

PRESIDENT'S REPORT – MAY 2020

May meetings cancellation

A new shelter-in-place order for the six Bay Area counties was reissued on May 4th and remains in force through the end of May. Separately, the California statewide restriction was also reissued and contains some relaxations for construction and outdoor activities, but congregations or meetings of any are prohibited unless strict social distancing measures are in place. Similar orders remain in Seattle, Honolulu, and Los Angeles.

In accordance with the new and previous guidance from the SUP Emergency Committee, to both maintain readiness by preserving the health and safety of members and agents as well as to comply with local laws, I reluctantly cancelled the May membership meeting cycle. All halls posted notice. The regular activities of the Union, including this report, are chronicled in the *West Coast Sailors* which is available in print at the Halls, by mail, on the SUP website at www.sailors.org. All reports of the April and May meetings will be presented for review at the next regular meetings expected in June. (See Attachment 1).

Emergency Union Operations

As the membership will recall from previous reports, the priorities of the Union during the COVID-19 crisis can be broadly expressed in simple terms:

- Protect the health and safety of members, agents, and staff
- Maintain our work, our hiring halls, and our rotary system of shipping.
- Ensure compliance with our Agreements.

These are not theoretical considerations. Every day the crisis puts basic SUP operations to the practical test. Our halls remain open and our Shipping Rules in effect. To maintain the effectiveness of our hiring halls we have however had to balance safety and access, exposure risk and member services, emergency provisions and long-standing tradition. SUP Emergency Committees provided for under the SUP Constitution have met several times to assess and mitigate risk. They agreed that reducing congregational activities to the most necessary functions of the Halls, specifically job call and dispatch, would limit risk. That means that physical socializing, multi-person meetings, ship visits, and in person consultations have been temporarily curtailed. Branch agents are authorized to take appropriate steps for safety and have maintained steady virtual contact by phone and email with the ship crews and members ashore. Union and benefit plan staff are on a reduced schedule but getting the work done. Aside from most dispatching, the normal services of the Union are available to members on remote service basis. This includes grievance handling; registration; welfare, pension, supplemental benefits, and medical services processing; credential and training consultation and guidance; upgrade

applications, and many other things. Finally, all SUP-contracted companies are on notice against using the pandemic as a pretext for unilateral changes in our Agreements.

National Emergency Representation

Over the past month, in many teleconference meetings, the SUP joined with the rest of maritime labor to deliver a unified message to government and employers on a wide range of COVID-19 issues meant to improve shipboard and workplace conditions. Many of the calls were hosted by the Maritime Administration with participants from all sectors of the industry including MSP and non-MSP carriers, Jones Act domestic carriers, maritime labor, and many others. Also on the calls were various government agencies such as the Coast Guard, the Military Sealift Command, TRANSCOM and J-4 Logistics, the Department of State, Army Corps of Engineers, and many others. Our advocacy work in that area included some of the following:

- Availability of Testing kits: dedication of resources for acquisition and use.
- Availability of PPE: calls for masks, gloves, non-touch temperature gauges, sanitizers and cleaning supplies, and other equipment.
- Access control standards: reduction of exposure risk by longshore, pilot, standby, storing, vendor, and other non-crew access control to the interior spaces.
- Crew change standards: both regular and emergency protocols, stateside and overseas, that protect the sick, and the remaining and joining crew.
- Repatriation assistance: travel clearance and flight availability for commercial shuttle ships and military contract mariner crews stuck in worldwide lockdown.
- Rotational relief procedures: improvements to reduce fatigue and stress
- Easing of restrictions-to-ship: eliminate the gangway up order wherever it is safe to do so, allow freedom of movement at least as permissive as local orders for the general public. Improve internet bandwidth capabilities.
- Credential and documentation assistance: relief in terms of expiration waivers, expedited processing of passport applications, safe travel documents for lockdown jurisdiction, etc.

These were not surface demands that got buried in bureaucratic procedure. Our goal was never to merely inform, but to directly change policy in favor of members and the Union on a national level. In call after call, we raised our issues with people who held decision-making authority on outcomes. Because of that pressure at the highest levels, and the nature of the emergency itself, government policy makers produced results. The USCG agreed with us on essential worker status, on extension of expirations on MMC credentials and STCW endorsements, among other things; the Department of State agreed with us to provide expedited passports; TSA agreed with us to extend the expiration of TWIC's; and the MSC agreed with us that rotational reliefs had to happen despite the Department of Defense "stop movement order" requiring stasis of all foreign-deployed military units. Agreement was hard-fought and detailed, but recent implementations prove it was not lip service. Some goals have been met; others are still pending.

Consistent with the high priority goal of maintaining our work, is the urgent legislative effort to defend the MSP fleet against risk of cutbacks and layoffs. Defense and commercial

cargoes across every fleet sector have dropped anywhere from 30 to 85 percent. Carriers have been warning for about six weeks that even U.S.-flag ships will begin laying up soon. Accordingly, a unified front of labor and management developed an emergency funding proposal to put into the next stimulus bill. This took the form of an increase on the MSP stipend and was laid out in a USA Maritime Coalition letter to Congress, supported by a letter from the AFL-CIO's Transportation Trades Department, (as well as unified push for co-signers).

Specifically, we pressed for an additional \$109.8 million for the period of April 1, 2020 to the end of the current fiscal year which would allow for an emergency stipend of \$1.83 million per ship. The request included an additional 109 million for the period of October 1, 2020 to March 31, 2021, for an emergency stipend of \$1.82 million per ship. Most importantly, we attached to this emergency funding request the demand that the funds be granted conditionally on the MSP carriers' agreement to maintain 100% employment of their crews whether the ship is in service or temporary lay-up. (See Attachments 2 and 3 and page 1 of the West Coast Sailors for more.)

Transportation Trades Department, AFL-CIO

As part of the legislative work, labor held detailed conversations with key members of Congress. On May 1, 2020, along with members of the TTD Executive Board and President Larry Willis, I joined a call with Senator Sherrod Brown (D-OH) to help advise of transportation labor's broad goals for the next coronavirus bill. We noted and he recognized that the front-line workers of maritime transportation are still not getting enough PPE as well as protocols that are urgently needed. The Senator said this is the latest version of the Administration leadership's unwillingness to regulate worker health and safety. Sen. Brown called us one the most important group of workers on the planet and yet noted that we are not treated as essential. No worker should have to deal with COVID-19 as occupational hazard. He pointed out that Secretary of Labor Eugene Scalia has opposed labor's push for a temporary OSHA standard. Along with Don Marcus, President of the MMP, we also registered our concern for the emergency funding necessary to support for the Maritime Security Program that is crucial to SUP members and enlisted his support.

On May 6, I attended another teleconference with TTD board members and David Price (D-NC) Chairman of the powerful House Transportation Housing and Urban Development Appropriations subcommittee on the transportation specific funding provisions in the next COVID-19 response bill. Cong. Price supported transportation workers in the last relief bill known which included 25 billion in transportation funding. He agreed with us that safety considerations are key; keeping workers safe and employed with the benefits and pay that is appropriate is paramount. In the next bill, CARES Act 2.0, he promised more worker protections. At the same time, Price noted work proceeds on the regular FY 21 TEA transportation appropriations bill.

Chairman Price is in excellent position to directly influence agenda items for TTD unions, including the SUP. He noted however that the process depends on the success of reopening the economy and keeping together some kind of bi-partisanship approach to that effort. In this area, Senate Majority Leader Mitch McConnell (R-KY) has backed away from an

earlier statement that advocating state bankruptcies, but there is still some resistance to continued relief funding. Price predicted a tough road ahead.

APL Marine Services

On April 14 the Union was notified by APL that its French parent company CMA-CGM was offering a one-time bonus of \$500.00 payable to crew members who have experienced at least a thirty day delay in being relieved due to the COVID-19 virus. Only the *APL Gulf Express* is presently eligible under the program. The bonus is compensation that falls outside the terms and conditions of the Agreement, and as a result management requested Union acknowledgement as singular non-precedent setting event. Accordingly, on behalf of the membership I agreed subject to membership approval.

On repatriation, as part of maritime labor's ongoing effort to bring attention to the serious relief crisis in *APL Gulf Express*, where all travel has been restricted for more than two months, the Union took more action. Previously, the matter had be raised with both management and government on several occasions. On May 4 the Union received a copy of a letter on May 4 sent by APL and Maersk Lines to MARAD and the Department of Homeland Security asking for their assistance with the Department of State to facilitate crew changes with the local governments in the Persian Gulf and other locations. The letter asked for diplomatic intervention for certain vessels to be able to arrange and facilitate timely crew changes in the ports of Jebel Ali, Mersin and Algeciras. A few days later, on conference call facilitated by MARAD and with other maritime labor representatives on the line, I helped describe the problem and offer possible solutions to Janelle Guest, an advisor in the U.S. Department of State's Regional, Global, and Functional Affairs Office. Those proposals included specially arranged charter flights, access to military base, special diplomatic clearances, among other things. She promised assistance and attention to the matter. [See Attachment 4].

On April 28, the Union received clarification from APL management about its interpretation of California shelter-in-place orders and how that affects shore leave. The first California order went into effect on March 18, 2020 and remains in effect. It requires crew to remain on board except for essential needs, such as groceries and medicine, any required health care, and exercise such as walking, running, or biking provided that social distancing of at least six feet is maintained and a mask or face covering is worn. Also approved in those orders is the necessary travel or commute to and from a job essential to maintain the continuity of operations in critical sectors of the economy, such as maritime transportation. APL management's statement "strongly recommends" that crew remains onboard as much as possible but notes that crewmembers are not be restricted to the ship by the Company; rather, local restrictions in movement are in place and all crewmembers shall follow the local orders.

Matson Navigation Company

During the past month Matson management contacted the Union about a COVID-19 related problem in its ships in the China (CLX) trade. Soon after a Maersk ship became the first known containership with COVID-19 positive crew, it was detained and quarantined in Ningbo,

China. Seeking to avoid similar action, Matson management requested SUP consideration of options that included conducting Honolulu crew reliefs in Long Beach, suspension of all reliefs in CLX ships, among other things.

In this context on April 20th and 21st an Emergency Committee convened to discuss the matter, this time consisting of Vice President Matt Henning, San Francisco Business Agent Roy Tufono, and the Branch Agents Mike Dirksen, Brendan Bohannon, and Leon Gandy. It was the view of the Committee that but for the Company's new imposition of a COVID-19 conditional qualification (adequate prescreening of joining crew of five days), the CLX jobs that would have been called in Honolulu and should continue to be called in Honolulu. The temporary method change would also allow for proper mitigation measures (relief, quarantine, ship sanitization, etc.) in the event of a positive case of COVID-19.

Armed with the agreement of the Committee, I proposed on a non-precedent basis that the Company to arrange and pay for the cost of travel to and from the mainland for both the relief and the relieved. The relieved crewmember will be discharged in Long Beach but receive the normal base wage and benefits through to Honolulu. The Company agreed and on April 24, 2020, Honolulu Branch Agent Mike Dirksen dispatched two qualified sailors under the agreement. Recommend membership approval of this temporary emergency method of complying with the normal rule to avoid detention and quarantine in China.

After the California shelter in place order was put in place in March, Matson management issued a directive to suspend shore leave in California ports. The MFOW and the SUP immediately objected to any order that put greater restrictions on mariners than those put on the public at large. After debate following our objection, Matson agreed and revised its policy to allow the mariners to go ashore with the same restrictions as the public. On March 25, the company notified the Union that shore leave in Honolulu and Guam was no longer allowed. Washington State had recently issued a similar stay-at home order as California, and Matson advised that crew should remain on the ship unless there was legitimate reason to go ashore. About the same time, shore leave was also denied in Okinawa, Alaska, and China.

On April 5th, however, the Company changed its policy in West Coast ports and extended restriction ship to all port in all locations, including in California and Washington. As has been expressed to management and members, the Union position remains that crew members should be allowed to go ashore in California and Washington ports under the same restrictive guidelines applied to the general public. The Union has been and will continue to collect restriction-to ship claims from members for a possible future all-encompassing (omnibus) claim.

Patriot Contract Services

In February MARAD issued an RFP to acquire vessels for service in the RRF through a government services contract and invited ship managers to apply. The RFP called for a Vessel Acquisition Manager (VAM) to procure, re-flag, re-classify, and potentially modify, maintain, and operate the vessels. The main goal is to acquire used ships to fulfill defense requirements probably as an overhaul and recapitalization of the government-owned contractor-operated Ready Reserve Fleet.

In late April, the Union was notified by Patriot management that it would bid on the work as the prime VAM contractor. A four-year contract with a two-year option is expected. Patriot was uncertain about the manning or the operating status of the ships since much will depend on the acquisition itself which is unknown at this time. The SUP and the MFOW suggested, and management agreed, that submission of current RRF rates for unlicensed ratings, would suffice for the purposes of the offer. Accordingly, assuming it reaches a formal offer status, recommend membership approval for submitting the RRF rates for the VAM bid.

As reported several times in the past, The Union was notified that the five year contract between the Pacific District and PCS covering the operation and maintenance of eight Watson-class large medium-speed, roll-on/roll-off (LMSR) vessels, which expired on September 30, 2018, had been extended until the end of March 2020. On May 28, 2019, the solicitation (N32205-19-R-3009) for the successor contract was published. It called for a one-year firm, fixed-price contract with four option years. On January 8 2020, PCS provided the Union with the update that MSC wanted a six month bridge contract (March 31, 2020 through September 30, 2020) with a six-month option (October 1, 2020 through March 31, 2021). This request gave an indication of the expected timeline for the award of the next contract. On January 31, 2020, Patriot said that MSC would hold discussions with the Watson-class bidders in the middle of February 2020, and the deadline to submit best and final offers might be shortly thereafter. In March 2020, PC requested that the Unions submit October 1, 2020, total labor cost increases to the draft memorandums of understanding, as it appeared that the final proposal revisions would not be considered until after that date. In coordination with MFOW President Anthony Poplawski, I calculated and reported the new pricing in April.

In late April, however, the Union was notified by Patriot that it was in the competitive range and discussions with MSC would be held on April 29. On May 7, Patriot requested our best and final offer. Again in coordination with the MFOW, and consistent with the two percent anniversary increase previously approved by the membership in earlier iterations of this bid, I calculated the latest wages and benefit allocations and submitted same to the Company.

Foss Maritime Company

The Union was informed on May 5th and May 8th by Foss management, in particular Port Captain Laura Rosenberg that due to the “drastic downturn in shipping activity in Northern California due to the COVID-19 crisis” the Company would reassign one of its crewed boats to call out status. That boat is the shared week-on/week-off 50/50 IBU/SUP steadily crewed boat.

Under the jurisdictional sharing provision of Section 26 of the Agreement, an equal number of crewed boats between the Unions is required. The re-designation of the 50/50 boat to call out status complies with Section 26. Foss management noted its intent to comply with the seniority and layoff provisions of Section 25 and 30 and affected members are now eligible for call out work. Capt. Rosenberg also noted that because of the equalization of work required by jurisdictional sharing, the SUP boats performing IBU work had built up a significant “overage” that would take some time to reduce before the call out jobs could revert to SUP members. Management expressed optimism however about finding enough work to maintain benefits and

encouraged affected members without work to apply for state unemployment benefits. Vice-President Matt Henning assisted affected members in understanding the contractual issues, employment options and benefit eligibility.

Holidays

Memorial Day: All SUP hiring halls will be closed on Monday, May 25 2020 in observance of Memorial Day, a holiday under all SUP contracts.

King Kamehameha Day: All SUP halls will also be closed on Thursday, June 11 in observance of King Kamehameha Day. In accordance with the SUP contract with Matson, King Kamehameha Day is a paid holiday for all Company ships in port and at sea and for members working under the Maintenance and Extra Maintenance Agreements.

Dave Connolly