




West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

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SAN FRANCISCO, CALIFORNIA

Friday, February 24, 2017

U.S. Customs praised for proposal to tighten Jones Act enforcement

The American Maritime Partnership (AMP) has expressed strong support for a proposal by U.S. Customs and Border Protection (CBP) that would help strengthen Jones Act requirements for the transportation of offshore oil and gas operation equipment.

AMP is a coalition representing the domestic maritime industry. The SUP is a member of AMP.

An AMP spokesperson says the CBP proposal could close loopholes exploited by foreign shipping interests to skirt the Jones Act. As a result, he says, it would translate into thousands of U.S. jobs.

The agency action focuses on rulings involving the transport of oilfield equipment in U.S. waters.

The Jones Act requires that "merchandise" moving between two domestic ports be carried on U.S.-flag vessels. The current proposal would revise CBP's position that vessel equipment carried between two domestic points is not actually merchandise.

CBP sought public comment on the proposal.

"The men and women of the American maritime industry commend the CBP's efforts to rightfully restore over 3,200 American jobs to the American economy and close loopholes that gave preference to foreign workers and foreign shipbuilding," said AMP Chairman Tom Allegritti. He added that a "correct and lawful interpretation of the Jones Act will ensure the preservation of American jobs and maintenance of the U.S. shipyard industrial base, both of which are critical to our economic security and national security."

"This decision will get Louisiana mariners back to work by restoring the proper treatment of U.S.-built vessels crewed by U.S. citizens in the Gulf of Mexico," said Senator John Kennedy (R-LA). "We need to close loopholes that benefit foreign workers at the detriment of Louisiana mariners."

"The Jones Act is a pillar for America's maritime industry that serves to put this nation's workers and ingenuity ahead of foreign interests," said Congressman Duncan Hunter, Chairman of the House Subcommittee on Coast Guard and Maritime Transportation. "My hope is that this decision is the start of an even stronger transition in favor of the Jones Act across the entire federal government and I commend CBP for its leadership in taking this action," he said.

USA Maritime emphasizes crucial importance of Food for Peace

The following letter dated January 31, was sent to President Trump by USA Maritime Chairman James Henry. USA Maritime is a coalition of which the Sailors' Union of the Pacific is a member.

"The United States has been a leader in alleviating hunger around the world for more than 60 years. Through a variety of programs under the Department of Agriculture (USDA) and the U.S. Agency for International Development (USAID), Americans have been helping to feed billions of hungry people around the world through our in-kind food donation programs, including Food for Peace (P.L. 480), Food for Progress, and Food for Education. USA Maritime is a coalition of ship owning companies, maritime labor organizations, and maritime trade associations. We are writing to you today to ask for your support for these programs, which are unique among foreign aid programs and therefore deserve special consideration.

The Eisenhower Administration signed into law the Food for Peace Program, landmark legislation designed with two core functions in mind. Americans would generously provide food to hungry people across the world as a diplomatic tool, creating good will and helping to prevent potential conflicts

before they could start. In addition, the law required that the food be grown in the United States by American farmers, and shipped on American ships with American crews, thereby leveraging the quality and reliability of U.S.-grown commodities and sustaining the national defense sealift capacity provided by the U.S.-flag maritime industry. The United States Merchant Marine has been a proud partner with our colleagues in the agricultural community to keep this program going strong for more than six decades. We, therefore, concur with their views submitted to you by letter dated January 26, 2017.

Unlike other foreign aid programs, Food for Peace has always had broad, bipartisan support because it yields a domestic economic benefit by promoting American jobs while also serving to help others abroad. For decades the program has been working well as it was originally intended despite relentless attacks on the agricultural and maritime communities. The previous Administration seemed determined to "reform" the program by shifting it from an in-kind based program that provides a domestic benefit, and turning it instead into an overseas cash giveaway program with minimal oversight or accountability. Continuation of such policies would be disastrous for American jobs and American workers.

As a strong supporter of American jobs and putting America first, we urge you to ensure that USAID and USDA end their misguided attempts at turning P.L. 480 into a cash giveaway program that would kill American jobs and waste taxpayer money. We ask you to ensure that the use of American-grown in-kind commodity contributions remains fundamental to these programs and that the use of U.S.-flag ships

and American mariners will be prioritized by your Administration.

The U.S. maritime industry looks forward to working with you to implement your economic agenda promoting American jobs and American workers. As an industry that is fundamental to American economic, national, and homeland security, we are optimistic that you and your Administration will turn away from some of the misguided policies of the past that have prioritized foreign interests at the expense of American citizens and foreign products over American products.

The Food for Peace, Food for Progress, and Food for Education programs are critical to the continued success of the United States Merchant Marine, and they promote domestic agriculture while serving as a diplomatic tool to express the generosity of the American people. The programs have worked, and will continue to work, so long as the federal government does not try to "reform" them in such a way that undermines their original intent.

We thank you for your consideration of our views on this important issue."

The following organizations are members of USA Maritime: American Maritime Congress, American Maritime Officers, American Maritime Officers Service, American Roll-on/Roll-off Carrier LLG, APL Ltd., Hapag-Lloyd USA, LLC, Intermarine LLC, International Organization of Masters, Mates & Pilots, International Shipholding Corporation, Liberty Maritime Corporation, Maersk Line, Limited, Marine Engineers' Beneficial Association, Maritime Institute for Research and Industrial Development, Sailors' Union of the Pacific, Schuyler Line Navigation Company, LLC, Seafarers International Union, and Transportation Institute.

Senate confirms Chao for Transportation Secretary

The Senate on February 1, confirmed Elaine Chao as the next secretary of the Department of Transportation by a vote of 93-6.

Chao, who previously served as Deputy Secretary of Transportation under President George H.W. Bush and as Secretary of Labor under President George W. Bush, was nominated for the role by new President Donald Trump this past November.

Prior to her time with the Department of Labor, Chao was president and chief executive officer at United Way of America and a director of the Peace Corps. She also served as Deputy Administrator of the Maritime Administration (MarAd) and as chairman of the Federal Maritime Commission under President Ronald Reagan.

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SUP Honor Roll

Voluntary contributions from the membership to the following funds:

Organization/ Political Fund General Fund

Ben Braceros	50.00
Marc Dulay	50.00
Marvin Glasgow	75.00
David Reinking	50.00
Stephen Rydberg	200.00
James Savage in memory of Peter Oh	100.00

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Marc Dulay	100.00
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Forrest Jackson	100.00
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Alex Romo in memory of Andy Andersen and Bill Berger	200.00
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Stephen Rydberg	200.00
Diomendes Vigo	50.00
Peter Winter	100.00

Dues-Paying Pensioners

Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Diane Ferrari	Book #2251
Gerald Ingemansson	Book #0379
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Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
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John Perez	Book #3810
Alex Romo	Book #3093
James Savage	Book #7488
David Shands	Book #7483
Arthur Thanash	Book #3249

West Coast Sailors

Jeremy Bert	250.00	Manuel Rodriguez	25.00
Marvin Glasgow	25.00	Robert Ross	25.00
Jack Post	25.00	Kai Sorensen	25.00
James Rangel	25.00	Tom Wilson	25.00

Northwest Seaport Alliance – best container volumes at Seattle/Tacoma since 2007

The Northwest Seaport Alliance finished strong in 2016 for shipping through the ports of Seattle and Tacoma. Last year's container traffic through both ports was the highest since 2007, according to a news release from the Northwest Seaport Alliance.

The seaport alliance formed a little more than a year ago as a partnership between the Port of Seattle and the Port of Tacoma. The alliance manages cargo business for both ports. The data compares traffic through both ports, both before and after they formed the alliance.

In 2016, the alliance managed more than 3.6 million TEUs, (20-foot-equivalent container units) an increase of more than 2% from 2015 container volumes. Full containers of imported goods were also up 6% to almost 1.4 million TEUs, and full exports increased 13% to 984,274 TEUs, the news release said.

Breakbulk shipments, cargo that is not shipped in a container, were down 23% for the year because of a global downturn in shipping of agricultural, mining and construction equipment. The strong U.S. dollar also affected volumes, according to the seaport alliance.

Log exports dropped by a quarter to 176,928 metric tons because of competition from New Zealand. Auto units fell 10% to 165,687 units because of production and supply chain issues, the alliance said.

Final Departures

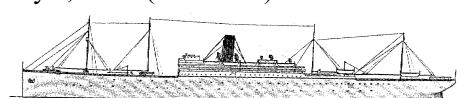
Robert Doyle, Book No. 2627. Born in California in 1925. Joined SUP in 1951. Died in Fresno, California, February 6, 2017. (Pensioner)

Dustin Glover, Book No. 2648. Born in Oregon in 1926. Joined SUP in 1946. Died on January 2, 2017. (Pensioner)

Joseph Iturralde, Book No. 883. Born in Hawai'i in 1931. Joined SUP in 1968. Died in Hawai'i, January 17, 2017. (Pensioner)

Mario Ramella, Book No. 2382. Born in California in 1924. Joined SUP in 1940. Died in Castro Valley, California, February 4, 2017. (Pensioner)

Ernest Stimach, Book No. 6536. Born in California in 1927. Joined SUP in 1944. Died in Burlingame, California, February 9, 2107. (Pensioner)



Hawai'ian music legend Eddie Kamae dies

Eddie Kamae, who expanded the realm of possibility for the ukulele and helped lead a resurgence of traditional Hawaiian music and culture, died on January 7, at his home in Honolulu. He was 89. His death was confirmed by Myrna Kamae, his wife of 50 years, with whom he also made a series of highly regarded documentary films.

Mr. Kamae was one of the most influential Hawai'ian musicians of the second half of the 20th century, and at once an innovator and a diligent steward of folkloric customs. He is best remembered as a founder of the group the Sons of Hawai'i, which made a handful of widely emulated albums in the 1960s and '70s that set the terms for the revivalist movement known as the Hawai'ian renaissance.

The Sons of Hawai'i originally featured Gabby Pahinui on vocals and slack-key acoustic guitar with Mr. Kamae on ukulele, Joe Marshall on upright bass and David Rogers, known as Feet, on steel guitar. Drawing from the cadences and content of Hawai'ian chants as well as the consonant twang of country music, the group combined historical reverence with show-business appeal.

The lilting, light-textured yet rhythmically assertive sound of the band became the gold standard for Hawai'ian music.

But even before forming the Sons of Hawai'i, Mr. Kamae had established a reputation for his head-turning proficiency on ukulele, a four-stringed instrument previously relegated to basic strummed accompaniment (or, on the mainland, exotic novelty purposes). He brought a sophisticated harmonic understanding to the instrument, along with a new technical vocabulary.

Edward Leilani Kamae was born on August 4, 1927, in Honolulu to Samuel Hoapili Kamae and the former Alice Ululani Oponui. One of 10 children, he grew up in downtown Honolulu and in the summer would accompany his mother to the island of Maui to visit his grandmother, who had danced in the royal court of King Kalakaua.

The ukulele became a focus by happenstance. When he was 15 his oldest brother, a city bus driver, had found one left on a seat and brought it home.

Mr. Kamae took to the instrument immediately. He began playing for tips at a jam session at Charlie's Cab Stand, where he met another bright young ukulele player, Shoi Ikemi. They formed an instrumental duo, the Ukulele Rascals, which joined the bandleader Ray Kinney on a coast-to-coast mainland tour in 1949.

At the time, Hawai'ian music was not a priority for Mr. Kamae, though his father had urged him to pursue it. "I thought it was too simple," he recalled in 2010. Instead, he was busy adapting jazz standards, Latin music and pieces from the classical repertoire. "Heart of the Ukulele," an album he made in 1959, gives some indication of his early approach.

Mr. Kamae had an epiphany playing with Mr. Pahinui at a jam session in rural Waimanalo. "When he started to play, and I heard this rhythm," Mr. Kamae recalled. "I said, 'This is why my father asked me to play Hawai'ian music.' "

The Sons of Hawai'i took shape in 1960 and quickly became a local sensation. Their first album was titled "Gabby Pahinui and the Sons of Hawai'i." Because he was under contract to another label, Mr. Kamae was listed under a pseudonym, Johnny Maunawili.

Among the group's other albums were "Music of Old Hawai'i" (1962) and "The Folk Music of Hawai'i" (1971), widely known to fans as "the Five Faces album," for its cover illustration of the members by the artist Herb Kane.

When Mr. Pahinui left the band for a solo career, Mr. Kamae took over and began featuring other gifted slack-key guitarists: Leland Isaacs, known as Atta, and Dennis Kamakahi, who was also a prolific songwriter. In the '70s, as the Hawai'ian renaissance began taking hold, the band adopted a uniform: checkered palaka shirts, a vestige of the plantation era and a symbol of working-class pride.

Inspired to seek out Hawai'ian culture at the source, Mr. Kamae studied with several elders, notably the folklorist Mary Kawena Pukui and the poet and songwriter Sam Li'a Kalainaina. He himself wrote several songs that became Hawai'ian standards, notably "E Ku'u Morning Dew," composed with Larry Kimura.

The first feature-length documentary that Mr. Kamae made with his wife was "Li'a: The Legacy of a Hawai'ian Man," in 1988. Among the others is a more recent and personal effort, "Sons of Hawai'i: A Sound, a Band, a Legend" (2000).

Mr. Kamae received honors for his films as well as for his music, including a lifetime achievement award from the Hawai'ian Academy of Recording Arts. In 2007 he received a National Heritage Fellowship from the National Endowment for the Arts.

Mr. Kamae had recently revived the Sons of Hawai'i after a long hiatus, releasing two volumes of an album titled "Yesterday & Today" on which some tracks date to the 1970s and others are newly recorded.

Among the highlights is "E Ku'u Morning Dew," which, in the original recording, featured Moe Keale on lead vocals. Mr. Kamae sings this version, his voice softened by age. According to his family, "E Ku'u Morning Dew" was playing in the background as he died, in his sleep.

West Coast Sailors

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U.S. agencies at odds over mobile phone distraction aboard ships

An investigation into an accident involving a distracted vessel operator has revealed a divide between the Coast Guard (USCG) and America's top safety agency about whether the use of mobile phones aboard ships should be federally regulated.

The January 31, 2016 accident, which occurred on the Mississippi River near New Orleans, and which also involved tank barges and towing vessels, did not result in injuries. But it caused more than \$60 million worth of damage to the vessels and nearby docks.

In an accident report released a year later on January 4, 2017, the U.S. National Transportation Safety Board (NTSB), tasked with investigating marine casualties and establishing probable cause, the captain of one of the towing vessels acknowledged that he had been talking on his mobile phone with his girlfriend during the lead up to the collision.

His personal conversation occurred while he was also involved in a conversation on the ship's radio with the pilot of the bulk carrier *Aris T* to discuss how the two vessels approaching from opposite directions would pass each other.

The northbound *Aris T* ended up being squeezed towards the bank of the fast-moving river, where it struck a moored towing vessel, a series of moored empty tank barges, dock facilities, and finally another moored towing vessel. The captain of the southbound towing vessel was "likely distracted while using his cell phone and therefore inattentive to his navigational duties," the NTSB said in its report.

The NTSB had previously warned that mobile phone use has been a factor in accidents in all transport modes. In 2013 it recommended that the USCG "regulate and enforce the restriction on nonoperational use of cell phones and other wireless electronic devices by on-duty

crewmembers in safety-critical positions so that such use does not adversely affect vessel operational safety".

After the NTSB inquired of the status of that recommendation during last year's *Aris T* investigation, the Coast Guard responded in October that, following an internal review, it had determined that a separate regulation governing the use of mobile phones in the maritime sector was not needed.

The Coast Guard reasoned that maritime operators rely on the "operational use" of mobile phones and other electronic devices by their mariners, and has encouraged companies to address proper usage in their safety management systems.

"Coast Guard investigating officers are trained to investigate the use of cell phones and other electronic devices as part of their marine casualty investigations," the USCG stated. "Mariners who are found to be distracted or in violation of a company policy are subject to civil penalties and/or administrative proceedings against their Coast Guard-issued Merchant Mariner Credential."

The Coast Guard also informed the NTSB that while it doesn't plan to develop new regulations, it will continue to "stress the importance of posting alert lookouts and standing diligent watches" as part of its standard public outreach. "It is important to note, however, that we continuously review new casualty data to decipher whether we need to change our position on issues like the distracted operations."

The NTSB deemed the Coast Guard's response as "unacceptable", and recommended that until the USCG did develop regulations governing nonoperational use of mobile phones, it should "continue [its] outreach program of information and education to the maritime industry on this issue."

Canadian sailors win fight to crew foreign-flag vessels in Canadian waters

The Seafarers International Union of Canada announced this month that it has reached a settlement with the Canadian government regarding a series of lawsuits filed during 2015 and 2016, claiming Canadian mariners were denied their legal opportunity to work on vessels sailing within its domestic waters.

The Union filed 42 suits in 2015 claiming the government was issuing work permits for foreign mariners aboard hundreds of foreign-flag vessels engaged in shipping in Canadian waters, which was in violation of the Temporary Foreign Worker Program (TFWP).

Under Canadian law, domestic mariners are supposed to take over crew duties when a foreign-flag, foreign-crewed ships plies that nation's waterways, unless no qualified mariners are available. In that case, the foreign mariners granted the work permits are to be paid according to Canadian wage standards.

In its investigation of the issuance of these work permits, the SIU of Canada uncovered foreign mariners being paid "as little as \$2.41 per hour while working in Canada, when they should have been paid the Canadian prevailing wage," according to a news release from the Union.

The SIU of Canada filed an additional 13 suits with similar allegations last year before the government admitted in July it had improperly issued work permits to foreign crewmembers of a Marshall Islands-flagged tanker. The Canadian Federal Court granted the Union's judicial review applications and set aside 11 work permits issued to that ship's crew.

"After 18 months of litigation, I am very happy to see the government finally agree to what we sought all along: enforcement and a review of the rules with the full participation of the SIU of Canada," proclaimed SIU of Canada President Jim Given. "We are confident that the terms of the settlement will lead to hundreds of jobs for Canadian seafarers who are qualified and available to crew marine vessels of all sizes and types."



APL Guam gang in January from left to right: Rodney Cho, Noel Rezada, Nicole Withers, Bosun Liz Zeiger, Filemu PuleUnutoa and standing in the back, Preston Lau.

Port of Oakland outlines \$600 million growth investment

Port of Oakland Maritime Director John Driscoll outlined a \$600 million spending plan this month, investing in new facilities and better infrastructure to increase trade volume.

"We're building for growth in a shipping industry that is becoming more and more competitive," said Driscoll. "By investing with partners who share our vision, we can deliver services that will be of great value to the global supply chain."

Driscoll said the Port would team with private developers and public agencies to modernize the Port's infrastructure. The investment would be used to create new logistics capabilities and also help eliminate bottlenecks that inhibit cargo flow, he said.

Among the proposed investments is \$244 million, mostly from government grants, to separate railroad tracks from

major Port roadways; a \$90 million, privately built refrigerated warehouse called Cool Port to increase chilled beef and pork exports; and a \$50 million expansion, also privately financed, of the Port's second-largest marine terminal.

The Port of Oakland just completed a \$100 million rail yard near marine terminals and a proposed logistics complex, the proximity of which should be a drawing card for shippers, according to Driscoll.

The new investments will enable cargo to be quickly shifted between rail, road and ocean transport, which is critical for time-sensitive international shipments.

Driscoll said construction on Cool Port could begin next month and that terminal expansion is already underway. The truck-rail grade separation however still awaits government funding.

ILA pension trust fund seeks payment from Hanjin Shipping

The pension fund for longshoremen at the Port of New York and New Jersey has requested that a federal bankruptcy court look into South Korean based Hanjin Shipping's relationship to its powerful parent company to help recover \$31 million potentially owed by the company.

The New York Shipping Association (NYSA)-International Longshoremen Association (ILA) Pension Trust Fund filed papers on January 30, with the United States District Bankruptcy Court in Newark, New Jersey to force Hanjin to answer the fund's questions "seeking the identities" of the "controlled group" that is related to the carrier.

The \$31 million would be owed if the carrier "withdraws" from the pension fund, as set out in the agreement between the NYSA and the ILA for the Port of New York and New Jersey, according to an affidavit filed with the court by John Nardi, who serves as president of NYSA and chairman of the fund.

The fund wants to identify the companies to help determine whether they also would be liable for the \$31 million debt if Hanjin withdrew from the fund.

Aside from Hanjin Shipping, the Hanjin Group has a controlling share of Korean Air Lines, and its subsidiaries range from various logistics firms to universities. Last September, the Hanjin Group agreed to invest \$54 million in the carrier to help it through the bankruptcy.

The request came six weeks after the court granted Hanjin Chapter 15 status, meaning that U.S. courts recognize the bankruptcy case filed by the carrier in South Korea last August. The ruling allows the carrier to undertake certain procedures in the United States to move the case along.

The court has spent five months ruling on issues raised by shippers, logistics providers, creditors, and others in an effort to help move to their destination some of the estimated 500,000 containers stranded when the company filed for bankruptcy.

Nardi's affidavit said that September 1, Hanjin asked the fund how much the carrier would owe if it withdrew from the fund. The fund replied with the figure of \$31 million on October 17, but the carrier has not responded since.

"Hanjin promised the workers who had loaded and unloaded its vessels in the NY/NJ Port the pension benefits" in the agreement, Nardi said.

The fund also has not responded to the fund's December 20 inquiry as to whether the carrier is a member of a "controlled" group of companies, who could also be liable for the debt if Hanjin withdrew, according to an affidavit filed with the court by an attorney for the fund.

**DEFEND THE JONES ACT
SUPPORT THE SUP POLITICAL FUND**

SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED DECEMBER 31, 2016

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on January 9, 2017, hereby submits the following report:

SUMMARY OF CASH AND INVESTMENTS

General Fund.....	\$2,201,503.68
Political Fund	\$5,679.93
Strike Fund	\$1,293,730.99
Total Cash and Investments 4th Qtr. 2016	\$3,500,914.60

GENERAL FUND

Income:	
Dues, Initiation, Assessments	\$151,004.00
Interest	6,474.92
Donations - <i>West Coast Sailors</i>	1,170.00
Tanker & Joint Committee, Hiring Hall.....	154,702.17
Advertising & Promotion.....	359.00
Miscellaneous Income, Reimbursements, Fines.....	295.00
Reimbursed Administrative Expenses.....	20,759.11
Contributions - General Fund	575.00
Total Income:	\$335,339.20

Expense:

Auto & Travel.....	\$740.00
Rent.....	15,539.90
Postage, Printing & Office	9,212.02
Telephone & Telegraph.....	5,088.16
<i>West Coast Sailors</i> Publishing Expense	14,694.89
Contributions	580.00
Per Capita	12,702.50
Salaries & Payroll Taxes.....	196,990.20
Office Workers Pension.....	8,860.80
Insurance.....	54,089.28
Field Expense.....	711.01
Meeting/Committee & Neg., Conference & Conv.	7,198.05
Investment Expense.....	766.93
Officials Pension.....	1,874.00
Subscriptions.....	4,627.26
Legal - Rep.....	1,861.45

401(k) Expense	8.00
Advertising & Promotion.....	360.00
Total Expense:.....	\$335,904.45

BUILDING CORPORATION

Income:	
Rents	\$190,598.76
Total Income:	\$190,598.76

Expense:

Building Services & Utilities.....	\$28,292.23
Repairs & Maintenance	4,549.14
Insurance.....	6,547.23
General Taxes	18,387.17
Salaries & Payroll Taxes.....	17,947.76
Pension	651.00
Auto.....	0.00
Filing Fee.....	0.00
Office	2,901.00
Total Expense:	\$79,275.53

POLITICAL FUND

Income:	
Contributions	\$3,905.00
Total Income	\$3,905.00

Expense:

Contributions	\$1,000.00
Total Expense:.....	\$1,000.00

Net Income 4th Qtr.	\$113,662.98
Net Income YTD:	\$415,907.98

/s/ Izzy Idris

/s/ Mike Koller

/s/ Mike Worth

/s/ David Larsen

/s/ Arthur Thanash

/s/ Sam Worth

ACTION BY THE MEMBERSHIP February 14, 2017. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the West Coast Sailors. Carried unanimously.

Historic concrete ship *Palo Alto* smashed in half by recent fierce California storm

Since 1930, the *Palo Alto* has been a symbol of Santa Cruz County, sitting at the end of a pier that juts from Monterey Bay's Seacliff Beach. During the storm in January, the waves reached a record height of 34 feet, according to a National Weather Service buoy in the bay, more than a foot taller than the previous record set in 2008. With the tall waves came destruction. The pounding surf snapped the stern section of the *Palo Alto* nearest to shore from the rest of the ship.

The ship had an unusual concrete hull, as well as an unusual origin story. As World War I progressed, and civilian and military vessels fell by the hundreds to German submarine torpedoes, ship builders worried about a shortage of steel. In 1917, the Emergency Fleet Corporation was formed under President Woodrow Wilson. The emergency fleet commissioned an order for 24 new ships built out of ferroconcrete. The material, concrete reinforced with steel, was cheaper to produce than steel and more readily available. It was also capable of producing boats that floated. In fact, the French inventor of ferroconcrete, Joseph-Louis Lambot, had created a concrete dinghy a half-century before; his small boat was displayed at the 1855 World's Fair.

The Emergency Fleet Corporation's choice for concrete ships was a move, as described in a 1918 issue of the trade journal *Concrete*, born out of emergency. The year before, a Norwegian engineer had built a 84-foot long ship with a concrete hull. But larger tankers like the *Palo Alto* were yet untested. "Good engineering judgment puts the concrete sea-going ship idea on a sound basis," noted the journal. "But it hasn't been proved — that's all."

The capabilities of U.S. concrete ships would remain unproven during the war. By the time builders completed all 420 feet of the 6,144 gross ton *S.S. Palo Alto* in 1919, at the San Francisco Shipbuilding Company in Oakland, World War I was over.

The *Palo Alto* did not move from Oakland until 1929, according to the California Department of Parks and Recreation. On the ship's first voyage, it was towed to the Sea Cliff beach, where the Cal-Nevada Company scuttled the boat by opening the valves in its hull. It earned the nickname the "Cement Boat" and became a tourist destination.

In 1930, a pier was constructed to link the ship to the beach. The Cal-Nevada Company installed a 54-foot-long heated pool, as well as a casino and a dance floor. The party on board the *S.S. Palo Alto* lasted for two years, until its prospects were hit by the twin blows of a severe winter storm and the Great Depression. The state of California purchased the ship, and it became a popular fishing spot. The state closed off public access to the ship in 1950, after years of decay. Despite opening for a few years following a restoration attempt in the 1980s, the ship once again became off-limits. The fishing pier was open to foot traffic during summer 2016 but is now closed for repairs, according to the Parks and Recreation Department.

Despite the repeated pummeling, the Cement Boat remained a touchstone. "There are always people who come back here" after having moved away, John Ribble, Director of the local Aptos History Museum, told the *Santa Cruz Sentinel* in February. "Their parents danced on the ship. Some people were little kids when they actually got to go out on

the front part of the ship."

And yet life did not abandon the *S.S. Palo Alto* completely. Pelicans and other seabirds perched on the ship's deck, leaving behind streaks of white on the cracked concrete. In the water below, marine mammals like sea lions hunted sea perch and other fish. These fish, in turn, fed upon the algae and other organisms that grew in the shelter of the artificial reef.

The discovery of dead wildlife tarnished the Cement Boat's environmental legacy in the mid-2000s. Exposed to nearly a century's worth of the elements, the ship's tanks had cracked, leaking fuel oil, and the *Palo Alto* was deemed responsible for the dozens of dead birds that subsequently washed up on nearby beaches.

In 2006, the California Department of Fish and Wildlife conducted a \$1.7 million cleanup effort. Workers sucked 500 gallons of gunk from the ship's cracked tanks. Inside the ship, they found an additional 200 bird carcasses and two dead harbor seals, reported the *Monterey County Herald*.

In the decade since the environmental cleanup, the ship had crumbled further. Winter 2016 storms shoved the ship to the starboard side, reported the *Sentinel*, and cracked open its rear half.

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El Faro's sister ship *El Yunque* to be scrapped

The Marine Board of Investigation hearings into the loss of the *El Faro* continued this month with testimony regarding the condition of the *El Yunque*, the *El Faro's* sister ship.

The *El Yunque* was to enter service on the West Coast after the *El Faro's* sinking, but Captain David Flaherty, the Coast Guard's chief traveling inspector, testified that she was due to be scrapped after significant wastage was found in her ventilation trunks.

Flaherty alleged that the corrosion was allowed to continue unabated for years, possibly beyond the timeline of a full survey cycle. "[Inspectors] discovered extensive wastage of the trunk's steel plating, [both] interior and side shell . . . in essence they found the whole ventilation trunk had an extensive amount of wastage that in their opinion had not been addressed in many years," he said. (Flaherty noted that there were no evidence in the *El Faro's* inspection and drydocking records that she had had the same problem.)

The *El Yunque* was slated to take over a slot on TOTE Maritime's Tacoma-Alaska rotation, freeing up the TOTE ro/ro *Midnight Sun* to undergo a conversion to LNG propulsion. After the *El Faro's* sinking, *El Yunque* sailed to Tacoma, where she was inspected in early 2016. At that time, Coast Guard Sector Puget Sound found additional wastage in her other ventilation trunks, including "holes in the sideshell in way of vent inlets."

Inspectors added the repair of this wastage to the vessel's worklist, but in August 2016, TOTE canceled its plans to put the *El Yunque* back into service. The firm halted work on the vessel, filed a request with the Coast Guard to place her in layup and made plans for her disposal. The ship is now in Brownsville, Texas, waiting to be scrapped.

EPIRBs contributed to 300 rescues in 2016

Last month the National Oceanic and Atmospheric Association (NOAA) reported that the COSPAS-SARSAT system contributed to more than 300 successful rescues in America last year.

COSPAS-SARSAT is the international satellite system that receives Emergency Position Indicating Radio Beacon (EPIRB) distress signals. An activated EPIRB sends a distress message to the satellite constellation, which forwards it to the authorities via a ground station. On modern transmitters the message is encoded with a registration number and the GPS latitude and longitude of the sender.

In the United States, EPIRB distress signals go to NOAA's SARSAT Mission Control Center in Suitland, Maryland. Signals on land are forwarded to the Air Force, and typically passed on to local authorities. Signals at sea or on the water are forwarded to the Coast Guard.

In 2016, the system assisted in 205 waterborne rescues, 79 rescues on shore and an additional 23 rescues resulting from an aviation incident. The biggest EPIRB-assisted rescue of the year was the response to the sinking of the *Alaska Juris*. First responders saved 46 fishermen from the *Juris*—the largest SAR success story in the history of NOAA's COSPAS-SARSAT operations.

Other highlights of 2016 included the rescue of two South Carolina Air National Guard F-16 pilots who ejected from their aircraft after a mid-air explosion. Their seats were equipped with EPIRB units that activated automatically. Both pilots were recovered uninjured.

"On any given day, at any given time, NOAA satellites can play a direct role in saving lives," said Chris O'Connors, NOAA SARSAT program manager. "These rescues underscore SARSAT's true value."

Since the program's inception in 1982, COSPAS-SARSAT has been credited with supporting more than 41,000 rescues worldwide, including more than 8,000 in the United States and its surrounding waters. NOAA's EPIRB registry includes over 500,000 entries for beacons used by private citizens, merchant vessels, personal watercraft, commercial airplanes, military units and other users.

Trump names Khouri as acting FMC Chairman

President Trump has named Federal Maritime Commission (FMC) Commissioner Michael A. Khouri as FMC's new acting chairman, replacing Commissioner Mario Cordero—who joined the FMC on June 3, 2011, and was named Chairman on April 1, 2013—will remain as one of the FMC's five commissioners.

Khouri joined the FMC in December 2009, and is one of two Republican commissioners, the other being Rebecca F. Dye. The three Democratic commissioners are Cordero, William P. Doyle and Daniel B. Maffei.

Khouri has worked in the maritime industry for 45 years, holding positions in marine vessel operations, legal and executive positions. He also served on the board of directors at the Waterways Council, Inc. and the American Waterways Operators.

He began his career as a deckhand for Crouse Corporation, where he worked up in rank with service in the engine room and then into the wheelhouse as pilot and captain, earning his Merchant Marine Officer's License as Master and First Class Pilot on Steam and Motor Vessels. Khouri then served for 23 years with American Commercial Lines, holding executive positions including general counsel and secretary, senior vice president for law and corporate affairs, and senior vice president for transportation services-marine operations.

Khouri went on to serve as president and chief executive officer of MERS/Economy Boat, a firm that provided fueling and waste disposal services for the tug and barge industry before joining the law firm of Pedley & Gordinier.

The Federal Maritime Commission is the independent federal agency responsible for regulating the U.S. international transportation system for the benefit of U.S. exporters, importers, and the American consumer. Its mission is to foster a fair efficient and reliable ocean transportation system and to protect the public from unfair and deceptive practices.

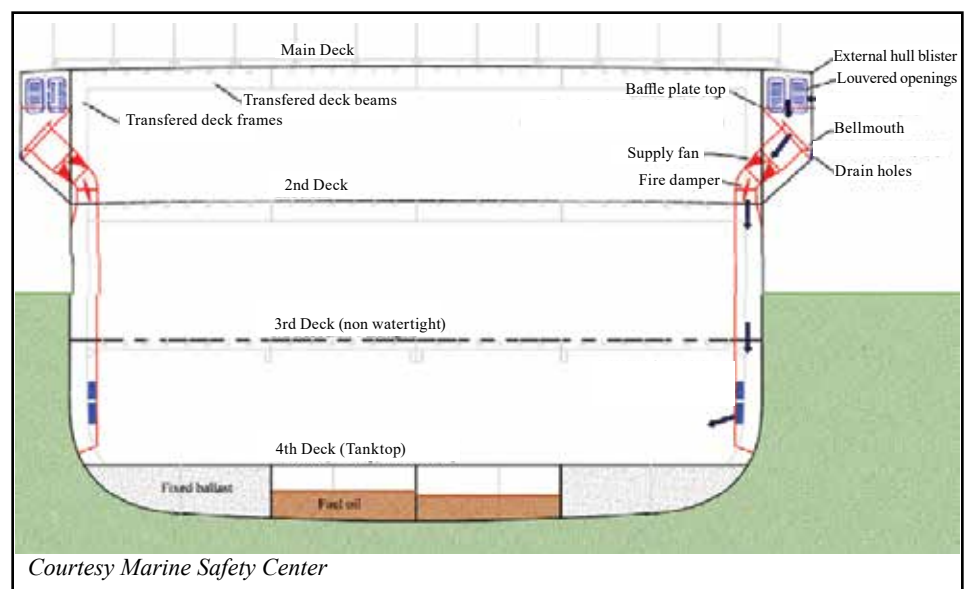
U.S. Coast Guard presents analysis of *El Faro* sinking

On February 7, the Coast Guard Marine Board of Investigation hearings into the loss of the *El Faro* opened for the third and final time. The discussion touched upon personnel issues and the master's decision-making process before moving on to the Coast Guard's technical review of the vessel's stability.

In its report, (https://media.defense.gov/2017/Feb/06/2001695181/-1/-1/0/ELFA-RO_MSC-PRELIMREPORT_HEARINGBRIEF_FINAL-02-05-17_SLIDES.PDR), the Coast Guard's Marine Safety Center found that the decks were stacked against the *El Faro*: she had a large free surface effect from flooding in hold 3, which runs the full width of her beam; a large wind heel from 70-90 knot sustained winds; and heavy seas of 25-30 feet. Dr. Jeff Stettler, a naval architect with the Marine Safety Center and a technical advisor for the Board of Investigation, testified that it was unlikely that the *El Faro* could have survived under these conditions—regardless of other factors, like the flooding of her other holds.

The report found that the most plausible sequence for her sinking was as follows:

- Hold 3 floods, wind heel pushes the *El Faro* over to 15 degrees
- Hold 2A floods through vent openings
- Loss of stability, partial capsizes, port main deck awash
- Loss of containers on deck (arresting full capsizes)
- Continued flooding through port vent openings
- Vessel sinks
- Returns mostly upright on her way down (due to fixed ballast)



The report noted that the arrangement of her ventilation system could have permitted water to enter her fourth deck. However, even single-compartment flooding of Hold 3 (a known factor, as the master reported a "considerable amount of water in three hold") would probably have been enough to sink her, thanks to free-surface effect and the heavy weather.

Separately, Stettler observed that if she had been built this decade, the *El Faro* would not have met stability requirements. She sailed with a GM of 4.3 feet, satisfactory under SOLAS 1990. However, under SOLAS 2009 she would have been required to maintain a GM of at least 5.8 feet.

The Board also pursued information about crew hours of rest. The three mates on the *El Faro* worked 12-hour days, and the audio transcript of the Voyage Data Recorder's bridge audio includes discussion of problems with fatigue—including a chief mate who frequently fell asleep on watch. "He got caught and nothing happened. Then he got caught again and nothing happened," the third mate said in a conversation the night before the *El Faro's* sinking.

Board member Keith Fawcett asked former *El Faro* chief mate Randy Thompson whether the crew had usually had enough rest and whether there was enough oversight of rest periods.

"There was no discussion that you're aware of about [sharpening] oversight of fatigue because a senior ship officer is falling asleep on watch at sea?" Fawcett said.

Thompson replied that he did not see fatigue as an issue on board, and added that the company has rolled out a new electronic hours-tracking software system, which makes it easier for captains to monitor their crewmembers' hours.

New port for Gulf of Mexico

International energy logistics provider Peterson has signed a partnership agreement with Port Cameron to develop a port and supply base in the Gulf of Mexico.

The development of Port Cameron will include a 500-acre deepwater staging port situated in Cameron, Louisiana, serving the Gulf of Mexico.

The private, land based, deep water energy support complex also has 750 more acres available for future expansion. It is to be built on the Calcasieu Ship Channel, three miles from the Gulf of Mexico, 19 miles from the Intracoastal Canal, less than 50 miles from Interstate 10, and within 185 miles of Houston.

Under the agreement, Peterson will have the option to lease up to 1.2 million square feet of space in Port Cameron Logistic Center and will also serve as port manager.

"Port Cameron presents energy operators and service companies in the Gulf with a tremendous opportunity to position their business in a premier deepwater oil and gas port, centrally located to conveniently serve offshore installations in the region," explains Ted Falgout, Executive Director for Port Cameron.

Upon completion, Port Cameron will be the largest private energy services facility on the Gulf Coast, with more than 21,000 linear feet of bulkhead lots on dredged slips of 500-foot and 700-foot wide and dredged depths of 33 feet.



SUP sailors, Devionnce Griffin and Jon Eitz, slushing the topping lifts in the USNS Sisler this month. The Sisler is operated by SUP-contracted Patriot Contract Services for the Military Sealift Command.

Four shipwrecks found off Queensland, Australia

Archaeologists have discovered four 150-year-old shipwrecks off the coast of Queensland, and they hope that the find will yield new clues about shipping in Australia's pre-Federation era.

The wrecks are about 270 nautical miles offshore on the Kenn Reefs, a string of atolls that mark the mid-point between Queensland and New Caledonia. The sunken vessels are far from the first discovered at that location: the submerged coral heads have claimed at least nine other ships, and in the Age of Sail the area was well known for its danger.

"To look down at the seabed and to see an anchor sitting [there] and to see something someone hasn't seen probably since that shipwreck occurred, it's magic, it's an amazing thing," said Dr. James Hunter, curator of maritime archaeology at the Australian National Maritime Museum.

Hunter hopes to learn more about Australia's trading pattern during the colonial era, but first his team will have to identify the vessels and figure out which artifacts belong to which ship.

"Most of them wrecked around the same time and because of the articles that they were carrying – the anchors and other things, are very similar – we're going to have to really look at what objects we're finding," he said.

His team will examine historical records and newspaper accounts from the period to try to confirm the ships' identities. The group believes that these vessels were trading within Australasia and South Asia, perhaps bound for India.

The expedition was sponsored by the Silentworld Foundation, which has facilitated numerous marine archaeology projects around Australia – like the survey of Ashmore Reef, another notorious graveyard of ships. The total cost of the week-long project at Kerr Reef was roughly \$200,000 [Australian], and well worth it, says Dr. Hunter.

Membership and Ratings Committee

The Committee met on February 2, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Abdulah Mohamed 19486	1 Year	O.S.	B
Sale Ugaitafa 19487	1 Year	A.B.	B
Jeanine Davis 19488	1 Year	O.S.	B
Isiah Stafford 19489	1 Year	O.S.	B
Qais Ahmed 19490	1 Year	O.S.	B
Pedro Abuda 19491	1 Year	A.B.	B
Josefino Ramirez 19492	1 Year	O.S.	B
Shane McCullough 19493	1 Year	O.S.	B
Wilfredo Aquino 19494	1 Year	O.S.	B
Reid Barlow C2643	30 Days	O.S.	C
Lisa Stelpstra C2649	30 Days	O.S.	C
Anthony Hernandez C2650	30 Days	O.S.	C
Shawn Light C2651	30 Days	O.S.	C
Gilbert Bio C2652	30 Days	O.S.	C
Charles Stearer C2653	30 Days	A.B.	C
Joel Tetrault C2654	30 Days	A.B.	C

Bosun Stamp - None

Membership and Ratings Committee's Report: M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, Kim Sloggett #5868 and Terrence Lane #4107.

Lottery process for ILWU "casual" workers to proceed

The Pacific Maritime Association (PMA), said an arbitrator has ordered the resumption of a lottery that gives workers a chance at becoming a "casual" member of the International Longshore and Warehouse Union (ILWU) at the ports of Los Angeles and Long Beach.

Under a system agreed to by the Union and the PMA, a group that represents ILWU employers, men and women interested in pursuing employment as casual longshore workers submitted post cards in January expressing their interest in the jobs. Over 80,000 responses were submitted for a "draw" that had been scheduled for February 6.

ILWU Local 13 and 63 chose not to participate in the draw, which will add 2,400 individuals to the roster of eligible casuals, after they pass a screening process. Casual workers must report to a Union hiring hall each day to see if there is work available that is not being

filled by full-time, regular longshoremen. They may only get occasional work for years, but the PMA said the draw is "in response to significant workforce needs at the Southern California ports."

As regular longshoremen retire, casuals are promoted to their ranks, and the lottery winners will be used to replenish the ranks of the casuals.

A note from the presidents of Locals 13, 63 and 94 said: "It has come to the officers' attention that many interest and replacement cards were returned to the senders by the U.S. Post Office in error." The note said that disputes or claims about any aspect of the casual processing program must be in writing and received by the Joint Port Labor Relations Committee.

The PMA said that a "Coast arbitrator has ordered a restart in the processing of more than 80,000 responses submitted by individuals pursuing 'casual' work at the Los Angeles and Long Beach ports."

New Russian forces to guard northern sea route

Russia has established two new Arctic defense forces to boost security along the Northern Sea Route. The new forces will be involved in anti-assault, anti-sabotage and anti-aircraft defense and will come under the leadership of the navy's Northern Fleet. News agency *Izvestia* states that the aim is to guarantee security in the passage and along adjacent coasts.

One of the forces is likely to be stationed in the Kola Peninsula along with the Russian Arctic Brigade, near Norway and Finland, local media reports. The other is likely to be based in Russia's east.

"This is part of the important work on the integrated development of the Arctic zone along the Northern Sea Route, an area which today includes more than 70 major sites and ports," General Mayor Yevgeny Nikiforov told *Izvestia*.

Figures from the Russian Association of Sea Ports show that cargo handling volumes in Russia's northern ports grew by over 40% in 2016. Murmansk experienced the largest growth (50%), and the oil terminal at Varandey also experienced significant growth.

Retired Colonel Viktor Litovkin, now a TASS military expert, is reported as saying he believes it's possible the new forces will use all-terrain vehicles in summer and snowmobiles in winter or light multi-purpose armored vehicles equipped with heavy machine guns, grenade launchers and flamethrowers. Short-range air defense missile systems could be deployed on snowmobiles or on stationary platforms. "The goal is to cover the Bering Strait with their destructive potential so that foreign combat ships with air defense systems and long-range cruise missiles do not move westward along the strait," said Litovkin in TASS.

In the past two years, Russia has opened six military bases in the Arctic. Late last year, Russia's Northern Fleet began operations at the nation's northernmost military base – in the New Siberian Islands. More Arctic bases are expected to be operational soon.

Russia is currently building several nuclear-powered icebreakers. The lead ship, *Arktika*, was launched last year. During the winter, the ice along the Northern Sea Route varies in thickness from 3.9 to 6.5 feet. The ice in central parts of the Arctic Ocean is on average 8.2 feet thick. *Arktika*-class icebreakers can force through this ice at speeds up to 10 knots. Russia is also said to be designing a super-icebreaker capable of navigating through ice four to 16 feet thick.

Oakland exports gain for seven consecutive months

The Port of Oakland has announced that containerized export volume there increased 9% during the month of January on a year-over-year basis. The increase represented the seventh consecutive month that exports have increased on a year-over-year basis at the port, and the 12th increase in the past 13 months.

The Port of Oakland also reported that containerized imports increased 3.6% during January on a year over year basis, raising the overall loaded container volume at the port to 6.1%.

"We've been cautiously optimistic about 2017 cargo volumes and this is a solid start to the year," said Port of Oakland Maritime Director John Driscoll.

"In particular, we're gratified by the continued success in our export business."

The Port of Oakland said agricultural commodities continue to drive export increases, as strong harvests and aggressive marketing helped boost overseas sales of California almonds last month.

Import volume increased in January as shippers in the United States stocked inventories ahead of Lunar New Year holidays.

The Port said its nonstop export rally is noteworthy because the U.S. dollar remains strong against foreign currencies. A strong dollar typically dampens exports by making U.S. commodities more expensive overseas.

ESU Office Assignments

For the month of March, John Straley will be in the Seabrook office.

ESU NEWS

FEBRUARY 2017

Official Publication of the Exxon Seamen's Union

S/R America Progress Ship Representative election results

As mentioned earlier, the ESU was required to conduct a second election for the Ship Rep. position for the *S/R American Progress* due to a tie in December. The election results for the second vote were received in the ESU office on February 13, from the American Arbitration Association (AAA). The ESU mailed 73 ballots and the AAA received 36 ballots from eligible voters. Of the ballots received by the AAA, one ballot was blank/void and therefore not counted.

The voting results were as follows:

Michael Harrison	19
Wilbert Jackson	16
Blank/Voids	1

The Union congratulates Michael and would like to express our thanks to Wilbert for his willingness to serve the ESU membership. Also, thanks to the members that demonstrated their support for the Union by exercising their right to vote.

ESU 2017 officers election

As we conclude one election cycle, it's not too early to start thinking about positions that are up for election later this year. In the fall of this year several ESU Executive Board and Ship Representative positions are up for election. On December 31, the term of office for the President/Secretary, the two Board Members at Large positions and the Ship Representative for the *Eagle Bay* come to an end. Therefore, in accordance with our Constitution and By-Laws a general election for these positions will be held from mid-October through mid-December, 2017.

To be eligible for an Executive Board position including Board Member at Large, a candidate must be a member in good standing and have at least two years of continuous service with the company. He/She must be a qualified driver possessing a valid driver's license and have been a member of the ESU for at least one year.

A "Candidate Intent Form" (CIF) for the specific office is due to be received by ESU office no later than October 1, 2017. Candidate Intent Forms are available from your Ship Representative or by contacting the ESU office.

A complete list of all the requirements can be found in Article V of the Constitution and Bylaws. It is a good idea that CIFs be sent via certified mail with return receipt requested as forms received after October 1, are ineligible.

Once a CIF is received in the ESU office it will be reviewed and if all is in order the candidate's name will be placed on the ballot. Ballots will be mailed out to the membership during the first part of October. To ensure fairness and oversight the ballots will be counted by the American Arbitration Association in New York which is among the oldest and most reputable organizations of its kind.

The ESU is a modern operation that is equipped with the same office equipment found in any office environment today. Computer use and document control comprise a major part of the everyday work routine. The volume of communication documents generated is significant and therefore at least a basic level of computer skill is needed to perform the necessary duties. Verbal and written communication skills are essential as well. Executive Board Officers use written communication through email and formal business letters almost every day. The ability to write is also necessary to produce the *ESU News* which is written monthly by the Executive Board member in office.

Job descriptions for all offices are described in our constitution and By-Laws.

Ship reports

S/R American Progress

ESU Board officer John Straley visited the vessel at Phillips 66 Alliance refinery below New Orleans on February 16. The vessel was loading gasoline and diesel cargoes for discharge at Port Everglades, FL. Tentatively, the next load port is again scheduled to be Phillips 66. The load port after is looking like Exxon Baytown. Pumpman Marvin Marcum is filling in with the Ship Rep. duties and reports everything going well. Welcome aboard to new ESU member Philip Morales!

Eagle Bay

John Straley visited the vessel in Long Beach, CA on February 19, at anchor while the vessel was finishing up final in port requirements before sailing later in the afternoon. The vessel departed Long Beach for Port Angeles for a few days to complete routine Main Engine maintenance and to polish the propeller before proceeding on to Valdez. AB Michael Harrison filling in as temporary ship representative, and in communication with the ESU office to resolve minor issues aboard ship during the Hawaii discharge in January.

Liberty Bay

John Straley visited the vessel at the Tesoro 121 dock in Long Beach, CA on February 20. AB Peter Flaherty filling in with Ship Rep. duties. It looks like the next trip south is slated for a split discharge between the ports of Long Beach and San Francisco. Concern expressed by the Deck Department over the length of AB sea tours getting longer. Welcome aboard to new ESU member Ricardo Anguiano!

The ESU News is written and edited by the Exxon Seamen's Union.

Review of Weingarten Rights during investigatory interviews

A recent incident aboard ship where a member was questioned over an incident has prompted the need to remind all members of their rights during investigatory interviews. The U.S. Supreme Court has ruled that The National Labor Relations Act give workers the right to request union representation during investigatory interviews by supervisors, security personnel and managerial staff. These rights are called Weingarten Rights.

An investigatory interview occurs if 1) management questions you to obtain information; and 2) you have a reasonable apprehension that your answers could be used as a basis for discipline or other adverse action. You must ask for union representation either at the beginning of or during the interview. Management does not have to remind you of the right. If your request is refused and management continues asking questions, you may refuse to answer. If this occurs the employer is guilty of an unfair labor practice and charges can be filed.

A vital function of a Union steward (who is the Ship Representative on SeaRiver ships) is to prevent management from intimidating employees. Nowhere is this more important than in closed-door meetings when supervisors attempt to induce employees to confess to mistakes or wrongdoing.

The presence of a Union representative can help in many ways:

- The Ship Rep. can serve as a witness to prevent supervisors from giving a false account of the conversation.
- The Ship Rep. can object to intimidating tactics or confusing questions.
- The Ship Rep. can, when appropriate, advise an employee against blindly denying everything, thereby giving the appearance of dishonesty and guilt.
- The Ship Rep. can help an employee to avoid making fatal admissions.
- The Ship Rep. can warn an employee against losing his or her temper.
- The Ship Rep. can raise extenuating factors.

If you are called to an investigatory meeting with management, you should let them know you request union representation if your responses could lead to being disciplined or terminated, or adversely affect your personal working conditions.

Final Departures

Pumpman Guy Picou

Former ESU member Guy Picou, 73, of Slidell, LA passed away on January 30. Mr. Picou worked for Exxon Shipping Company/SeaRiver Maritime, Inc. from the early 70's until his retirement in 1998. During Guy's employment, he served the Union well on behalf of the membership and was a regular at the Ship Rep. position in the fleet.



He is preceded in death by his wife, Ida Picou. Survived by his sons, Donald Picou (Andrea) and Michael Picou (Kasey); grandchildren, Nohemi Picou and Carolina Cassimiro; sisters, Arlene Shiro, and Marion Foto; and ten nieces and nephews.

Don Picou continues a long tradition of service from the Picou family by sailing as Fleet Chef in the SeaRiver fleet and also serves the ESU membership as Board Member at Large. The Exxon Seamen's

Union extends our deepest sympathy to the Picou family during this time of sorrow.

AB Jim Silva

On another sad note, the ESU recently learned of the passing of AB/3rd Mate Jim Silva, 65, on February 10. Jim is the husband of former Fleet Chef Brigitte Rolin-Silva. Jim and Brigitte both retired from SeaRiver and reside in Reidsville, GA. Our collective thoughts and prayers are with Brigitte during this difficult time. Jim and Brigitte were strong supporters of the ESU and great shipmates.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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Board Member at Large Don Picou

Board Member at Large Ein Cooley

Deck Trustee Jeffrey Harris

Engine Trustee William Ackley

Steward Trustee Joel Mitchell

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730 HARRISON STREET, SUITE 415 * SAN FRANCISCO, CA 94107-1260
TELEPHONE (415) 778-5490 * FAX (415) 778-5495

Authorized Beneficiary Form for Active Members - Death Benefit

Part 1-Participant Information

Please check one: Initial Designation or Beneficiary Change

Participant's Name: _____ SSN: _____
Address: _____
Date of Birth: _____ Telephone: (____) _____

Read Carefully: No Death Benefit will be paid by the SUP Welfare Plan, Inc. unless the covered employee designates a beneficiary/beneficiaries on this form.

The covered employee may designate Primary and Secondary beneficiaries from the following list of relatives:
Spouse, children, mother, father, stepmother/father, sister, brother, half sister/brother, niece, nephew, aunt, uncle, grandmother/father, grandchildren, or a valid trust for the exclusive benefit of one or more of the foregoing.
Payment of any benefits is subject to and will be made in accordance with the terms and conditions of the SUP Welfare Plan, Inc., as amended, and the resolutions of the Board of Trustees, including applicable exclusions, and in accordance with a properly completed "Authorized Beneficiary Form for Active Members-Death Benefit" that is received by the SUP Welfare Plan, Inc. prior to the active member's death.
Please refer to page 28 of your Summary Plan Description Booklet for a complete description of the SUP Welfare Plan Death Benefit.

Part 2-Beneficiary Designation

If you name more than one person as a Primary beneficiary, each beneficiary will share equally in any payment from the Plan unless you specify different percentages for these beneficiaries. You can also name one or more persons as Secondary beneficiary(ies) to receive your Plan benefit if all Primary beneficiaries are deceased. Again, if you name more than one person, each Secondary beneficiary will share equally in the total amount payable unless you specify otherwise.

I understand that this designation revokes any prior designations of Primary AND Secondary beneficiaries I may have had. I also understand that I may change or update my beneficiary designation(s) by completing and submitting a new "Authorized Beneficiary Form for Active Members-Death Benefit" to the SUP Welfare Plan, Inc.

PLEASE NOTE: If you experience a significant life event, such as a marriage, divorce or birth of a new child, you may wish to change or update your "Authorized Beneficiary Form for Active Members-Death Benefit".

I name the following beneficiary (ies) for the SUP Welfare Plan Death Benefit:
(Additional Primary and Secondary beneficiaries may be entered on the reverse side, if necessary.)

Primary Designation	Secondary Designation (if Primary Designation deceased)
Name: _____	Name: _____
Address: _____	Address: _____
Date of Birth: _____	Date of Birth: _____
SSN: _____	SSN: _____
Relationship: _____	Relationship: _____
Percentage of Benefit: _____ %	Percentage of Benefit: _____ %

By my signature below, I attest that I have read and understood this "Authorized Beneficiary Form for Active Members-Death Benefit" and to the designation of the named beneficiary(ies).

Part 3-Participant's Signature

Participant's Signature _____ Date _____

Welfare Notes

February 2017

Timely Notification to the SUP Welfare Plan

You must submit changes and additions for your plan coverage to the SUP Welfare Plan to add new spouses and new born dependents within 30 days of the birth of the baby and within 30 days of the marriage for new spouses. You should also keep us informed of address changes and the death of any dependents or divorce.

It is also important to have proper documentation of any Unfit For Duty illness or injury to us in a timely manner. Late submission of your inability to perform your job requirements may not allow us to help you resolve coverage issues. Our Plan contracts limit our ability to make retroactive changes on your coverage.

Reminder: your employer will not automatically submit information to us for any injury or illness that may occur on the ship. It is your responsibility to make sure that information is sent to the SUP Welfare Plan.

Group Health Members

As many of you know, Group Health Cooperative was acquired by Kaiser. The Group Health Plan you are currently enrolled in will not change until the renewal in August 2017.

Group Health Members will be receiving information in the mail such as a welcome letter and a new ID card. Do not throw away your old ID card before receiving the new card. You will also begin to see the Kaiser name in correspondence you receive and the Group Health facilities. We will keep you informed of the changes as they are given to us.

Michelle Chang, Administrator
mcsupsiupd@sbcglobal.net

Patty Martin, MPP & 401(k) Plans, Death Benefits
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Virginia Briggs, Claims
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Michael Jacyna, Eligibility
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Training Representative Berit Eriksson 206-551-1870
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SUP Welfare Plan
730 Harrison Street, #415
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**Phone Numbers: 415-778-5490
or 1-800-796-8003
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SIU-PD Pension
415-764-4987

SIU-PD Supplemental Benefits
415-764-4991

Seafarers Medical Center
415-392-3611

Additional Primary and Secondary Beneficiary Designations

Primary Designation	Secondary Designation (if Primary Designation deceased)
Name: _____	Name: _____
Address: _____	Address: _____
Date of Birth: _____	Date of Birth: _____
SSN: _____	SSN: _____
Relationship: _____	Relationship: _____
Percentage of Benefit: _____ %	Percentage of Benefit: _____ %

Primary Designation	Secondary Designation (if Primary Designation deceased)
Name: _____	Name: _____
Address: _____	Address: _____
Date of Birth: _____	Date of Birth: _____
SSN: _____	SSN: _____
Relationship: _____	Relationship: _____
Percentage of Benefit: _____ %	Percentage of Benefit: _____ %

Primary Designation	Secondary Designation (if Primary Designation deceased)
Name: _____	Name: _____
Address: _____	Address: _____
Date of Birth: _____	Date of Birth: _____
SSN: _____	SSN: _____
Relationship: _____	Relationship: _____
Percentage of Benefit: _____ %	Percentage of Benefit: _____ %

World's first icebreaking LNG carrier begins trials

The world's first ever icebreaking LNG (Liquid Natural Gas) carrier, *Sovcomflot's Christophe de Margerie*, has arrived in Zeebrugge, Belgium in preparation for sea trials. She is moored alongside a re-gasification terminal, and she will be cooled and loaded with a small quantity of LNG for testing.

The *Margerie* was built by Daewoo Shipbuilding and Marine Engineering to the Russian Arc7 ice class standard. She and her fourteen sister ships are designed to break through up to six feet of ice without assistance from an icebreaker escort, enabling them to call at the remote Yamal LNG facility during most of the year. Each vessel in the class will be able to carry 70,000 tons of LNG per trip (about 0.4% of the plant's annual capacity) at a sea speed of 19 knots.

The gas is already sold to European and Asian buyers under long-term contracts, says project partner Total. In the summer, the tankers will carry the LNG eastward along the Northern Sea Route, through the Bering Strait and south to Japan and China. In the winter, the gas will go to a transshipment terminal in Zeebrugge, where some of it will be reloaded onto standard LNG carriers for a trip through

the Mediterranean, the Suez Canal and Indian Ocean.

Yamal LNG will be among the northernmost oil and gas facilities in the world. Winter lasts for 8-9 months on the Yamal Peninsula, but halting work due to the cold and the dark is not an option. Last month, the module carrier *Audax* became the first vessel of its kind to transit the Northern Sea Route in winter, delivering a large equipment module for Yamal LNG. "It is slow-going and the ambient temperature is -25 C," said ZPMC Red-Box Energy Services CEO Philip Adkins.

The remote location and the extreme environment impose additional expenses on the project's developers. The ice-breaking LNG carriers alone will cost a combined \$5 billion to acquire, and will be operated by Sovcomflot under fixed 25-year time charters. Multiple shipowners, including Teekay and Sinotrans, have made investments in the vessels.

Despite these expenses, facility developer Novatek says that the cost of Yamal's natural gas is so low that it will offset the higher transportation and construction costs, and that its LNG will still be competitive with the gas produced at other facilities.

Two Japanese carriers report revenue declines

Two of Japan's largest container lines warned of record losses for the fiscal year ending March 31, as all three reported revenue declines of roughly 20% year-over-year for the first three fiscal quarters of the current fiscal year.

Nippon Yusen Kaisha (NYK Line) reported the largest net loss for the nine-month period which amounted to \$1.98 billion in the first nine months of fiscal year 2016 ended December 31.

Kawasaki Kisen Kaisha (K Line) concluded the nine-month period with a net loss of \$478.5 billion where as Mitsui OSK Lines (MOL) has posted a massive loss of \$2 billion for the first nine months of the 2016 financial year.

NYK, the biggest of the three by sales, lowered its forecast for an operating loss for the full fiscal year to 17 billion yen (\$149.87 billion) from an earlier 25.5 billion yen deficit prediction, according to *Reuters*.

Mitsui OSK Line trimmed its loss estimate by seven billion yen to an eight billion yen loss prediction, while Kawasaki Kisen now sees a full year operating deficit of 43 billion yen compared with a 44 billion yen loss forecast three months ago.

NYK now expects to break even on a pretax basis for the year ending March 31, rather than incurring a 26 billion yen (\$230 million) pretax loss as it projected earlier.

Mitsui O.S.K. looks to earn a pretax profit of eight billion yen, reversing a forecast of a three billion yen loss, and Kawasaki Kisen sees a smaller pretax of 47 billion yen rather than 54 billion yen.

Port of Seattle CEO resigns amid payout investigation

Ted Fick, Chief Executive Officer of the Port of Seattle, Washington, resigned from his post on February 2, according to a statement from the Pacific Northwest port.

Port commissioners accepted Fick's resignation in a special meeting called specifically to discuss his departure.

Current Chief Operating Officer Dave Soike, who has worked in various roles with the Port of Seattle for more than 35 years, will replace Fick as interim CEO, and the port will initiate a public process to find a permanent replacement later this year.

Fick says he's resigning to return to the private sector, but local media reports have speculated that his departure is related to an investigation into an alleged \$4.7 million in potentially illegal payouts to port employees.

State auditors discovered the payments, made last year to 642 salaried port employees, during a regularly scheduled accountability audit at the port, and briefed Port of Seattle executives on their findings during a private meeting, according to a report from the *Puget Sound Business Journal*.

Kathleen Cooper, the auditor's assistant director of communications, told the *Business Journal* the arrangement violated Washington state's Constitution as an unlawful gifting of public funds and that the auditor has advised the Port of Seattle to conduct a legal review "to determine if repayment is necessary or required by the law."

She said the payments violated the constitution because they were not tied to specific job goal or performance requirements.

U.S. releases revised Arctic strategy

The U.S. Department of Defense has released an updated Arctic Strategy identifying threats and shortfalls for the military in Alaska. Senator Dan Sullivan (R-Alaska), pushed for an upgrade to the Arctic strategy. "After nearly two years of advocacy and bipartisan efforts, I am pleased that we finally have a much more serious military strategy for the Arctic region," Sullivan said on the document's official release. "It is a dramatic improvement from the 2013 version, which was more platitudes and pictures than actual substance," Sullivan said. "I am hopeful that the entire Department of Defense, our new president, and the country will take a serious look at this document and begin to formulate how our country will safeguard our interests, and that of our allies, in this strategically-important region."

The report notes U.S. disagreements with Canada and Russia over the regulation of navigation in Arctic waters. Canada claims all waters within the Canadian Arctic islands as territorial, requiring Canada's permission to transit, including the waters of the Northwest Passage. Russia also makes similar claims for three straits along the Northern Sea Route, whereas the U.S. believes the passages to be international waters.

"In support of the U.S. national security interest in preserving all of the rights, freedoms and uses of the sea and airspace recognized under international law, the Department of Defense will preserve the global mobility of U.S. military and civilian vessels and aircraft throughout the Arctic, as in other regions. This includes conducting Freedom of Navigation operations to challenge excessive maritime claims when and where necessary."

The strategy also states that in light of the Russian violation of sovereignty and territorial integrity of Ukraine, Georgia and Moldova, and Russia's efforts to "intimidate its neighbors," the Department of Defense will continue a robust cycle of training and exercises in Europe under Operation Atlantic Resolve. The Department's required capabilities include the full spectrum of U.S. forces, including nuclear and cyber forces.

Attention is drawn to oil and gas reserves in the region, saying: "Competition for economic advantage and a desire to exert influence over an area of increasing geostrategic importance could lead to increased tension. These economic and security concerns may increase the risk of disputes between Arctic and non-Arctic nations over access to Arctic shipping lanes and natural resources."

Key challenges identified in the 2013 Strategy persist in 2016: shortfalls in remote sensing capabilities, ice prediction and weather forecasting; lack of navigational aids; challenges in high-latitude electronic communications; limited inventory of ice-capable vessels and infrastructure.

The strategy states that the Department of Defense will boost existing limited polar communications capabilities, particularly satellite coverage. It will also seek to improve its threat detection and tracking capabilities in coordination with the Department of Homeland Security and partner nations.

The report was completed in December while former President Obama was still in office.

South Korean court to liquidate Hanjin Shipping

The South Korean court in charge of Hanjin Shipping's receivership said this month that it plans to declare the carrier bankrupt, paving the way for its liquidation. There will be a two-week review period for creditors to weigh in on the court's decision, after which it is expected that Hanjin will cease to exist, ending its 40-year tenure as South Korea's largest container line.

In a statement, the court said that Hanjin's value in liquidation exceeds its value as a going concern – a view that is consistent with an assessment by consulting accountants Pricewaterhouse Coopers (PwC). "Liquidating Hanjin is more economically viable than letting it continue business on a going concern basis," PwC said in a December court filing.

PwC put the value of Hanjin's holdings at \$1.5 billion. The court has already sold core assets like the container line's U.S. terminal operations (now owned by Hyundai Merchant Marine and MSC) and its Asia-North America shipping routes (purchased by Korean firm SM Group). The TransPacific routes and the business staff behind them will form the basis of a new shipping line, SM Shipping.

The end of Hanjin Shipping may not mean the end of litigation over its debts. The New York Shipping Association-International Longshoremen's Association Pension Trust Fund – the pension fund for Union workers at the Port of New York and New Jersey – has asked U.S. and Korean bankruptcy courts to allow it to examine the financial connections between Hanjin Shipping and Hanjin Group, the conglomerate that controlled the now-defunct carrier.

The pension fund alleges that Hanjin Shipping owes \$31 million for its withdrawal from future pension contributions. Shippers, carriers and terminal operators all pay into the fund under a port-wide collective bargaining agreement. The fund now seeks to determine whether the larger (and still solvent) Hanjin Group might also be held liable for the carrier's obligations. So far, Hanjin Shipping's executors have refused to provide the court with details of its connections with other Hanjin Group subsidiaries, like Korean Airlines. If the courts agree with the pension fund, it could potentially open the door to new lawsuits from other Hanjin Shipping creditors, who claim a total of \$26 billion in debts.

**SUPPORT FOOD FOR PEACE
BY SUPPORTING THE
SUP POLITICAL FUND**



SUP President's Report

February 14, 2017

CHEVRON SHIPPING COMPANY

In preparation for bargaining with Chevron, the SUP Negotiating Committee comprised of rank-and-file members Terry Black, David Fadoul and Ron Gill, Vice President Dave Connolly and your secretary, caucused at Headquarters on January 16. All of the proposals submitted by the membership were thoroughly reviewed resulting in the drafting of bargaining proposals to submit to the company.

Negotiations began the following day with Chevron represented by Chad Culbertson, Port Superintendent of the Richmond Long Wharf; Docking Master Trainee Ryan McKenney; Nam Van, Senior Labor Relations Counselor; and Stella Gonzales, U.S. Manning Representative.

It was apparent from the outset that the company was out for blood due to gains made by the Union in bargaining in 2011 (see the December 2011 issue of the *West Coast Sailors*) and the victory achieved by the Union in arbitration in the two-person watch beef in 2016 (see the April 2016 issue of the *West Coast Sailors*).

Chevron's proposals included deleting language that sailors and engine room personnel be paid at the time they are called-out. Instead the company wanted to roll back conditions and have sailors paid 30 minutes after they are called. Chevron also wanted to deny providing launch service in open roadsteads, a condition that was won in bargaining four years ago. In addition, the company proposed to remove the provisions of the Agreement that calls for alternating sailors on an hour-for-hour basis on gangway and anchor watches.

For good measure, Chevron also conjured-up a flim-flam proposal that would have eliminated the penalty meal hour and language that would have included painting while standing a bridge watch.

The SUP Negotiating Committee firmly rejected all of these regressive and concessionary proposals.

However, what Chevron really wanted was for the SUP, in bargaining, to agree that the two-person watch could be changed to a one-person watch at the Master's discretion. By agreeing to this ridiculous proposal, the Union—having spent time and money to defend our Agreement in 2015 and 2016 through the arbitration process—would be voiding that victory.

As Arbitrator Andria Knapp stated in her April 6, 2016 decision:

"The two-person watch is based on what it takes to safely and effectively stand watch while at sea on an oil tanker. Those conditions have not changed: someone still needs to be at the helm and on the lookout for external hazards on the surrounding seas, and someone still needs to ensure that the ship itself is running properly. (This latter applies more to the middle-of-the-night watches, when the engine room is unmanned; during the day there are other crew around to monitor the ship's operations.) It is only market forces in that have changed, resulting in a need for more maintenance, more frequently. Chevron cannot be blamed for wanting to use its employees' time as efficiently as possible, but its 'changed circumstances' argument here is not a convincing rationale for unilaterally eliminating the long-standing practice of the two-person watch."

During the course of bargaining, Chevron continued to hammer away at this issue. Although the SUP Negotiating Committee was willing to consider a one-person watch during long sea voyages, it was not enough for the company and ultimately affected the overall economic settlement.

Chevron's frustration with the SUP Negotiating Committee's refusal to roll over on this issue became apparent when the company—after two days of bargaining on January 17 and 18—requested at the outset of the meeting on January 19, that negotiations for that day be cancelled and to resume on January 31, which was the date the Agreement expired.

At that final bargaining session Chevron—which lost \$497 million last year, but posted a \$415 million profit for the last quarter of 2016—cried poverty. However, the SUP Negotiating Committee demanded a wage increase.

The concession-free settlement eventually reached is as follows:

Term of Agreement: Three years, from February 1, 2017 to January 31, 2020

Wage & Overtime Increases:

1.5% effective February 1, 2017;

2% effective February 1, 2018;

2.5% effective February 1, 2019

Vacations: An increase to 25 days per month effective February 1, 2017.

In the General Rules there were a couple of minor, insignificant changes but a Union proviso was added that in shipyards lodging shall be when "unsuitable conditions are immediately reported to and affirmed by the Master or designated officer." In the Work Rules, the job description of the Bosun was improved and that the machinists would rotate between deck and engine assignments as the roster allows.

The SUP Negotiating Committee recommends general membership ratification of the Agreement with Chevron Shipping Company.

MATSON NAVIGATION COMPANY

Last year, U.S. Customs and Border Protection (CBP) instituted a new program called the Advanced Qualified Unloading Approval or AQUA Lane that allows qualified shipping companies calling at the ports of Long Beach, Los Angeles, New York-New Jersey, Savannah, Miami and Seattle-Tacoma to request 48 hours prior to a vessel's arrival that cargo operations begin before Customs actually boards and clears the vessel.

Among the requirements to receive AQUA Lane approval are that the company must be a participant in the Customs-Trade Partnership Against Terrorism (C-TPAT) and that crew members must remain onboard a vessel until Customs boards and clears the vessel.

Leave it to Matson to take advantage of this program, to the extreme detriment of the crew.

On January 9, your secretary was notified by Wilmington Branch Agent Leighton "Leon" Gandy that the entire crew—top to bottom—in the *Maunawili* was restricted to ship in Long Beach from 2100 on January 8, after arriving from Shanghai, until 0630 the following morning when Customs boarded.

The same day, your secretary contacted Jack Sullivan, Senior Vice President for Vessel Operation & Engineering, to demand that this practice stop and that the sailors onboard the *Maunawili* be paid the overtime rate for being restricted to ship in accordance with the collective bargaining agreement. The other Unions (MFOW, SIU-Marine Cooks, MEBA, MM&P and ARA) took the same action.

Sullivan's lame response was that it was the government that was keeping crew members incarcerated not Matson, when in fact Matson requested AQUA Lane clearance. As far as the restriction to ship claim was concerned, Sullivan was unresponsive.

On January 20, the Unions with contracts with Matson plus the AMO (American Maritime Officers) wrote to Customs and Border Protection Commissioner Gill Kerlikowske demanding that American mariners are not denied shore leave in U.S. ports as a result of the AQUA Lane program. The Unions also requested a meeting with Customs. As of today's meeting Customs has not responded.

Subsequently, the crew of the *R.J. Pfeiffer* were held hostage onboard after tying-up at 2300 on January 23, and were not cleared until 0630 the following morning when Customs boarded and cleared the vessel.

On February 6, the same thing happened to the crew of the *Manulani*. The vessel was all fast at 1905 but the gang couldn't go ashore until 0500 on February 7.

The gang in the *Mokihana* was also restricted to ship in Long Beach on February 8, from 2105 until 0800 on February 9, after arriving from Shanghai. It should be noted that no cargo was worked until 0800 on the 9th.

Jack "The Jailer" Sullivan's response to these incidents was the same: blame the government. Again, it must be emphasized, it was Matson that asked Customs for AQUA Lane clearance for each of the ships knowing full well that the crew would be restricted to ship.

Since Customs has not responded to the letter sent by the Unions on January 20, the SUP and MFOW sent a letter on February 10, outlining the situation to certain Members of Congress from California, as all the incidents occurred in Long Beach. Those contacted were Senators Dianne Feinstein and Kamala Harris; Congresswoman Julia Brownley, Congressman John Garamendi, Congressman Duncan Hunter, Congresswoman Barbara Lee, Congressman Alan Lowenthal and House Minority Leader Nancy Pelosi. The letter follows:

"The Marine Firemen's Union (MFOW) and Sailors' Union of the Pacific (SUP) wish to bring to your attention the adverse results of the current way the Advanced Qualified Unloading Approval (AQUA) Lane program is implemented and its impact on U.S. mariners.

The AQUA Lane program permits low risk ships engaged in foreign trade that are in the Customs-Trade Partnership Against Terrorism (C-TPAT) program to engage in cargo operations prior to Customs and Border Protection (CBP) boarding and clearing the ship and crew. This can result in a very significant time period before crew members can leave the ship. Given the very short turnaround times on U.S. ships in liner services, the AQUA Lane program may effectively deny U.S. citizen crew members the right to go ashore or visit family in their own country.

U.S. citizen mariners must not be restricted to their ships and denied the basic right to shore leave in their own country due to a program designed to expedite the movement of cargo that these tax-paying citizens transport across the ocean. U.S. citizen mariners hold the Merchant Mariner Credential (MMC) issued by the Coast Guard, as well as the Transportation Worker Identification Credential (TWIC) issued by the TSA. The credentials have biometric identifiers issued by two U.S. government security agencies after screening and vetting that far exceeds the requirements for foreign nationals to enter the U.S. under the preapproval Global Entry program. These mariners have been more thoroughly vetted than the longshoremen that are permitted to work aboard AQUA Lane qualified vessels, than the truckers that are allowed to enter U.S. terminals, or than the hundreds of thousands of manifested units of cargo that are loaded in foreign ports aboard containers destined for U.S. ports.

The rationale for the AQUA Lane program is that it saves time and money by expediting the free movement of low risk cargo. But, it unreasonably places a higher priority on the free movement of cargo in international trade than the free movement of low risk U.S. citizen mariners.

Prior to the AQUA Lane program, Customs officials would board the vessel on arrival in U.S. ports and clear the cargo and crew. Implementation of AQUA Lane clears the cargo but requires the crew to remain aboard the vessel, effectively incarcerated, until Customs arrives at a later date and time to clear the crew.

The current AQUA Lane program's singular focus on preapproval of low risk cargo, but not preapproval of low risk U.S. crew members is creating an unnecessary hardship on U.S. citizen mariners that needs to be addressed.

We are requesting that a system of pre approval of U.S. citizen crew members based on the prior submission of the crew list ninety-six (96) hours in advance of arrival be implemented prior to formal clearance by Customs."

Going ashore in U.S. ports is a right American merchant mariners won over 100 years ago due to the efforts of SUP Secretary-Treasurer Andrew Furuseth. The SUP, along with all the other seagoing Unions, will continue to pressure Matson and Customs to change the policy that holds our members hostage when they arrive from a foreign voyage.

JONES ACT

In December, the SUP along with the MFOW, SIU-AGLIWD, MEBA, MM&P and AMO, was informed by the Maritime Administration (MarAd) that it was conducting a study of the rights of U.S. mariners to seek legal remedies for personal injury or death under the Jones Act.

To facilitate this study, MarAd entered into an agreement with Old Dominion University in Norfolk, Virgin-

continued on next page

ia, and sent all affected Unions a MarAd/Old Dominion University Mariner Personal Injury Study questionnaire.

In the judgment of your secretary, the questionnaire was a loaded document that could be used to diminish mariners' legal rights.

Instead of sending individual responses to the questionnaire, the Unions sent the following joint statement to MarAd on February 3:

Section 33 of the Merchant Marine Act of 1920 (46 App. 688) sets out the legal remedy available to merchant seamen and their estates in the event a seaman is injured or killed in the course of his employment. Specifically, in the event a seaman is injured or killed, the existing law allows the seaman or his personal representative to sue for damages in court.

The undersigned American maritime labor organizations have strongly supported the availability of this remedy to America's seagoing workforce. Americans working aboard vessels are on the job 24 hours per day, seven days per week. Ensuring that mariners have a safe workplace environment to do their jobs is an obligation America's maritime unions take very seriously, and the failure to provide such a workplace environment should have serious repercussions.

It has been suggested that this legal course of action has a direct relationship on the cost of insurance paid by U.S.-flag vessel operators and that it adds significantly to the cost differential between U.S. and foreign flag vessel operations. Notwithstanding the fact there is no available evidence to quantify the effect this remedy has on the viability of U.S.-flag vessel operations, we fear that the current system for compensating U.S. citizen mariners for job-related personal injuries is under consideration to be changed or eliminated.

Rather than trying to address the current state of the U.S.-flag merchant marine by focusing on a longstanding protection for American merchant mariners, we would instead urge the Maritime Administration and the Administration to work with us to develop and implement a new, realistic maritime policy that addresses all factors affecting U.S.-flag vessel operations. Eliminating the current remedy outside the context of a new national maritime policy will do little more than penalize American mariners and give government officials the opportunity to pretend that something meaningful has been accomplished for the U.S.-flag fleet.

The time is long overdue for our government to take the steps necessary to encourage U.S.-flag rather than foreign flag vessel operations, and to increase the employment of American rather than foreign mariners. As our new President has stated, "We will follow two simple rules: buy American and hire American." As he further stated, "The time for empty talk is over. Now arrives the hour of action." We strongly urge that our government apply the President's new America First policy to our maritime industry so that we can increase the number of U.S.-flag ships, increase the number of American mariner jobs, and increase the amount of cargo carried by the U.S.-flag fleet.

There should be no question in any quarter but that the U.S.-flag merchant marine contributes immeasurably to the economic, military and homeland security of the United States. There should also be no question but that unless the current downward trend in the number of vessels operating under the U.S.-flag is halted and reversed, our industry will no longer be able to provide the sealift capability and American mariners needed by the Department of Defense to protect America's interests and American troops around the world. Without immediate and positive action, we as a nation will be turning over the security of the United States and the safety and supply of American troops deployed overseas to foreign flag vessel operations and their foreign crews.

As General Paul Selva, Commander, United States Transportation Command, told the Senate Committee on Armed Services in March 2015, "The reduction in government impelled cargoes due to the drawdown in Afghanistan and reductions in food aid ... are driving vessel owners to reflag to non U.S.-flag out of economic necessity ... With the recent vessel reductions, the mariner base is at the point where future reductions in U.S.-flag capacity puts our ability to fully activate, deploy and sustain forces at increased risk."

Consequently, we strongly encourage the Maritime Administration to immediately expand its focus beyond the consideration of Section 33 of the Merchant Marine Act of 1920 and to take the following steps that are critically important to the survival and growth of

the U.S.-flag merchant marine. For example:

- The Maritime Administration should actively support within the Department of Transportation and submit to the House and Senate Committees on Appropriations an anomaly request to ensure that the Maritime Security Program receives its full authorized \$299.997 million in Fiscal Year 2017. Without an anomaly, it is more than likely that MSP will be funded at the FY' 16 level of \$21 0 million;

- The Maritime Administration should actively work within the Department of Transportation and the Administration to ensure that the Administration's Budget for Fiscal Year 2018 includes funding for the Maritime Security Program at its authorized level of \$300 million;

- The Maritime Administration should work within the Department of Transportation to encourage the President to issue an Executive Order that calls upon all Federal agencies and departments to fully comply with existing U.S.-flag cargo preference shipping requirements. As the Maritime Administration is well aware, too often in the past Federal shipper agencies and departments have failed to comply with U.S.-flag shipping requirements, denying American vessels their rightful share of these cargoes, denying American maritime workers important job opportunities aboard these vessels, and instead spending American taxpayer dollars exclusively on foreign flag shipping services;

- The Maritime Administration should immediately begin to more fully exercise its authority to determine which Federal programs are in fact subject to the U.S.-flag cargo preference shipping requirements and to closely monitor such programs to ensure full compliance as required by law. Any question as to the applicability of the U.S.-flag shipping requirements moving under a Federal program or financed in any way with Federal funds should be decided by the Maritime Administration. The cargo preference laws are broadly written and should be broadly applied to Federally financed programs;

- The Maritime Administration should work within the Department of Transportation and the Administration to encourage Congress to give the Administration whatever additional authority it needs to negotiate meaningful bilateral cargo sharing agreements with America's trading partners in order to provide U.S.-flag vessels with a greater share of America's foreign trade. The negotiation of bilateral cargo sharing agreements is an important way for our government to address and respond to the myriad of economic, tax and subsidy programs made available to foreign flag vessels and which impede the ability of U.S.-flag vessels to compete. These foreign maritime support programs, coupled with the proliferation of state owned and controlled fleets, has resulted in a decline in the number of U.S.-flag vessels and a dangerously low percentage of U.S. trade carried on U.S.-flag ships. This, in turn, imperils the economic independence and security of the United States;

- The Maritime Administration should undertake an immediate and thorough review to determine the steps that must be taken to encourage the employment of Americans on vessels transporting oil, liquefied natural gas, and other strategic commodities and energy resources to and from the United States, and to result in the operation of such vessels under the United States flag;

- The Maritime Administration should vigorously promote the use of domestic waterborne transportation and, more specifically, the development of a marine highway system, as components of a national transportation policy. It is especially important as the Administration proceeds with its plans to rebuild the nation's infrastructure to recognize that our coastal waterways are readily available to assume a greater role in the more efficient and economical movement of cargo within the United States.

- The Maritime Administration should support changing the harbor maintenance tax (HMT) so it no longer discourages U.S.-flag vessel operations. Today, cargo entering the United States is subject to the HMT. If that same cargo is then transported by rail or truck to another domestic destination, it is not taxed again under the HMT upon its arrival. If, however, that same cargo is transported by a U.S.-flag vessel, it is taxed again upon its arrival at its second and subsequent ports under the HMT. This discriminatory double taxation of waterborne cargo creates a significant economic disincentive for shippers to use vessels to move their cargo from one U.S. destination

to another. We ask the Maritime Administration to work within the Department of Transportation and the Administration to encourage Congress to end the double taxation of domestic waterborne cargo under the Harbor Maintenance Tax.

We understand and appreciate that the Maritime Administration does not have the unilateral authority to put in place many of these policy positions. However, we further believe that clear and forceful leadership by the Maritime Administration within the Department of Transportation and the Administration will be necessary to begin to achieve the maritime policy initiatives that will help revitalize the U.S.-flag merchant marine and generate significant new employment opportunities for American maritime workers.

We stand ready to discuss this issue and to work with Maritime Administration leadership, Secretary Chao and the Administration to make the U.S.-flag merchant marine great again.

In solidarity,

H. Marshall Ainley, Marine Engineers Beneficial Association (MEBA); Paul Doell, American Maritime Officers (AMO); Gunnar Lundeberg, Sailors' Union of the Pacific (SUP); Don Marcus, Master, Mates, & Pilots (MM&P); Anthony Poplawski, Marine Firemen's Union; Michael Sacco, Seafarers' International Union (SIU)

PATRIOT CONTRACT SERVICES

On January 19, the Union was informed by Patriot that the company had submitted its best and final offers to the Military Sealift Command (MSC) to operate and maintain 11 Large, Medium-Speed, Roll-On/Roll-Off (LMSR) vessels.

The solicitation includes two groups or "lots" of ships:

Lot 1. – The Bob Hope-Class vessels: *USNS Benavidez*, *USNS Bob Hope*, *USNS Brittin*, *USNS Fisher*, *USNS Mendonca*, *USNS Pililaau* and *USNS Seay*. Two of these vessels will operate worldwide in Full Operating Status. The others will operate in Reduced Operating Status in U.S. ports.

Lot 2. – The LMSR vessels Patriot currently operates for MSC in Reduced Operating Status: *USNS Gilliland*, *USNS Gordon*, *USNS Shughart* and *USNS Yano*.

It is currently not known when MSC will announce the award for the vessels.

MOKU PAHU

With the end of 180 years of sugar production in Hawai'i last December, Hawaiian Commercial & Sugar Company, a subsidiary of Alexander & Baldwin, put the *ITB Moku Pahu* up for sale as she is no longer needed for the Hawai'i to California sugar trade.

On January 24, the Union was notified by Schuyler Line Navigation Company that it was buying the vessel and retaining SUP-contracted Patriot Contract Services as ship manager and operator. Patriot also operates the tanker *SLNC PAX* for Schuyler.

The *Moku Pahu* sailed earlier this month from Portland, Oregon with P.L. 480 (Food for Peace) cargo (grain) for Yemen. Whether the ship can continue to operate carrying this type of cargo is not known at this time by the company. In a statement sent to the Union, Schuyler said that, "During the trip we will be evaluating the cost of the required drydock and operating costs to see if we can keep the vessel trading now that the sugar business has come to an end. We would also use the time to negotiate more permanent labor agreements."

As a follow-up to this communication, MFOW President Anthony Poplawski and your secretary met with Schuyler Chief Financial Officer Peter Fortier and American Ship Management/ Patriot Contract Services Principal and General Counsel Tim Gill. Fortier reiterated that Schuyler through ASM wants to negotiate new labor agreements, since the current Agreement was inherited from Matson. Fortier also stated that *Moku Pahu* would probably be homeported in the Gulf to take advantage of available Jones Act and P.L. 480 cargoes.

ACTION TAKEN

M/S to ratify the 2017-2020 Chevron contract. Carried unanimously.

M/S to concur in the balance of the President's report. Carried unanimously.

Gunnar Lundeberg

SUP Branch Reports

Seattle

January 17, 2017

Shipping for the period: 1 Boatswain job to a Navy bottom shipped and filled with a B seniority member; 4 Able Seaman jobs dispatched to 2 B-cards and 1 C-card, and 1 D-card; 1 GVA to a D registrant; and 14 standbys to 5 A-card and 4 B cards, 2 C's, 1 D registrant and 1 MFOW member.

Registration: 6 A cards for a total of 16; 7 B cards for a total of 26; and 5 C cards for a total of 15.

Ships Checked

Matson vessels *MV Manoa* and *SS Mahimahi* called twice in Seattle with little or no problems. The *SS Lurline* called a standby gang to ready the ship for transit to Texas breaking yard. The *APL Philippine*; and the Patriot Contracting vessels: *USNS Soderman*; *USNS Watson*; *USNS Yano*; *USNS Gilliland* and the *USNS Pomoroy* all called for crew replacements.

I represented the SUP at the following meetings: the King County Labor Council Executive Board meeting; the King County Labor Council Port Coalition meeting and the King County Economic Forecast meeting.

The SUP attended a labor meeting with newly elected Washington State's U.S. 7th Congressional District Congresswoman Pramila Jayapal. Congresswoman Jayapal has a strong labor background and served in the Washington State legislature. She fully recognizes the economic impacts that the maritime industry brings to our region and she will be a strong voice in support of the Jones Act in the other Washington.

Vince O'Halloran
Branch Agent

ATTEND YOUR MONTHLY SUP UNION MEETINGS!

Dispatcher's Report

Headquarters—Jan. 2017

Deck	
Bosun	5
Carpenter	0
MM	4
AB	22
OS	12
Standby	21
Total Deck Jobs Shipped	64
Total Deck B, C, D Shipped	43
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts.	65
Total B, C, D Shipped-All Depts.	43
Total Registered "A"	21
Total Registered "B"	39
Total Registered "C"	18
Total Registered "D"	34

Wilmington

January 17, 2017

Shipping for the period: Bosuns 6, ABs 18, AB Maints: 6, STOS 1 and 60 standbys for a total of 91 jobs shipped.

Registrations: A:19, B:30, C:10, D:16

Ships Checked

Manukai, *Manulani*, *Maunawili*, *APL Korea*, *APL Singapore*

Shipping has been good here in L.A. with APL, Matson and Patriot.

USNS Gilliland and *USNS Yano* were fully crewed and several Patriot ships called for new crew members. Matson ships returning from Far East are slow to get cleared by Customs and Immigration, causing crew members to be restricted to ship.

All members need to check their documents to make sure they are current.

I have been out of the hall due to the flu, thanks to Mark Hurley for stepping up when needed.

Leighton Gandy
Branch Agent

Honolulu

January 17, 2017

Shipped the following jobs in the month of January: 1 Bosun, 1 Bosun return, 3 AB Day steady, 2 AB Day return, 1 AB Watch steady, and 1 OS Watch. The shipping jobs were filled by 7 A cards, 1 B card, and 1 C card. Shipped 18 standby jobs. The standby jobs were filled by 4 A cards, 6 B cards, and 8 C cards.

Registered in January: 11 A cards, 4 B cards and 4 C cards. To date totaled registered: 12 A cards, 16 B cards and 10 C cards.

Ships Checked

I visited the *R.J. Pfeiffer*, *Manukai*, *Maunawili*, *Manulani*, *Maunalei*, *Manoa*, *Mokihana*, *Kauai*, *Maui*, *Mahimahi*, *Matsonia*, and the Paint and Rigging gang. All are running with few or minor beefs.

I represented the SUP at the AFL-CIO Executive Board meeting, the Hawai'i Maritime Port Council meeting, and a meet and greet breakfast with all the newly elected state senators and congressmen.

Mahalo,
Michael Dirksen, Branch Agent

Vice President's Report

February 2017

In addition to the routine duties of the front office, I met with senior officers employed by Patriot on various issues, participated in the Chevron negotiations, and checked the following ships:

APL Coral: Hussein Ali, delegate. Clarification on port prep, two-person watch change, washdown among other things. Restriction to ship in Singapore of a Yemeni-born sailor without sufficient explanatory documentation (possibly related to President Trump's executive order) resulted in large overtime claim under Section 18 of the General Rules. Ship changed run to 35 day "China Subcontinent Express" or CIX and calling three ports in China and two on the west coast of India with Singapore and Port Kelang in between.

APL Saipan: Dave Kaupiko delegate. Investigated complaints about laundry room. OT penalty for sanitary work in common space no good.

USNS Yano: Alex Glosenger, delegate. Activated for a sea trial. When a chartered ro/ro became disabled after an engine room fire, this ship was assigned to pick up the slack. All halls combined to ship another crew with all MSC qualifications. Clarification on watchstanding. Sailed for Corpus Christi before being replaced by another LMSR.

USNS Gilliland: Jonathan Beeman, delegate. Activation for mission required fully qualified crew at a moment's notice. Coming at the same time as the *Yano* activation tested the resiliency of our trained workforce and hiring hall system. All agents worked long hours to demonstrate our readiness to respond to the call of the U.S. government.

USNS Sisler: Devionnce Griffin, delegate. Crew demonstrated proficiency and readiness during a busy three day offloading of all rolling stock at the base dock and a week later reloaded it all back on. Picture of the delegate slushing crane topping lift on page 6.

USNS Gordon: Pim Orosz, delegate. Clarification on work schedules and overtime.

Kauai: Saher Ali, delegate. Email from the delegate indicates this ship is running smooth on the romance run. Val Goncharov put in his time and got off in Oakland.

Florida Voyager: Termination of new messman investigated.

California Voyager: Jonah Cross, delegate. In at El Segundo and Richmond from the Gulf Coast. SUP Business Agent Roy Tufono made the ship on a Sunday before sailing back to the Gulf briefing crew on negotiations outcome (see President's Report). Management also followed up with improvements on two issues specific to Richmond refinery that were raised during bargaining. First, the Gate 31 parking lot will have designated mariner parking spots in close proximity to the guard shack to deter theft or vandalism. Second, although everyone is subject to bag search, refinery security agreed that U.S. mariners sailing between U.S. ports present less of a risk and accordingly screening frequency will be reduced.

San Francisco Bar Pilots: Mike Koller, delegate. Seniority is established by hire date. Seniority and qualifications being equal, seniority should be the deciding factor for open positions as per Section 13 of the Agreement.

Dave Connolly

A look astern... 50 years ago

Secretary-Treasurer Morris Weisberger reported on February 20, 1967, that the Matson freighters *Hawaiian Craftsman* and *Hawaiian Planter* are in Japan being converted to container ships. They are due to enter TransPacific service by the end of the year.

...Third Patrolman Bill Berger left for Honolulu on February 19, to relieve Branch Agent Ragnvald Johansen, who resigned due to illness.

Business Agent's Report

February 14, 2017

Maui- In at Oakland #62. Bosun Robin Colonas is back from her trip-off. The schedule has this ship skipping Oakland and going straight to Seattle for a nine-day lay-up, then flying the gang home. Sailed with no beefs Dave Frizzi, delegate.

Kauai- Due in this week. Relief Bosun Quentin Brown time's up; Robert Reed to return. Ship's been on a steady northwest run. Mike O'Boyle on a trip off. Shari Ali relieves as delegate.

Manoa- Oakland #62. Due in the shipyard this trip in China. Marc Calario as Bosun.

Mahimahi- Oakland #62. Hit weather on way down from Seattle. Ship diverted course to avoid the worst of it which causee a delayed on arrival in Oakland. Came a day late and sailed that same evening, in and out like a tanker. Mike Soper delegate, Has Idris, Bosun.

APL Philippines- SSA Oakland #58. Issues with Appendix C minimum storing list: ran out of apples, oranges, and bananas. Just NOT living up to the West Coast standard menu. Gary McDevitt as delegate. Bob Burns Bosun.

APL Belgium- In at Oakland #58. First trip back from the shipyard in China. Looking into lodging and substance claims during the shipyard period. Bosun is the only member of the deck department affected, along with four members in the MFOW. Nick Hoogendam as Bosun, James Salera as delegate.

APL Thailand, APL Singapore, APL Korea- Checked these ships, all with little or no beefs.

Cape Orlando- Same ship different day on here. Bosun Noel Isumaru

Cape Henry- Running smoothly with Bosun Gabriel Moreno Sr.

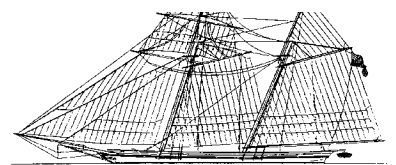
Admiral Callaghan- Steady routine with Phil Coutler as Bosun.

Cape Horn- Rumors has this ship scheduled for an activation in March. Joel Schor time's up as Bosun, relieved by Paul Fuentes.

Cape Hudson- Loading bunkers conducting crane operation with Mike Worth as Bosun.

Worked in the front office and dispatched.

Roy Tufono



SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2017:

	Hdqs.	Branch
March	13	20
April	10	17
May	8	15
June	Tues. 13	19
July	10	17
August	14	21
September	11	18
October	Tues. 10	16
November	Tues. 14	20
December	11	18