



MEMORANDUM

TO: Stephanie Cutter, CEO

CC: Dr. Emmanuel Twumasi, COO

FROM: John Allen, Director of Marine Services

DATE: April 21, 2026

SUBJECT: **Board Follow-up - Issues contributing to service failures, outages, and delays.**

The Savannah Belles Ferry System has struggled with several outages since acquiring the two new vessels, Juliette Gordon Low II and Susie King Taylor II. There have been occasions when we have been able to use one of our older vessels to cover gaps while the new vessels were being repaired, but there have been times when every vessel in our fleet has been out of service for one reason or another. I will attempt to lay out the timeline of those outages and the reason behind each one, beginning with the period we first entered the new vessels into service.

The first new vessel to enter service was the Juliette Gordon Low II (JGLII) on March 10th, 2025. On March 9th, 2025, we were operating the Florence Martus when the generator failed. This accelerated our training timeline for the new vessels, enabling us to keep service operational with minimal disruptions. The generator failures caused service disruptions on March 9th from 7am until 10:30 am and on March 10th from 7am until 10:30 am.

On April 20th, 2025, we began to see major faults and shutdowns of the port side propulsion of the JGLII. After much consultation and diagnosis of the issue with BAE it was determined that a major component called the MPCS had failed. The MPCS is a custom piece of equipment built and supplied by BAE that controls the interaction between the generator and the lithium-ion battery bank. Please see Memo included with this report titled MPCS Issues and Solutions dated August 11th, 2025. This memo includes more details about how we overcame this problem by continuing operating that vessel when two boats were needed for large convention groups. As of late August

2025, the MPCS has been replaced with the MPCS meant for the third vessel. The broken one has been sent to BAE for repair and will then be sent to Derecktor's for the third vessel.

In early October of 2025, we successfully replaced the generator on the Florence Martus with a new one, and we had a 5000-hour service of the jet drives completed by Marine Jet Power. We were then able to use this vessel to accommodate the National BETA conference in early December of 2025, when two vessels were needed. This vessel was used as a backup until a failure of the jet drive hydraulic system occurred on January 25th, 2026, at 3:40 pm. This vessel remains down as of the writing of this report. A quote to rebuild the hydraulic system has been received, and technicians from Marine Jet Power will travel to Savannah to fix it once authorization is given.

The Mary Musgrove suffered a failure of a specialized clutch of the starboard engine in October of 2024. Once the problem was identified, we solicited a quote from the makers of this clutch, called Schotell. The board approved the request to purchase the clutch during the May 27th, 2025, meeting. Schottel quoted a lead time of 6 to 8 months. The clutch was installed and tested in January 2026. However, during testing, a new problem was discovered on the port engine. We had a severe coolant and exhaust leak. We were able to hire W.W. Williams and Savannah Mobile Welding to fix this issue. When testing everything again, yet another problem was found. The keel cooler has a significant leak. This issue means we will need to haul the vessel out of the water to inspect and possibly replace the keel cooler. We have acquired the quote and will be traveling to the shipyard soon. If the keel cooler is found to be irreparable, a new one will be ordered, with a current lead time of 2 months.

Beginning in early May 2025, we began to have intermittent issues with the sensor connections to the electric propulsion motors on the Susie King Taylor II. When we check the pins inside the connectors, they would be broken. We quickly learned that this was an ongoing issue with no apparent cause. When the pins broke, the vessel would become inoperable. This has happened numerous times over the past year. When it did occur, we were usually able to put the JGL II into service while the pins were replaced. After much investigation, BAE finally admitted in February of 2026 that all 4 electric motors on the two new vessels had been installed with bad bearings. This was a huge revelation because it pointed directly to why we had continuous issues with the pin connections. As of early March 2026, the two motors on the SKT II have been replaced with motors intended for the vessel currently under construction at Derecktors. The two failed motors have been sent back to BAE for repair. Once they are repaired, they will be sent back to Savannah, where we will then install them on the JGL II. The

failed motors from the JGL II will be sent to BAE for repairs. Finally, the repaired motors will be sent to Derecktor for installation on vessel 3.

While SKT II was at the shipyard undergoing the replacement of the motors, an issue arose with the generator on the port side of the JGL II. This happened on March 8th, 2026. This was the cause of our most significant service shutdown of the past year. This shutdown lasted from March 8th at 4 pm until March 11th at 12:30 pm. The service resumed once we put the SKT II back into service after installing the new motors. The JGL II remains inoperable due to the generator issue. A new generator has been sent from BAE and will need to be installed in the shipyard. This will need to be completed once the repaired motors are sent back from BAE for installation. It would not make sense to bring this vessel to the shipyard to replace the generator, then return to replace the motors. This will help streamline the scheduling and significantly reduce costs.

The only other shutdown that lasted longer than one day was mentioned above. This service shutdown started on January 25th, 2026, when the hydraulic system of the Florence Martus failed. We resumed service on the JGL II at 5:30 pm on January 27th.

Another significant issue that has occurred numerous times concerns the electronic drive controls for the Marine Jet Power system. Many times, over the past year, the jet drive controls would either stop working or start moving the vessel on their own. We have always consulted the manufacturer whenever this occurred, but they have never been able to provide a satisfactory answer. The company sent a technician to observe and attempt to fix the problem, but during the three days the technician was on the vessel, the intermittent problem did not occur. This problem was eventually resolved when I had the idea of turning the control system off at night when the boat was not being used. It turns out that while the boat is idle, the control system remains on and is powered by our auxiliary batteries, which compound feedback errors overnight. When the vessel resumes service in the morning, the system cannot correct it. By turning the system off at night, we have been able to resolve this dangerous issue. The main reason no one from Marine Jet Power suggested this fix is due to the unique nature of our vessels. Most vessels using jet drives power down completely at night, and these errors never occur. The Coast Guard required that the steering controls be powered by the auxiliary batteries, not the main power source, which created a unique issue for our vessels.

Derecktor trained the crew of our new vessels upon delivery on how to operate all the systems. Most of the equipment is not unique to our boats and therefore does not need any additional training to operate. The BAE Hybrid system is proprietary and therefore cannot be opened and repaired

by anyone except qualified BAE technicians. The only way we can troubleshoot issues with their system is to connect a provided laptop and allow BAE techs to log in remotely to the onboard computers. This has certainly helped us resolve numerous issues in the past with software updates and resets, but the downside is that we are dependent on the availability of qualified technicians. This has been a problem, for example, during weekends and after hours during the week when the tech is not available.

In conclusion, the crew and leadership of the Savannah Belles Ferry have faced many challenges with faulty equipment, but we have persevered and limited service shutdowns by working long hours to troubleshoot and learn to fix problems more quickly as they occur. The replacement of the electric motors, MPCS, and generator has already been completed and will continue, positioning us to provide more reliable service.