



December 8, 2021

The Honorable Alejandro Mayorkas
Secretary of Homeland Security
Washington, DC 20528-0525

Secretary Mayorkas:

The undersigned labor organizations support Fraser Shipyards' proposal to construct the United States Coast Guard's (USCG) Waterways Commerce Cutters (WCC) in Superior, Wisconsin, a matter pending under your department's jurisdiction. There is presently a critical need to replace the existing cutters to expedite commerce on the inland waterways of the U.S., thereby helping to relieve some of the current congestion and supply backlogs on the waterways of the U.S.

Awarding this solicitation to the Upper Midwest-based facility will deliver geographic diversity to the United States Coast Guard's procurement processes and therefore contribute to the national security of the United States. Over the last fifteen years, a majority of awards have gone to shipyards in a small region of the Gulf Coast.

Fraser Shipyards enjoys a proud history of operation for over 130 years as a full-service shipyard located at the far western edge of Lake Superior. Fraser's current workforce of 220 fulltime employees is well-equipped to swell to 350 or more employees. Fraser owns two graving docks, primarily servicing commercial bulk carriers and federal assets on the Great Lakes. Its sister companies include Lake Assault Boats and Northern Engineering. Fraser Shipyards utilizes a highly skilled union workforce, which can accomplish the work productively, safely, and competitively.

Fraser's union status provides additional public-policy benefits to the Coast Guard, virtually assuring the branch of the armed services' compliance with Davis-Bacon prevailing wages. According to the U.S. Department of Labor, the construction of non-naval ships is subject to Davis-Bacon prevailing wage requirements only if the location of contract performance is known at the time of the bid solicitation. Of course, the location of the work is undetermined in this solicitation. But rather than allow this loophole to circumvent the policy objectives contained in the ninety-year-old federal law, the Coast Guard could achieve the same ends by awarding the job to Fraser Shipyards. Union collective bargaining agreements define the area standard in labor markets around the country, including Douglas County, Wisconsin. Ensuring compliance with

the terms of the agreement is part of the union's mission, which relieves the agency of any enforcement obligations while still achieving the policy.

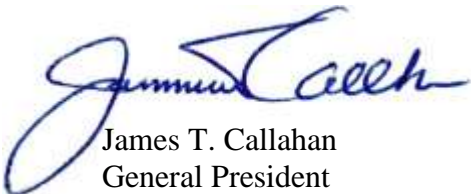
The Treasury Department identified the Administration's support for high labor standards and prevailing wage policy in its interim final rule for Coronavirus State and Local Fiscal Recovery Funds. Treasury says, "It is important that necessary investments in water, sewer, or broadband infrastructure be carried out in ways that produce high-quality infrastructure, avert disruptive and costly delays, and promote efficiency. Treasury encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality infrastructure projects but also to support the economic recovery through strong employment opportunities for workers." The Coast Guard could achieve the same policy objective by awarding the WCC to Fraser Shipyards.

The Coast Guard's inland tender fleet protects vital infrastructure and facilitates the free flow of commerce along the nation's marine highways, creating American jobs and contributing to America's economic and energy security. Given the key role that the Waterways Commerce Corridor fleet plays in supporting trade and good jobs, it only makes sense to maximize the economic development impact of the program through this solicitation by awarding the construction of the WCC to Fraser Shipyards.

We respectfully request that you consider geographic diversity and the other policy objectives that could be achieved – "produce high-quality infrastructure, avert disruptive and costly delays, and promote efficiency," – by awarding the contract to Fraser Shipyards, a company that can ensure compliance with high-road practices and deliver on President Biden's promise to not only create jobs but create good, union jobs.

Thank you for your consideration of this letter and our request. For further information, please contact Cecile Conroy, Legislative and Political Director for the International Brotherhood of Boilermakers, at 703-309-5410 or cconroy@boilermakers.org.

Sincerely,



James T. Callahan
General President
International Union of
Operating Engineers (IUOE)



Newton B. Jones
International President
International Brotherhood of
Boilermakers (IBB)



Robert Martinez Jr.
International President
International Association of Machinists
and Aerospace Workers (IAM)



Lonnie R. Stephenson
International President
International Brotherhood of
Electrical Workers (IBEW)

cc: Admiral Kurt L. Schultz, Commandant of the U.S. Coast Guard
The Honorable Marty Walsh, Secretary of Labor