Foreword

I am pleased to present the following report, “Boat Expenditure Plan,” which has been prepared by the U.S. Coast Guard.

This document has been compiled pursuant to a requirement set out in the Joint Explanatory Statement and Senate Report 113-198 accompanying the Fiscal Year (FY) 2015 Department of Homeland Security Appropriations Act (P.L. 114-4), which directs the Commandant to submit a spend plan detailing planned small boat purchases, leases, repairs, and service life replacements for FY 2015.

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John Carter
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Hoeven
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jeanne Shaheen
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

I am happy to answer any further questions you may have. Please do not hesitate to contact me at (202) 372-4411 or the Department’s Chief Financial Officer, Chip Fulghum, at (202) 447-5751.

Sincerely,

[Signature]

Paul F. Zukunft
Admiral, U.S. Coast Guard
Commandant
Table of Contents

I. Legislative Language ........................................................................................................ 1

II. Discussion ..................................................................................................................... 2
I. Legislative Language


The Joint Explanatory Statement includes the following provision:

**Small Boat Purchases**

The Department shall submit a report on fiscal year 2015 small boat purchases, as detailed in the Senate report. For fiscal year 2016, such information shall be included within the congressional budget justification.

Senate Report 113-198 states:

**SMALL BOATS**

In order to gain more clarity on these matters, the Coast Guard is to provide a report to the Committee no later than 30 days after the date of enactment of this act detailing planned small boat purchases, leases, repairs, and service life replacements for fiscal year 2015. For fiscal year 2016, such information shall be included in the congressional budget justification. The Committee was disappointed with the plan submitted for fiscal years 2014 and 2015, as it lacked routine information the Committee expects to receive. The expenditure plans for fiscal years 2015 and 2016 shall, at a minimum, include the following: the type and quantity of boats to be purchased and associated cost; the sectors and stations the boats planned for purchase will be deployed to; an explanation as to why the purchases are necessary; historical funding for the program; and an obligation and outlay schedule.
II. Discussion

The following depicts the Coast Guard’s anticipated boat purchases during FY 2015 and FY 2016. From FY 2012 through FY 2014, the Coast Guard has expended between $14.5 million and $18.2 million annually in operating expense funds for boat replacements. Similar expenditures are anticipated in FY 2015 and FY 2016. For FY 2015, boat funding is anticipated to be obligated during the last two quarters of the fiscal year.

### Boat Expenditure Plans for FY 2015

<table>
<thead>
<tr>
<th>Boat Type</th>
<th>Manufacturer</th>
<th>Estimated Cost per boat</th>
<th>Number of boats</th>
<th>Total Estimated Cost</th>
<th>Obligation Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response Boat – Small</td>
<td>Metal Shark Aluminum Boats</td>
<td>$365,000</td>
<td>34</td>
<td>$12,410,000</td>
<td>Q3</td>
</tr>
<tr>
<td>Cutter Boat – Over the Horizon</td>
<td>SAFE Boats International, LLC</td>
<td>$415,000</td>
<td>3</td>
<td>$1,245,000</td>
<td>Q3</td>
</tr>
<tr>
<td>Cutter Boat – ATON – Medium</td>
<td>Metal Shark Aluminum Boats</td>
<td>$210,000</td>
<td>14</td>
<td>$2,940,000</td>
<td>Q2</td>
</tr>
<tr>
<td>Cutter Boat – Large¹</td>
<td>SAFE Boats International, LLC</td>
<td>$378,000</td>
<td>2</td>
<td>$756,000</td>
<td>Q2</td>
</tr>
<tr>
<td>Cutter Boat – Large²</td>
<td>To be determined</td>
<td>$260,000</td>
<td>3</td>
<td>$780,000</td>
<td>Q4</td>
</tr>
<tr>
<td>Skiff - Ice</td>
<td>To be determined</td>
<td>$5,000</td>
<td>15</td>
<td>$75,000</td>
<td>Q4</td>
</tr>
</tbody>
</table>

**TOTAL**  $18,206,000

### Boat Expenditure Plans for FY 2016

<table>
<thead>
<tr>
<th>Boat Type</th>
<th>Manufacturer</th>
<th>Estimated Cost per boat</th>
<th>Number of boats</th>
<th>Total Estimated Cost</th>
<th>Obligation Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response Boat – Small</td>
<td>Metal Shark Aluminum Boats</td>
<td>$365,000</td>
<td>33</td>
<td>$12,045,000</td>
<td>Q3</td>
</tr>
<tr>
<td>Cutter Boat – Over the Horizon</td>
<td>SAFE Boats International, LLC</td>
<td>$415,000</td>
<td>3</td>
<td>$1,245,000</td>
<td>Q3</td>
</tr>
<tr>
<td>Cutter Boat – Large²</td>
<td>To be determined</td>
<td>$260,000</td>
<td>12</td>
<td>$3,120,000</td>
<td>Q2</td>
</tr>
<tr>
<td>Cutter Boat – Medium³</td>
<td>To be determined</td>
<td>$210,000</td>
<td>3</td>
<td>$630,000</td>
<td>Q2</td>
</tr>
</tbody>
</table>

**TOTAL**  $17,040,000

¹ These Cutter Boats - Large are for the Polar Class Cutters.
² These Cutter Boats - Large are for the 210-foot WMEC and 225-foot WLB Seagoing Buoy Tender Class Cutters.
³ These Cutter Boats - Medium are for the 87-foot and 110-foot WPB Class Cutters.
**Response Boat – Small (RB-S)**

The RB-S procurements are intended to replace RB-S boats that have surpassed their design service lives. FY 2015 RB-S acquisitions are expected to be deployed to the following locations.

<table>
<thead>
<tr>
<th>Boat #</th>
<th>Sector</th>
<th>Receiving Unit</th>
<th>State</th>
<th>Delivery/Outlay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>29259</td>
<td>Sector Guam</td>
<td>Station Apra Harbor</td>
<td>Guam</td>
<td>FY 2015 Q4</td>
</tr>
<tr>
<td>29260</td>
<td>Sector Long Island Sound</td>
<td>Station Montauk</td>
<td>NY</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29261</td>
<td>Sector Long Island Sound</td>
<td>Station Shinnecock</td>
<td>NY</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29262</td>
<td>Sector Long Island Sound</td>
<td>Station Shinnecock</td>
<td>NY</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29263</td>
<td>Sector Long Island Sound</td>
<td>Station Jones Beach</td>
<td>NY</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29264</td>
<td>Sector Long Island Sound</td>
<td>Station New Haven</td>
<td>CT</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29265</td>
<td>Sector Long Island Sound</td>
<td>Station Eatons Neck</td>
<td>NY</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29266</td>
<td>Sector Delaware Bay</td>
<td>Station Manasquan Inlet</td>
<td>NJ</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29267</td>
<td>Sector Delaware Bay</td>
<td>Station Manasquan Inlet</td>
<td>NJ</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29268</td>
<td>Sector Delaware Bay</td>
<td>Station Barnegat Light</td>
<td>NJ</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29269</td>
<td>Sector Delaware Bay</td>
<td>Station Atlantic City</td>
<td>NJ</td>
<td>FY 2016 Q1</td>
</tr>
<tr>
<td>29270</td>
<td>Sector Delaware Bay</td>
<td>Station Atlantic City</td>
<td>NJ</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29271</td>
<td>Sector Delaware Bay</td>
<td>Station Cape May</td>
<td>NJ</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29272</td>
<td>Sector Delaware Bay</td>
<td>Station Cape May</td>
<td>NJ</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29273</td>
<td>Sector Delaware Bay</td>
<td>Station Indian River Inlet</td>
<td>DE</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29274</td>
<td>Sector Delaware Bay</td>
<td>Station Philadelphia</td>
<td>PA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29275</td>
<td>Sector Delaware Bay</td>
<td>Station Philadelphia</td>
<td>PA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29276</td>
<td>Sector Delaware Bay</td>
<td>Station Philadelphia</td>
<td>PA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29277</td>
<td>Sector Delaware Bay</td>
<td>Station Philadelphia</td>
<td>PA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29278</td>
<td>Sector Delaware Bay</td>
<td>Station Philadelphia</td>
<td>PA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29279</td>
<td>Sector Hampton Roads</td>
<td>Station Cape Charles</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29280</td>
<td>Sector Hampton Roads</td>
<td>Station Cape Charles</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29281</td>
<td>Sector Hampton Roads</td>
<td>Station Little Creek</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29282</td>
<td>Sector Hampton Roads</td>
<td>Station Little Creek</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29283</td>
<td>Sector Hampton Roads</td>
<td>Station Portsmouth</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29284</td>
<td>Sector Hampton Roads</td>
<td>Station Portsmouth</td>
<td>VA</td>
<td>FY 2016 Q2</td>
</tr>
<tr>
<td>29285</td>
<td>Sector Hampton Roads</td>
<td>Station Portsmouth</td>
<td>VA</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29286</td>
<td>Sector Hampton Roads</td>
<td>Station Milford Haven</td>
<td>VA</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29287</td>
<td>Sector Hampton Roads</td>
<td>Station Milford Haven</td>
<td>VA</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29288</td>
<td>Sector North Bend</td>
<td>Station Yaquina Bay</td>
<td>OR</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29289</td>
<td>Sector North Bend</td>
<td>Station Siuslaw River</td>
<td>OR</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29290</td>
<td>Sector North Bend</td>
<td>Station Chetco River</td>
<td>OR</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29291</td>
<td>Sector North Bend</td>
<td>Station Chetco River</td>
<td>OR</td>
<td>FY 2016 Q3</td>
</tr>
<tr>
<td>29292</td>
<td>Sector Lower Mississippi River</td>
<td>Sector Lower Mississippi River</td>
<td>TN</td>
<td>FY 2016 Q3</td>
</tr>
</tbody>
</table>
Cutter Boat – Over the Horizon (CB-OTH)
The CB-OTH procurements are intended to provide boats for newly commissioned National Security Cutters as well as Fast Response Cutters. In addition, CB-OTH boats are being procured to replace existing CB-OTH boats that are beyond their service lives. The three boats being acquired in FY 2015 are expected to replace existing boats at the following locations:

Maritime Law Enforcement Academy, Charleston, South Carolina  Estimated delivery FY 2015 Q4
Maritime Security Response Team, Chesapeake, Virginia  Estimated delivery FY 2015 Q4
Maritime Safety and Security Team, San Diego, California  Estimated delivery FY 2015 Q4

Cutter Boat – ATON – Medium (CB-ATON-M)
The CB-ATON-M procurements planned for FY 2015 are intended to replace the 14 CB-M boats currently assigned to 175-foot Coastal Buoy Tenders (WLM), which have surpassed their design service lives. The CB-ATON-Ms are expected to be deployed to the 14 cutters listed as follows:

CGC GEORGE COBB  Estimated delivery FY 2015 Q4
CGC HENRY BLAKE  Estimated delivery FY 2016 Q1
CGC ABBIE BURGESS  Estimated delivery FY 2016 Q1
CGC IDA LEWIS  Estimated delivery FY 2016 Q1
CGC KATHERINE WALKER  Estimated delivery FY 2016 Q1
CGC MARCUS HANNA  Estimated delivery FY 2016 Q1
CGC WILLIAM TATE  Estimated delivery FY 2016 Q1
CGC FRANK DREW  Estimated delivery FY 2016 Q1
CGC JAMES RANKIN  Estimated delivery FY 2016 Q2
CGC HARRY CLAIBORNE  Estimated delivery FY 2016 Q2
CGC BARBARA MABRITY  Estimated delivery FY 2016 Q2
CGC JOSHUA APPLEBY  Estimated delivery FY 2016 Q2
CGC MARIA BRAY  Estimated delivery FY 2016 Q2
CGC ANTHONY PETIT  Estimated delivery FY 2016 Q2

Cutter Boat Large – Polar (CB-L (Polar))
The CB-L (Polar) procurements are intended to replace the CB-L (Polar) boats aboard CGC HEALY and CGC POLAR STAR that have surpassed their design service lives. Anticipated delivery is FY 2015 Q4.

Cutter Boat Large - 210/225 (CB-L (210/225))
The CB-L (210/225) procurements are intended to replace the CB-L boats assigned to 210-foot WMEC Medium Endurance Cutters, 225-foot WLB Seagoing Buoy Tenders, CGC ALEX HALEY, and CGC MACKINAW. The current cutter boats have surpassed
their design service lives. Three will be ordered in FY 2015 and are expected to be
delivered one each in Q2, Q3, and Q4. Twelve are planned to be ordered in FY 2016
with delivery of three per quarter expected.

**Skiff – Ice (SKF-ICE)**
The SKF-ICE procurements are intended to replace aging ice rescue boats at short-haul
ice rescue units. The current boats have surpassed their design service lives. The new
SKF-ICE boats will be deployed to units throughout the Great Lakes and Northern
New England depending on needs of each unit and currently assigned asset condition.
Fifteen of these are planned for purchase in FY 2015, with delivery 3 months after order
is placed.

**Cutter Boat Medium - 87/110 (CB-M 87/110)**
The CB-M (87/110) procurements are intended to replace three CB-M boats assigned to
87- and 110-foot patrol boats. These cutter boats have surpassed their design service
lives. CB-M (87/110) will be deployed to patrol boats throughout the country depending
on the needs of each unit and currently assigned asset condition. Although 110-foot
patrol boats will continue to be decommissioned as they are replaced by Fast Response
Cutters, the 110s will continue to be in service through the early 2020s; therefore,
occasional CB-M replacements will be repaired to maintain operational capabilities.