



Yard Repair Puts Cutter WALNUT Buoy Crane Back In Operation

A Yard road team flew 4,854 miles over 10 hours during the third week of February to reach the Cutter WALNUT, a 225' buoy tender homeported in Honolulu, Hawaii. After experiencing several months of buoy crane failure and attempts by private sources to fix the critical equipment, WALNUT and the Surface Forces Logistics Center reached out to the Yard to provide technical service and return the Cutter to a fully mission capable condition

The Yard tasked three of its tradesmen – Kevin Center, Marine Machinery Mechanic and Foreman of the Outside Machine Shop; Matt Powers, Electrician Leader, Electric Shop, and Alan Randolph, Pipefitter Leader, Pipe Shop - to troubleshoot WALNUT's crane casualty. Using their specialized knowledge and experience repairing Coast Guard systems, the team demonstrated the Yard's unique capability of fixing Coast Guard cutters and complex Coast Guard equipment, one of the shipyard's competitive advantages.

Before the group arrived, the Yard assembled a crate with ready to go valves, hydraulic test equipment and other spare parts for delivery to Hawaii, ensuring the right equipment would be on hand when the project began. Over a two week maintenance period, the team used technical expertise, program management skills, resolve and collaboration to not only repair and test the crane, but fix major thruster discrepancies and other buoy deck gear. Specific work items on the crane and its components included correction of swing and drift issues, operational testing of the boom cylinder and gauges, main and auxiliary winch speed corrections, chain stopper adjustments, etc. In addition, they provided the WALNUT crew with extensive training for future repairs and maintenance of the crane's hydraulic and electronic systems, instilling confidence in operating and maintaining the crane.

The Yard team accomplished their mission the first week of March and returned home, setting a high standard for customer service within the Coast Guard mission support community.

The Coast Guard Cutter WALNUT (WLB-205) (right) is a 225-foot sea going buoy tender homeported at Sand Island Coast Guard Base in Honolulu Hawaii. The Cutter's primary Area of Responsibility covers approximately 60,000 square miles and includes the Hawaiian Islands, American Samoa, and the Central Economic Zones.

In the photo above right, the Yard road team works with the WALNUT crew to conduct actual crane weight testing using a water weight bag. (Photo courtesy of Kevin Center, X20)

In the photo bottom right, WALNUT gets underway executing buoy operations with its newly repaired buoy crane. (Photo courtesy of CGC WALNUT)



The Commanding Officer's Column by Captain Matthew W. Lake



Greetings, friends and family of the Coast Guard Yard! I'm very proud of the Yard's hallmark accomplishments over the past two months, and want to highlight a few examples:

In April, the Yard reduced its composite labor rate by \$3.13/hour, yielding savings of \$4.16 million back to our customers. This is the first time in 11 ½ years we cut our prices; the last reduction was the result of a Headquarters-directed effort to eliminate 42 "overhead" positions and restructure the Yard. The new labor rate reduction is not the result of external oversight, but rather the organic efforts of the Yard, coupled with strong support from Surface Forces Logistics Center and our customers. Notably, our labor

rate reduction was made possible due to the increase in waterfront employees to meet demand for our services (making more efficient use of our capital infrastructure), record-high labor productivity rates, and the fact that we are focused on projects that fit within our "competitive advantage."

On the waterfront, we completed CGC EAGLE Service Life Extension Project (SLEP) Phase III, enabling her to get underway for her summer training mission. We also delivered several 87-foot Recurring Depot Availability Program (RDAP) (formerly the 87' Bow-to-Stern Program) availabilities on schedule, despite a "microburst" storm that severely damaged one of our cutter enclosures. The Yard did an amazing job repairing the damaged enclosure and continued 87' RDAP work unabated, achieving an on-time delivery despite this setback.

We began work on the U.S. Naval Academy Yard Patrol (training vessel) SLEP, as well as a dockside availability on NOAA Ship FERDINAND R. HASSLER. These new projects support important partnerships with our

sister services.

From a base services standpoint, we hosted the Coast Guard's Naval Engineering Centralized Annual Training (NECAT) conference, attended by approximately 100 people, including a guest appearance by the Commandant. The Yard also hosted several visits by dignitaries, including the Chief Naval Engineer of the German Navy. The Drydock Club, MWR Department and Police Department supported these events and visits with their usual superlative professionalism and customer service.

Members of our Yard family received well earned Coast Guard-wide recognition for their achievements. Mr. Bob Hayden won the Coast Guard Chief Financial Officer Award for his work as the Yard Chief Financial Officer; Mr. Ricardo Mariano won the American Society of Naval Engineers Perry Award for his work in Electro-Group, and Ms. Rachel Conley won the Ombudsman of the Year Award. This recognition was well deserved and indicative of the tremendous contributions the Yard provides to our Service and its people.

Yard Financial Officer Receives Coast Guard Chief Financial Officer Award for Excellence

The Coast Guard recently honored Bob Hayden, Yard Financial Officer, with the 2016 Coast Guard Chief Financial Officer Award for Excellence in the category of Civilian Employees GS-13 and above. Among other achievements, Mr. Hayden's fiscal discipline and quest for efficiency assisted in reducing the Yard labor rate for the first time in 11 1/2 years. (See related article on page 4). He was a leader in implementing the Coast Guard's Internal Controls program, developing a robust model that was selected for demonstration of the test and design process walk-throughs for the entire Coast Guard. His initiatives opened up new business lines and diversified the Yard's work



Bob Hayden, Yard Financial Officer

portfolio through implementation of multiple inter-agency financial arrangements with three different Cabinet departments. As a result of his hard work and dedication, Mr. Hayden greatly improved customer service at the Yard.

Bob Hayden has served as the Financial Officer of the Yard since 2004. He is responsible for the Yard's financial operations and the fiscal health of the Yard Fund - a working capital fund with annual revenue of \$100 million. As Head of the Yard's Financial Operations Department, he leads a team of 18 financial and accounting professionals.

Mr. Hayden came to the Yard from the Transportation Security Administration

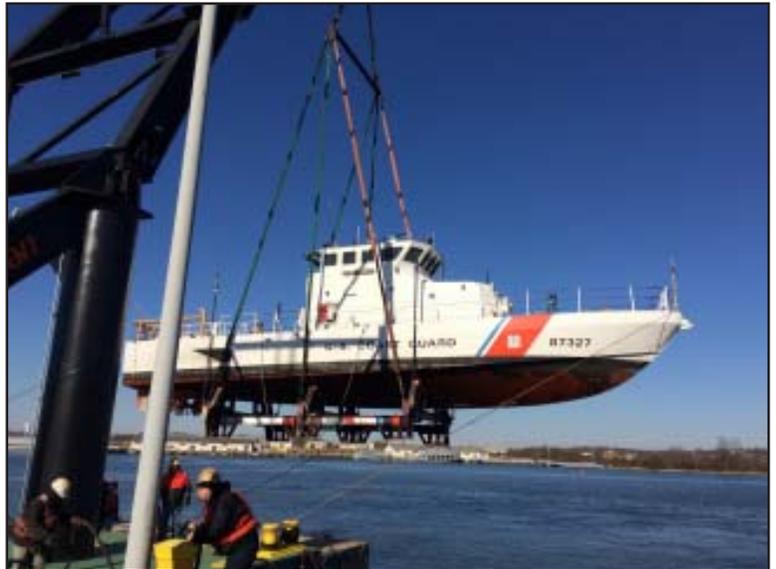
“We’re Working On It!”



Barque EAGLE (WIX 327) - Baltimore, MD (Top photo by LCDR Miles Randall. Bottom photo by Charles Wilson)



CGC NEAH BAY (WTGB 105) - Cleveland, OH (Photo by Charles Wilson)



CGC PELICAN (WPB 87327) - St. Petersburg, FL (Photo by LCDR Miles Randall)



CGC KUKUI (WLB 203) - Sitka, AK

First Navy YP Boat Arrives for Overhaul

A tugboat tows the U.S. Navy Yard Patrol (YP) 688 to the Yard on Thursday, April 6th to begin modernization and maintenance work on the 108' wooden hull craft. A Memorandum of Understanding between the Coast Guard and the U.S. Navy provides for service life extension overhauls of up to five YP training craft at the Yard over the next three years, enabling each boat to serve for another ten years.

The 30-year old boats are used to train midshipmen at the U.S. Naval Academy in Annapolis, MD on piloting, seamanship, navigation, and engineering. The Yard's modernization work will allow the midshipmen to continue training onboard the craft for years to come, as well as provide economic benefits to the Baltimore-Annapolis region.

Planned work on YP 688, the first craft to arrive at the Yard, includes wooden hull repair and overhaul of the propulsion and electric generating equipment.

"It's a win-win cooperative effort between the Navy and the Coast Guard," said Mike Kosar, Program Manager, Support Ships, Boats, and Craft, Program Executive Office Ships (PE) Ships, U.S. Navy. "It provides an opportunity to partner with the Coast Guard Yard and utilize their resources while developing a workforce experi-

enced in YP craft repair and overhaul to the U.S. Naval Academy to support future in-service needs of the vessel."

The Yard anticipates finishing YP 688 by February 2018. Capitalizing on the first boat's learning curve, follow-on work with the remaining craft will involve a six month and, lastly, four month per vessel completion.



Navy YP 688 arriving at the Yard (Photo courtesy of Tim Walker, Yard Pilot)

Yard Performance Results in Average Industrial Labor Rate Reduction

By Bob Hayden, Yard Financial Officer

In April 2017, the Yard Average Industrial Labor Rate for waterfront production workers was lowered by \$3.13/hr (4%) to \$77.53/hr. The Yard has taken advantage of increased production revenue due to an increased number of production hours. This resulted from production process efficiencies that have improved the Industrial productivity ratio, and a calculated increase in production capacity (workers) as demand for Yard services has increased. Production hours are the revenue engine for the revolving Yard Fund which is based on Congressional authority from 1949 that requires the Yard to charge its customers for the cost of production, plus a percentage on each production hour to cover the cost of overhead for Industrial Operations (e.g., facilities, utilities, and support staff). Increasing production efficiency and throughput results in higher revenue which can be returned to the Yard's customers as a "dividend" in the form of a labor rate reduction. It is worth noting that the Yard also aggressively applies pressure to control overhead costs in order to keep the cost per hour of production as low as possible to provide best value for our customers.

This is the first time in 11.5 years that the Yard has reduced its labor rate, and, with this reduction, the Yard Industrial Average Labor Rate has increased only \$0.56 (less than 1%) since FY13, which is approximately \$5/hr (7%) less than the rates would have increased using the Bureau of Labor Statistics Producer Price Index Industry Data for Ship Repair.

The Yard is taking steps to maintain this lower rate through FY17 and the end of FY18 due mainly to the efficiencies gained by the repeatable, scheduled work of the In-Service Vessel Sustainment (ISVS) and the 87' Recurring Depot

Availability projects as well as sound management practices. Continuing to smartly increase the utilization of the Yard's capital plant promises to further increase productivity and thus, production hours and revenue which offer the potential for more cost savings

to our customer and improvements to schedule performance. Looking at the big picture, the April 2017 labor rate reduction is estimated to yield \$1.43M in total direct savings in FY17, and \$2.73M in FY18. This projected savings "dividend" directly benefits the Coast Guard's Operating Funds Depot Level Maintenance accounts as well as the AC&I portfolio.

	Yard Avg Ind Labor Rate	Calculated Labor Rate using BLS Data Index
FY13	\$76.97	\$76.97
FY14	\$76.97	\$78.61
FY15	\$76.97	\$80.03
FY16	\$79.96	\$82.25
FY17 (2 nd Half)	\$77.53	\$83.02
\$ Change	\$0.56	\$6.05
% Change	0.73%	7.85%

Senator John Glenn Laid to Rest

Yard Joins Joint Armed Forces Police Escort for Burial of an American Hero

Yard Police Officers Frank Ramirez Tous (left) and Teri Mennie (right) represented the Coast Guard and joined Army, Navy, Air Force and Marine police cruisers on Thursday, April 6, 2017 in an escort motorcade. The police convoy travelled 98 miles from Dover Air Force Base to Arlington National Cemetery for the burial of former U.S. Senator, American Astronaut and retired Marine Corps Colonel John Glenn. Senator Glenn was the first American Astronaut to orbit the Earth in 1962. He passed away on December 8, 2016 at the age of 95.



(Photos courtesy of the Office of the Provost Marshall)

Yard Completes Renewable Energy Center Modification to Increase Energy Output

The Yard opened the U.S. Coast Guard's first Renewable Energy Center (REC) on Earth Day, April 2009. The project intended to burn methane gas from a nearby Baltimore City owned landfill and convert the gas into two forms of energy - electricity and steam - for the Yard's use. The 5,000 square foot facility was the first co-generation center in the State of Maryland.

The original REC housed four generators capable of maximum electricity output of 4 MW including a heat recovery steam generator to provide steam to the Yard. The plant was designed to operate on methane or landfill gas (LFG) piped underground one mile to the Yard REC from the City's 157-acre landfill. After 8 years of operation, Yard engineers determined the landfill did not generate enough methane to operate the generators at the intended run time as estimated in the original plans. Extensive ash and other non-organic waste taken in by the landfill and a large pile of filler over the landfill have impacted collection system efficiency.

To meet this challenge, the Yard designed a plant modification that enables all four engines to operate on a

blend of landfill gas and natural gas. The ability to operate the engines on either landfill gas, natural gas or a blend of both will significantly increase REC plant output and provide a long term solution for maximum energy savings through onsite generation at the Yard.

It is still advantageous for the Yard to operate on as much methane as available while supplementing with natural gas. Based on consumption studies over the past few years, the cost of generating electricity from the energy content of the landfill is far below the rate paid to the local corporate energy provider and is less than the cost to generate purely from natural gas. Using the blending system to maximize the use of landfill gas, rather than converting the engines to entirely run on natural gas, provides the Yard with the lowest electricity cost option.

The Yard completed testing of the plant modifications in January 2017 and as of February 2017, the REC engines are running on a blend of methane and natural gas.

The Yard's renewable energy center project has numerous benefits. Notably, methane is removed from the

atmosphere and energy costs are stabilized. Each year the REC operates, it is the equivalent to removing 33,000 cars from local roadways in terms of greenhouse gas reduction. By removing 4MW (approximately equivalent to 2,500 homes) of electricity from the regional electric grid, the project helps stabilize electrical reliability on days when demand is high. In the event of a widespread power outage, the Yard's REC has the capability to run in the "island mode" and provide nearly 100% of the Yard's electricity requirement, completely independent of the regional electric grid.

Renewable Energy



Making a World of Difference

Ricardo Mariano Receives ASNE Perry Award

The Yard congratulates Ricardo Mariano, Electronics Industrial Controls Mechanical Supervisor, Electro Group, on his receipt of the American Society of Naval Engineers (ASNE)

2016 Perry Award. The honor was bestowed for his outstanding contribution to the Coast Guard Naval Engineering program. Mr. Mariano, a 34-year Yard veteran, demonstrated

exceptional performance in electrical work on select 140' WTGB service life extensions under the In-Service Vessel Sustainment Program. He received the award at the 2017 Naval Engineering Centralized Annual Training event at the Yard on March 21-23. Over 130 members of the Coast Guard naval engineering community attended the event and were present for Mr. Mariano's award presentation.

The ASNE Award is named after deceased Vice Admiral Ellis Perry, Vice Commandant of the Coast Guard, 1974-1978, and former Yard Commanding Officer, 1969-1970. In the photo at left, Mr. Mariano (center) receives the Perry Award from RADM Anthony Lengerich, USN (Ret) (left), President of ASNE, and RADM Bruce Baffer, USCG (right), Assistant Commandant for Engineering & Logistics. *(Photo by PA2 David Marin)*



Rachel Conley Receives 2016 Coast Guard Ombudsman of the Year Award

Admiral Paul Zukunft (center left), Commandant of the Coast Guard, awarded the 2016 Wanda Allen-Yearout Ombudsman of the Year Award to Ms. Rachel Conley (center right) during ceremonies held at Coast Guard Headquarters on March 28, 2017. Ms. Fran Deninno Zukunft (left), wife of the Commandant, and RDML William Kelly (right), Assistant Commandant for Human Resources, joined the festivities.

The Coast Guard selected Ms. Conley as Ombudsman of the Year for her unyielding support for Coast Guard members and their families among seven Coast Guard commands in the Baltimore-Washington area including the Yard, Surface Forces Logistics Center (SFLC), Asset Project Office Baltimore, Coast Guard Headquarters, Base National Capital Region, Air Station Washington, and the Coast Guard Maritime Infrastructure Protec-



tion Force. Her in-depth knowledge of available services and initiatives to seek out new resources resulted in outstanding advocacy for work-life issues on behalf of Coast Guard

members and their families. Ms. Conley is the wife of CWO James Conley, SFLC, Baltimore, Maryland. *(Photo by PA2 Patrick Kelley)*

Milestones Retirements

Elvert Curry
Crane Operator
39 Years

Brian Brice
Crane Operator
33 Years

Barbara Stewart
Supervisory Accountant
27 Years

John Earles
Supervisory Recreation Specialist
30 Years

Advancements/Promotions

HS2 Jason Frank, Clinic
DC1 Adam Glassman, Firehouse
Jayceson Gordon, Structural Worker (Weld/Ship), WG-8
Gary Wise, Structural Worker (Ship/Weld), WG-8
Abraham Roth, Structural Worker (Ship/Weld), WG-8
Vincent Peterson, Ships Inspector (Ships), WG-11
Bejamin Burnett, Mgmt Analyst, GS-9

Ronald Lowman, Pipefitter Leader, WL-10
Anthony Attiliis, Pipefitter Leader, WL-10
Justin Abrams, Sheetmetal Joiner Worker, WG-8
Steven Stanley, Pipefitter, WG-10
Branislav Milic, Pipefitter, WG-10
David Martin, Sheetmetal Joiner Helper, WG-5
Robert Arthur, Structural Helper, WG-5

Awards: On-The-Spot

Keven Center

Alan Randolph

Matthew Powers

Spotlight: The SAP Team

Members of SFLC's Contracting & Procurement Branch 3 Simplified Acquisition Procedures (SAP) Team purchase supplies and services up to \$150K to support the Yard's Industrial operations and base. The team's work is critical to the success of the In-Service Vessel Sustainment (ISVS) Program, rehabilitation of NOAA vessels, and numerous Yard road trip operations. The SAP team awarded over 2,800 orders valued in excess of \$20M including hot rivet work on the CGC EAGLE's hull, a new "big top" enclosure to support the 87' Patrol Boat RDAP, and thousands of parts from the smallest connector to large pumps and fan units. The SAP team's consistent hard work and dedication are a vital contributor to the Yard's "Service to the Fleet"! Thanks for all you do!



Pictured in the photo are SAP staff members (left to right): SK2 CJ Powe; SK3 Victoria James; SKC Kimberly Holubec; SK2 Taylor Abernathy; Charnice Johnson; Michelle Crum; Brandie Dunnigan; Steve Powell; Jackie Vitale; Kathy Lechert; SK1 LeTroy Burgess; SKC Chris Lane; CWO Kurt Woodley. (Photo by CWO Woodley)

Hayden, cont. from pg 2

(TSA) where he was the Special Assistant to TSA's Chief Support Services Officer. In this role, he helped coordinate the mission performance of TSA's Assistant Administrators for Finance, Human Resources, Information Systems, Training, Research and Development, and Internal Investigations.

Prior to this position, Bob Hayden worked in the Office of Financial Systems at Coast Guard Headquarters where he was a program/financial analyst preparing the annual Coast Guard financial statements and the external Chief Financial Officer Act

audits.

Proceeding that assignment, he worked for Tyco Telecommunications' Fleet Operations Center in Baltimore, MD, where he was the Financial and Contract Manager, managing Tyco's global fleet of cable ships.

Bob Hayden is a retired Coast Guard Officer having served financial management tours as the Chief of Financial Management for Coast Guard Human Resources and as the Comptroller of the former Coast Guard Supply Center Brooklyn, NY and Supply Center Baltimore, MD. He also served in the Coast Guard's Officer Personnel Management Division as

Chief of the Officer Evaluations Branch. He completed three afloat tours that included command of the Coast Guard Cutter BRISTOL BAY, a Great Lakes icebreaker stationed in Detroit, MI.

Mr. Hayden earned his Bachelor of Science Degree from the U. S. Coast Guard Academy in 1978 and his Master of Science in Financial Management from the U. S. Naval Postgraduate School in Monterey, CA in 1989. He has held professional certifications as a Certified Government Financial Manager and Certified Purchasing Manager.



The Coast Guard Cutter CHOCK conducts patrols in the Nation's capital during the Presidential Inauguration on January 20, 2017. The Yard readied CHOCK for the prestigious assignment with recent completion of a two month planned maintenance and inspection of the 56-year-old harbor tug. Routine missions for the vessel include law enforcement, homeland security patrols, and ice-breaking in the upper Chesapeake Bay. CHOCK has been homeported at the Yard since 2012. *(Photo by PA2 Matthew Masaschi)*



The 2017 Coast Guard Mutual Assistance (CGMA) fundraising campaign runs April 1-30, 2017. This year's theme is "Help Is On the Horizon." The official financial relief organization for the Coast Guard, CGMA is poised and ready to respond to financial needs within the Coast Guard family. Last year, CGMA provided more than 5,200 loans and grants, totaling over 4 million dollars.

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