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TALKS CONTINUE WITH LIBERTY MARITIME

The Union continued negotiations with Liberty Maritime earlier this week and have scheduled several tentative dates for additional talks. The Monday, June 17 bargaining session to discuss a new agreement for four Pure Car/Truck Carriers (PC/TCs took place at M.E.B.A. Headquarters. Atlantic Coast V.P. Jason Callahan leads negotiations for the Union and was joined on Monday by M.E.B.A. President Marshall Ainley, Secretary-Treasurer Bill Van Loo, Contracts Rep. Mark Gallagher and M.E.B.A. in-house counsel Nils Djusberg.

Our agreement with the company covers the LIBERTY PRIDE, LIBERTY PROMISE, LIBERTY PASSION and LIBERTY PEACE.

The parties tentatively agreed to subsequent meetings on July 9 in Washington D.C. and August 6 back in NYC.

Rank and file input for negotiations is welcomed, and experienced members are urged to participate in the talks. If you are interested, please contact M.E.B.A. Atlantic Coast V.P. Jason Callahan at jcallahan@mebaunion.org.

MATSON'S NEW SHIP UNVEILED AT CHRISTENING AND LAUNCH

Matson Chairman and CEO Matt Cox showed off the company's newest containership at a ceremony last weekend in San Diego's NASSCO Shipyard. The combination container/roll-on, roll-off (CON-RO) vessel LURLINE was christened and subsequently launched. After the ceremony, the ship was docked at NASSCO's testing and trials berth, where the final stages of construction will be completed. M.E.B.A.'s Mike Snow is the Chief Engineer on the new vessel.

The ship is the sixth in the company's history named "Lurline" since 1887. Matson expects to take delivery then put the LURLINE into service in October. The vessel is the first of two new NASSCO ships being built for Matson. The MATSONIA is currently under construction at the yard. Matson recently took delivery of two Philly Shipyard-built vessels that are currently in service – the DANIEL K. INOUYE and KAIMANA HILA.

At 870 feet long, 114 feet wide (beam), with a deep draft of 38 feet and weighing in at over 50,000 metric tons, LURLINE will be Matson's largest ship and the largest Con-Ro vessel ever constructed

in the U.S. It will also be one of Matson's fastest vessels, with a top speed of 23 knots, helping ensure on-time deliveries in Hawaii from Matson's three West Coast terminals in Seattle, Oakland and Long Beach.

Both new NASSCO Kanaloa-class vessels will have an enclosed garage with room for approximately 500 vehicles plus ample space for rolling stock and breakbulk cargo. They will also feature state-of-the-art green technology, including a fuel efficient hull design, environmentally safe double hull fuel tanks, fresh water ballast systems and the first Tier 3 dual fuel engines to be deployed in containerships serving West Coast ports.

ALASKA BUDGET & AMHS UPDATE

The State of Alaska faces an uncertain budget situation and smooth operation of the Alaska Marine Highway System is being threatened. Governor Mike Dunleavy previously proposed a \$98 million ferry system cut to help the State dig out of its budget mess. If that proposal was supported, the AMHS would likely operate only during the summer months. To ease the impact on the ferry system, the Legislature's proposed budget eased the cut to around \$38 million, which would still result in reduced ferry service. But Governor Mike Dunleavy indicated that he may veto the budget passed by the Legislature. He could also choose to veto parts of the budget, such as the Legislature's funding level for the AMHS.

The 2020 Fiscal Year begins on July 1 but the State has already stopped scheduling AMHS ferry services past October 1, after the conclusion of the busier summer season. The AMHS ferry fleet serves as a crucial connector for Alaskan communities spread out over 3,100 miles. The AMHS was built with federal dollars and is part of the National Highway System.

Other jobs are at stake as well, and a veto would result in a shutdown that would cut some state services and affect workers. If a budget isn't approved by the end of July, hundreds of jobs could be sacrificed. That's because Alaska receives hundreds of millions in federal funds for transportation improvements, but a budget is needed in order to receive that money. The AFL-CIO noted that 1,000 jobs are lost for every \$100 million that is cut from Alaska's operating budget.

CALIFORNIA BENEFITS BIG TIME FROM JONES ACT

The economic benefits of the Jones Act enjoyed by the State of California were highlighted this week by the American Maritime Partnership (AMP) as part of a recent study. The study, conducted by PricewaterhouseCoopers (PwC) on behalf of the Transportation Institute, found that the Jones Act has enabled more than 650,000 current jobs for Americans nation-wide contributing \$154 billion to annual economic growth. California was listed as the fourth largest domestic maritime state in the U.S. behind Louisiana, Florida and Texas.

The Transportation Institute is a research education association that helps promote our industry. The American Maritime Partnership is a coalition representing the domestic maritime industry that counts the M.E.B.A. and AMC as members along with a host of maritime companies and interests.

In California, the industry employs more than 51,450 individuals, produces \$12.21 billion for the local economy and generates \$3.6 billion in worker income. California is also an important shipyard state. A recent study of shipbuilding by the U.S. Maritime Administration, covering both commercial and military ship construction, found a \$3.67 billion annual economic impact in California with 34,810 associated jobs and more than \$2.38 billion in worker income.

FOC-SHIP ENGINEERS INDICTED FOR OIL RECORD BOOK DISTORTIONS

A Greek cargo ship operator and two Chief Engineers of one of its flag-of-convenience ships have been indicted by a federal grand jury. They are alleged to have overseen illegal dumping of oily waste before obstructing justice by ordering the crew to lie about it. Piraeus, Greece-based Capital Ship Management Corporation was charged along with Romanian nationals Ioan Luca and Ionel Surla. The 54-year old Luca and 60-year old Surla served as Chief Engineers on the M/V CMA CGM AMAZON, a Liberian-flagged container ship.

The indictment alleges that Luca and Surla ordered crew members to use a portable pump and flexible hoses in the ship's engine room to transfer oil-contaminated bilge water to a tank designed to hold clean water, then dispose of the water directly overboard into international waters, avoiding use of the oily water separator. The indictment says that Luca and Surla then failed to record the discharges in the ship's oil record book. Capital Ship Management and Luca also have been charged with obstruction of justice and witness tampering for allegedly instructing crew members to lie to the Coast Guard about events that occurred on the ship while at sea.

If convicted of all charges, Luca faces a statutory maximum sentence of 61 years in federal prison while Surla faces a statutory maximum sentence of 11 years in federal prison. In a related case, Marian Gavriluta-Strat, 37, a Romanian national and the AMAZON's second engineer, agreed to plead guilty to charges of failing to maintain an accurate oil record book. He faces a statutory maximum sentence of six years in federal prison.

U.S. V.P. TOURS COMFORT BEFORE DEPLOYMENT

Vice President Mike Pence and his wife, Karen Pence, toured the Military Sealift Command hospital ship USNS COMFORT at the Port of Miami last week before the vessel's five-month deployment to Latin America and the Caribbean. The ship's crew will help address the humanitarian crisis in Venezuela and work to strengthen partnerships in the region.

Pence expressed his "great appreciation" to the men and women serving aboard the hospital ship to continue America's effort to bring desperately needed medical care to those in need, especially the men, women and children who are suffering in Venezuela under dictator Nicolas Maduro. After six years of oppression under Maduro and his regime, what was one of the wealthiest countries in the Western Hemisphere is now a country where nine out of 10 people live in poverty, Pence said.

The Vice President described a country where thousands of children are starving and many are dying from lack of basic medical care. Crime, violence and lawlessness have spread like a virus, the Vice President said, adding that vicious gangs have turned streets into war zones, and he noted that Venezuela now has the world's highest murder rate.

TUESDAY IS INTERNATIONAL "DAY OF THE SEAFARER"

The United Nations International Maritime Organization (IMO) is encouraging people to voice their support for seafarers through social media as the world marks the International Day of the Seafarer on Tuesday, June 25 in honor of mariner contributions to global commerce.

The UN agency called on the public to use social networks such as Facebook and Twitter, post videos on YouTube, discuss seafarer issues on LinkedIn, or even write blogs about life at sea. The social media campaign forms the centerpiece of efforts to mark the Day and pay tribute to the world's 1.5

million seafarers – men and women from all over the globe – for their unique, and often overlooked, contribution to humanity. Find out more at <u>www.imo.org</u>

The campaign, which emphasizes the fact that shipping is the engine of global commerce, responsible for the carriage of more than 90 percent of world trade, and that seafarers ensure the engine runs smoothly, delivering the essential commodities on which our lives depend, has already garnered support from industry partners and seafarers' groups.

VACATION REMINDER: CHECK YOUR RETURN TO WORK DATE

Members on vacation should make certain of their return-to-work date to ensure there is no conflict with your vacation when taking a job at a hall. Members should know that taking work while on vacation or receiving a paid vacation benefit – without express permission/waiver from a Branch Agent/V.P. – violates both the M.E.B.A. Shipping Rules and Vacation Plan regulations and will trigger penalties including possible loss of vacation time. Refer to Shipping Rule #5(b) and the M.E.B.A. Vacation Plan Summary Plan Description (Pages 7-10) for reference.

DUES/SERVICE CHARGES DURING JOB CALL

As a reminder, only Members and Applicants in good standing (Dues/Service Charges paid to the end of the current quarter) may participate in Job Call. Members/Applicants who are in arrears when Job Call begins cannot throw in for a job, even if they intend to make good on Dues or Service Charges following Job Call. NO ONE is permitted to pay their Dues/Service Charges DURING an ongoing Job Call.

REGULAR MONTHLY MEMBERSHIP MEETINGS

Monday, July 8 – **Boston**@1200; **Seattle (Fife)**@1300; Tuesday, July 9 – **CMES**@1430; **Charleston**@1400; **Houston**@1315; **Oakland**@1230; Wednesday, July 10 – **Jacksonville**@1300; **New Orleans**@1315; Thursday, July 11 – **L.A. (San Pedro)**@1230; **NY/NJ**@1300; **Norfolk**@1300; **Tampa**@1300; Friday, July 12 – **Honolulu**@1100.

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



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