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FY '19 BATTLE FOR MSP FUNDING GET'S EARLY SUPPORT FROM HOUSE LEGISLATORS

Shortly after the successful fight to secure full Fiscal Year '18 funding for the Maritime Security Program, the battle has begun to keep the program appropriately funded in FY '19.

Earlier this year, the President's budget recommended only \$214 million for MSP in FY '18. But bipartisan Congressional support for the program prompted lawmakers to pass their massive Omnibus spending bill with the full FY '18 \$300 million funding for the MSP. USA Maritime has been vigilant in pressing Congress throughout the years to do the right thing on behalf of the industry. As you may know, USA Maritime is a coalition of maritime unions, associations and shipping companies – including the M.E.B.A. and American Maritime Congress – fighting for the U.S. Merchant Marine.

Their efforts help whip up support for the program which ensures a U.S.-flag presence in the internationally trading commercial fleet along with the requisite American mariner pool needed not only to man the 60-ship fleet but to crew the MSC/RRF surge fleet in times of emergency and war. From time to time, lawmakers who don't understand the importance of the program remain silent when a misguided proposal to undermine the MSP is put forward.

Getting an early start on next year's fight, USA Maritime enlisted 90 House Members to sign on to a letter of support calling for full MSP funding in FY '19. The bipartisan collection of Members strongly urges House appropriators to embrace full funding for the program that serves as "a vital component of our military strategic sealift and global response capability." The letter points out that the \$76 million underfunding of the program proposed by the President earlier this year would challenge the ability to maintain "a viable U.S.-flag commercial merchant fleet" and flies in the face of meeting logistics challenges facing any future war or national contingency. The letter makes note of U.S. Transportation Command leader General Darren McDew's continued passionate defense of U.S. shipping and its vital importance in providing our troops with the supplies and equipment needed to support our nation's overseas objectives. General McDew told Congress, "As a military professional and senior leader, I think about and plan for what the future may hold, and I would tell you we must prepare for the real possibility we will not enjoy the uncontested seas and broad international support experienced in 1991. If either of those possibilities becomes reality, and if we remain committed to responding to security incidents around the globe, the only way of guaranteeing we decisively meet our national objectives is with U.S. ships operated by U.S. mariners."

The letter was dispatched to the House Appropriations Committee led by Rep. Mario Diaz-Balart (R-FL), the Chairman, as well as Ranking Member Rep. David Price (D-N.C.). A similar letter will be forwarded in the Senate and is currently in the process of picking up signatures.

RANK & FILE SOUGHT FOR UPCOMING CONTRACT TALKS & REOPENERS

Rank & file members are being sought to assist upcoming contract negotiations including a pair of reopeners.

Bargaining dates with Matson Navigation as well as American President Lines have not yet been shored up, but the M.E.B.A. negotiating team is already seeking experienced members sailing with those fleets to assist in talks. Those interested should contact Oakland Patrolman Max Alper at the hall or email him at <u>malper@mebaunion.org</u>. The Matson contract covering the A3 and CV2600 vessels as well as Port Engineers expires on August 15, 2018. Negotiations will also include terms for the forthcoming newbuild Matson vessels. The APL contract covering the deep-sea vessels and Port Engineers expires on September 30, 2018.

In addition, M.E.B.A. will have reopener talks this summer covering economic terms with both OSG Ship Management and also with Hapag/MTL. Bargaining dates have not yet been set. Experienced members sailing with those fleets are being sought to supplement the M.E.B.A. negotiating teams. Those interested should contact Gulf Coast V.P. Erin Bertram at the Houston Union hall or by email at <u>cbertram@mebaunion.org</u>.

FINANCIAL REVIEW COMMITTEE ELECTED

A rank and file Financial Review Committee was elected at six Union halls during the April membership meetings this week. The FRC will assemble at M.E.B.A. Headquarters on Monday, April 9 to spend three days reviewing the Union's finances from the 2017 calendar year. The FRC is comprised of five members as well as one member who will serve as an alternate. The Committee will consist of the following six members: Daniel Colon (Houston), Richard McNair (NY/NJ), Jack Menendez (Norfolk), Nicholas Cabral (Oakland), Marc Hoffman (Seattle) and Paul Lemoine (Tampa). Following their work, their completed report will be presented to the membership at next month's meetings.

The elected Union members will travel to M.E.B.A. Headquarters in Washington D.C. on Sunday, April 8, 2018. The actual meeting will begin at 9:00 a.m. on Monday, April 9, 2018 in the Conference Room at M.E.B.A. Headquarters. It is anticipated that the business of the FRC will be completed by Wednesday, April 11 with travel home scheduled by Thursday, April 12.

M.E.B.A. BRIEFS MILITARY BRASS AT HIGH-LEVEL SOUTHCOM SESSION

M.E.B.A.'s International Transport Workers' Federation (ITF) Inspector Tony Sasso was recently brought in as an expert for a high-level summit of military and government leaders at the U.S. Southern Command in Doral (Miami), FL. SOUTHCOM provides contingency planning, operations, and security cooperation for its assigned areas and is also responsible for jurisdictional force protection of U.S. military resources.

High-ranking officers of each of the armed services oversaw the meeting along with several federal agency officials. Tony's background of 30+ years fighting for mariners against substandard Flag-of-Convenience (FOC) shipping proved of interest for the Southern Command's understanding in

reckoning security risks of the vast amounts of foreign ships pulling into U.S. ports. Over 98% of vessels visiting U.S. seaports fly a foreign-flag – many of those ships belong to FOC registries designed to skirt regulations and taxes and evade safety statutes.

Tony explained the system to the SOUTHCOM brass and pointed out that FOCs operate at the lowest common denominator often taking advantage of their mariners and subjecting them to abysmal conditions onboard. While Tony and other ITF Inspectors understand that undocumented mariners and crews working for shady operators could potentially pose risks to persons and assets once in American waters, most probable is an FOC vessel owners' exploitation of their mariners. Tony and other Inspectors regularly uncover maltreated crews virtually held hostage by ship owners. It's common for them to withhold pay and subject crews to shocking onboard conditions and an absence of quality food and medical care. Many FOC vessels are likened to floating sweatshops. Following a 20 minute presentation at SOUTHCOM, Tony spent 25 more minutes answering a slew of questions from his captivated hosts.

NEW MATSONIA BEGINS CONSTRUCTION AT NASSCO

Both of Matson Navigation's new upcoming vessels are now under construction in various stages at San Diego's NASSCO shipyard. NASSCO announced it has started work on the MATSONIA, the second of two Kanaloa-class combination container and roll-on/roll-off (Con-Ro) vessels that will join Matson's Hawaii fleet.

Construction of MATSONIA began with a ceremonial first cut of steel at NASSCO where the first ship in the series, LURLINE, is 15 percent complete. Both ships will transport containers, automobiles and rolling stock between the West Coast of the United States and Hawaii. Using proven design standards, the ship design incorporates liquefied natural gas-capable main and auxiliary engines, which are compliant with Tier III emission requirements. Future installation of a LNG fuel gas system can be accommodated on the 870-foot-long, 3,500 TEU platform Con-Ro vessels.

Construction of the first ship for Matson, LURLINE, is scheduled to be complete in the fourth quarter of 2019. MATSONIA is scheduled for delivery in the second quarter of 2020. The LURLINE will be the sixth Matson vessel to carry that name, while the second vessel will be the company's fifth named MATSONIA.

Matson also has two Aloha Class ships under construction at Philly Shipyard in Philadelphia, PA with deliveries scheduled for the third quarter of 2018 and first quarter of 2019, respectively. These 850-foot long, 3,600 TEU vessels will be Matson's largest ships and the largest containerships ever built in the U.S.

SAUDI TANKER TAKES DAMAGE AFTER HOUTHI ATTACK

The Saudi oil tanker MT ABQAIQ took hull damage above the waterline after Iran-backed Houthi rebels attacked the ship on Tuesday afternoon with what they claim was a missile. The attack was said to have taken place in international waters near the Strait of Bab al-Mandeb, not far from the Yemeni port of Hudaydah. Sources say a navy warship belonging to the "Coalition for the Restoration of Legitimacy in Yemen" was nearby and allegedly thwarted any further aggression. Preliminary reports indicate the Houthi attack may have been a revenge move for a Saudi-led air strike against Houthis that took civilian casualties. There were no injuries aboard the tanker but shipping in the area was proceeding with a little more trepidation than usual. The event prompted the Maritime Administration to issue an incident alert warning ships to exercise extra caution when transiting that area.

CG ALERT ON EL FARO LESSONS ON MAIN PROPULSION LUBE OIL SYSTEM

A Coast Guard alert was issued this week highlighting the role that the main propulsion lube oil system played in the sinking of the EL FARO. The 790-foot, cargo vessel bound for Puerto Rico sank Oct. 1, 2015 during Hurricane Joaquin, taking the lives of all 33 aboard.

The Coast Guard's EL FARO casualty report revealed that loss of propulsion during extremely heavy weather was a contributing factor to the sinking of the vessel. Bridge audio recordings indicate the vessel lost lube oil pressure to the main propulsion turbine and reduction gear bearings, resulting in loss of propulsion. They noted that it is believed the vessel's substantial list, coupled with trim by the bow, caused the main engine lube oil pump to lose suction. They said a detailed modeling and static analysis of EL FARO's lube oil system determined that a severe inclination of the ship, coupled with a relatively low volume of oil in the sump, would likely result in a loss of pump suction.

The Coast Guard notes that, although the EL FARO's engineering plant configuration was similar in design to most steam turbine ships of a similar age, the vast majority of large oceangoing commercial ships currently operating have marine diesel engines as the primary source of ship propulsion. However, they said failure of a vessel's lube oil system generally means a loss of propulsion for all types of engineering plants.

The alert recommends that operators and ship engineers review operational procedures and limitations of vital propulsion machinery, and verify compliance with SOLAS, Classification Society and regulatory standards. They noted that there is no compelling evidence to suggest that U.S. vessels are not in compliance with the applicable CFR and SOLAS standards. But given the criticality of propulsion and essential auxiliary machinery, particularly in heavy weather or high-traffic areas, the Coast Guard strongly recommends that:

- Operators verify that their main propulsion machinery, essential auxiliary systems, and emergency generators are designed in compliance with the CFR, SOLAS and Classification Society requirements for operation in static and dynamic conditions of list and trim.
- Engineering Department personnel review the design, arrangement, limiting angles of inclination, normal and limiting high/low lubricating oil sump levels, and casualty control procedures for all systems vital to the propulsion and safety of the vessel to better understand the possible ways to mitigate the effects of heavy weather on vessel operations.

Questions on the alert can be directed to <u>HQS-PF-fldr-CG-INV@uscg.mil</u>.

GREAT LAKES SHIPPING RESUMES AHEAD OF A FULL THAW

The U.S.-flag Great Lakes shipping fleet is already back at work after the long winter even as stubborn ice patches are slow to yield to spring's thaw. Though some vessels resumed operation in early March, the bulk of the fleet got underway on March 25th when the locks opened up at Sault Ste. Marie, Michigan.

The Lake Carriers Association reported that last year, U.S.-flag lakers hauled 85.7 million tons of cargo, an increase of 3 percent over 2016. Iron ore for steel production was the largest single commodity carried by U.S.-flag lakers: 46 million tons. Limestone cargos totaled 21.55 million tons.

Coal shipments topped 13.3 million tons. Cargos of cement, salt, sand and grain approached 4.9 million tons. LCA represents 13 companies that operate vessels on the Great Lakes including M.E.B.A.-contracted Interlake Steamship Company. "The fleet is ready," said LCA President James Weakley. "Our members spent \$65 million maintaining and modernizing their vessels during the winter."

The crew of the U.S. Navy's USS LITTLE ROCK experienced winter's chill in northern waters upclose in late December when the newly commissioned warship got trapped in the ice in Montreal two weeks after its maiden voyage. After more than three months, the ice receded enough to release the ship from its grip in late March and the LITTLE ROCK finally resumed its voyage down to Mayport, Florida.

SIGN UP FOR M.E.B.A. VACATION PLAN DIRECT DEPOSIT

Designed for convenience, M.E.B.A. members can help themselves by taking advantage of the Vacation Plan Direct Deposit that will help save them time and ease Plans processing costs. Authorization forms are available from the Plans Office, Plans Outport Offices and at the Plans' website – www.mebaplans.org (Forms & Documents, Vacation Plan Forms). Complete details are available on the Plans' site as well. Contact (800) 811-6322 or vacation@mebaplans.org for more info.

REGULAR MONTHLY MEETINGS

Monday, May 7 – Boston@1200; Seattle (Fife)@1300; Tuesday, May 8 – CMES@1430; Charleston@1400; Houston@1315; Oakland@1230; Wednesday, May 9 – Jacksonville@1300; New Orleans@1315; Thursday, May 10 – L.A.@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300; Friday, May 11 – Honolulu@1100.

-----FINISHED WITH ENGINES------



The M.E.B.A. is the nation's oldest maritime labor union, established in 1875. M.E.B.A.'s expertise and proven track record of readiness, safety, and loyalty in answering America's call to action in times of both peace and war is unrivaled in the world. M.E.B.A. HQ – Phone: (202) 638-5355; <u>mebahq@mebaunion.org</u>. Visit us on Facebook. For publication and related inquiries contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – <u>marco@mebaunion.org</u>