



Boat Expenditure Plan

July 5, 2017

Fiscal Year 2017 Report to Congress



Homeland
Security

United States Coast Guard

Foreword

July 5, 2017

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

This report was compiled pursuant to language in Senate Report 114-264 accompanying the Fiscal Year (FY) 2017 Department of Homeland Security Appropriations Act (P.L. 115-31). The report provides a spend plan detailing planned boat purchases, leases, repairs, and service life replacements for FY 2017.

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

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

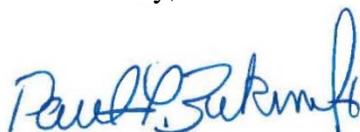
The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security

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

The Honorable Jon Tester
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 (Acting), Stacy Marcott, at (202) 447-5751.

Sincerely,



Paul F. Zukunft
Admiral, U.S. Coast Guard
Commandant





Boat Expenditure Plan

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I. Legislative Language

This report responds to language in Senate Report 114-264 accompanying the Fiscal Year (FY) 2017 Department of Homeland Security Appropriations Act (P.L. 115-31).

Senate Report 114-264 states:

BOATS

The Committee is aware of an outstanding Coast Guard requirement to replace aging small response boats and notes that the Coast Guard is not procuring enough boats annually to meet its acquisition objective. The Committee includes funding above the request to purchase not less than 46 small response boats in fiscal year 2017.

The bill also includes long-standing language to allow funds from the Operating Expenses appropriation to be used for the purchase or lease of boats for contingent and emergent requirements (at a unit cost of no more than \$700,000) and repairs and end-of-service-life replacements. The annual cost of these activities is capped at \$31,000,000. Unlike major procurements requested for the Acquisition, Construction, and Improvements appropriation, the Coast Guard's annual request for the Operating Expenses appropriation includes minimal information about the budget for boat activities. In order to gain more clarity on these matters, the Coast Guard shall 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 2017.

II. Expenditure Plan

The following depicts the Coast Guard's anticipated boat purchases during FY 2017. For FY 2017, boat funding is anticipated to be obligated during the last two fiscal quarters.

Small Response Boats Expenditure Plan for FY 2017

Boat Type	Manufacturer	Estimated Cost per boat	Number of boats	Total Estimated Cost	Obligation Schedule
Response Boat – Small	Metal Shark Aluminum Boats	\$386,000	46	\$17,756,000	Q3
Special-Purpose Craft – Ice Rescue Transport	To be determined	\$250,000	2	\$500,000	Q3
Coast Guard Cutter (CGC) EAGLE Motor Surf Boat	Kvichak Marine	\$386,000	1	\$386,000	Q3
TOTAL			49	\$18,642,000	

Response Boat – Small (RB-S)

The RB-S procurements are intended to replace RB-S boats that have surpassed their design service lives. FY 2017 RB-S acquisitions are expected to be deployed to the following locations.

Boat #	Area	Receiving Unit	State	Delivery/Outlay Date
29364	LANTAREA	STA Calumet Harbor	MI	FY 2017 Q4
29365	LANTAREA	STA Calumet Harbor	MI	FY 2017 Q4
29366	LANTAREA	Sector Upper Miss River	MO	FY 2017 Q4
29367	LANTAREA	MSST Boston	MA	FY 2017 Q4
29368	LANTAREA	MSST Boston	MA	FY 2018 Q1
29369	LANTAREA	MSST Boston	MA	FY 2018 Q1
29370	LANTAREA	MSST Boston	MA	FY 2018 Q1
29371	LANTAREA	MSST Boston	MA	FY 2018 Q1
29372	LANTAREA	MSST Boston	MA	FY 2018 Q1
29373	LANTAREA	MSST New York	NY	FY 2018 Q1
29374	LANTAREA	MSST New York	NY	FY 2018 Q1
29375	LANTAREA	MSST New York	NY	FY 2018 Q1
29376	LANTAREA	MSST New York	NY	FY 2018 Q1
29377	LANTAREA	MSST New York	NY	FY 2018 Q1
29378	LANTAREA	MSST New York	NY	FY 2018 Q1
29379	LANTAREA	MSST Kings Bay	GA	FY 2018 Q1
29380	LANTAREA	MSST Kings Bay	GA	FY 2018 Q1
29381	LANTAREA	MSST Kings Bay	GA	FY 2018 Q1
29382	LANTAREA	MSST Kings Bay	GA	FY 2018 Q1

Boat #	Area	Receiving Unit	State	Delivery/Outlay Date
29383	LANTAREA	MSST Kings Bay	GA	FY 2018 Q2
29384	LANTAREA	MSST Kings Bay	GA	FY 2018 Q2
29385	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29386	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29387	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29388	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29389	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29390	LANTAREA	MSST New Orleans	LA	FY 2018 Q2
29391	PACAREA	MSST Honolulu	HI	FY 2018 Q2
29392	PACAREA	MSST Honolulu	HI	FY 2018 Q2
29393	PACAREA	MSST Honolulu	HI	FY 2018 Q2
29394	PACAREA	MSST Honolulu	HI	FY 2018 Q2

Special-Purpose Craft – Ice Rescue Transport (SPC-IRT)

The SPC-IRT procurement is intended to replace long-haul ice rescue airboats that have surpassed their design service lives. The FY 2017 SPC-IRT acquisition is expected to be deployed to Station St. Clair Shores, Michigan, in FY 2017 Q4.

CGC EAGLE Motor Surf Boat (MSB)

The MSB procurement is intended to replace the MSB on CGC EAGLE in New London, Connecticut, that has surpassed its design service life. The boat is expected to be delivered in FY 2017 Q4.