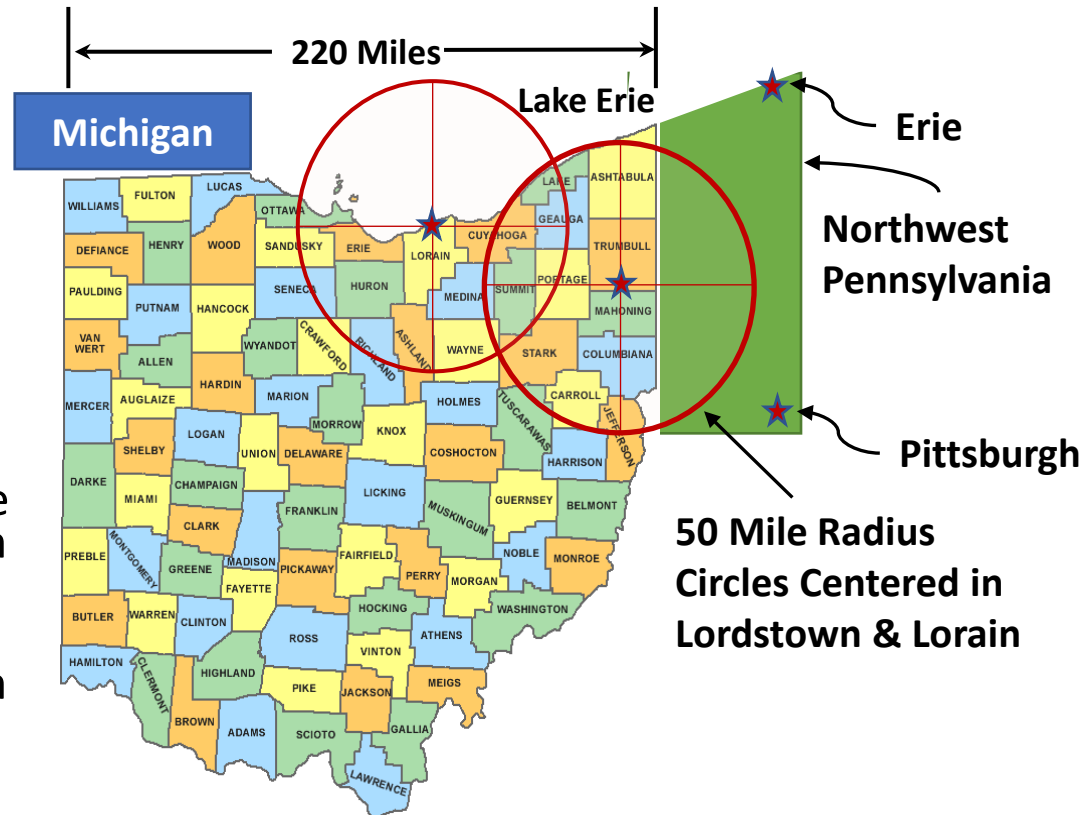
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***Lordstown is at the Southern Border of Trumbull County;
Lorain is on the Northern Border of Lorain County***

The Lordstown and Lorain Laborsheds

- The laborshed analysis was conducted for each of the two locations
- Overlapping 50-mile radius circles define the laborsheds
- Note that:
 - The Lorain laborshed includes an area west of the 18 County Team NEO region
 - The Lordstown laborshed is about 40% outside of the 18 County Team NEO region (includes areas in Northwest Pennsylvania)



Analysis Summary Data

– The Labor Force Projection is Validated –

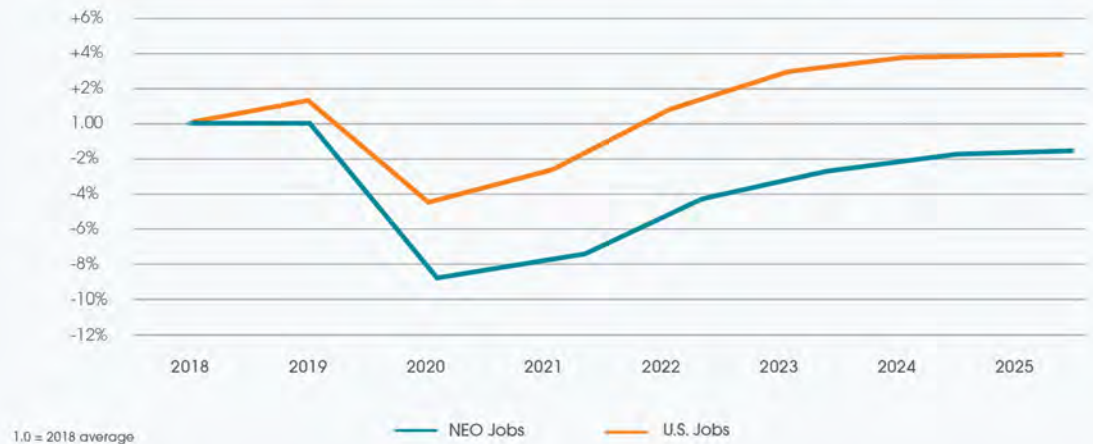
- The data demonstrates a robust labor market, with Bartlett Maritime’s demand being less than 2.5% of the target laborshed relevant skills population
- As with other shipyards, the laborshed for Lorain will be enhanced through the use of vanpools and company busses

2020 Jobs in the Laborshed by Various Breakdowns As Compared to Target Labor Force					
<i>Team NEO/JobOhio Laborshed Analysis Summary Results</i>					
8/13/2021					
Regional Totals	Warehousing & Logistics Workforce	General & Marine Manufacturing Workforce	Total Laborshed	American Naval Shipyard Target Labor Force (Number of Employees)	American Naval Shipyard Target Labor Force (Percentage of Laborshed Workforce)
Northeast Ohio 18 Counties	147,596	158,799	306,395	4,000	1.31%
American Naval Shipyard, Lorain, OH	Warehousing & Logistics Workforce	General & Marine Manufacturing Workforce	Total Laborshed	American Naval Shipyard Target Labor Force (Number of Employees)	American Naval Shipyard Target Labor Force (Percentage of Laborshed Workforce)
Lorain County	7,315	10,173	17,488		
Lorain County 30 Min Drive	8,771	10,567	19,338		
Lorain County 50 Mile Drive	109,465	11,304	120,768	3,000	2.48%
American Naval Depot, Lordstown, OH	Warehousing & Logistics Workforce	General & Marine Manufacturing Workforce	Total Laborshed	American Naval Shipyard Target Labor Force (Number of Employees)	American Naval Shipyard Target Labor Force (Percentage of Laborshed Workforce)
Trumbull County	4,474	5,794	10,268		
Lordstown 30 Min Drive	9,411	11,304	20,715		
Lordstown 50 Mile Drive	228,245	117,926	346,172	1,000	0.29%

Northeast Ohio Employment is Recovering Slowly

- Northeast Ohio Employment is recovering slower than in other sections of the US
- This slow employment recovery ensures a robust available workforce for American Naval Shipyard and American Naval Depot

Projected Change in Employment: NEO vs U.S., 2018-2025



Northeast Ohio Region employment is projected to grow 1.7%, up from an earlier estimate of less than 1% total projected growth, which had been based on fourth-quarter 2020 data. While this updated data is encouraging, particularly because it may be on the conservative side, the current projection doesn't indicate a return to full employment recovery until at least 2025. Meanwhile, the U.S. is projected to reach full recovery in 2022.

The Oceangoing Transit Carrier (Patent Pending)

SSN 774 Class Oceangoing Transit Carrier (OGTC™) (Patent Pending)



Model 64
Intercon Connectors P/S

Package Length 740' Package Beam 78' Loaded Package Draft 25' Air Draft Maximum 97'



*Conceptually is a Cross Between a WWII ARDM 1 Class Mobile Drydock and a 2011 Crowley 750 Class ATB
Will Be Classed, Registered and Operated as a Jones Act Commercial ATB*

*Concept of Operations: 7-day transit between Groton/Lorain with SSN in Normal Cold Shutdown
(Normal Cold Shutdown is the typical Shipyard condition) All Services Provided by OGTC*

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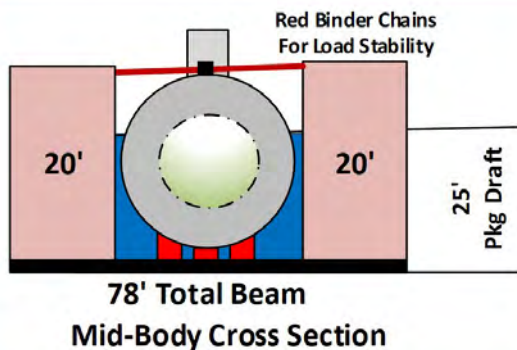
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Solves the Draft Problem on the St Lawrence Seaway

OGTC™ – A Proven Design Basis

Conceptually is a Cross Between a WWII ARDM 1 Class Mobile Drydock and a 2011 Crowley 750 Class ATB
Will Be Classed, Registered and Operated as a Jones Act Commercial ATB



- During transit the SSN remains primarily supported by its own buoyancy
- The OGTC™ provides all normal “shore services” to the transiting SSN
- The cargo chamber remains open to sea, with continuous chamber flow

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Low Risk; Proven Concept; Complete Cargo Protection

Fincantieri Marine Group

Industry Teammate & OGTC™ Shipbuilder

The ATB tug Millville and barge 1964 has been named a Top Ten Significant Boat for 2018 by WorkBoat Magazine.



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***Fincantieri Bay Shipbuilding is
America's Most Experienced ATB Shipbuilder***

This Plan Also Eases “The Friction” in the OFRP Aircraft Carrier Deployment Cycle Plan

The Missing Aircraft Carrier

Wall St Journal Editorial

May 27, 2021

Low CVN Readiness has attracted national media attention and derision
We Need to Change this Script

How to Improve Maintenance Activities is
“The Largest Source of Friction” in the OFRP Cycle Today,
According to Fleet Forces Command; *USNI News 10/28/2020*

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Relieving the Overload at Norfolk and Puget Sound Naval Shipyards Keeps CVNs at Sea

36

Planning Now for Phase 1 Execution

Program Phase	Start Date	Period of Performance	Phase Description	Funding Source
0	November 2018	3+ Years	Concept Development, Marketing & Execution Planning	Bartlett Maritime Corporation Multi- $\$M$ Speculative Investment
1 (This Proposal)	Immediately	6 Months	Research and Concept Demonstration	$\$10.2$ M NAVSEA/PEO SSN Contract
2-D (American Naval Depot, Lordstown)	6 Months ARO Phase 1 Contract	2 Years	Design/Build American Naval Depot	Proprietary P3 Public Private Partnership Funding (WDP may require Direct NAVSEA funding)
2-S (American Naval Shipyard, Lorain)	6 Months ARO Phase 1 Contract	3 Years Target (permitting delays could lengthen this period)	Design/Build American Naval Shipyard	Proprietary P3 Public Private Partnership Funding (WDP may require Direct NAVSEA funding)
3-D (American Naval Depot, Lordstown)	2 years ARO Phase 2-D Contract	30 Years	Operate American Naval Depot as a GOCO	Navy Maintenance Account Funding
3-S (American Naval Shipyard, Lorain)	3 years ARO Phase 2-D Contract	30 Years	Operate American Naval Depot as a GOCO	Navy Maintenance Account Funding

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The Team is Ready to Execute the Plan

The Virginia Class Program Model

– An Interactive Government-Industry Team –

- Remember, these new facilities will eventually be owned by NAVSEA . . .
- The **Facilities Plans** must be developed. We need to reach early agreement with NAVSEA on the details of what each facility will feature and include
- Both the **Workforce Development Plan** and **Capital Plan** will also each require early customer input and decisions
- This project will be most successful with **NAVSEA** and **Fleet Involvement**, along with **BMC** and **State of Ohio**, from the start



Design – Build was a Foundation for Success in the Virginia Class Development Program

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***Four “Working Committees” or Teams, will
Primarily Execute Program Phase 1***

The Workforce Development Plan – an Innovative and Unique Approach –

- The key to this business is **Skilled Trades** labor, with each skill having demanding certification requirements. Professional staff also have special requirements; this development effort will start in Phase 2
- Our concept is to recruit in Ohio and then send candidates to 16 weeks of apprentice school in Lorain, OH before assigning our apprentices TDY to an existing Naval Shipyard for 2 – 3 years of production work to gain additional certifications and experience development
- When our facilities open (Lordstown first) our personnel will be “called back” to Ohio to form the opening staff



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*The Workforce Development Team will be led by
Ms. Katharine Vavpetic, VP, Education & Training*

39

Facility Planning

– Two Unique Facilities; Planned Separately –

- Early in the Program we must reach agreement with NAVSEA on EXACTLY what the facilities will feature/include
- Each facility will be separately planned, proposed and contracted with the Navy – but could have a single Ohio IRB Program contract
- The construct will be a 30-year Lease-Purchase Contract with the Navy to support 30-year IRB repayment

American Naval Shipyard Sites Close-up View



1. Original Site – Riverbend Commerce Park; rail easement but no rail installed
2. Alternate Site – Former Steel Mill slag pile Site, rail adjacent
3. Potential Site – Former Steel Mill site; rail available but demolition required

American Naval Depot Site Close-up View

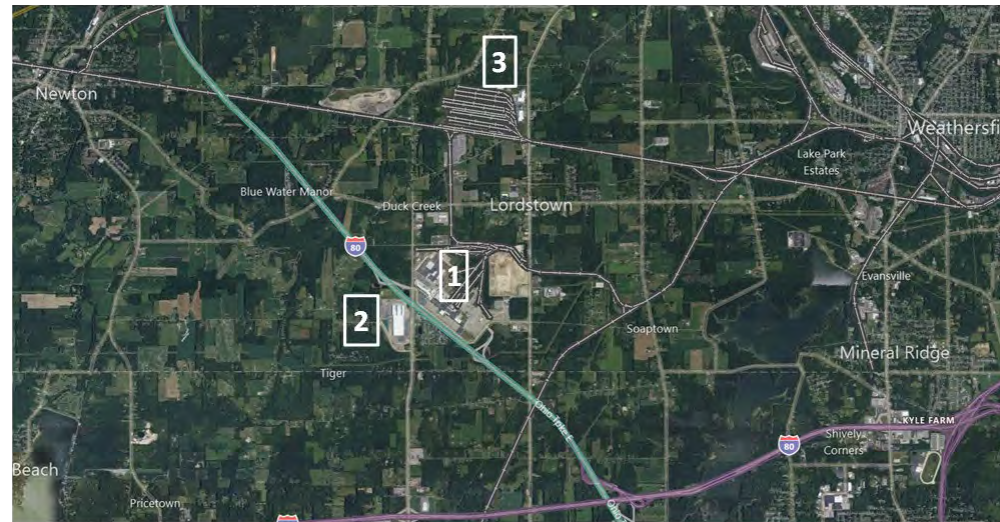


1. Ohio Commerce Center, Site of the former Lordstown Army Ordnance Depot (now a locomotive recycling center)
2. Anderson-DuBose Distribution Center, serving 500 McDonald's Restaurants
3. Matalco Aluminum Billet Remelter Facility
4. 80-Acre American Naval Depot, owned by Ohio Commerce Center owners, with ready rail access

American Naval Depot (ANDL)

- Landowner is highly motivated to support a DOD utilization of the land
- With early action, we can have access to the entire 80-acre parcel
- We expect that this facility can be fully operational within 2 years of program start
- **CAPT Frank Simej, VP, Operations, is ANDL Working Committee Team Leader**

American Naval Depot Site View



1. The former GM Assembly Plant, *which has never been the proposed Depot site*
2. TJX Home Goods Distribution Center (1.2M sq ft/1,000 emp) *Designed, Built and Opened since our first proposal*
3. American Naval Depot – 3 miles to I-80/Ohio Turnpike on State Route 45

American Naval Depot Site Close-up View



1. Ohio Commerce Center, Site of the former Lordstown Army Ordnance Depot (*now a locomotive recycling center*)
2. Anderson-DuBose Distribution Center, *servicing 500 McDonald's Restaurants*
3. Matalco Aluminum Billet Remelter Facility
4. 80-Acre American Naval Depot, owned by Ohio Commerce Center owners, with ready rail access

American Naval Shipyard (ANSL)

- Three possible sites (across the river from each other)
- Two VPM-capable (potentially double) drydocks in a totally enclosed 50+ acre integrated drydock production facility
- Builds from experience in developing Halifax Shipyard and the new EB South Yard Assembly Building
- Will allow NAVSEA to prototype and learn from concepts planned for later implementation in the SIOP Program (*lean, six sigma, AI, digital transformation, etc.*)
- **CAPT Dave McCall, VP, Test and Trials, is ANSL Working Committee Team Leader**



Potential American Naval Shipyard Sites in Lorain, OH



1. Original Site - Riverbend Commerce Park; rail easement but no rail installed
2. Alternate Site - Former Steel Mill slag pile site, rail adjacent
3. Potential Site - Former Steel Mill site; rail available but demolition required

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***The City of Lorain is committed to ensuring
The availability of an Appropriate Site***

The WDP Concept Demonstration Program – Proving the Concept; Developing our Staff –



- During our first 7 weeks we will recruit 30 apprentice welder candidates for our Apprentice School
- Starting in week 10 , a 16-week Apprentice School Basic Course for our apprentice welder candidates
- If the Navy proceeds to build the new facilities, these welders will be assigned to existing Naval Shipyards for on-the-job production training and additional certifications and the Apprentice School will ramp up training

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***There are Thousands of Open Skilled Trades Positions on
the 3 Ocean Coasts; Ohio has Appropriate Trainees Available***

43

Capital Program Planning

– An Innovative, Unique P3 Plan –

(\$k)	Example IRB Projections						1/20/2022
Bond Payments	Total	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	
Face Value	\$ 4,000,000	\$ 700,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 600,000	
Period (Q)	120	120	120	120	120	120	
Period (Y)	30	30	30	30	30	30	
Rate (Q)	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	
Rate (Y)	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
Quarterly PMT	\$ 52,308.10	\$ 9,153.92	\$ 11,769.32	\$ 11,769.32	\$ 11,769.32	\$ 7,846.21	
Annual PMT	\$ 209,232.39	\$ 36,615.67	\$ 47,077.29	\$ 47,077.29	\$ 47,077.29	\$ 31,384.86	

- Developing a **Capital Plan**, such as the example above, will be an essential element of the planning process; the **Capital Plan** will be an essential element of the Phase 1 work product/formal Phase 2 proposals
- Key early questions and issues include:
 1. Whether the WDP cost can be capitalized after Phase 1 is completed (State action)
 2. When the Navy wants to start retiring bond principal/making payments (USN action)
 3. Developing the necessary contract terms to properly manage capital planning and management over the 30-year term (P3 action)

The State of Ohio

– A Key Program Participant –

- This program has the Governor's full support
- The State's roles are to:
 - Guarantee the Industrial Revenue Bonds, through their designated/chartered Special Purpose Entity
 - Support the Workforce Development Program
- The most recent execution planning meeting with both JobsOhio and the Ohio Development Services Agency was held June 16th
- Both agencies will be essential team members in planning and executing the detailed implementation program



Operations & Certification Planning

- Our project has multiple unprecedented aspects to it – including starting up these facilities from scratch to support SSNs
- Our approach is to employ the world-class widely accepted and adopted process of partnering with an operating shipyard to facilitate operations and certification planning
- This is the same successful approach that Halifax Shipyard used to startup upon rebuild (partnered with BIW)



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Our Approach is to Partner, via NAVSEA, with an Operating Naval Shipyard to Facilitate Planning

Planning Availability #1 for ANSL

- NAVSEA starts planning submarine availabilities at Naval Shipyards, including LLTM material ordering, up to 36 months in advance
- Since ANSL is estimated to open 36 months after Phase 2 starts, planning EDSRA #1 for ANSL needs to start with Phase 2, *even as we start to build the shipyard*



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***RDML Robert Frick, VP, Planning, will lead the
Planning Effort for the First Availability***



There are Options for the Facility Operating Model

- While we plan to operate as a GOCO, we see benefit in incorporating mid-grade ED Officers into the organization on a rotational basis
- Lordstown and Lorain will be separately managed as Lordstown's customers will be all 5 Naval Shipyards
- Use of the existing Naval Shipyard organization structure and processes is intended to facilitate commonality within the "One NAVSEA" shipyard concept

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***Our Plan is to Engage with the Navy
During Phase 1 to Establish the Operating Model***

48

The background image shows the interior of a ship, likely a submarine, with various technical components and pipes. A large, cylindrical metal structure is prominent in the foreground, with a worker in a dark uniform and yellow gloves working on it. The scene is dimly lit, with some overhead lights visible.

A Ship Crew Training Facility Could be Included

- This is an option for the Navy to Consider; an appropriate Submarine Crew Training Facility at or near Lorain can be included from the start of the Program

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This will be Evaluated by the ANSL Working Committee During Phase 1

Military Housing – Another Option

- With two SSNs in EDSRA and a permanent SUPSHIP & Assigned Navy staff (model dependent), it may be best for Military Housing to be provided for assigned military personnel
- Military Housing can be provided using the same Industrial Revenue Bond Program for capital
- An option for Phase 1 consideration



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***This will be Evaluated by the ANSL Working
Committee During Phase 1***

Planning for Depot Operations

- Significant planning is required prior to opening the Depot
- A dedicated planning effort will ensure that when the first equipment arrives, or the first equipment construction process begins, that required preparations have been completed



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RDML Robert Frick, VP, Planning, will lead the Planning Effort for Opening ANDL

Then and Now . . .



The launching of USS Peto

USS PETO (SS 265)



Keel Laid - June 18, 1941

Launched - April 30, 1942

Commissioned - November 21, 1942

USS *Peto* (SS 265) was the first submarine built by the Manitowoc Shipbuilding Company. *Peto* began her first patrol on April 2, 1943 from Brisbane, Australia. In all she completed ten war patrols in the Pacific Ocean during World War II, sinking seven ships, for a total tonnage of 29,139 tons and earning eight Battle Stars.

- Then: 12% of US WW2 Submarines were innovatively built in the Great Lakes (28 of 226)
- Now: China is Building 2 new Submarine Shipyards (CRS Report 33153-3/9/21)

Figure 7. Shang (Type 093) Attack Submarine (SSN)



Source: Photograph accompanying SinoDefence.com, "Type 093 Shang Class," July 1, 2018, accessed August 27, 2019, at http://sinodefence.com/type093_shang-class/.

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***We Cannot Afford to Have Our Most Capable
Ships Parked for Overdue Maintenance***