

**Memorandum of Understanding
For Employment of U.S. Coast Guard Auxiliary
Flotilla 74 San Antonio, TX
In support of the Southwest Research Institute
And United States Coast Guard
October 10, 2003**

This memorandum of understanding (MOU) is between the Southwest Research Institute (herein called SWRI) and the United States Coast Guard Auxiliary Flotilla 74 San Antonio unit (herein called USCGA) each acting under duly authorized officials.

In Furtherance of their mutual goals, the SWRI and USCGA agree to work together according to the guidelines for activities set forth below, to work in mutual cooperation in the following areas:

- Augmentation of SWRI boat engine testing program

Background: The SWRI will be testing four vessels of different configurations and qualified boat operators will be used to provide safe operation over the 32 hours of testing per week for 14 weeks per boat. The purpose of the MOU is to lay out the requirements that will allow the USCGA to assist and/or become a force multiplier for SWRI by providing boat operators.

USCGA shall have the following responsibilities:

1. Maintain a training program for flotilla members to maintain qualifications.
2. Provide to the SWRI and Flotilla members a written boat operator schedule.
3. Provide callout procedures, availability of qualified personnel, address shortfalls.
4. Provide Command Relationships, Command and Control and Communications.
5. Provide reports to SWRI as required.
6. Provide a qualified operator and accompanying mate during boat testing
7. Provide Personal Injury Protection insurance for qualified during boat testing.

The SWRI shall have the following responsibilities:

1. Provide USCGA with SWRI contact lists.
2. Provide USCGA with a schedule to engine system checking
3. Provide testing procedures and schedules.
4. Provide Mustangs, Float Coats and other required personal protective equipment.
5. Provide Commercial General liability insurance for Bodily Injury and Property Damage to third parties for boats and operators for this project.

Mutual Responsibilities and understandings:

Funding: There will be no interchange of funding between the USCGA and the SWRI. The Coast Guard (HQ) will provide SWRI with funding for the purchase of fuel, parts and supplies. The USCGA will not provide reimbursement to members for related expenses such as travel miles or meal rations for the member in performance of his duties. The following material will be purchased by the SWRI, utilized and held after the testing by the USCGA, and funded by Coast Guard (HQ):

- 4 – Handheld VHF radios
- 4 – Personal EPIRBS (McMurdo LTD)
- 4 – CG Backpacks (GSA)

- 8 – Space Blankets (Lifesaver Systems)
- 14 - Float Coats (2 XXL, 2 XL, 7 L, 3 M)(Lifesaver Systems)
- 14 – Mustangs Coats (2 XXL, 2 XL, 7 L, 3 M)(Lifesaver Systems)

Measure of Effectiveness: In order to determine the effectiveness of the efforts of the USCGA and the SWRI in the effectiveness of use of USCGA personnel, reviews will be conducted on a periodic basis by the FSO-OPS, Flotilla Commander and the SWRI. Control logs will be kept by the SWRI Office and FSO-OPS that will provide information as to number of patrols, number of man-hours, Crew names and specific accomplishments during these testing periods.

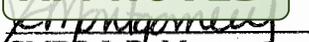
Liability: Members of the USCGA will not be operating as coxswains on a designated Auxiliary facility but as experienced boat operators for safe and responsible vessel handling. As such, this MOU holds a participating auxiliariest harmless in the event of injury to third persons, excluding the participating auxiliariest, or damage to property while such auxiliariest is operating a vessel pursuant to this MOU, . However, this obligation shall not apply in the event such injury or damage arises from or occurs as a result of such auxiliariest's negligence or willful misconduct. Commercial General Liability coverage will be provided by the SWRI for Bodily Injury and Property Damage to third parties for this project.

Agreement: The Commander, Eighth Coast Guard District (oax), Flotilla Commander Flotilla 74, and SWRI, hereby establish the MOU which sets forth specific operating procedures, minimum task requirements and goals of both the Auxiliary and the SWRI.

In carrying out the terms of this memorandum, there shall be no discrimination against any person because of sex, race, color, creed, national origin or sexual orientation.

This MOU establishes a dynamic framework by which both organizations identify objectives, priorities and responsibilities for achieving mutual objectives. All parties will treat the MOU as a living document, reviewing and updating it to reflect ever-changing priorities and initiatives. The MOU contains binding elements, joint program resources and actions to complete the testing element of this important project that will save both lives and the environment.

The USCGA District, Flotilla 74 Commander and the SWRI will maintain an up-to-date copy of the MOU and any amendments to the MOU. The MOU will remain in effect until 30 December 2003. It will be reviewed every month and continue unless cancelled in writing by either party after 30 days notice.

APPROVED

 CDR J. R. Montgomery
 Director of the Auxiliary
 8th Coast Guard District
 New Orleans, LA.

APPROVED

 Joseph Curry
 Flotilla Commander
 Flotilla 74 San Antonio

APPROVED
 Ron Kalmbach
 Director Contracts, SWRI
 Emissions Research
 San Antonio, TX

10/20/03
 Date

10/14/03
 Date

October 10, 2003
 Date

Copy: COMDT (G-OPB-1)
 Flotilla 74 FSO-OPS
 Jim Carroll, SWRI