

MONETARY TERMS OF AGREEMENT

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AGREEMENT</SUBJECT><COMM>HFIN29</COMM></TARGET>



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol
Juneau, AK 99801-1182
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MEMORANDUM

TO: Representative Neuman, Co-chair
Representative Thompson, Co-chair
Finance Committee

FROM: Suzi Lowell, Chief Clerk *sl*

DATE: February 25, 2015

SUBJECT: Monetary Terms of Agreement between the State and MM&P

The attached monetary terms of agreement between the State and the International Organization of Masters, Mates and Pilots was referred to the Finance Committee during floor session today.

Attachment



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

February 19, 2015

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, Alaska 99801-1182

Dear Speaker Chenault:

On February 11, 2015, the State received an award following interest arbitration with the International Organization of Masters, Mates, and Pilots; pertaining to the 2014-2017 Agreement, bargained December 2013 - June 2014. I am required by the Public Employment Relations Act (AS 23.40.070-260) to report the monetary terms of any agreement reached with an employee organization. By copy of my memorandum to Pat Pitney, Director of the Office of Management and Budget (enclosed), please accept my report of the monetary terms of the collective bargaining agreement reached between the State and the Masters, Mates and Pilots. The monetary terms of this agreement must be submitted to the Legislature and are subject to funding through legislative appropriations, pursuant to AS 23.40.215.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Fisher".

Sheldon Fisher

Enclosure

cc: Pat Pitney, Director of the Office of Management and Budget

Fin



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To: Pat Pitney, Director
Office of Management and Budget
Office of the Governor

Date: February 19, 2015

From: Sheldon Fisher
Commissioner

Phone: 465-2200

Subject: Monetary terms of the July 1, 2014 to June 30, 2017 Collective Bargaining Agreement between the State and the International Organization of Masters, Mates and Pilots representing the Licensed Deck Officers of the Alaska Marine Highway System.

The Administration has received the interest arbitration award and with that has concluded the negotiations process with the Masters, Mates and Pilots' union. **If approved by the Legislature the monetary terms of this agreement become effective July 1, 2014 and remain in effect through June 30, 2017.**

I. Terms Requiring Appropriation.

Current Legislative Session

Effective July 1, 2015, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, or the actual cost of the Masters, Mates and Pilots' health insurance plan, whichever is lower.

Effective July 1, 2015, the wage schedule in effect on June 30, 2015 will increase by 1%.

Effective July 1, 2015 the hourly wage assigned to the second mate job classification will be increased by 3%.

Effective July 1, 2015 the hourly wages assigned to permanent employees in the Chief Mate job classification on specific vessels will be increased by 2%.

Effective July 1, 2015 the hourly wages assigned to permanent employees in the Master job classification on specific vessels will be increased by 1%.

Retroactive to July 1, 2014 and effective July 1, 2015 the State's contribution to the MATES training program will be increased by 3%.

Future Legislative Session

Effective July 1, 2016, the wage schedule in effect on June 30, 2016 will increase by 2%.

Effective July 1, 2016, the State's contribution to the MATES training program will be increased by 3%.

Effective July 1, 2016, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, or the actual cost of the Masters, Mates and Pilots' health insurance plan, whichever is lower.

II. Change in State Revenues.

Effective July 1, 2014 employees and retirees, who retire during the life of this agreement, are required to pay a \$100 fee to use any pass privileges.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Effective July 1, 2014, the Employer's health insurance contribution rate will be \$1371 per eligible member per month.

Employees hired on or after July 1, 2014 will not be able to establish eligibility for the lump sum payment in lieu of A-days.

Effective July 1, 2014 employees will no longer be eligible for late arrival pay.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Representative Mike Chenault, Speaker of the House, Alaska State Legislature

Senator Kevin Meyer, Senate President, Alaska State Legislature

Commissioner Marc Luiken, Department of Transportation and Public Facilities

Mary Siroky, Administrative Services Director, Department of Transportation and Public Facilities

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations

BEFORE INTEREST ARBITRATOR KATRINA I. BOEDECKER

In the matter of the Interest)
Arbitration between:)
)
STATE OF ALASKA,) INTEREST ARBITRATION
 employer,) AWARD
 and)
)
INTERNATIONAL ORGANIZATION OF)
MASTERS, MATES & PILOTS,)
 union.)
)
_____)

Benthe Mertl-Posthumus, Labor Relations Analyst III, appeared on behalf of the employer.

Fenrich & Gallagher, P.C., by Rhonda Fenrich, Attorney at Law, appeared on behalf of the union.

JURISDICTION

On September 30, 2014, the parties notified the undersigned that she had been selected to be their Interest Arbitrator. The parties are working under a collective bargaining agreement that has a duration of July 1, 2011 through June 30, 2014. They have been unable to negotiate the terms for a successor agreement.

The State of Alaska (state) and the International Organization of Masters, Mates and Pilots (MM&P) executed a Letter of Agreement, which states:

In an effort to avoid a strike and any impending service disruptions therein, the parties have agreed that, absent their ability to achieve a ratified 2014 - 2017 Collective Bargaining Agreement, they would submit all unresolved issues to an arbitrator for resolution. The parties agree to a process wherein the arbitrator will decide rule by rule which part[y]'s proposal to award. The parties further agree that, subject to legislative approval of the financial aspects of the award, the arbitrator's ruling will be final and binding on all parties.

The Interest Arbitration hearing was held December 1 through 4, 2014, in Juneau, Alaska. The parties stipulated that the matter is properly before the Interest Arbitrator since there are no procedural matters at issue. During the Interest Arbitration hearing, the parties were able to resolve all the open issues except for one: Rule 17 - Wages. Thus, according to the Letter of Agreement, as Interest Arbitrator, I must award either the state's proposal or the MM&P's proposal on this issue.

The parties submitted post-hearing briefs by January 9, 2015.

RELEVANT STATUTORY LANGUAGE

The state is a public employer within the meaning of AS 23.40.250(7). The MM&P is an employee organization within the meaning of AS 23.40.250(5).

The bargaining unit employees work for the State of Alaska, Department of Transportation and Public facilities, Alaska Marine Highway System (AMHS). The legislature established the purpose

and intent of the AMHS in AS 19.65.050. That statute defines that the AMHS is an essential part of the state transportation system, warranting continued and predictable state support.

The statute at AS 19.65.050(a) acknowledges that many communities' economies are dependent on a steady and stable marine highway system; the state's tourism industry is greatly enhanced by a dependable marine highway transportation network; and efficient and prudent management of the system will benefit the state's economy and foster economic development.

The purpose of AS 19.65.050(b) is set out to "enable the Alaska marine highway system to manage and operate in a manner that will enhance performance and accountability by allowing the system to account for and spend its generated revenue; provide the management tools necessary to efficiently operate the Alaska marine highway system; within constitutional constraints, provide for a predictable funding base for system operations; and provide for predictability and stability in the service level furnished to communities served by the system." The intent of AS 19.65.050(c) is stated "to encourage prudent administration through cost management and accurate budgeting by managers of the Alaska marine highway system; increase revenue from the operation of the system consistent with the public interest, increase service consistent with sound fiscal policy, and assist the prudent management and operation of the system; and achieve stability in the level of service communities can anticipate through accurate planning and scheduling."

INTEREST ARBITRATION CRITERIA

The Alaska Public Employment Relations Act, (PERA), AS 23.40.070 - AS 23.40.260, does not set out any statutory criteria for the basis of analyzing proposals in an interest arbitration proceeding.

The employer points to the stated legislative purpose of the PERA: "... it is the public policy of the state to promote harmonious and cooperative relations between government and its employees and protect the public by assuring effective and orderly operations of government." AS 23.40.070. The employer urges that this stated purpose be balanced with the governmental mandates as quoted above in AS 19.65.050(b) and (c). It stresses that the Legislature has reserved to itself significant authority over the monetary aspects of bargaining. All monetary terms of a collective bargaining agreement are subject to funding through Legislative appropriation. AS 23.40.215(a). All monetary terms must be reported to the Legislature for consideration. AS 23.40.215(b). Monetary terms are conditions of employment that would (1) require an appropriation for their implementation; (2) result in a change in state revenues or productive work hours for state employees; or (3) address employee compensation, leave benefits, or health insurance benefits, whether or not an appropriation is required for implementation. AS 23.40.250(4).

The MM&P submits other interest arbitration awards that set out criteria the decision makers used. In *State of Alaska and Alaska Corrections Officers' Association*, (Levak, 2008) when acknowledging that the PERA does not specifically list criteria for interest arbitration, the arbitrator wrote:

However, a well established and accepted body of interest arbitration "common law" has been developed over the years by labor arbitrators - often with reference to state statutes that do set forth specific criteria. Those generally accepted common law criteria are:

1. Lawful Authority.
If placed in issue, the lawful authority of the employer to implement the proposals must be considered.
2. Stipulations.
Stipulations of the parties must be honored.
3. The Public Interest and Welfare.
Often, the parties will contest which of their proposals best serves the interest and welfare of the public served by the employer. [Footnote omitted.]
4. Financial Ability.
The "relative" financial ability of the employer to meet the cost of the proposals ordinarily is a standard that is placed in issue by the parties. That criterion is often, indeed normally, combined with the public interest and welfare criterion into a single standard.
5. External Comparability.
In the vast majority of interest arbitrations, both parties present evidence and arguments concerning the overall wages, hours or benefits that are paid by external comparable employers, known as "comparators" or "comparables." This standard is sometimes known as the "prevailing practice" criterion. Indeed, the primary criterion, and the answer to the question, "How do the parties' proposals comport with wages, benefits, or conditions, etc. at comparable employers?" almost always controls the arbitrator's award or recommendation. Where a state agency is the subject of the interest arbitration, a party is obligated to satisfy an arbitrator that the states it proposes as comparators are similar in size, geography, population, methods of public funding, budgets, etc., and also that the alleged comparator agencies or institutions in those states are similar in other respects such as physical size, geographic locations, the number and types of employees, duties and responsibilities of employees, etc.
6. Internal Comparability.
In most interest arbitrations too, the employer will argue that the overall wages, hours or conditions it is

proposing comport with those set forth in collective bargaining agreements it has with other employees or with those paid or provided other employees not covered by collective bargaining agreements.

7. Attraction and Retention.

Usually an employer will offer evidence and argument that its proposal will serve to attract and retain qualified personnel. Although, sometimes a labor organization will too offer evidence and argument that its proposal will best serve this standard.

8. Cost of Living

In wage and benefit cases, recent increases in an applicable CPI normally are considered.

9. A Change in the Status Quo.

Ordinarily, the party that proposes a change in the status quo - whether a change that will modify an express provision of the collective bargaining agreement or a change that will modify a long standing practice that has become a binding implied provision of the collective bargaining agreement - must come forward, as the moving party, with a truly compelling or substantial reason and strong evidence for the change. Absent such a showing, an arbitrator normally will not interfere with the status quo. Where a moving party cannot point to external or internal comparability that supports its position, its burden is great indeed.

10. Other Criteria.

Other standards traditionally taken into consideration by interest arbitrators may be considered. As an example, an arbitrator properly might consider, without treading into the area of good vs. bad faith bargaining, the extent to which a party has attempted, during bargaining, to reach agreement. As another example, an arbitrator properly might take into consideration the respective reasonableness of each party's proposal.

11. Alleged Bad Faith Bargaining.

The subject of alleged "bad faith" bargaining is virtually never a criterion that an arbitrator should consider, such an assertion more properly being within the jurisdiction of a public agency.

The union also cites two other arbitrators' discussions of applicable criteria to use to evaluate a party's proposal in Interest Arbitration. In *State of Alaska and Alaska Correction*

Officers Association, (Brown, 2012), the interest arbitrator noted:

The parties did not stipulate to the standards or definite criteria nor does the Alaska statute set the standard the arbitrator is to use to determine any monetary award. Lacking this direction, arbitrators will generally make an award based on one or more of the commonly accepted standards. Several surveys of public sector interest arbitration decisions have arrived at similar, if not identical findings regarding the standards interest arbitrators use. The criteria cited most often by the arbitrators were salary comparability, ability to pay, and inflation or cost of living in that order.

At page 43.

The other case the union offers is *State of Alaska and Public Safety Employees Association*, (Greer, 2006) where the Interest Arbitrator referred to the *central* issue in those cases as that concerning the interest of the parties and the interest of the Alaskan citizenry.

The employer reminds us, also, that "[An Interest Arbitrator] has to remember not to depart so far from a possible compromise, consistent with the respective power and desires of the parties, that one or other of them will be likely next time to prefer open hostility to peaceful settlement." Soule, *Wage Arbitration* 6-7 (1982).

The union also offers to analyze the proposals against the criteria set forth in Oregon's statute. It points out that since the 1994 amendments to the statute, the overriding statutory factor in public sector interest arbitrations in Oregon has been the

"interest and welfare of the public." It adds that Interest Arbitrators working with the Oregon statute generally have determined that the interest and welfare of the public cannot be determined in a vacuum. It must be analyzed in terms of the impact of the proposal on the bargaining relationship, the status of the compensation in relationship to similar employees performing similar functions for other public employers, the ability of the employer to pay for the proposal and the overall impact of the proposal on the workforce in question.

Based on the parties' arguments, as well as a review of the submitted interest arbitration awards, I find that the relevant criteria to use to evaluate the proposals are: Fiscal capability; external and internal comparability; cost of living adjustments; recruitment and retention record; and compelling reasons to change the status quo. The fiscal capability of the employer must be considered. The entire interest arbitration process would be fruitless if a package was awarded that could not be funded by the Legislature. It would be an insult to the process to knowingly award an unfundable proposal. Such action would cause all the time and effort that the parties have invested in negotiations to be a waste. Looking at external comparisons helps to assure that the union is not falling behind, or leaping out ahead of, employees of similar employers. Considering internal comparables lets one understand what the employer offers and accepts for employees living in similar geographic areas. Cost of living adjustments help evaluate how the parties are doing vis-à-vis the overall economy. The employer's recruitment and retention record generally gives a picture of how the wages, hours and working conditions of the bargaining unit fare in reality. Finally, the party proposing a change to the status quo should have a compelling

reason to do so since stability in labor relations benefits both parties to the agreement. Stability is woven into the Alaskan statutes cited above, as well as other interest arbitration awards quoted above. Ultimately, these are each reasonable standards to use for evaluating the parties' proposals.

BURDEN OF PROOF

Generally the burden of proof is on the party proposing a change to the language in the collective bargaining agreement. In this case, both parties have proposed increases to wages, albeit at different levels, as well as alterations to certain parts of the language of Rule 17 - Wages.

The union argues that the burden of proof should be on the employer since it is claiming an inability to pay. However, a close reading of the employer's arguments in its brief shows that the state is not, in fact, arguing an inability to pay.

Therefore, in the present case, each party has an equal burden to establish that its proposal best meets the stated criteria.

PROPOSALS OF THE PARTIES

The State's Proposal for Rule 17 - Wages is:

2014	0%
2015	1% Across the Board
2016	2% Across the Board

- Increase the wages of second mates throughout the fleet by 3% in 2015.
- Spot adjustments for certain licensed deck officers dependent on classification and vessel on which the deck officer holds a permanent bid.

The union's Proposal for Rule 17 - Wages is:

2014	0%
July 1, 2015	3.25% Across the Board
July 2, 2016	2% Across the Board

- Introduce a new step and merit system to be implemented in 2015.
- Place all bargaining unit members on Step One.
- Movement across the first six steps is automatic after one year at the previous step.

There is approximately one million dollars difference between the two party's packages.

BACKGROUND

Alaska has more coast line than all other states combined. The Alaska Legislature recognized the need for a marine highway system to connect various coastal communities to each other, to Canada, and to the "lower 48." AS 19.65.050 above. Alaska became the 49th state in 1959. The first collective bargaining agreement for AMHS employees was effective in 1962.

The MM&P represents a bargaining unit of approximately 100 licensed deck officers. All members of the bargaining unit are licensed by the United States Coast Guard. These marine officers have primary responsibility for the safe navigation of the vessel; the safety of the crew, passengers and cargo load; and oversight of the deck and steward departments.

The AMHS has 11 vessels, 35 ports, and 22 terminals. Besides the MM&P, the AMHS has employees represented in two other bargaining units. The Inland Boatmen's Union of the Pacific, Alaska Region, (IBU) represents unlicensed crew members. The Marine Engineers Beneficial Association (MEBA) represents licensed engineer officers.

The IBU ratified their tentative agreement. Its wage component is 2014 - 0%; 2015 - 1% increase; 2016 - 2% increase. At the time of the MM&P Interest Arbitration hearing, the MEBA had tentatively agreed to the same wage package: 2014 - 0%, 2015 - 1% increase, and 2016 - 2% increase.

AMHS operations are affected by the seasons. They are not constant throughout the year. All vessels are in revenue status

for a relatively short period of time during summer months. Normally, five or six ferries are out of service for four months each year. This type of fluctuation in operations affects the amount of work available for marine employees. It has resulted in a core group of permanent employees assigned to specific vessels, on either an A or B crew. There is also a group of permanent vacation relief employees, as well as a limited few permanent relief employees specific to the fast ferry vessels.

AMHS also employs a substantial group of temporary employees, or unassigned extras, who work on an as-needed basis with no guarantee of hours to be worked.

Tentative Agreement

In June, 2014, the employer and the MM&P reached a tentative agreement during negotiations for the terms of their 2014 - 2017 collective bargaining agreement. In the tentative agreement, the state committed to increasing its contribution to health insurance by \$40 per month, per eligible member; increasing training funds by 3% for each year of the agreement; doubling the amount of leave one can earn for additional pilotage endorsements; and fixing a problem of employees defaulting into leave without pay in certain situations. Other tentative agreements provide savings to the state: a reduction in unearned wages; the elimination of late arrival pay; and a \$100 user fee for employees who wanted annual passes for free, standby or space available travel throughout the AMHS ferries.

The tentative agreement had the same wage package as the IBU agreement and the MEBA tentative agreement: 2014 - 0%; 2015 - 1% increase; 2016 - 2% increase.

The MM&P membership failed to ratify the tentative agreement. The parties agreed to extend the 2011 - 2014 contract to avoid a strike and any impending service disruptions.

The MM&P reported to the employer that the tentative agreement was voted down because of two issues - wages and a concern over leave without pay. The parties were able to reach a new agreement to solve the leave without pay issue.

After the MM&P voted down the tentative agreement, the state redrafted its wage proposal. It increased wages for specific, harder to fill positions, i.e. second mates. The employer also enhanced its offer for wage increases for Masters and Chief Mates who hold bid jobs on the fleet's larger vessels. Under the employer's new proposal, 64% of bid positions would receive individual increases, in addition to the general across the board wage increases. The enhancements in the proposal did not settle the wage issue.

After the tentative agreement was voted down, the parties agree to submit the issues that were at impasse to Interest Arbitration, as an extension of the bargaining process.

The sole section of the bargaining agreement that the parties presented proposals on at Interest Arbitration was Rule 17 - Wages.

ANALYSIS

Fiscal Capability

Approximately 90% of the funds that the State of Alaska receives on an annual basis come from oil revenues. The state has no income tax and no general sales tax.

Thus, the state's income is closely tied to the price of a barrel of oil. The state does not argue a current inability to pay. Rather, the employer argues that its revenues are in crisis given the recent steep decline in oil prices. Additionally it argues that it must be prudent in its spending since oil is a finite resource. It asserts that its economic life is driven by a simple formula: $\text{Revenue} = \text{Oil Price} \times \text{Oil Production}$.

The union called Gregg Erickson, former budget analyst for the state and fiscal advisor to the governor elect, as a witness. He testified that Alaska has a healthy budget, despite fluctuating oil prices. He predicted that the state's budget could support the cost of either party's proposal. The union concludes that its proposal is supported by the relative economic health of the State of Alaska.

The employer views the union's economic argument as simply stating that Alaska has a political problem. It believes that the union wants the state to tap into resources that employer witnesses testified there was no political appetite for and which would be "political suicide."

On February 26, 2014, when oil prices fell to \$108.52, the Alaska State Legislature House Speaker and Senate President, as well as the Co-chairs of the Finance Committee, sent a letter to Governor Parnell encouraging the Governor to "consider fiscally prudent monetary terms such as closing extravagant benefits like ferry passes and readdress the cost of living differential." They reminded the Governor that the Senate had rejected pay increases for Commissioners because "highly paid staff are the least able to justify pay increases in austere times."

When the Legislature adjourned in April, 2014, it had built a budget based on average oil prices of \$105.06 per barrel. A steady decline in oil prices over the summer of 2014 has lead to predictions that budget cuts will be demanded of all state agencies, including AMHS. The employer established that a drop in oil prices to \$90.00 a barrel would decrease the state's revenues by \$1.3 billion.

When the MM&P had tentatively agreed to that same wage package as the other two maritime unions in June, 2014, oil prices were \$112.86 per barrel. On the first day of this Interest Arbitration hearing, oil prices were at \$74.32 per barrel. The state submitted an email site from the Alaska government that tracks oil prices. As of January 7, 2015, oil prices were posted as \$51.03 per barrel. To deal with fluctuating oil prices, the state has created reserve accounts.

The State of Alaska controls neither the price of a barrel of oil nor the rate of oil production. The state claims that it is living through "an unexpected and drastic drop off" in oil prices and production. For fiscal year (FY) 2014, the Legislature cut

funding to the AMHS by \$3.5 million; for FY 2015 the Legislature again cut funding to the AMHS, this time by \$1.1 million. The AMHS absorbed these cuts by reducing service, and eliminating certain operations which caused the loss of 12 positions represented by the IBU. The AMHS has been directed to produce a new fee schedule to increase revenues.

The union recalls that in 2008, the state experienced unusually high revenues from an oil price spike. Residents of the State of Alaska were provided an additional Permanent Fund Dividend that year. Then in 2009 oil prices fell to \$40 per barrel. Even with the drop in oil prices in 2009, the State was able to continue step and merit pay as well as cost of living adjustments to the majority of state employees.

The union stresses that during FY 2014, the AMHS recorded another high year of unrestricted revenues. The Deputy Commissioner of the Department of Transportation and Public Facilities, over the AMHS Reuben Yost testified that even with a decrease of ridership due to a reduction in service, and without a fare increases, revenue grew to over \$53 million for only the second time in AMHS history. Yost confirmed that the AMHS is planning a 5% fare increase which should generate an additional \$2 million in revenue at current ridership levels. The union argues that this would cover the \$1 million in cuts from 2014 and fund the difference in the MM&P's proposal over the state's proposal.

Both the union's and the employer's arguments about available revenue include large amounts of speculation. There is no definitive track record established to show the rate and length of an economic recovery for Alaska. Even so, the state advances

that its bargaining policies are conservative enough to shield state workers from the harsher consequences of the current budget crisis. Thus, the state's proposal tends to maintain fiscal responsibility in a manner that can achieve approval through the Legislature.

Comparability

Both parties comment on two other ferry systems outside of the State of Alaska: The Washington State Ferry System (WSF); and Black Ball transportation. Neither appears to be a strong external comparable. For instance, Black Ball transportation is a private sector system.

The state argues that it is not lagging behind in wages for its maritime employees. It supplied evidence that AMHS wages are 16.7% to 22.2% higher than those of the WSF system.

The MM&P argues that the routes that the AMHS has to have its ferries run leads to unique scheduling of the licensed deck officers. This scheduling pattern makes external comparison to the WSF system difficult. Instead of a 5/8 or 4/10 hour work week that the WSF system schedules, the AMHS typically schedules its employees to work 12 hour days for a two-week-on, two-week-off schedule.

The MM&P claims that its members work 12% more hours per year than the largest state bargaining unit of 10,000 general government employees represented by the Alaska State Employees Association.

However, the union did not provide rationale why it should receive higher wage increases than the other two unions representing maritime employees of AMHS.

External comparables are not persuasive in this case. Internal comparability with other represented state employees will be addressed in the change of status quo section, below.

Cost of Living Adjustments

The union points out that its bargaining unit has not had a cost of living adjustment in four years. While acknowledging that the cost of living is not a major factor in determining which proposal to award, the union urges that it be at least considered.

It contends that while MM&P members were receiving a wage freeze, other state employees received cost of living adjustments, as well as step and merit increases of at least 3.75% per year.

This approach by the union fails to acknowledge that the MM&P voluntarily gave up cost of living increases during the last round of bargaining in exchange for "life style improvements."

Neither party has established in the record that consideration of the cost of living would cause the awarding of one proposal over the other.

Recruitment and Retention

The union advances that licensed deck officers are a unique work group requiring special training and licensing. It points out

that it takes the average captain six to ten years of schooling and sea time to become a captain. Thus, it contends that mere vacancy rate numbers are an insufficient guide for determining if recruitment and retention problems exist.

The employer developed exhibits to show that overall, the MM&P has a stable membership rate. It has a high retention rate, with the average amount of service for MM&P members being 11.35 years. The MM&P has had 98 to 100 members over the last four years.

Between FY 2005 and 2011, the state executive branch had a separation rate of 12% to 16%. The average separation rate for MM&P members for FY 2012 through FY 2014 was 7.9%. Of the 23 deck officers who left, five went to other employers, while 16 retired from state service. This does not show a retention problem.

Second Mates

The MM&P argues that the state has a recruitment problem. While not acknowledging any difficulties in recruitment, the state did analyze trends in vacancies. It found that the highest amount of vacancies were in second mate jobs. Its analysis showed that second mates were giving up their permanent bid positions to become unassigned extras, and then third mates were not moving into the second mate positions. For example, second mate bids on the six main-line vessels and the vacation relief bids had a vacancy rate of 25% compared to the pilot positions on those vessels where the vacancy rate was 1%.

The second mate vacancy rate is occurring at the same time that the number of employees in the bargaining unit is remaining

constant, but with a large pool of unassigned extras. A witness for the employer, Captain Wayne Carnes, testified that the lack of vacancies on the M/V Fairweather caused the night second mate to bid off the vessel to gain the opportunity for advancement. Thus, the state concludes that it does not have a recruitment or retention problem. It sees that there is a problem getting employees to bid on the lower level permanent bid positions.

The employer concludes that the vacancy rates are because either lower level employees do not meet the minimum qualifications (pilotage endorsements) for the second mate positions, or employees that do meet the minimum qualifications do not want to bid for a permanent position on an undesirable route.

Unassigned extras are used to work permanent positions on a temporary basis, without having to meet the minimum qualifications. There is no pay difference between permanent employees or unassigned extras working the same level position. While there is also no pay difference between third mates and second mates, there is a large difference in the pilotage endorsement requirements in the minimum qualifications between the two positions. In addition, Rule 22.03 of the parties' collective bargaining agreement provides overtime to those non-watchstanding deck officers who are required to stand watch. This occurs when not enough watchstanders with the required pilotage are available on the vessel.

Generally, the pilotage endorsement requirements for second mates are much more in line with the pilotage requirements for Chief Mates, Pilots and Masters than they are with third mates. The employer and the union have both acknowledged that there are time,

money and energy commitments involved in obtaining pilotage endorsements. In the negotiations for the 2011-2014 agreement, they agreed to increase training money to alleviate some of the financial stress. During that round of negotiations, the union bargaining for improved "life style changes" in lieu of wage increases. For this round of negotiations, the parties have doubled the leave reimbursement benefits for employees who obtain certain pilotage endorsements.

The state's current proposal continues these efforts by rewarding employees who move into any second mate position with an addition 3% increase in wages. The state understands that an employee with multiple pilotage endorsements is more versatile, therefore more valuable. Multiple pilotages allow the employee to be upgraded to Chief Mate or Master in other positions in the fleet on a temporary basis.

Chief Mates and Masters

The state proposes a wage increase for Chief Mates and Masters serving on main-line vessels. This targeted increase is based on the divisions of Masters in the current collective bargaining agreement, as well as the state's analysis of bid vacancies. It is the state's intent to encourage employees to accept permanent positions on the main-line vessels, as well as bidding on the vacation relief positions. The state justifies the targeted increase as rewarding those with more pilotage endorsements. It believes that the targeted increase will create a more stable workforce and enhance the versatility of the workforce.

In the current collective bargaining agreement, the MM&P has agreed to a lower wage for employees serving as Masters on the M/V Lituya. The M/V Lituya is a small vessel serving only two ports of call; it has limited pilotage endorsement requirements. The MM&P has also agreed to a 5% higher wage for Masters serving on the fast ferries due to the complexities of operating those ferries.

The union argues that the employer's proposal for selected Masters' increases will lead to unintended consequences. It contends that under the proposal, if the Master on the M/V LeConte is assigned to work on the M/V Columbia, he would not receive the higher wages. The employer counters that such an upgraded assignment is improbable since the M/V Columbia has higher minimum qualifications for its Masters when on a run. The only time that this upgrade has occurred was a temporary assignment when the vessel was in the yard with a reduced crew, where pilotage requirements did not apply.

The union's concerns are based on suppositions. It did not put any evidence in the record that such upgrades have occurred with a higher vessel on the run. It has agreed in the past to increases for just a certain group of Masters - those on the fast ferries.

The state's proposal is an attempt to relieve an indentified problem: Lack of employees filling Second Mate positions. Additionally, the state's proposal provides additional financial incentive to obtain pilotage endorsements. These elements tend to favor the employer's proposal.

Change in Status Quo - Step and Merit System

The union is proposing that a new step and merit system go into effect July 1, 2015. It describes its plan as providing step increases of 3.25% annually. To transition to the new step and merit plan, the MM&P proposes that all current employees start at step one, regardless of years of service. Then each employee would progress through the steps annually as if they were new hires.

If promoted, the employee would move the same step on the new pay range. The employer points out that all other employees on a step and merit plan, start over at step one when promoted to a new pay classification. The MM&P justifies its unique promotion pay proposal because members are called upon to step up and step down between positions due to the manning needs on the vessels.

The union claims that its proposal for a new step/merit pay program is directed by the Alaska State Constitution at Article 12, Section 6 which states, "The legislature shall establish a system under which the merit principle will govern the employment of persons by the State."

The union urges that the overall interest and welfare of the public be balanced with what it sees as state constitutional and statutory mandates regarding a step and merit system. The union concludes that the MM&P's proposal is the only one fashioned within the constitutional, statutory and administrative edicts. Therefore, it argues that the MM&P's proposal is the one that is in line with the interest and welfare of the public.

The employer offered the minutes of the constitutional committee which met in January, 1959. The minutes recorded the discussion of Article 12, Section 6. They state, "The merit system, in substance, merely determines that political considerations will not be the determinant for the selection, and all we are doing is repudiating the idea of the spoils system." I agree with the employer that, in a historical context, this provision appears to be an extension of the Civil Service systems that were being established nationally.

The logical extension of the MM&P's argument that the step and merit plan is demanded by the state constitution would find that the current collective bargaining agreement, and the agreements for the preceding 55 years, is unconstitutional. Additionally, this interest arbitration does not determine constitutional law. If the union believes that the current pay plan structure is unconstitutional, it should present that argument to a court of competent jurisdiction.

In *State of Alaska and Alaska Corrections Officers Association*, (Greer, 2009), the Interest Arbitrator was faced with a proposal that was a major departure from the status quo. He reasoned:

In the world of collective bargaining, stability and continuity are values of primary importance. The status quo is not realistically subject to major alteration or modification unless (a) there is demonstrable evidence that the status quo has proved to be unworkable or mischievous, or (b) external evidence establishes "changed circumstances" which impel modification, or (c) there is a perceptible trade-off in which the party seeking change has "bought" agreement.

At page 6.

As noted above in *State of Alaska and Alaska Corrections Officers' Association*, (Levak, 2008), the Interest Arbitrator found that generally the party that proposes a change in the status quo must come forward with a "truly compelling or substantial reason" for the change.

The union points out that other state bargaining units have merit based range and step systems negotiated into them. The state confirmed that out of its 11 bargaining units, six have negotiated merit/step increments. However, the state claims that those negotiated pay plans arise from the application of the merit principles within the State Personnel Act, AS 39.25. The State Personnel Act does not apply to AMHS vessel employees. AS 39.25.110 states:

Exempt Service provides: Unless otherwise provided by law, the following positions in the state service constitute the exempt service and are exempt from the provisions of this chapter and the rules adopted under it:

(16) persons employed by the division of marine transportation as masters and members of the crews of vessels who operate the state ferry system and who are covered by collective bargaining agreements provided in AS 23.40.040.

The employer asserts that it is this exemption that has enabled the MM&P to negotiate wages that are generally higher than other state employees.

The union offered a recent Interest Arbitration Award between the *State of Washington and Inland Boatmen's Union (IBU)*, (Skratek, 2012) as an example of an Interest Arbitrator incorporating IBU wages into the State of Washington General Service Salary

Schedule. However, the record before that Interest Arbitrator is vastly different from the one from the instant hearing. The arbitrator recognized that the Washington State IBU members had not had a wage increase since 2008, in fact taking a reduction in wages for the 2011-2013 biennium. She concluded, "The IBU members have subsidized the State budget for far too long." At page 14. She also found that the Washington State Ferry/Terminal positions lagged behind the market average.

It should be noted that Arbitrator Skratek rejected any other across the board wage increases. Under the baseball arbitration rules that the parties stipulated to govern our process, I would be prohibited from modifying the union's proposal that includes both a step program and across the board wage increases.

The union argues that both parties would benefit from stability in wages that a step and merit system would provide. The union further advances that a step and merit system provides for routine wage adjustments which are not tied solely to collective bargaining and which would provide adjustments even during any economic downturn for the state. It contends that its proposal reflects the system in place for the majority of the employees working for the state Department of Transportation.

The state counters that since the plan that the union is proposing calls for automatic movement across the steps in the first years, it is not truly a merit system. In essence, the employer sees the union's proposal as demanding the monetary value of merit steps without the underlying reward/control and intent of a true merit system.

The union's proposal for a step and merit pay plan fails for a fundamental reason: It does not link wage increases to meritorious performance from Step A through G. It does not include the basics of a merit pay system. It has no acknowledgement of performance; movement along the steps is based solely on time in service.

The manner in which the union has constructed its proposal for a step and merit system makes the union's wage proposal less attractive than the employer's. While it contends that other Department of Transportation employees are on a step and merit system, it did not propose the exact mechanics of that system.

The MM&P's proposal for a new step and merit plan is a major change in the status quo. It did not establish why it should have this system which would be unique to the other unions representing employees working on the AMHS vessels. The state argues that the terms of the collective bargaining agreement at issue here will serve as a pattern setter for other marine union within the State of Alaska, as well as the State of Washington. Thus it urges that the potential trickledown effect of an award that results in a significant departure from current terms be not ignored.

The union has not established through true external or internal comparables, why the status quo should be changed.

CONCLUSION

The MM&P does a very good job of advocating for the advancement of its members. However, as the employer points out, the state has a fiduciary responsibility to all of its citizens.

The employer's proposal has actual wage increases in it for the 2014 - 2017 collective bargaining agreement. The state's proposal addresses identified problems.

The employer's proposal benefits both parties. It gives bargaining unit members an increase in pay while staying in line with other state collective bargaining agreements that the Legislature has funded. Thus, most importantly, the employer's proposal has monetary terms that can reasonably be expected to be approved by the Legislature.

The State of Alaska's contract proposal would enhance wages, benefits, training opportunities, payments for obtaining pilotage, encourage employees to take permanent positions, encourage employees to take on positions with more complexity, and recognize positions that require more skill to perform.

INTEREST ARBITRATION AWARD

Any arguments presented in briefs not cited within this decision I found non-persuasive or immaterial. Based on the record as a whole, I award that:

The State of Alaska's proposal on Rule 17 - Wages is the more appropriate article, based on the criteria enunciated in this Interest Arbitration Award, to include in the parties' 2014 - 2017 collective bargaining agreement.

ISSUED in Chehalis, Washington, this 9th day of February, 2015.

Katrina Boedecker


KATRINA I. BOEDECKER, Arbitrator

CERTIFICATION OF MAILING

I certify that on this ___9th___ day of ___February___, 2015, I served the foregoing interest arbitration award upon the parties listed below, by U.S. postal service, certified mail, postage prepaid, a true, exact and full copy thereof to :

Ms. Benthe Mertl-Posthumus
State of Alaska
Department of Administration
Division of Personnel and Labor Relations
P.O. Box 110201
Juneau, AK 99811-201

Ms. Rhonda J. Fenrich
Fenrich & Gallagher, P.C.
245 West 5th Ave.
Eugene, OR 97401



Katrina I. Boedecker
Arbitrator

State to Union

1:17

March 10 '14

RULE 1 - SCOPE

1.01 The Rules contained herein constitute an Agreement between the STATE OF ALASKA, hereinafter referred to as the Employer, and the INTERNATIONAL ORGANIZATION OF MASTERS, MATES, AND PILOTS, UNITED INLAND GROUP, PACIFIC MARITIME REGION, representing the Deck Officers as classified within this Agreement, hereinafter referred to as the Union, governing wages, hours and conditions of employment on the Employer's ferries and any other waterborne carrier owned, operated, chartered or leased for operation by the Alaska Marine Highway System.

1.02 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that this Agreement is the entire Agreement and includes all collective negotiations during its term. It is mutually understood that there is no desire on the part of the Union to dictate the business policies of the Employer but when the Employer contemplates a change in policy affecting the welfare of the Deck Officer, proper and reasonable notice shall be given to the Union.

1.03 Any additions, deletions or changes which are negotiated during the life of this Agreement shall be in the form of an amendment or addendum and shall become part of this Agreement.

1.04

(A) The State of Alaska shall have the ability to contract for passenger and vehicle service only for the following ports: Angoon, Gustavus, Kake, Hoonah, Tenakee, and Pelican, without regard to MMP jurisdiction.

(B) The Employer shall provide all information regarding the contracting for passenger and vehicle service of these ports to the Union. No portion of this subsection (B) shall be subject to the grievance procedure.

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3/11/14
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State to Union
March 10 '14
1:19

RULE 2 - RECOGNITION

2.01 The Employer recognizes the Union as the exclusive representative of all Deck Officers as classified herein, and as the sole collective bargaining agent for the purpose of acting for the Deck Officers in negotiating wages, hours, conditions of employment and interpreting this Agreement, and adjusting disputes.

Ad
Mar 10
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3/10/14

JA
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3/10/14
1:19

Rule 5 - Union Membership

from union
12 57pm

5.01 All Deck Officers covered by this Agreement shall, within thirty (30) days after employment with the Employer, be or become members of the Union and shall thereafter as a condition of employment tender the dues and initiation fees or other fees as required by AS23.40.220 uniformly required as a condition of membership, and the Union agrees to accept all such Deck Officers for membership.

5.02 The Union shall advise the Employer in writing of the amount of its initiation fees and monthly dues as duly adopted by its membership. The Employer, with the written consent of the Deck Officer, shall deduct monthly from the pay of each Deck Officer covered by this Agreement such fees or dues for the preceding month and remit the amount monthly to the Treasurer or other officer of the Union as may be designated in writing by the Union.

5.03 Upon written notice by the Union that any Deck Officer who has been employed for more than thirty (30) days and is not in compliance with the provisions of this Rule and demonstration by the Union that it has provided Employee with the procedural protections required by law the Employer shall terminate the employee. Termination shall become effective within thirty (30) days after receipt of the aforesaid notice to the Employer by the Union.

5.04 ~~The Alaska Marine Highway System personnel office shall furnish the Union's Regional Officer one (1) copy of the appointing personnel action form for each new hire in the bargaining unit within thirty (30) days of hire.~~ Each month the Union will be provided a report showing appointment personnel actions for all newly hired Alaska Marine Highway System Deck Officers.

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6/29/14

JA BUMP
6/29/14
4:37

Rule 6 - Nondiscrimination

6.01 The Employer agrees not to discriminate against any Deck Officer because of membership status in the Union or activity on behalf of the Union, provided such activity is not contrary to law or this Agreement.

6.02 The Employer and the Union agree that there will be no discrimination against any Deck Officer or applicant for employment because of race, religion, physical handicap, marital status, change in marital status, pregnancy, parenthood, sex, color, age or national origin.

6.03 All references herein to the male gender will also include the female gender.

MM&P
3/11/14

MM&P TA
3/11/14 10:21

RULE 7 - CREW REQUIREMENTS

Done to
Union
June 28 '14
4:35

7.01 The minimum manning for all present and future vessels shall be in accordance with the safe operation of the vessel as and the Certificates of Inspection under which the vessel is licensed to operate, and the Certificates of all vessels covered by this Agreement are made a part hereof by reference. There shall be no unilateral reduction in present staffing.

TA
RMP
6/28/14

TA RMP
6/28/14
4:35

Rule 8 - Health and Safety

8.01 The health and safety of Deck Officers shall be reasonably protected. Where quarters are provided, each Deck Officer shall have his or her own individual stateroom. All Deck Officer's staterooms shall be properly equipped with a washroom. Each stateroom shall be heated and lighted at all times during occupancy. Washrooms are to be equipped with fresh hot and cold running water, and fresh water shower facilities, as well as sanitary drainage. The HVAC system shall be in good operating condition.

The Employer agrees that, on vessels where quarters are provided, white sheets, pillow slips, mattresses, blankets, towels and soap shall be furnished to insure sanitary and healthful conditions.

8.02 The Employer shall afford room service for its Deck Officers; i.e, changing linens, sweeping, mopping and waxing in the respective staterooms, bathrooms and toilets. Clean bed linen and towels are to be provided weekly and rooms are to be cleaned and beds made daily.

8.03 ~~Separate quarters and bathroom facilities will be constructed for all Deck Officers as construction of new vessels occurs.~~ The Employer recognizes the right of the Union to discuss quarters before new vessels are quired, constructed or converted. The Union recognizes it must initiate a request to discuss quarters in a timely manner.

same as 8.06

8.04 Annual employee physicals may be required by the Employer to be performed by a doctor of the Employer's choice and at the expense of the Employer.

8.05 The Employer shall reimburse each Deck Officer for one (1) physical examination per calendar year to a maximum of one hundred and fifty dollars (\$150.00) when such examination is required by law or regulation to upgrade, renew or maintain his/her license. In the event that during the life of this Agreement, the USCG makes significant changes to the requirements for physical examination that result in the cost of the physical exceeding one hundred and fifty dollars (\$150.00) the Employer agrees to meet and confer with the Union to review whether the amount shall be increased.

8.06 The Employer will reimburse each Deck Officer for the actual cost of a drug test required by law, regulation, employer directive or to maintain his/her license. This shall not apply to pre-hire drug tests nor to testing or screening associated with a drug rehabilitation program.

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3/11/14

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3/11/14

10:24

RULE 9 - OCCUPATIONAL INJURY AND ILLNESS BENEFITS

Union to State

June 28 '14 12:15

9.01 Unearned Wages: In the event a Deck Officer becomes ill or is injured while in the service of the Employer's vessel, he/she shall receive wages to the end of the work assignment until returned to his or her change port or place of residence, whichever is soonest. In the event a Deck Officer is injured while in the service of the Employer's vessel, he/she shall receive wages to the end of the work assignment. During the period of time that an employee is receiving unearned wages for a work related illness or injury, the employee may not receive additional income supplementation by claiming accrued annual leave or medical/sick leave.

9.02 Transportation In the event a Deck Officer becomes ill or injured while in the service of the vessel, he or she will be furnished meals, lodging and transportation until returned to his or her change port. This provision shall apply when the Deck Officer is not hospitalized and has notified the Master or the Personnel officer of his or her medical status.

9.03 When hospital treatment is required, transportation to and from the hospital will be furnished by the Employer if the Deck Officer becomes ill or needs medical attention while in the service of the vessel and a Master's Certification has been issued. Upon release from the hospital, transportation to the Deck Officer's change port shall be provided upon request, provided such transportation is connected to an assignment.

9.04 Seniority shall accrue while the Deck Officer is paid Worker's Compensation for the time absent from work, provided the Deck Officer was eligible for dispatch based on his or her seniority.

9.05 The Employer shall provide the Union with written notice of all job-related injuries in a timely manner.

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6/28/14

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6/28/14
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PROPOSED BY MM&P ON 1/6/2014
REMAIN AT BOOK LANGUAGE

RULE 10 - COMPENSATION FOR LOSS OF EFFECTS

10.01 Deck Officers will be reimbursed in cash for the loss of personal effects, instruments and equipment resulting from shipwreck, stranding, sinking, burning and collision of the vessel in the amount not to exceed two thousand dollars (\$2,000.00). Each individual must provide the Employer with an itemized list of the individual's losses, including replacement value(s). Reimbursement may be made for items over \$2,000 up to \$5,000 if supported by receipts.

WJ
1/6/14
@0942
RCB
MM&P

January 6 '14
9:50

JA BNP

Book

**RULE 11 - CASH ALLOWANCE FOR SUBSISTENCE AND
QUARTERS**

11.01 When the Deck Officer is in work status away from home and quarters are not furnished, the Deck Officer shall be entitled to a quarters allowance of ninety-five dollars (\$95.00) per day between May 16 and September 15 and eighty-five dollars (\$85.00) per day between September 16 and May 15. In the event that quarters are not available at the contracted quarters allowance rate the Deck Officer shall be reimbursed for necessary receipted expenses for quarters.

11.02 When a Deck Officer is in work status away from home and meals are not furnished, the Deck Officer shall be entitled to a meal allowance in accordance with the State Administrative Manual.

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RWB
3/10/14

Gabe to Uric
March 10 '14
1:25

TA RWP
3/10/14
1:25

6/29/14
ALB

6/29/14
4:47

State to
unic

JA
6/29/14
4:50

RULE 12 - RELIEF TERMINAL

12.01 CHANGE PORTS.

(A) Regularly Assigned Deck Officers. Designated Change ports for Deck Officers are Juneau, Ketchikan, Metlakatla, Cordova, Valdez and Homer. ~~Changes in these change ports to the regular change ports of a given vessel~~ shall be designated by the Employer. Should the Employer make a change to the usual change port of a given vessel, moving costs or travel expenses will be paid for affected Deck Officers in accordance with Rule 12.07. The Employer will determine on a case by case basis, between paying either moving costs or travel expenses to affected Deck Officers.

For regularly assigned Deck Officers (A crew or B crew), the senior regularly assigned Deck Officer on the Deck Officers seniority roster, or in the case of a Master, the Masters seniority roster, shall designate the change port for the position.

For regularly assigned Chief Mates (A crew or B crew), the senior Chief Mate on the Chief Mates' Seniority Roster shall designate the change port for the position.

For regularly assigned Masters (A crew and B crew), the senior Master on the Master's Seniority Roster shall designate the change port for the position.

Changes in designation pursuant to this Rule provided that changes in designation pursuant to this Rule shall not result in additional expense to the Employer. However, other communities may also be used as change ports if both regularly assigned Deck Officers covering a position reside in such community or vicinity and when such community is a regular port of call of the Employer's vessels. In no case shall the implementation of a different change port cause any Alaska resident to travel outside the State of Alaska to relieve another Deck Officer.

Regularly assigned Deck Officers shall normally be relieved at the same change port where they began their duties.

(B) Vacation Relief Deck Officers, Extra Relief Deck Officers, and Temporary Relief Officers shall designate a preferred change port, either Juneau or Ketchikan. A different change port can be designated if approved by the General Manager, or designee.

(C) Regularly Assigned Deck Officers and Vacation Relief Deck Officers assigned to the M/V Tustumena shall have a change port of Homer.

~~12.02 RELIEF AT OTHER THAN PORT OF ENGAGEMENT. When a Deck Officer is relieved at a port other than the port at which he or she began that particular~~

~~assignment the Deck Officer is entitled to travel pay and receipted necessary travel expenses to return to the port of engagement.~~

12.03 TRAVEL BETWEEN REGULAR ASSIGNMENTS DEADHEADING. (A) Deck Officers who reside at any port of call of the Employer's vessels other than at their designated change port may "deadhead" aboard said vessels. During such passage the Deck Officer may take meals in the officers' mess without charge. Berth will be furnished free of charge whenever possible, on a space-available basis, ~~but~~ However, the Employer shall not be liable for travel and/or other expenses incurred by a Deck Officer traveling to Deck Officer's designated change port by means other than vessels of the System.

~~(B) When a regularly assigned Deck Officer is entitled to necessary travel expenses (including air fare and ground transport) these expenses will be paid in accordance with the Alaska Administrative Manual. Deck Officers choosing to travel at another time or using means other than that provided by the employer will be reimbursed for receipted expenses up to the dollar amount of the travel that would have been provided by the employer. All requests for reimbursement must be submitted within sixty (60) days from the Deck Officer's release from the vessel. Travel expenses will not be paid for the portion of travel provided by the employer on its vessels. If a Deck Officer is required to travel on the Employer's vessel and purchase accommodations he/she shall be entitled to reimbursement.~~

12.04 TRAVEL TO/FROM TEMPORARY CHANGE PORT BETWEEN TEMPORARY ASSIGNMENTS.

(A) When a Regularly Assigned Deck Officer or Vacation Relief Deck Officer is required to change their travel arrangements at the Employer's direction, he/she is entitled to the extra cost incurred due to this change. It is the Deck Officer's responsibility to provide documentation of actual travel in order to receive entitlements under this subsection. All expenses will be paid in accordance with the Alaska Administrative Manual.

(B) When a Regularly Assigned, Vacation Relief or Extra-Relief any Deck Officer is temporarily assigned duties which involve a crew change or work assignment at other than his or her ~~normal change~~ designated change port, for each and every occasion travel is required the Deck Officer is entitled to necessary actual travel expenses (including air fare and ground transport) between their designated change port and the temporary change port.

Deck Officers deviating from the required travel between temporary and designated change port, including but not limited to choosing to travel at another time, to another destination, or using means other than those offered by the State, will be reimbursed for actual necessary travel expenses up to the expenditures that would have been incurred by the Employer, had the employee not deviated, whichever is less.

All requests for reimbursement must be submitted within sixty (60) days from the Deck Officer's release from the vessel and must include receipts for actual travel. Travel expenses will not be paid for the portion of travel provided by the Employer on its vessels. If a Deck Officer is required to travel on the Employer's vessel and required to purchase accommodations he/she shall be entitled to reimbursement.

is entitled to travel pay and receipted necessary travel expenses for travel between the normal change port and the temporary change port. For purposes of this Rule, the "normal change port" shall be either Juneau or Ketchikan. It is the Deck Officer's responsibility to provide documentation of actual travel in order to receive entitlements under this subsection. All expenses will be paid in accordance with the Alaska Administrative Manual.

When it is necessary to await arrival of the vessel, to begin a temporary assignment at other than designated change port, Rule 11, Cash Allowance for Subsistence and Quarters, will apply. Claims for subsistence shall be made on the State of Alaska Travel Authorization Form. Travel time will apply towards minimum guarantee but shall not be included in straight-time hours in determining when overtime will commence.

12.05 In no case shall the implementation of a change port other than Juneau or Ketchikan cause the State of Alaska to incur any significant additional expense nor cause any Alaska resident to travel outside the State of Alaska to relieve another Deck Officer. Travel Pay

12.06

(A) Travel Pay. When a Regularly Assigned Deck Officer, Vacation Relief Deck Officer or Extra Relief Deck is eligible for travel pay as provided elsewhere in this Rule, is temporarily assigned duties which involve a crew change or work assignment at other than his or her designated change port, he or she is entitled to travel pay.

Travel pay for deck Officerse# shall be computed on the basis of straight-time pay for the actual hours involved in traveling to or from the temporary change port. Deck Officers will receive a minimum of four (4) hours travel pay per each one way trip, except that if more than four (4) hours is claimed, The Deck Officer must submit documentation of actual travel to support the claim. Deck Officers will receive a maximum of twelve (12) hours travel pay in any twenty-four (24) hour period, regardless of mode of travel involved. For travel to an assignment, travel pay time begins at airline check-in time, when air transportation is used, or at the scheduled departure time of the Employer's vessel, when necessary or directed to travel by vessel. Travel pay to an assignment ends upon arrival at the port of destination, if the assigned vessel is in port. If the vessel is not in port travel pay ends upon arrival of the vessel. For travel after completing an assignment, travel pay time begins at airline check-in time, when air transportation is used, or at the scheduled departure time of the Employer's vessel, when necessary or director to travel by vessel, and ends upon arrival at the Deck Officer's change port. Eligibility

for travel pay shall not be construed as creating other entitlements except as may be expressly stated in the Rule.

~~(B) Travel Expenses. When it is necessary to await arrival of the vessel, Rule 11, Cash Allowance for Subsistence and Quarters, will apply. Claims for subsistence shall be made on Form 02-027, State of Alaska Travel Authorization. Travel time will apply towards minimum guarantee but shall not be included in straight time hours in determining when overtime will commence.~~

Temporary Relief Deck Officers are not eligible to travel pay.

12.067 TRANSFER OR CHANGE OF ASSIGNMENT. All additional costs incurred by a transfer or change of assignment at the convenience of, and requested by, a Deck Officer shall not be the responsibility of the Employer. This includes transfers caused by initiation of a bid award. Expenses incurred when a transfer or permanent change of assignment of a Deck Officer is at the direction of and for the convenience of the Employer shall be the responsibility of the Employer. When Deck Officers are permanently transferred for the convenience of, and at the direction of the Employer, other than through the bid process, to Southwest Alaska from the Southeast System (or vice versa), or due to the Employer making a change in change ports, reimbursements for actual moving expenses incurred shall be in accordance with the State travel regulations.

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12.078 When a Deck Officer is on an approved vacation and is unexpectedly called back to work, he or she will be reimbursed for any additional expenses incurred by the Deck Officer and travel time to return as a result of the early return to work shall be considered time worked. In order to be ~~compensated~~ reimbursed for additional expenses and be paid travel pay under this section the call back must be directed by the Commissioner of Department of Transportation and Public Facilities prior to the Deck Officer incurring additional expenses. The Deck Officer shall submit documentation to support the additional expenses and travel pay claimed. If the Deck Officer undertakes return travel after completing the assignment to which called back, he or she shall be ~~compensated~~ reimbursed for any additional transportation expenses to return to the original point of call. Travel time to return shall also be considered time worked for purposes of Minimum Guarantee, but not for the purpose of computing hours towards any overtime entitlements. All expenses will be paid in accordance with the Alaska Administrative Manual.

12.09 Upon initial hire and/or termination, the Deck Officer shall be entitled to one-way air transportation between his or her port of original hire and change port. This shall include excess baggage allowance for necessary items of clothing, uniforms, and navigational equipment required for assigned duties, but not to exceed a total cost of five hundred dollars (\$500.00).

12.10 When a Deck Officer whose residence is other than the State of Alaska, and moves his or her legal residence within the State of Alaska, then the Deck Officer

will be entitled to reimbursement for moving expenses in accordance with the State Administrative Manual. Such changes of residence must occur within three (3) years of the Deck Officer's initial bid award unless required by the Employer.

Union to State

April 1 '19

9:40

Rule 13 - Visitation

13.01 Prior to conducting Union business, authorized representatives of the Union shall, as a courtesy, notify the AMHS Operations Manager, or designee. The Union representative will sign in and receive a visitor's pass ~~then~~ and notify the Master or the Deck Officer on watch before being allowed to go on the Employer's property and on board vessels while in port covered by this Agreement. ^{passenger} Trip passes for authorized Union representatives, limited to no more than two (2) per calendar year, for traveling aboard the vessel shall be issued by the General Manager or designee upon request. The Union agrees the Employer is absolved from all claims resulting from any accident involving such representatives while on the property or on board vessels of the Employer. No individual or group of Deck Officers will be interrupted in their work.

BMP

TA BMP
April 1 '19
9:41

TJ
BMP
4/1/19
RUB

6/29/14
from union
1:15pm

RULE 14 - SETTLEMENT OF DISPUTES

14.01 If a difference or dispute arises over the correct interpretation or application of this Agreement between the Union or the Deck Officers covered herein and the Employer, the Union or the aggrieved Deck Officer(s) shall use the following procedure as the sole means of settling said controversy:

STEP ONE: An aggrieved Deck Officer shall first attempt to settle the complaint or grievance through discussion with the Port Captain. Failing to resolve the dispute, the Deck Officer shall reduce the grievance to writing and submit it to the Union as soon as possible. Settlements reached at this step shall be consistent with the provisions of this contract and with policies and regulations of the Employer. As an exception to the above, any dispute by a Deck Officer alleging an error in his or her paycheck shall be initiated by filing a Notice of Pay Problem with the Employer, who shall then respond to the Deck Officer in writing within fifteen (15) working days.

STEP TWO: If a dispute is unresolved at Step One the grievance must be presented in writing by the Union to the System General Manager, Alaska Marine Highway System, within fifteen (15) working days after the response in Step One is due or received, whichever is the earliest. The Union may enter general grievances at this step without having to utilize Step One. The System General Manager, Alaska Marine Highway System, may arrange a hearing in the dispute, but in any event shall render a decision in writing within fifteen (15) working days from receipt of the Step Two filing.

STEP THREE: If a dispute over the correct interpretation or application of this Agreement is not resolved at Step Two, the Union may appeal the dispute in writing to the Commissioner of the Department of Transportation and Public Facilities within fifteen (15) working days after the Step Two decision is due or received, whichever is earlier. The Commissioner of the Department of Transportation and Public Facilities or designee shall respond in writing to the Union within fifteen (15) working days after receipt of the appeal.

STEP FOUR: In the event a grievance which has been considered in Step Three is not resolved at Step Three, the Union may appeal it in writing to the Commissioner of the Department of Administration within fifteen (15) working days after the response from Step Three is due or received, whichever is earlier. The Commissioner of the Department of Administration or designee shall respond in writing to the Union within fifteen (15) working days after receipt of the appeal.

STEP FIVE: If a dispute over the correct interpretation or application of this Agreement remains unresolved after being timely processed through the preceding steps, it shall proceed to binding arbitration if either party so requests by written notice to the other party within forty-five (45) calendar days after the date of the response of the Commissioner of Administration required under Step Four. Such request shall specify which Rule or Rules are alleged to have been violated.

TA'd
6/29/14
1:16pm
Katie
Shaw

TA'd
6/29/14
ALB

14.02 Within thirty (30) days after the signing of this Agreement the Employer and the Union shall jointly request from the Federal Mediation and Conciliation Service the names of seven (7) qualified arbitrators. Thereafter, on each occasion requiring an arbitrator, the parties will promptly select the arbitrator by alternately striking names from the list until only one name remains. The party requesting arbitration shall strike the first name. The last name remaining on the list shall be the arbitrator, and arbitration shall commence on a date to be selected by agreement of the arbitrator and the parties. The arbitrator shall issue a decision and award in writing within thirty (30) calendar days after the close of the hearing, which decision and award shall be final and binding on each of the parties. The arbitrator shall have no authority to rule contrary to, amend, add to, subtract from or eliminate any of the terms of this Agreement. The arbitrator shall have the power to return a grievant to employee status with or without restoration of back pay or mitigate the penalty as equity suggests under the facts. Should either party fail or refuse to abide by the decision of the arbitrator, the other party shall be free to petition to the Labor Relations Agency for enforcement of the agreement.

14.03 In any arbitration proceeding held pursuant to this Rule the expenses incident to the services of the arbitrator shall be borne entirely as designated by the arbitrator. The arbitrator shall assign such expense to the losing party. If, in the opinion of the arbitrator, neither party can be considered the losing party, then such expenses shall be apportioned as in the arbitrator's judgement is equitable.

14.04(A) To qualify for consideration under the grievance procedure set forth in this Rule, any dispute must be brought to the attention of the Employer through the Union in writing within thirty (30) calendar days of the occurrence of the disputed action, or of the date the Deck Officer is made aware of the action, whichever is later.

(B) The appeal of a dismissal, demotion or suspension must be brought to the attention of the Employer through the Union in writing within fifteen (15) working days of the date the Deck Officer is notified of the action. Any grievance resulting from the dismissal, demotion or suspension of a Deck Officer who has, at the time of the disputed action, established seniority pursuant to Rule 26 of this Agreement shall be entered into the procedure at Step Two.

(C) Prior to using the grievance procedure, pay complaints must first be submitted on forms provided by the Employer entitled Employee Notice of Pay Problem (NOPP) within thirty (30) calendar days after the issue date of the pay warrant in question. It shall be the employee's responsibility to complete the form with full details of the complaint and to insure that the Union receives a copy of the NOPP. The Employer shall respond within fifteen (15) days from the Employer's receipt of the NOPP and a copy of the response shall be sent to the Union. Should the response not be satisfactory to the employee and the Union, a grievance must be entered at Step Two under Rule 14.01 within fifteen (15) calendar days after the NOPP response is due or received, whichever is earlier.

14.05 Written grievances at Steps One through Four shall be processed on forms provided by the Employer and shall, at all levels of the grievance procedure, cite specific rules alleged to have been violated, and shall contain, at a minimum, sufficient information to determine the issues and relief sought. All time limits expressed herein may be extended by mutual agreement of the parties, but it is understood that time is of the essence and that grievances not timely appealed are considered moot.

14.06 Complaint Procedure A complaint is defined as: the appeal of the discharge or discipline of a probationary employee who has not established seniority as a Deck Officer. The following shall be the sole means for settling complaints:

(A) A complaint must be brought to the attention of the Employer consistent with the procedures set forth in this Rule within thirty (30) calendar days of the effective date of the action or inaction or the date the employee is made aware of the action or inaction, whichever is later.

(B) Date of receipt of a complaint or response shall be either seven (7) calendar days following date of postmark or the date of a signed verification of receipt. Allotted time frames may be extended by mutual agreement.

(C) Complaints shall be processed on forms provided by the Employer and agreed to by the Union.

(D) The complaint will state the facts from which it arises, the rules, procedures, or conditions which should be considered and the remedy. Adjustments to complaints shall not conflict with this Agreement or applicable written policies, laws or regulations.

(E) Appeals shall be in writing with a copy of the original complaint attached.

(F) STEPS IN THE COMPLAINT PROCEDURE

STEP ONE: Complaints will be presented on the provided forms by the Union to the AMHS General Manager. The System General Manager shall respond in writing to the Union within ten (10) working days from receipt of the Step One complaint.

STEP TWO: Failing to resolve the complaint at Step One, the Union may appeal the complaint to the Commissioner of Transportation and Public Facilities within ten (10) working days after the response from the System General Manager is due or received, whichever is earlier. The Commissioner of Transportation and Public Facilities shall respond in writing within ten (10) working days from the receipt of the Step Two filing.

STEP THREE: If the complaint is unresolved at Step Two, the Union may appeal the complaint to the Commissioner of Administration within ten (10) working days after the response at Step Two is due or received, whichever is earlier. The Commissioner of Administration shall respond in writing within fifteen (15) working days from the receipt of the Step Three filing.

The decision of the Commissioner of Administration is final and shall settle the matter.

14.07 There shall be no strikes, lockouts, sympathy strikes, slow downs or stoppages of work during the term of this Agreement, it being the intent of the Employer and the Union that all disputes be settled in accordance with the provisions of this Agreement. Notwithstanding this, however, no Deck Officer working under this Agreement shall be required to board any vessel of the Employer which is being picketed by any union in connection with a lawful primary strike sanctioned by the Vice President of the International Organization of Masters, Mates and Pilots, Pacific Maritime Region.

JA BMM 6/29/14 4:30 State to Union June 29.14
THRU 3:23
MM&P
6/29/14

RULE 15 - WORKING CONDITIONS

15.01 The Employer will furnish without cost to each Deck Officer holding U.S. Coast Guard licenses an insurance policy providing for Loss of License Indemnity for service aboard an AMHS vessel. The Employer will notify the Deck Officer in writing when said coverage is initially provided or renewed. Upon renewal, the Employer will provide the Union a list of Deck Officers who had coverage renewed or initially provided.

15.02 LEGAL INDEMNIFICATION.

Upon request, the Employer agrees to provide for the legal defense of a Deck Officer in any civil action brought against the Deck Officer as the result of the Deck Officer's performance of, or failure to perform, his or her duties, and to indemnify and hold harmless such Deck Officer from any judgment levied against him or her in any such civil action, subject to the following conditions:

If the Employer determines that the Deck Officer is guilty of willful misconduct, the Employer shall notify the Deck Officer of this determination. The Deck Officer may then obtain legal representation of his or her choosing and at his or her expense, and may bring the Employer into the action as third-party defendant.

If it is determined by the court that the Deck Officer is not guilty of willful misconduct, the Employer shall indemnify the Deck Officer for all costs and for actual attorney's fees stemming from the action, as well as for any judgment rendered against the Deck Officer. If it is determined by the court that the Deck Officer is guilty of willful misconduct, the Deck Officer shall bear the costs and attorney's fees, as well as any judgment rendered against the Deck Officer.

The Deck Officer must request, in writing and within ten (10) days of the service of the Summons and Complaint on the Deck Officer, that the Employer provide the legal defense services available under this rule. The submission date of the Deck Officer's request shall be established by its postmark, and a failure to submit a written request within the required ten (10) days shall relieve the Employer of any obligation under this rule. The Employer shall select which attorney will represent the Deck Officer, and if the Deck Officer objects to the attorney selected by the Employer, he or she may obtain another attorney, at personal expense.

15.03

(A) ~~Effective July 1, 2011, The employer agrees to continued participation~~ participate in the Masters, Mates and Pilots Maritime Advancement, Training, Education and Safety (MATES) Program. For this purpose, effective July 1, 2014, the Employer agrees to pay the Masters, Mates and Pilots nine dollars and eighty-four cents (\$9.84) ~~nine dollars (\$9.00)~~ per working day for each Deck Officer employed by the AMHS. ~~Effective July 1, 2012,~~ the Employer agrees to increase the amount to ten dollars and fourteen cents (\$10.14) ~~nine dollars and twenty-seven cents (\$9.27)~~ per working day. ~~Effective July 1, 2013,~~ the Employer agrees to increase the amount to ten dollars and forty-four cents (\$10.44) ~~nine dollars and fifty-five cents (\$9.55)~~ per working day. Payment under this Rule shall be made to the MM&P on a ~~monthly basis~~ basis of every two consecutive pay periods. Deck Officers shall be responsible for their own transportation and will not be paid wages during training.

(B) For Deck Officers enrolled in the Mate to Chief Mate/Master Program, and subject to the approval of the General Manager,

reimbursement will be made for necessary transportation to the training facility, up to two times for each series of courses in the Program, and the Deck Officer will be paid eight and four tenths hours per day for each day spent in training. Nothing precludes a Deck Officer from attending the Mate to Chief Mate/Master Program under the terms of 15.03(A) on their own time.

(C) Reimbursement will be made for all or part of costs incurred, including necessary transportation and per diem in accordance with the Alaska Administrative Manual, for training or education required for license renewal or maintenance provided that the training or education has prior written approval of the ~~Port Captain~~ AMHS General Manager and the Employer determines that fiscal resources for training and education are available.

Training or education shall normally be scheduled for vacation or "A" day periods. Upon successful completion, the employee's accrued vacation shall be reimbursed for each day spent in actual instruction and in necessary travel, up to eight point four hours per day, see Rule 4.06 (B). Courses extending more than one work week are subject to cooperative Employer-employee financial and vacation arrangements, which may include the reimbursement of accrued vacation beyond seven (7) days, up to eight point four (8.4) hours per day, see Rule 4.06 (B), when approved by the Employer. The Employer's prior written approval shall specify the reimbursement, pay and leave terms and amounts.

~~The Port Captain in concert with Deck Officers or their representative shall develop an annual training schedule.~~ Reimbursement for training and education for purposes other than license renewal may be approved by the System General Manager upon his finding that such training is in the interest of the Employer and determination that the necessary fiscal resources are available.

~~15.04 Upon approval by the Operations Manager, Alaska Marine Highway System,~~
~~System, Deck Officers shall be allowed to attend, any Employer approved course of instruction involving fire fighting and/or emergency medical treatment.~~

Union to
Strike
June 28/19
12:17

RULE 16 - SHIPYARD AND TERMINAL WORK

16.01 When vessels are tied up and watches broken, such as at a shipyard or tie-up terminal, those Deck Officers assigned to remain on the vessel shall continue to follow regular workweeks and workdays in accordance with Rule 4. Rule 18.02 shall also apply. The change in work schedules from ship's watch time to shipyard or tie-up time shall occur at the nearest noon or midnight that the vessel leaves or enters service. During such periods, minimum guarantee as provided for in Rule 25 shall apply.

~~**16.02** When changing from shipyard work weeks to running time work weeks, the hours concerned shall be combined only for the purpose of establishing minimum pay requirements within the regular pay period. Upon leaving shipyard or tie-up status, overtime for sea time shall commence after completion of the regular seven (7) day, eighty four (84) hour work week.~~

16.03 When a vessel is in maintenance/layup status, the Employer shall determine crew requirements. During all times a vessel is in layup or in a shipyard, the Master shall be the first crew member assigned and the last crew member removed, however the Employer may assign a Master or a Master and Mate(s) to a vessel and provide off vessel housing. If more than three (3) unlicensed deck crew are assigned to the vessel, an additional appropriate level of Deck Officers shall be assigned to the vessel.

[Handwritten signature]
6/28/19

Lo u thinks
Chief mate
is appropriate

TA POUMP
6/28/19
17:05

1:12

RULE 18 - HOURS-VESSEL ON RUN

18.01 Except for those vessels listed in (C) of this Rule, hours on the run shall consist of either (A) or (B) of this subsection:

(A) Twelve (12) hours shall constitute a day's straight-time work. For watchstanders, the daily hours shall be divided into sea watches of six (6) hours on duty followed by six (6) hours off duty. For nonwatchstanders, twelve (12) hours shall constitute a day's straight-time work. However, the non-watchstander's hours are not required to be continuous.

(B) Twelve (12) hours shall constitute a day's straight-time work. For watchstanders, a day's straight-time work shall consist of 8 hours of watch and 4 hours of non-watch work, provided that both bid-holding Masters of a vessel are in agreement and an additional third mate is assigned to the vessel. For non-watchstanders, twelve (12) hours shall constitute a day's straight-time work. However, the non-watchstander's hours are not required to be continuous.

(C) For MV Tustumena and MV Kennicott watchstanders, a day's straight-time work shall consist of 8 hours of watch and four hours of non-watch work. For MV Tustumena and MV Kennicott non-watchstanders, twelve (12) hours shall constitute a day's straight-time work. However, the non-watchstander's hours are not required to be continuous.

18.02 For simplicity in timekeeping, the first and last days of a regular assignment shall be six hours each. Nothing in this rule precludes the payment of overtime for work beyond the work week or work day, as defined.

TAJ
RUB
3/25/14

Book

TA POWER
3/25/14
1:12

RULE 19 - MONTHLY WORK

19.01 Two (2) complete Deck Officer crews shall be assigned to each vessel with the workdays divided evenly during each year between the two (2) crews as nearly as practicable. Each crew will work two (2) weeks (fourteen [14] consecutive days) followed by two (2) weeks off duty, with the alternate crew relieving.

19.02 When mutually agreed upon by two Deck Officers in equal grade, they may work seven (7) consecutive days on, followed by seven (7) consecutive days off, provided they obtain written approval of the Employer and the Vacation Committee and the Master is informed. It is understood that no overtime will be incurred because either Deck Officer does not fulfill his or her part of the schedule while the vessel is on the run and the fourteen (14) day schedule is in effect. Deck Officers changing from a seven (7) day schedule to a (14) fourteen day schedule when implementing a bid shall not be entitled to overtime for their regular work hours on their second workweek. Other provisions of Rule 22 shall apply.

19.03 M/V Tustumena Deck Officers shall work no less than 14 days per assignment. When mutually agreed upon by two Deck Officers in equal grade they may work longer assignments provided they obtain written approval of the employer and the vacation committee and the Master is informed.

JA
BMP
12/4/14
RB

JA BMP
12/4/14

RULE 20 - EMERGENCY SERVICE

20.01 Emergency service such as collision, breakdown, standing to and rendering aid to another vessel or parties in distress shall not be considered overtime. The additional time shall be paid for only at the straight-time rate. Any late arrival at crew change ports due to such emergency service is included and the straight-time rate, to the extent of the emergency service rendered as indicated in the ship's log, shall be paid to those Deck Officers held over on duty.

REMAIN AT BOOK LANGUAGE

PROPOSED BY MM&P ON 12/11/2013

TA'd
BUMP
12/11/13
1307

TA'd
BUMP
12/11/13

1:13

6/28/14
to unun
4:49pm

RULE 21 - LATE ARRIVAL

~~21.01 When a vessel is delayed for any reason other than "Emergency Service" in excess of one (1) hour after scheduled time of arrival at change ports, such delay shall be termed a "Late Arrival." Scheduled time of arrival shall be one (1) hour before the published departure time from each port. The hours involved in such delays shall be determined by the Deck log. Total hours shall be calculated from scheduled time of arrival.~~

~~21.02 Deck Officers scheduled to be relieved at their change port will be paid at the overtime rate of pay for that portion of the Late Arrival period that they are on duty and straight time for that period that they are off duty, with the following limitations:~~

~~(A) Twelve (12) hours pay of either scale or combination thereof shall constitute a day's pay.~~

~~(B) Nonwatchstanders shall be paid for one half (1/2) the delay at straight time and one half (1/2) at overtime, unless proof of time actually worked is in excess of one half (1/2) the delay period. In that case, the overtime will apply to the time worked. When the delay totals an odd number of hours, the odd hour will be regarded as overtime.~~

~~(C) The foregoing applies to delays of twelve (12) hours or less. Delays over twelve (12) hours will be handled under regular call back or overtime rules for the entire Late Arrival.~~

TA'd
6/29/14
1:25pm
Keta Sherman

TA'd
MM+D
RWB
6/29/14

6/28/14
to union
4:50 pm

RULE 22 - OVERTIME

22.01 (A) Overtime shall be one and one-half (1-1/2) times the straight-time hourly rate. When a Deck Officer is called to come to work in advance of regular straight-time and overtime is extended into straight-time, or is required to work beyond normal straight-time and straight-time is extended into overtime, the minimum overtime payment shall be one (1) hour. When a Deck Officer is released from duty having completed his or her regular watch and is called back to work, the call-back overtime shall entail a minimum payment of two (2) hours, and if released with less than one (1) hour remaining before going back on watch straight-time, time shall run continuously.

22.02 The overtime rate shall be one and one-half (1 1/2) times the straight time hourly rate.

(A) When a Regularly Assigned Deck Officer or Vacation Relief Deck Officer has worked a regular assignment (seven [7] consecutive days or fourteen [14] consecutive days) and is required to work during his or her assigned time off (seven [7] consecutive days or fourteen [14] consecutive days), he or she shall be paid at the overtime rate of time and one-half (1-1/2) for the time worked, with a minimum of twelve (12) hours (see exception in Rules 26.04 through 26.06). This minimum does not apply when there is a schedule change or a change in change ports. In these cases, the Deck Officer will start the workweek with the standard six (6) hours at overtime.

(B) Deck officers working one (1) week on one (1) week off schedule shall receive overtime for work in excess of eighty-four (84) hours of work.

(C) Deck Officers working a two (2) week on two (2) week off schedule shall receive overtime for work in excess of one hundred and sixty-eight (168) hours of work.

22.03 Any nonwatchstanding Deck Officer who is required to stand watch will be paid overtime for those hours on watch. In order to receive overtime pay for the hours worked under this Rule, a Deck Officer must record start and stop times for the day to show that they have worked twelve (12) straight-time hours (as per Rule 18.01(A)) in addition to the overtime watch hours worked.

22.04 The first assignment for any Deck Officer returning for duty from prolonged sick leave, vacation (exclusive of the vacation assigned by the Scheduling Committee), or leave without pay shall commence at the straight-time rate of pay. Prolonged sick leave is defined as sick leave that covers three (3) scheduled workweeks or longer.

TA'd
6/29/14
1:26 pm
Crista Sheehan

TA'd
MMAD
ALP
6/29/14

JA PMP
6/20/14
5:07

RULE 23 - VACATION

Handwritten initials and scribbles.

Union to
State
June 28
114
12:26

23.01 EMPLOYEES HIRED ON OR AFTER APRIL 1, 1985. The vacation accrual and eligibility for accrual of Deck Officers shall be in accordance with 23.01(A) and (B) below.

(A) Accrual Rates. Vacation credits shall accrue according to the following schedule:

<u>Years of Continuous Service</u>	<u>Vacation Accrual Hours/Year</u>
1 but less than 2	84.0
2 but less than 3	168.0
3 but less than 4	252.0
4 but less than 5	336.0
5 or more	420.0
7 or more	504.0

(B) Eligibility for Accrual. Eligibility for vacation accrual shall commence once the Deck Officer has accumulated two thousand one hundred eighty-four (2,184) straight-time hours of compensation. The Deck Officer will then be considered as having one (1) year of continuous service, thereby establishing a leave anniversary date. Upon the establishment of a leave anniversary date, the Deck Officer will be credited with eighty-four (84) hours vacation. Vacation in successive years shall be at the rate shown in Rule 23.01(A).

Vacation benefits awarded under this Rule will not be construed as establishing seniority, which is separately defined in Rule 26.

Once eligible for vacation accrual, a Deck Officer will be credited with one-twelfth (1/12) of the year's vacation accrual during every month in which he or she is compensated for a minimum of eighty-four (84) straight-time hours. A Deck Officer's leave anniversary date will be adjusted forward one (1) month for each calendar month that he or she does not receive vacation credit.

23.02 EMPLOYEES HIRED PRIOR TO APRIL 1, 1985. The vacation accrual and eligibility for accrual of Deck Officers hired prior to April 1, 1985, shall be in accordance with 23.02 (A) and (B) below.

(A) Accrual Rates. Vacation credits shall accrue according to the following schedule:

<u>Years of Continuous Service</u>	<u>Vacation Accrual Hours/Year</u>
1 but less than 2	84.0
2 but less than 3	168.0
3 but less than 4	252.0
4 but less than 5	336.0
5 but less than 7	420.0
7 but less than 10	504.0
10 or more	588.0

(B) Eligibility for Accrual. Eligibility for vacation accrual shall commence once the Deck Officer has accumulated one thousand six hundred (1,600) straight-time hours of compensation within any twelve (12) month period from date of original hire. The Deck Officer will then be considered as having one (1) year of continuous service, thereby establishing a leave anniversary date. Upon the establishment of a leave anniversary date, the Deck Officer will be credited with eighty-four (84) hours vacation. Vacation in successive years shall be at a rate shown in Rule 23.02 1(A).

Vacation benefits awarded under this Rule will not be construed as establishing seniority, which is separately defined in Rule 26.

Once eligible for vacation accrual, a Deck Officer will be credited with one-twelfth (1/12) of the year's vacation accrual during every month in which he or she is compensated for a minimum of eighty-four (84) straight-time hours. A Deck Officer's leave anniversary date will be adjusted forward one (1) month for each calendar month that he or she does not receive vacation credit.

(C) Deck Officers covered by this section who have vacation balances of at least one hundred and sixty-eight (168) hours shall be permitted to cash out one hundred and sixty-eight (168) hours of vacation per calendar year. The Deck Officer's vacation balance shall be reduced by the number of hours for which payment is made.

23.03 USE OF VACATION

(A) The vacation shall be taken as scheduled following notification by the Scheduling Committee. This program will provide Vacation Relief Deck Officers who shall have a schedule and relieve for vacations throughout the year, and shall not be removed from their vacation relieving schedule unless they are ill. During the annual overhaul period, Vacation Relief Deck Officers must contact an active Scheduling Committee

representative no later than seven (7) days prior to returning to work from vacation. It is recognized that Vacation Relief Deck Officers may be reassigned from the first (1st) day to the seventh (7th) day following the actual date of the end of the approved vacation.

(B) During periods of major layups of vessels, Deck Officers with greater amounts of vacation may be required, through joint agreement of the Scheduling Committee, to utilize their vacation time in order to permit other Deck Officers to remain employed. In their effort to accomplish this goal, the Vacation Committee may not reduce a Deck Officer's vacation balance below one hundred and sixty-eight (168) hours without consent of the Deck Officer.

(C) The Scheduling Committee will consist of six (6) members. The Scheduling Committee shall designate a chairman and shall establish its own rules and processes. The Union will select its three members each year and advise the AMHS of the committee membership. The System General Manager, AMHS, will designate three (3) Employer representatives to serve as full members of the Scheduling Committee in addition to those committee members selected by the Union. The Union and the Employer shall designate one representative from each party to serve as a partial committee between full committee meetings to address any schedule changes as frequently as necessary to adjust to the operational changes or exigent circumstances.

(D) Those Deck Officers who participate on the Scheduling Committee are to receive pay at the straight-time rate of pay for actual hours worked on Scheduling Committee matters, as approved by the ~~Senior Port Captain~~ Operations Manager. The rate of pay shall be at the Deck Officer's regularly assigned classification. The Scheduling Committee shall meet in part or in whole as frequently as necessary to adjust to the operational changes. Meetings will be held in Ketchikan unless otherwise determined by mutual agreement.

(E) The Scheduling Committee shall have final approval of the vacation schedules and number of relief positions required and shall sign off on same before adjournment of the Scheduling Committee. The schedule shall be published and distributed to the fleet and a copy sent to the Union within ten (10) days of adjournment. A Deck Officer who experiences a loss in pay resulting from the committee's action or inaction may be made whole from their vacation balance if available. At no time shall the Employer without the consent of the Deck Officer remove vacation from a Deck Officer's vacation balance. An employee may be recalled from approved vacation only at the written direction of the Commissioner and only for bona fide emergencies. The recall shall not be for purpose of avoiding payment of overtime.

23.04 The Vacation Relief Deck Officer's work assignment shall be as prescribed by the Deck Officer Scheduling Committee. The provisions of Rule 22, late arrival pay and holiday pay, shall be paid as earned within the pay period.

23.05 TERMINAL LEAVE. In case of a Deck Officer terminating services at any time after he or she has established eligibility for vacation benefits, the Deck Officer shall receive cash payment for whatever vacation that individual has accrued.

23.06 VACATION PAY RATE. Regularly Assigned and Vacation Relief Deck Officers shall be paid for vacation at the rate of their regular assignment, or the rate of pay for the classification in which the majority of their time was worked within the preceding year. If a higher pay rate than the Deck Officer's regular rate of pay is requested, the Deck Officer must note this on the vacation request. The Employer may request documentation from the Deck Officer to support the claim. Extra Relief Deck Officers shall receive the rate of the classification in which the majority of the Deck Officer's time was worked within the last year.

23.07 MAXIMUM ACCUMULATION OF VACATION. Vacation accrued but not used shall accumulate to a maximum of eight hundred and forty (840) hours on June 30 of any calendar year. If a Deck Officer has, as of June 30, an amount of vacation in excess of eight hundred and forty (840) hours, the excess shall be deducted from the Deck Officer's vacation balance and paid to the Deck Officer at the rate of pay defined in Rule 23.06, in a lump sum payment no later than the second pay period in July of each year. However, if circumstances caused the Employer to refuse a Deck Officer's timely request for vacation, the amount of vacation refused will be carried over.

23.08 COURT LEAVE.

(A) A Deck Officer who is called to serve as a juror or is subpoenaed as a witness shall be entitled to court leave provided that he or she would have been working aboard a vessel of the Alaska Marine Highway System. Deck Officers must notify the personnel section within ten (10) days of notice and prior to jury service in order to be eligible to use court leave. Court leave shall be in the form of straight-time pay for the hours of work missed due to service as a juror or witness at the pay rate which would be appropriated if the Deck Officer were on vacation. To receive pay for court leave, the Deck Officer must turn over to the Alaska Marine Highway System all moneys received from the court as compensation for service as a juror, or any moneys received from the court as compensation for service as a witness. Claims for court leave must be supported by written documents such as a subpoena, Marshall's statement of attendance and compensation for service, per diem and travel.

(B) Employees will only receive court leave pay from AMHS for the actual time that they are physically unable to work because they either have not been excused or have been selected and physically serve on a jury, or as a witness. In all cases, the individual must present proper documentation in accordance with Rule 23.

In order to assure pay during the time involved with court duty, employees should submit a request for annual leave for the affected pay period(s) and accrual balance adjustments will be made when the verification documents are given to the personnel of the AMHS.

(C) Seniority shall accrue while the employee is on paid court leave for the time absent from work provided the employee was eligible for assignment based on his or her seniority.

23.09 UNION BUSINESS LEAVE

(A) All Deck Officers shall donate twelve (12) hours of vacation on April 1 of each year provided that the Deck Officer's balance is at least twelve (12) hours. Such vacation shall be converted to dollars at the vacation pay rate of the donor and transferred to the Union Business Leave Bank.

Withdrawal requests from the Bank will be for the purposes of contract negotiations, executive meetings, training sponsored by the Union and other purposes as may be determined by the Vice President of the International Organization of Masters, Mates and Pilots, Pacific Maritime Region. Requests for withdrawal from the Bank shall be made only by the Vice President, or his designee, to the Director of Labor Relations on forms mutually agreed on by the parties and furnished by the Union. . All vacation transferred to the Bank is final and not recoverable for recredit to an individual's vacation account.

The request form shall include hours and dates for which the MM&P member is requesting withdrawal for the Union Business Leave Bank. The dates and hours requested by the MM&P member may be for any time spent on Union activities and which are approved by the International Order of Masters, Mates and Pilots, Pacific Maritime Region Vice President or his designee on the appropriate forms.

For hours requested on dates which do not coincide with a MM&P member's scheduled work week(s), the member shall receive only a cash-out for the hours

CGP

requested from the Union Business Leave Bank. The cash-out shall be treated in the same way as a cash-out of the member's personal vacation leave hours.

Upon receiving a completed, signed request from the MM&P Vice President or his designee and after determining that sufficient funds are in the Union Business Leave Bank to process the request, the State shall then complete the transfer of funds from the Union Business Leave Bank into either leave hours to be added to the individual member's leave balance account or as a cash-out of the hours requested.

*as is
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(B) Deck Officers shall be allowed to voluntarily donate vacation to the Union Business Leave Bank, subject to the following procedures and conditions:

(1) Each Deck Officer wishing to donate vacation will fill out, date and sign a vacation request showing the amount of vacation he or she wishes to donate.

(2) Each such vacation request will have written or typed along the bottom, "Vacation donation to International Organization of Masters, Mates and Pilots, Pacific Maritime Region, Union Business Leave Bank."

(3) International Organization of Masters, Mates and Pilots, Pacific Maritime Region, will deliver all such vacation requests to the Alaska Marine Highway System. The vacation hours shall then be converted to dollars at the hourly rate of the donor and be transferred to the Union Business Leave Bank.

(4) The Employer will not be responsible for the collection, or any statements made in relation to the collection, of said donations.

(5) All donations are final and not recoverable for recredit to the donor's account.

(6) It is understood that such voluntary vacation donations are in addition to the mandatory vacation donation required under Rule 23.09(A).

(C) The release of Deck Officers from duty for Union business leave shall be handled on the same basis as release for vacation. Approval for such release shall not be unreasonably withheld by the Employer.

23.10 When a Deck Officer presents a vacation request to the Employer at least ninety (90) calendar days in advance of the proposed starting date, the Employer shall have forty-five (45) calendar days in which to approve or disapprove the request. Such requests shall not be unreasonably rejected and the Employer shall provide written

reasons for any such rejections to the Employee and the Union. Vacation dates approved under this Rule shall not be revised until all alternatives have been exhausted. This Rule applies to vacation requests received outside the Vacation Committee.

~~23.11 An audit will be provided to Vacation Relief Deck Officers by the Employer on or before March 1 and August 1 of each year. The audit will ensure that the Employer has met the 1092 minimum guarantee entitlement.~~

23.12 1 VACATION CREDIT FOR PILOTAGE ENDORSEMENTS. Both the Employer and the Union recognize the need for all Deck Officers to have U.S. Coast Guard (USCG) pilotage endorsements on their licenses for areas in which AMHS vessels sail. Both parties also recognize the need for new Deck Officers to obtain their pilotage endorsements as quickly as possible. In recognition of the efforts and time it takes to complete these endorsements, the following shall apply:

(A) Effective July 1, 2011, when a Deck Officer successfully completes a USCG pilotage exam and has a pilotage endorsement placed on his or her license for any pilotage area that covers a route sailed by an AMHS vessel, that Deck Officer will have ~~eight and four tenths (8.4)~~ sixteen and eight tenths (16.8) hours added to his or her vacation leave balance.

(B) When a pilotage endorsement for a route is completed, the Deck Officer shall submit a copy of the pilotage endorsement and a timesheet to the Port Captain's office. The Port Captain's office will verify the pilotage endorsement and for each and every completed endorsement that covers a route sailed by an AMHS vessel, the Port Captain's office will submit a timesheet with the pilotage endorsement attached with the notation "Please credit the following hours to the Deck Officer's vacation leave balance." The Port Captain's office will sign the timesheet and submit it to the AMHS Payroll office for adjustment of the Deck Officer's vacation leave balance.

move to rule 25

RULE 24 - HOLIDAYS

24.01 The following holidays shall be recognized holidays: New Year's Day, Martin Luther King, Jr. Day, Lincoln's Birthday, President's Day, Seward's Day, Memorial Day, Independence Day, Labor Day, Alaska Day, Veterans Day, Thanksgiving and Christmas Day, or other days as may be declared as legal holidays by the Governor of Alaska.

24.02 All holidays shall be given off with pay to Deck Officers scheduled to work. If a Deck Officer is required to work on a holiday, he or she shall be paid at the overtime rate for the actual hours of work and in addition, shall receive Holiday Pay of twelve (12) hours at the straight-time rate. For purpose of this section only, actual hours of work on crew change day will be considered to be six (6) hours. If a holiday falls on the Deck Officer's scheduled day off, he or she shall receive a day's Holiday Pay.

24.03 All holidays will be paid at the twelve (12) hour rate. In addition, Deck Officers required to work on a holiday on their assigned day off will be paid at the overtime rate for the day worked. Assigned days off will include the Deck Officer's scheduled week, or scheduled time off while on sea watches, while at a shipyard or tie-up terminal, and vacation. Should a holiday occur while the Deck Officer is on sick leave and during a week which would have been the Deck Officer's normal workweek, the Deck Officer shall receive Holiday Pay and such hours will not be charged to sick leave.

24.04 A Deck Officer will be credited a holiday for pay purposes when said Deck Officer is in pay status within fourteen (14) days of the holiday. To be a "Deck Officer" for this section, he or she must have been hired prior to the holiday, and must not have terminated before the holiday.

24.05 OBSERVANCE OF HOLIDAYS. A designated holiday will normally be observed on the calendar day on which it falls. Crewmembers working in more than one bargaining unit during a workweek in which a holiday falls will only receive holiday pay and/or holiday overtime pay once for each holiday listed in 24.01.

24.06 Effective July 1, 1998, Lincoln's Birthday shall be considered a floating holiday. On the day of the holiday, each member eligible for a holiday in accordance with Rule 24.04 shall have their annual leave account credited with one day of leave.

REMAIN AT BOOK LANGUAGE

PROPOSED BY MM&P ON 12/11/2013

MM&P
3/24/14 *ALB*

BMP TA

1:12
3/24/14

Union
to State
June
28/14
12:30

RULE 25 - MINIMUM GUARANTEE

25.01 All Deck Officers working regular assignments as a part of the crews shall receive in wages not less than eighty-four (84) times the basic straight-time rate for each two (2) week pay period. Holiday Premium Pay and Holiday Pay during assigned time off shall be paid in addition to the guarantee. Deck Officers working regular assignments of 168 hours shall receive the basic straight-time rate of pay for the respective pay period, so that in two consecutive pay periods he or she shall receive a total of 168 hours of compensation.

25.02 An audit will be provided to Vacation Relief Deck Officers by the Employer on or before March 1 and August 1 of each year. The audit will ensure that the Employer has met the 1092 Minimum Guarantee entitlement.

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BRP
6/28/14

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6/28/14
12:30

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6/29/19 4:32

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unic
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6/29/19

RULE 26 - SENIORITY

26.01 Deck Officers who have completed twelve (12) months of service shall establish seniority with the Employer. There shall be three (3) separate seniority rosters as follows: A Deck Officers' Seniority Roster to be used for determining the respective rights of all Deck Officers; and a Masters' Seniority Roster and a Chief Mate's Seniority Roster.

(A) Any Deck Officer having twelve (12) months or more service as a Deck Officer will be placed on the Deck Officers' Seniority Roster commencing with the first day of employment as a Deck Officer under this Agreement.

(B) The Master's Seniority Roster shall include all Deck Officers who have been promoted to and established seniority as Master by bid award and are serving in a bid position as Master or Pilot. All Masters or Pilots shall be placed on the Deck Officers' Seniority Roster after having completed nine (9) months of service. A Master shall establish seniority as Master and will be placed on the Masters' Seniority Roster, retroactive to the date of the close of bid vacancy notices (as described in Rule 26.04 of this agreement) after completion of ninety (90) working days in a bid position as Master. In the case of a promotion to Master, the Deck Officer will not receive pay as per Rule 26.03 for the Master position until they have actually worked in their bid position.

(C) The Chief Mates' Seniority Roster shall include all Deck Officers who have been promoted to and established seniority as a Chief Mate by bid award and are serving in a bid position as Chief Mate. A Chief Mate shall establish seniority as Chief Mate and will be placed on the Chief Mates' Seniority Roster, retroactive to the date of the close of bid vacancy notices (as described in Rule 26.04 of this agreement), after having completed ninety (90) working days in a bid position as Chief Mate. In the case of a promotion to Chief Mate, the Deck Officer will not receive pay as per Rule 26.03 for the Chief Mate position until they have actually worked in their bid position.

(D) Deck Officers, Masters and Chief Mates who are employed on the same date shall have their seniority determined by lot.

(E) For purposes of this Rule, a month's service shall be defined as having been compensated for a minimum of eighty-four (84) straight-time hours worked in a calendar month. In computing a month's service, a workweek which commences in one (1) calendar month and ends in another shall be credited to the month in which the workweek began unless the employee has been compensated for eighty-four (84) hours of work by the end of the calendar month in which the assignment began. In such cases the hours compensated in the following month shall be credited to that month for the purpose of computing service.

26.02 The seniority rosters will be revised in June of each year and shall be open for correction for a period of sixty (60) days from the date of posting upon presentation of proof of error in writing by any Deck Officer or designated representative. Any seniority date that is not protested within sixty (60) days from date of its first appearance on the seniority roster will not thereafter be subject to

protest, except for correction of typographical error. The Union shall be furnished copies of such rosters. If the need arises, seniority rules may be amended by mutual agreement between the Employer and the Union and if the rules are amended, the Employer shall publish revised rosters and provide copies to the Union and to each Deck Officer. In application of seniority the Union shall administer and decide any dispute. Disputes that arise involving the Employer shall be processed through the disputes procedure under Rule 14. Grievances that involve only the Union shall be resolved through the procedures set forth in the Union's Constitution and by-laws.

26.03 In reducing or increasing personnel, seniority as indicated by the Deck Officers' Seniority Roster shall govern, and when layoffs become necessary, the last Deck Officer hired shall be the first laid off. When Deck Officers are called back to service, the last laid off shall be the first restored to work. Transfers between vessels or terminals and travel in exercising seniority retention rights will be at the Deck Officer's expense and the overtime pay rules will not apply. In the event a senior Deck Officer is temporarily assigned to a grade reduction, he or she shall receive the rate of pay for his or her regular permanent position. However, in the event of a reduction in force, Deck Officers shall be paid at the rate of their resultant assignments.

26.04 When a regularly assigned Deck Officer's position becomes vacant, the position shall be filled by written request on the basis of Deck Officers seniority for all regularly assigned positions except Chief Mate and Master. The employer shall serve notice of all such vacancy within fifteen (15) days. Notice shall be posted on each vessel, at the Ketchikan Office, and the Union shall be notified. Request for assignment will be accepted for thirty (30) days from the date of notification of a vacancy. The position will be filled no later than the fifteen days following this period. The assignment will then be implemented on the next Deck Officer's assignment schedule or in any event within four months. If a vessel is in an extended shipyard or lay-up period, defined as a period exceeding four months, implementation of the assignment bid may be delayed until the vessel returns to service.

In the event that the Employer believes any Deck Officer, except Master (See Rule 26.06), to be unacceptable for a position for which such Deck Officer has submitted a request, the Employer may reject such Deck Officer's request. The Employer will promptly notify the Deck Officer or the Union of the reasons of this rejection, upon written request from the Deck Officer or the Union, if, and only if, the Employer promptly notified both the Union and the Deck Officer involved (in writing) of the rejection, and of each and every reason relied upon by the Employer in rejecting the request. Any Deck Officer whose request for consideration is so rejected shall have the absolute right to protest such rejection under the provisions of this Agreement relating to disputes, and in the event that the rejection is finally determined to have been without sufficient cause, such Deck Officer shall immediately be accepted for the position for which he or she was rejected, and reimbursed for any wages lost due to such rejection.

26.05 Whenever a Chief Mate's position becomes vacant, those Deck Officers on the Chief Mates' Seniority Roster, who are qualified and competent, shall be afforded the opportunity to transfer. The Port Captain shall consult the Master of the vessel before selecting a Deck Officer to fill the Chief Mate's position. In determining assignments in accordance with this Rule, Chief Mate seniority, as determined by the Chief Mates' Seniority Roster, shall be given full consideration. If a Deck Officer is denied a transfer, the Deck Officer may file a grievance under Rule 14.

In the case of a promotion to any Chief Mate position, the position shall be filled by written request in accordance with Rule 26.04.

26.06 When a Master's position becomes vacant, those persons on the Masters' Seniority Roster, and are qualified and competent, shall be afforded the opportunity to transfer. In determining assignments in accordance with this rule, Masters' seniority, as determined by the Masters' Seniority Roster, shall be given full consideration. If a Deck Officer is denied a transfer, the Deck Officer may file a grievance under the Rule 14.

~~In the case of a promotion to a Master's position, those applying for the job shall apply on a form supplied by the Employer specific to the Master's position. Applicants whether by transfer or promotion, shall be reviewed by a Union Peer Review Committee consisting of 3 members designated by the Union. The Committee shall rank the candidates and provide the list to the Employer. The Employer shall select the Master considering the Board's list. Consideration may also be given to seniority as determined by the Chief Mates' Seniority Roster. If the Committee disagrees with the Employer's selection the Union may contest the decision. If the Union contests the decision the dispute will be submitted to an arbitrator. The arbitrator's decision shall be limited to considering whether the Employer acted in an arbitrary, capricious or discriminatory manner. The arbitrator shall not substitute his/her judgment for that of the Employer. The arbitrator, if he/she finds against the Employer, shall be limited to ordering a new selection process.~~

26.07 Except for promotion from Third Mate to Second Mate, all promotions shall result in a probationary period of ninety (90) working days.

26.08 Whenever a Deck Officer who has established seniority with the Employer is transferred from a vessel to a management position or is elected or appointed to a full-time Union position, he or she shall continue to accrue seniority.

26.09 Deck Officers may be granted leaves of absence limited, except in cases of physical disability, for a period of six (6) months in any calendar year without the loss of seniority. Retention of seniority during a longer leave of absence may be arranged for by agreement between the Employer and the Union. Leaves of absence will not be granted to Deck Officers to work in other industries unless mutually agreed to between the Employer and the Union.

26.10 Seniority shall be terminated and the Employer-employee relationship shall be severed by the following conditions:

1. Discharge for cause.
2. Continuous layoff of twelve (12) months duration.
3. Resignation.
4. Failure to return from leave of absence, vacation or seasonal layoff on agreed date, emergencies excepted, unless otherwise mutually agreed upon by both the Union and the Employer.

RULE 27 - HEALTH AND WELFARE

TA POMP
6/28/14
5:12

Union to
Steve 6/28/14
12:40

(A) The Union will provide an employee-directed health insurance plan through a health insurance trust. This insurance program may be funded by both Employer and employee contributions.

(B) Effective July 1, 2014, the Employer contribution to the health insurance plan shall be \$1371 per eligible employee per month. ~~increased to one thousand one hundred and seventy five dollars (\$1175.00) per eligible employee per month.~~

(C) Effective July 1 of each of the following years of this Agreement, the Employer contribution to the health insurance plan will be the amount equal to but not exceeding that necessary to maintain coverage under the Select Benefits Default/Economy Plan. ~~be the actual cost of the MM&P health insurance plan but not to exceed the cost necessary to maintain coverage under the Select Benefits Default Plan.~~

(D) Effective August 1, 2014, contributions to the MM&P health insurance plan will be made for Deck Officers who were in pay status for 84 hours or more in the two consecutive, completed pay periods before the first of each month. → Need to clarify what hrs can

(D E) Eligible employees shall pay by payroll deduction any difference between the Employer contribution and the total premium required to provide the health care coverage for the employee, spouse and dependants.

(E F) Under no circumstances shall the State be responsible for the payment of any benefits under the health and welfare plan or plans administered by the Union or its agents, successors, or assignees. No disputes under or relating to such benefits shall be subject to the grievance arbitration procedure in the collective bargaining agreement except an allegation that the Employer failed to make the agreed upon contributions.

The Union agrees and undertakes to assure that any alternative insurance plan or health and welfare plan implemented under this Agreement is in compliance with all applicable Federal and State laws and regulations.

The State is not a party to, and has no obligations arising under such a plan. However, the State does recognize and acknowledge that the prompt and accurate payment of contributions is essential to the maintenance of the plan.

The parties acknowledge that discrepancies between employee eligibility and corresponding contributions will frequently arise and may exist in any month. The parties will exercise all due diligence in reconciling contributions and eligibility on a monthly basis, including adjustments of overpayments and underpayments as may be necessary.

(G) At the request of either party, this Rule may be reopened during the term of this Agreement for the express purpose of dealing with the effects of national health care legislation.

TA POMP
6/28/14
5:12

Book

RULE 28 - PENSIONS AND POST-RETIREMENT HEALTH BENEFITS

28.01 The Deck Officers shall enjoy the retirement benefits as outlined in the applicable statutes relating to the Public Employees Retirement System (PERS).

28.02 The parties agree that they will continue to participate in the Northwest Marine Retirement Trust (NMRT) for the sole purpose of permitting Deck Officers with service prior to the effective date of this Section, to vest under the NMRT. The Employer agrees to pay six dollars (\$6.00) per Deck Officer per year as the cost of maintaining such participation.

28.03 In order to provide for the post-retirement health coverage of Masters, Mates and Pilots members who retired from the State of Alaska under the provisions of the Masters, Mates and Pilots entry into the PERS, the parties agree that eligible retired employees shall have post-retirement health benefits under the terms of the PERS. The term "eligible retired employee" means a former employee of the State in the Masters, Mates and Pilots bargaining unit (and his or her eligible dependants) who retired prior to the Masters, Mates and Pilots entry into PERS under a pension provided by the Northwest Marine Retirement Trust, and who makes timely application for PERS post-retirement health coverage, as required by PERS.

The Employer shall be responsible for the full cost of providing this coverage. It is recognized that this cost, or any increases to it, will be taken into account in forming the economic package of the successor Agreement. In a similar manner, any increases to the cost of this coverage during the life of the successor Agreement shall be taken into account during future collective negotiations.

*TA
BOMP
3/24/14
1/15*

*MM&P
3/24/14
ALB*

*Union
Date
2/5/14
3:08*

JA [Signature]
6/29/14
u.32.

RULE 29 - SICK LEAVE

[Signature]
6/29/14

6/28/14
from union
12:41 pm

29.01 Deck Officers with a minimum of six (6) months' service (an accumulation of one thousand and ninety-two (1,092) straight-time hours shall accrue sick leave credit at the rate of fifteen (15) hours for each completed month of service.

29.02 Each Deck Officer's sick leave credits are terminated on the same basis as seniority credits.

29.03 Sick leave may be claimed from the accumulated days of credit for any Deck Officer for illness or injury which incapacitates the Deck Officer to the extent that the Deck Officer is unable to perform assigned work. The Deck Officer shall notify the Employer of incapacitating illness or injury at the earliest possible time so that arrangements for a relief Deck Officer can be made.

29.04 All sick leave claims must be accompanied by a doctor's certification to support the claim for more than five (5) consecutive days when so requested by the Operations Manager, Alaska Marine Highway System. If a sick leave claim is in conjunction with scheduled vacation or during periods of scheduled vacation, the claim must be accompanied by a doctor's certification to support the claim for more than two (2) consecutive days. This verifying statement must be presented upon the Officer's return to work, or the absence will be regarded as unauthorized and ~~unexcusable~~ inexcusable and subject to disciplinary action. The doctor's certification is to cover the period from the date the Deck Officer became incapacitated until the date that the Deck Officer became fit for duty, disregarding the Deck Officer's scheduled crew change date. The Deck Officer shall normally be returned to duty as the next scheduled crew change date of the assigned vessel at his or her change port following the date of presentation of the doctor's certificate. A Deck Officer may use either vacation or authorized leave without pay, at his or her option, on interim days between scheduled crew change date and the date the Deck Officer becomes fit for duty.

29.05 **FUNERAL LEAVE.** Sick leave can be claimed for funeral attendance of deaths in the immediate family to the maximum of ~~eighty-four (84)~~ one hundred and sixty-eight (168) hours. "Immediate family" is defined as father, mother, husband, wife, sons, daughters, brothers, sisters, grandparents, grandchildren, father-in-law and mother-in-law. It shall be the Deck Officer's responsibility to provide evidence of such attendance. *Per - not concerned about ability to be off but has to be off for 2 weeks, needs to use all sick leave for that time period*

29.06 **FAMILY LEAVE.** The parties agree that the provisions of the Federal Family and Medical Leave Act (FMLA) and the Alaska Family Leave Act (AFLA) apply to bargaining unit members.

29.07 No sick leave may be used in excess of that accrued as of the date leave commences. Upon return to work, leave accrued during the Deck Officer's absence becomes payable.

29.08 Accumulated unused sick leave will be paid to the beneficiary at the Deck Officer's current rate of pay when death occurs during employment and prior to retirement.

29.09 Sick leave may be claimed when there is illness within the Deck Officer's immediate family which requires the attendance of the Deck Officer at the direction of a physician. Such absences shall in all instances be supported by a physician's certificate.

29.10(A) Those individuals on leaves of absence taken in accordance with Rule 26.08 shall retain their sick leave balances in accordance with the following schedule:

0-3 years on leave - full sick leave balance

3-6 years on leave - 75 percent of full sick leave balance

6-9 years on leave - 50 percent of full sick leave balance

9-12 years on leave - 25 percent of full sick leave balance

12 or more years on leave - 0 percent of full sick leave balance

(B) In addition, the beneficiaries of those individuals on leaves of absences taken in accordance with Rule 26.09 will be paid the sick leave balance existing at the time of the Deck Officer's death, when death occurs prior to retirement.

RULE 30 - STANDARD DRESS AND EQUIPMENT

30.01 All licensed Deck Officers will be required to wear a standard navy blue uniform with regulation gold braid, regulation uniform cap with gold braid, and Alaska Marine Highway System insignia; white cap cover, black shoes, dark hosiery, white shirt and black tie. Uniform will be clean and neatly pressed at all times, along with clean, white cap cover.

30.02 Effective July 1, 1994, the Alaska Marine Highway System will pay the individual Deck Officer thirty dollars and seventy-eight cents (\$30.78) per pay period. There shall be no deductions during periods of vacation or sick leave. Deck Officers leaving the service for any reason shall be paid a prorate portion of that amount.

30.03 During inclement weather, Masters will wear either regular navy blue topcoat or raincoat. Mates, while loading or unloading vessels during inclement weather, may wear with the approval of Management, a regular navy blue watch jacket or raincoat.

30.04 Management may authorize and prescribe a summer uniform if considered desirable.

30.05 There is established a navigational equipment and maintenance fund of \$45,905.00 per year of this Agreement. Each Deck Officer in pay status in the preceding June shall be entitled to a per capita distribution of this fund in the first pay period of July of each year of this Agreement. If \$45,905 or more in MITAGS/PMI training funds are made available in any year of this Agreement, the navigational and maintenance fund shall be reduced by \$45,905 in that same calendar year.

TRD
MMP
6/28/14

TR
MMP
6/28/14

Union to
State
June 28 '14
12:40

PROPOSED BY MM&P ON 1/7/2014
REMAIN AT BOOK LANGUAGE

RULE 31 - RESTRICTIONS

31.01 It is understood that the Agreement at all times shall be applied subject to Federal laws, State laws and Executive Orders to the extent that these affect the employees of the State and the public interest.

TRD
RUB
MM&P
1/7/14

BMP TA
Jan 7 '14
10:23

6/28/14
to Union
4:53 pm

RULE 32 Pass Privileges

32.01 Deck Officers with two (2) years of company seniority as per Rule 26.01 will be issued annual passes upon request for the Deck Officer and spouse, subject to the following:

(A) The Deck Officer, dependents and personally-owned vehicle shall be authorized free transportation on a space available basis only. See Rule 32.07(A) for vehicle specification. Dependent children shall be eligible for pass privileges to age nineteen (19) years old or enrolled as a full-time student at an accredited university.

(B) The Deck Officer's vehicle shall not travel on a pass while the Deck Officer is on duty unless the vehicle is accompanying the Deck Officer's dependent(s), or with the specific approval of AMHS ~~the Juneau~~ Headquarters office. Employees on duty shall not transport other employee's vehicle on an annual pass.

(C) Two personally owned vehicles may be listed and travel on an annual pass, but only one vehicle may travel at a time.

(D) No pass shall be used for transporting goods for resale or for any purpose other than personal use.

(E) There shall be no excessive transport of a pass-listed vehicle nor joy-riding by dependents or the Deck Officer. Any contention or confirmation of a violation of this Rule will be made known to the Union at the earliest possible time. Should the Union fail to resolve the matter immediately, Rule 32.08 shall be initiated by the Employer.

(F) In order to receive an annual pass, a qualifying deck officer must apply annually by completing an Annual Pass application form provided by the Alaska Marine Highway System and pay a one-hundred dollar (\$100) annual fee.

32.02 Deck Officers and/or their dependents traveling on passes will pay for all meals consumed and for berths if used at the prevailing prices paid by fare paying passengers. Meals will be taken in public dining areas and not in the crew mess. Any abuse will subject the involved employee(s) to possible discipline and loss of pass privileges.

BMP - left this the same

32.03 Deck Officers who retire directly from the Alaska Marine Highway System and are receiving a PERS or NMRT pension shall receive an annual pass for themselves, their spouse, dependents under nineteen (19) years of age, and for their personally-owned vehicle. Dependents of deceased Deck Officers (whether retired or current) will continue to be eligible for pass privileges. Only one vehicle ~~per-employee~~ will be allowed per retirement pass. A retired employee's vehicle must be registered and licensed appropriately. Deck Officers who retire after July 1, 2014 will be required to pay a \$100 fee for an annual pass before using the pass.

TA'd
6/29/14
1:33 pm
Katie Sheehan

[Handwritten signature]
6/29/14

32.04 All Deck Officers who have established seniority with the Employer will be entitled to trip pass privileges.

(A) Trip passes are to be used exclusively for employees who have established seniority but have not attained the 2 years to be eligible for an annual pass, except as authorized in this rule.

(B) A trip pass may be authorized for a new vehicle purchase that will be registered by the employee to be put on their annual pass, based on the requirements of Rule 32.07(A).

(C) Trip passes shall be authorized for Deck Officer's vehicles to and from a yard or lay-up period. In this circumstance the employee may also be authorized to accompany the vehicle while on duty.

(D) Trip passes may be authorized for special circumstances as determined by the employer.

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32.05 If the date of travel on an approved trip pass does not correspond with the actual date of travel, the Deck Officer and/or dependents involved must attempt to secure proper approval from ~~Ketchikan Central Office~~ AMHS headquarters. Annual pass changes and trip pass requests must be made to ~~the Pass Desk at the Ketchikan Central office~~ AMHS headquarters at least two days prior to the requested travel date.

32.06 Open date and/or multiple date time frames for date of travel may be used at the discretion of the ~~Juneau~~ AMHS Headquarters ~~issuing officer~~ on an individual basis when authorizing trip passes.

32.07 PERSONALLY-OWNED VEHICLE.

A Deck Officer's personally-owned vehicle is defined as: Any non commercial vehicle less than twenty-three feet in length. The vehicle must be registered in the name of the Deck Officer, the Deck Officer's spouse or dependent child, or the Deck Officer must sign an affidavit to the effect that it will be registered in the name of the Deck Officer, the Deck Officer's spouse or dependent child upon arrival in Alaska and that the vehicle is for the use of the Deck Officer, the Deck Officer's spouse or dependent child and is not intended for resale within a period of one (1) year. For an active employee to have a personally owned vehicle shown on an Annual Pass, it must be registered and licensed by the State of Alaska. Personally owned vehicle not licensed and registered in Alaska shall be entitled to one round trip per year.

(B) A vehicle and trailer may be transported on a trip pass basis subject to the following restrictions:

1. A vehicle and trailer length will be determined as the connected length overall. The trailer must be towed by a vehicle listed on the employee's annual pass and shall not be allowed to be transported unaccompanied. The first 30 feet will be allowed as free passage, any length over 30 feet will be based on the current fare tariff in place for the difference between the overall length and 30 feet of total connected length of vehicle and trailer.

2. The fee charged does not provide confirmed reservations and transportation is still on a space available basis.

3. If a trailer is to be transported in accordance with this rule, the trailer is to be licensed for highway use.

32.08 Unauthorized use of or abuse of the pass privilege shall be cause for revocation of the Deck Officer's pass and possible disciplinary action. Effective July 1, 2011, Rule 32 shall not apply to Deck Officers terminated from State employment for cause.

RULE 33 - MANAGEMENT CLAUSE AND UNION RIGHTS

33.01 Subject to the terms and conditions of this Agreement, the Employer retains the right and duty to manage its business, including the right to adopt regulations governing the appearance, dress, conduct and work procedures of its Deck Officers as are reasonably required to maintain safety, efficiency, quality of service and the confidence of the traveling public. The Union reserves the right to intercede on behalf of any Deck Officer who feels aggrieved because of the exercise of this right and to process a grievance in accordance with Rule 14. The existence of this clause shall not preclude the resolution of any such grievance on its merits.

33.02 The parties agree to form a Labor/Management Committee for the purposes of making recommendations on means to improve operating efficiencies and safety on vessels in the fleet.

IA
RUB
6/28/14

Union to
State
6/28/14
12:55

IA BMP
6/28/14

PROPOSED BY MM&P ON 1/7/2014
REMAIN AT BOOK LANGUAGE

RULE 34 - DISCIPLINE

34.01 It is recognized the Employer has the right and duty to institute disciplinary actions against any Deck Officer who has committed an infraction of the Employer's policies, rules or regulations. Such disciplinary action is to be administered fairly and be commensurate with the offense committed by the Deck Officer.

34.02 Certain offenses shall be grounds for immediate discharge including, but not limited to: drinking alcoholic beverages or illegal use of drugs on board during the Deck Officer's workweek, or reporting to work under the influence, theft or willful destruction of State property, insubordination, excessive absenteeism, falsifying records, leaving the vessel without being properly relieved or without permission of their department head.

34.03 All licensed Deck Officers will be required to be tested for illegal substance use prior to hiring, on reasonable suspicion, after a serious marine incident, and randomly on a periodic basis. If an employee tests positive, he or she will be suspended from duty without pay or benefits pending an investigation and may be subject to discipline up to and including dismissal. If an employee tests positive, the employee may, at their option, request that the second sample of the split specimen be tested at a different approved lab in accordance with the Code of Federal Regulations (49CFR, Subtitle A). If the USCG revokes an employee's documents, the employee will be terminated.

The Employer will consider applications for employment from a former employee discharged for a positive drug test who has completed a drug rehab program and regains USCG documents.

TX
RUB
MM&P
1/7/14

TX
RUB
Jan 7 '14
10:25

PROPOSED BY MM&P ON 1/7/2014

MAIN AT BOOK LANGUAGE

RULE 35 - CONDITIONS NOT SPECIFICALLY COVERED

35.01 In the event operating conditions or service requirements arise due to length of voyage or other reasons not specifically covered by Agreement, the parties agree to confer immediately for the purpose of arriving at a mutually satisfactory supplemental covering such operations.

TA
RUB
MM&P
1/7/14

TA BUMP
Jan 7 '14
10:26

PROPOSED BY MM&P ON 1/7/2014
REMAIN AT BOOK LANGUAGE

RULE 36 - SAVINGS AND SEPARABILITY

36.01 If any Rule of this Agreement or any Addendums thereto should be held invalid by operation of law or by any tribunal or body of competent jurisdiction, or if compliance with or enforcement of any Rule should be restrained by such body or tribunal, the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a replacement of such Rule.

TA
RUB
MM&P
1/7/14

TA BOMP
Jan 7 '14
10:28

6/28/14
to union
4:56 pm

RULE XX- LEAVE WITHOUT PAY (LWOP)

Regularly Assigned and Vacation Relief Deck Officers will not be placed on LWOP unless the Deck Officer is:

- (A) Scheduled for work and does not report for work without approval
- (B) On a scheduled vacation and does not have sufficient vacation to cover the length of vacation
- (C) On sick leave without sufficient sick leave or annual vacation leave to cover the absence
- (D) On unpaid administrative leave resulting from discipline
- (E) On Family Leave (FMLA and/or AFLA) and the Deck Officer requests a portion of the leave is covered by LWOP
- (F) On approved LWOP for up to 12 months
- (G) On Worker's Compensation Leave
- (H) Has refused to cross a picket line or is on strike

TA'd
6/29/14
1:32 pm
Kate Sheehan

TA'd
LWOP
6/29/14

FA
RAMUP

RULE 37 - TERM OF AGREEMENT

MM&P *ACB*
1/9/14

37.01 This Agreement shall become effective July 1, ~~2011~~ 2014, except where otherwise provided, and shall remain in effect through June 30, ~~2014~~ 2017 and shall be automatically renewed from year-to-year thereafter unless either party gives written notice to the other of its desire to amend or terminate same during the period from February 1, ~~2014~~ 2017 to April 1, ~~2014~~ 2017 or, in the event of automatic renewals, during the period from February 1 to April 1 of any subsequent year. Automatic renewals pursuant to this Rule shall not conflict with AS23.40.210.

37.02 The parties recognize that any monetary provisions of this Agreement are subject to legislative appropriation in accordance with AS 23.40.215. Therefore, terms of this Agreement which require legislative appropriation shall not be implemented until an appropriation, adequate and for the specific purpose of funding this Agreement, becomes law.

37.03 The parties acknowledge that implementation of the monetary terms of this Agreement is subject to AS 23.40.215. If legislation required by 23.40.215 is not passed by the end of the legislative session, or if such legislation is rejected by the legislature, this Agreement shall not be binding upon the parties and the parties shall immediately re-enter negotiations to be conducted in accordance with AS 23.40.215.

For the State of Alaska:

For the International Organization of
Masters, Mates and Pilots

Curtis Thayer, Commissioner
Department of Administration

Captain Don Marcus
IOMM&P President

Benthe Mertl-Posthumus, Chief Spokesperson
Department of Administration

Captain C. Michael Murray
IOMM&P/UG Vice President

Reuben Yost, Deputy Commissioner
DOTPF/Alaska Marine Highway System

Captain Ron Bressette
IOMM&P/UG Representative

Shanna Burns, HR Consultant, DOTPF

Dan McCrummen, Labor Relations Analyst
Department of Administration

A BMP
6/29/14 4:35

State to
Union

3:25
6/29/14

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS
PACIFIC MARITIME REGION

M/V Chenega Day Boats

It is hereby understood and agreed between the parties that the following is intended to supplement the Master Agreement entered into between the State of Alaska and the International Organization of Masters, Mates and Pilots, Pacific Maritime Region, and is intended to amend that Agreement only in regard to issues unique to the Fast Vehicle Ferry M/V Chenega day boats (excluding the M/V Lituya and any vessels in existence on July 1, 2014, that are not operating as a day boat). The Master Agreement without this Supplement is intended to cover the entire system. The entire Master Agreement is intended to apply to the Fast Vehicle Ferry M/V Chenega day boats unless an entire Rule or a Subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental. The Master Agreement is not modified other than as specifically addressed in the Fast Vehicle Ferry M/V Chenega day boats Supplemental Agreement.

It is understood between the parties that this Supplemental has been negotiated to address specific service needs for the M/V Chenega day boats. The parties' intent is to address the needs and safety of the traveling public and the Deck Officers working this service. Due to the unique nature of the service, the parties acknowledge there may be unforeseen issues or problems that may emerge or develop during running of this service and agree to meet as soon as possible in order to address such issues or problems.

The home port of the M/V Chenega shall be Cordova, Alaska
The home port of the M/V Fairweather shall be Juneau, Alaska

Rule 8 – Health and Safety

8.07 There are no quarters aboard the M/V Chenega day boats. When a Deck Officer not holding a bid position aboard the M/V Chenega day boat is assigned to work on the M/V Chenega a day boat, the provisions of Rule 12 shall apply.

Rule 9 – Occupational Injury and Illness Benefits

9.01 **Unearned Wages:** In the event a crewmember becomes ill or is injured while in the service of the M/V Chenega day boat, he/she will receive wages to the end of the workday. In the event that a crewmember becomes injured while in the service of the M/V Chenega day boat, and a report is filed and not successfully controverted, he/she will be entitled to wages for three working days or less, if not later compensated.

This rule shall not supersede the Union's or Employer's respective positions, nor waive the right of the respective parties to pursue such positions, as contained in the Master Agreement.

Rule 11 – Cash Allowance for Subsistence and Quarters

11.01 When a Deck Officer is in work status, and remains away from the assigned change port overnight or nights, he/she shall be entitled to quarters allowance in accordance with 11.01 of the Master Agreement.

11.02 When a Deck Officer is in work status, and is away from the assigned change port for two (2) hours or more outside normal duty hours, they shall be entitled to meal per diem in accordance with Rule 11.02 of the Master Agreement until the employee is returned to the home port or the employee is assigned to a vessel upon which meals and quarters are provided, whichever comes first.

Rule 15 – Working Conditions

15.05 All classroom training, prior to becoming type and route rated shall be considered training operations. During training operations, all hours in port in excess of eight and four-tenths (8.4) hours per day or five days, forty-two (42) hours per week shall be paid at the overtime rate of one and one-half (1.5) times the hourly rate. All training aboard a day boat, while on the run, will be paid at 12 hours at the straight-time rate of pay.

Rule 17 – Pay Plan

Add to Rule 17.01(A)

Upon legislative approval of monetary terms the following shall apply to the Licensed Deck Officers of the FVFs:	Hourly Rate	Hourly Overtime Rate
Job Classification		
Master	50.16	75.24
Chief Mate	42.13	63.20
Second Mate	35.11	52.67

Rule 18 – Hours—Vessel on the Run

18.01 Twelve (12) consecutive hours shall constitute a day's work. All work in excess of the twelve (12) consecutive hours shall be compensated at the overtime rate and the provisions of Rule 22 shall apply.

Rule 21 – Late Arrival

Does not apply.

Winter Operations

If the Employer decides to reduce operations to a four on, three off operation, the Employer will make every attempt to give the Union thirty (30) days notice of the first day of operations and the last day of operations.

The Chief Mate and Second Mate assigned to work the vessel while on the run will work four days on followed by three days off. During this time period, the Chief Mate and Second Mate working this schedule will work a 12 hour day and 42 hour work week.

When a Deck Officer assigned to the ~~MV Chenegaa~~ day boat has worked a regularly assigned four (4) days on and is required to work on their three days off, they shall be paid at the overtime rate of time and one-half for time worked.

The Master and Night Security Mate will work two (2) weeks (fourteen consecutive days) followed by two (2) weeks off duty with the alternate Master and Night Security Mate relieving. During this time period, the Master and Night Security Mate will work a 12 hour day and be paid in accordance with Rule 25 of the Master Agreement.

When assigned to a 4 on 3 off schedule to a port other than ~~Cerdeva~~ the vessel's home port, the crew will not be entitled to travel pay and receipted necessary travel expenses to return to ~~Cerdeva~~ the home port during those three days off unless at the direction of the Port Captain's office.

This agreement shall be in effect on July 1, ~~2011~~ 2014 and shall be coterminous with the Master Agreement.

State to Union
March 25 '13
9:30

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS
PACIFIC MARITIME REGION
M/V Lituya

It is hereby understood and agreed between the parties that the following is intended to supplement the Master Agreement entered into between the State of Alaska and the International Organization of Masters, Mates and Pilots, Pacific Maritime Region and is intended to amend that Agreement to cover the issues unique to the M/V Lituya. The entire Master Agreement is intended to apply to the M/V Lituya unless an entire Rule or a Subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental.

RULE 4 - DEFINITIONS

4.02 Regularly Assigned Positions. The Master position aboard the M/V Lituya which is filled in accordance with Rule 26 of the Master agreement.

4.03 Systems

(A) Southeast System. Includes vessels using Metlakatla as a change port.

4.05 Workweek

The M/V Lituya will have a 42 hour workweek.

4.06 Workday

Workday means a fixed and regularly recurring period of 24 consecutive hours. The normal workday shall not exceed 12 hours.

4.07 Regular Assignment shall mean

(B) Underway—a 42 hour workweek within a consecutive five-day period.

RULE 8 - HEALTH AND SAFETY

Rule 8.02 does not apply to the M/V Lituya

Rule 8.03 The Employer recognizes the right of the Union to discuss quarters if the M/V Lituya is converted.

RULE 12 - RELIEF TERMINAL

12.01. The change port shall be Metlakatla. The State will make every effort to ensure that the Deck Officer holding the bid position on the M/V Lituya has the necessary residence permits to live in Metlakatla. Regularly assigned Deck Officers shall normally be relieved at the same change port where they began their duties.

RULE 17 - PAY PLAN

RUB ~~Rule 17.01(A) The Lituya Master shall be paid an hourly rate of \$45.87 per hour plus the percentage increases received in the Master Agreement on July 1, 2011 and thereafter.~~ *move to BMMP*

RULE 18 - VESSEL ON THE RUN

18.01 The normal workday shall not exceed 12 hours.

18.02 Does not apply.

RULE 19 - MONTHLY WORK

Entire Rule does not apply

RULE 21 - LATE ARRIVAL

Entire Rule does not apply

*TA
MMP
3/25/14*

*TA BMMP
March 25 114
9:50*

RULE 22 – OVERTIME

Rule 22.01 (A) Master Agreement applies

Rule 22.01 (B) Overtime shall be paid for hours worked in excess of 12 hours per day.

Rule 22.01 (C) When a regularly assigned deck officer has worked a regular assignment and is required to work beyond 42 hours in a workweek, they will be paid for actual hours worked in excess of 42 at the overtime rate of one and one half (1.5) times the straight-time rate of pay.

Rule 22.02 (A) When a Deck Officer has worked a regular assignment and is required to work during their assigned days off, the Deck Officer shall be paid the overtime rate of one and one half (1.5) times the straight-time rate of pay.

Rule 22.02 (B) Entire Rule does not apply.

Rule 22.02 (C) Entire Rule does not apply.

Rule 22.03 Entire Rule does not apply.

Rule 22.04 Entire Rule does not apply.

RULE 24 – HOLIDAYS

Rule 24.02 If a Deck Officer is required to work on a holiday, they will be paid at the overtime rate for the actual hours of work and in addition, shall receive Holiday Pay of twelve (12) hours at the straight-time rate. If a holiday falls on a Deck Officer's scheduled day off, they shall receive a day's Holiday Pay.

This agreement shall be in effect on July 1, 201²₇ and shall be coterminous with the Master Agreement.

Power
REB

181
MMB
KCB
3/25/14

RULE XX – Leave without Pay (LWOP)

XX.01 Deck Officers will not be placed on LWOP unless the Deck Officer is:

- (A) Scheduled for work and does not report for work without approval
- (B) On a scheduled vacation and does not have sufficient vacation to cover the length of vacation
- (C) On sick leave without sufficient sick leave or annual vacation leave to cover the absence
- (D) On unpaid administrative leave resulting from discipline
- (E) On Family Leave (FMLA and/or AFLA) and the Deck Officer has either exhausted all other leave or elected to retain up to eighty-four (84) hours of annual leave to use upon return from leave taken under the FMLA and/or AFLA provision.
- (F) On approved LWOP for up to twelve (12) months
- (G) On Worker's Compensation Leave

XX.02 The State will consider a deck Officer to be on regular days off when none of the conditions above have been met and the Deck Officer has not been assigned work via the published schedule or modifications thereto made by the AMHS Dispatcher.

XX.03 The provisions of Rule 37.01 shall be applied to all time and service assessments for AMHS Deck Officers.

Handwritten signature
RW
12/4/14

Handwritten signature
RW
12/4/14

Helen Phillips

From: Mills, Andy J (DOA) <andy.mills@alaska.gov>
Sent: Friday, January 30, 2015 5:16 PM
To: Rep. Mike Chenault
Cc: Rep. Mark Neuman; Rep. Steve Thompson; Helen Phillips; Pitney, Pat (GOV); Fisher, Sheldon A (DOA); Suzi Lowell
Subject: MMP Monetary Terms Update
Attachments: Letter to Speaker Chenault re MMP Monetary Terms.pdf

Dear Speaker Chenault,

After receiving notice of monetary terms having been read across the floor and referred to the finance committee, the Department of Administration would like to provide the attached update regarding the current status of monetary terms with the International Organization of Masters, Mates and Pilots (MMP).

Kind regards,

Andy Mills
Special Asst. to the Commissioner
Alaska Department of Administration
907.465.1176 (o)
andy.mills@alaska.gov



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

January 28, 2015

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, Alaska 99801

Speaker Chenault:

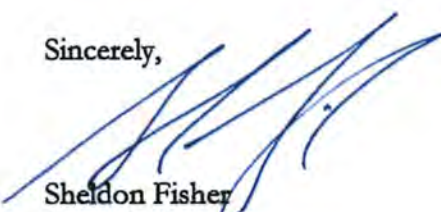
On July 10, 2014, the Department of Administration submitted a report of monetary terms regarding the terms of the collective bargaining agreement between the State and the International Organization of Masters, Mates, and Pilots, pursuant to the Public Employee Relations Act (AS 23.40.070-260).

On August 7, 2014, members of the International Organization of Masters, Mates, and Pilots voted down the tentative agreement.

Interest arbitration took place December 1-3, 2014; a decision regarding the contract is expected within the next thirty days. At that time, the Department of Administration will re-submit monetary terms based upon the arbitrator's award.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,



Sheldon Fisher
Commissioner

Cc: Representative Mark Neuman, House Finance Co-Chair
Representative Steve Thompson, House Finance Co-Chair
Suzi Lowell, Chief Clerk
Pat Pitney, Director of the Office of Management and Budget



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

MEMORANDUM

TO: Representative Neuman, Co-chair
Representative Thompson, Co-chair
Finance Committee

FROM: Suzi Lowell, Chief Clerk *sl*

DATE: January 26, 2015

SUBJECT: Monetary Terms of Agreement

The attached monetary terms of collective bargaining agreements between the State and the Alaska Correctional Officers Association, the Inlandboatmen's Union of the Pacific, and the International Organization of the Masters, Mates and Pilots were referred to the Finance Committee during floor session on January 23.

Attachment:



Memorandum

To: Karen Rehfeld, Director
Office of Management and Budget
Office of the Governor

From: Curtis W. Thayer, Commissioner *cap* **Phone:** 465-2200

Date: October 27, 2014

Subject: Monetary terms of the July 1, 2015 to June 30, 2018 Collective Bargaining Agreement between the State and the Alaska Correctional Officers Association representing the Correctional Officers Bargaining Unit.

The Administration has concluded the negotiations process with the Alaska Correctional Officers Association. **If approved by the Legislature the monetary terms of this agreement become effective July 1, 2015 and remain in effect through June 30, 2018.**

I. Terms Requiring Appropriation.

Current Legislative session

Effective July 1, 2015, the Employer's health insurance contribution rate will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan.

Effective July 1, 2015, the wage schedule in effect on June 30, 2015 will increase by 1%.

Effective July 1, 2015, employee accidental death insurance while in state travel status will increase from \$100,000 to \$200,000.

Effective July 1, 2015, employee life insurance will increase from \$2,000 to \$10,000.

\$3 million one-time payment to resolve 12-hour shift scheduling grievances.

Future Legislative Sessions

Effective July 1, 2016, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan.

Effective July 1, 2016, the wage schedule in effect on June 30, 2016 will increase by 1%.

Effective July 1, 2017, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan.

Effective July 1, 2017, the wage schedule in effect on June 30, 2017 will increase by 2.25%.

II. Change in State Revenues.

No term of this agreement would result in a change to State revenues.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Effective December 16, 2015, personal leave accrual will be capped at 1500 hours.

Mandatory personal leave usage is increased to 84 hours annually for those holding under 400 hours of leave. Members holding over 400 hours of personal leave are exempt from the cap; however, their mandatory annual usage is increased to 126 hours.

Leave cash-ins are limited to six per year.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Senator Charlie Huggins, Senate President
Alaska State Legislature

Representative Mike Chenault, Speaker of the House
Alaska State Legislature

Joseph Schmidt, Commissioner
Department of Corrections

April Wilkerson, Director
Division of Administrative Services
Department of Corrections

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations



Memorandum

To: Karen Rehfeld, Director
Office of Management and Budget
Office of the Governor

From: Curtis W. Thayer, Commissioner *CWT* **Phone:** 465-2200

Date: June 18, 2014

Subject: Monetary terms of the July 1, 2014 to June 30, 2017 **Collective Bargaining Agreement between the State and the Inlandboatmen's union of the Pacific, Alaska Region** representing the Unlicensed crew of the Alaska Marine Highway System.

The Administration has concluded the negotiations process with the Inlandboatmen's union. If approved by the Legislature the monetary terms of this agreement become effective July 1, 2015 and remain in effect through June 30, 2017.

I. Terms Requiring Appropriation.

Future Legislative Sessions

Effective July 1, 2015, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, whichever is higher.

Effective July 1, 2015, the wage schedule in effect on June 30, 2015 will increase by 1%.

Effective July 1, 2015, the wages of six specific job classes will go up a grade.

Effective July 1, 2016, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan.

Effective July 1, 2016, the wage schedule in effect on June 30, 2016 will increase by 2%.

II. Change in State Revenues.

Effective July 1, 2014 employees and retirees who retire during the life of this agreement, are required to pay a \$100 fee to use any pass privileges.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Effective July 1, 2014, the Employer's health insurance contribution rate will be \$1371 per eligible member per month.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Representative Mike Chenault, Speaker of the House
Alaska State Legislature

Senator Charlie Huggins, Senate President
Alaska State Legislature

Patrick Kemp, Commissioner
Department of Transportation and Public Facilities

Mary Siroky, Administrative Services Director,
Department of Transportation and Public Facilities

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Administration

CURTIS W. THAYER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, Alaska 99811
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

June 18, 2014

The Honorable Charlie Huggins
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, Alaska 99801-1182

Dear President Huggins:

I am required by the Public Employment Relations Act (AS 23.40.070-260) to report the monetary terms of any agreement reached with an employee organization. By copy of my memorandum to Karen Rehfeld, Director of the Office of Management and Budget (enclosed), please accept my report of the monetary terms of the collective bargaining agreement between **the State and the Inlandboatmen's Union of the Pacific**. The monetary terms of this agreement must be submitted to the Legislature for approval pursuant to AS 23.40.215.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis W. Thayer".

Curtis W. Thayer

Enclosure

cc: Karen Rehfeld, Director of the Office of Management and Budget



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Administration

CURTIS W. THAYER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

Memorandum

To: Karen Rehfeld, Director
Office of Management and Budget
Office of the Governor

Date: July 10, 2014

From: Curtis W. Thayer
Commissioner

Phone: 465-2200

Subject: Monetary terms of the July 1, 2014 to June 30, 2017 **Collective Bargaining Agreement between the State and the International Organization of Masters, Mates and Pilots** representing the Licensed Deck Officers of the Alaska Marine Highway System.

The Administration has concluded the negotiations process with the Masters, Mates and Pilots' union. **If approved by the Legislature the monetary terms of this agreement become effective July 1, 2014 and remain in effect through June 30, 2017.**

I. Terms Requiring Appropriation.

Future Legislative Sessions

Effective July 1, 2015, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, or the actual cost of the Masters, Mates and Pilots' health insurance plan, whichever is lower.

Effective July 1, 2015, the wage schedule in effect on June 30, 2015 will increase by 1%.

Effective July 1, 2015 the hourly wage assigned to the second mate job classification will be increased by 3%

Effective July 1, 2016, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, or the actual cost of the Masters, Mates and Pilots' health insurance plan, whichever is lower.

Effective July 1, 2016, the wage schedule in effect on June 30, 2016 will increase by 2%.

Effective July 1 of each year of the collective bargaining agreement, the State's contribution to the MATES training program will be increased by 3%.

II. Change in State Revenues.

Effective July 1, 2014 employees and retirees, who retire during the life of this agreement, are required to pay a \$100 fee to use any pass privileges.

Effective July 1, 2014 employees will no longer be eligible for late arrival pay.

Employees hired on or after July 1, 2014 will not be able to establish eligibility for the lump sum payment in lieu of A-days.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Effective July 1, 2014, the Employer's health insurance contribution rate will be \$1371 per eligible member per month.

Employees hired on or after July 1, 2014 will not be able to establish eligibility for the lump sum payment in lieu of A-days.

Effective July 1, 2014 employees will no longer be eligible for late arrival pay.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Representative Mike Chenault, Speaker of the House
Alaska State Legislature

Senator Charlie Huggins, Senate President
Alaska State Legislature

Commissioner Patrick Kemp
Department of Transportation and Public Facilities

Mary Siroky, Administrative Services Director
Department of Transportation and Public Facilities

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Administration

CURTIS W. THAYER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

July 10, 2014

The Honorable Charlie Huggins
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, Alaska 99801-1182

Dear President Huggins:

I am required by the Public Employment Relations Act (AS 23.40.070-260) to report the monetary terms of any agreement reached with an employee organization. By copy of my memorandum to Karen Rehfeld, Director of the Office of Management and Budget (enclosed), please accept my report of the monetary terms of the collective bargaining agreement between the State and the International Organization of the Masters, Mates and Pilots. The monetary terms of this agreement must be submitted to the Legislature for approval pursuant to AS 23.40.215.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis W. Thayer".

Curtis W. Thayer
Commissioner

Enclosure

cc: Karen Rehfeld, Director of the Office of Management and Budget



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

MEMORANDUM

Date: January 30, 2015

To: Representative Neuman, Co-chair
Representative Thompson, Co-chair
Finance Committee

From: Suzi Lowell *sl*
Chief Clerk

Subject: Monetary Terms of Agreement between the State and MEBA

The attached monetary terms of the agreement between the State and the Marine Engineers Beneficial Association (MEBA) was referred to the Finance Committee during floor session today.

Attachment



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

January 29, 2015

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, Alaska 99801-1182

Dear Speaker Chenault:

I am required by the Public Employment Relations Act (AS 23.40.070-260) to report the monetary terms of any agreement reached with an employee organization. By copy of my memorandum to Pat Pitney, Director of the Office of Management and Budget (enclosed), please accept my report of the monetary terms of the collective bargaining agreement reached between the State and the Marine Engineers' Beneficial Association; at this time a tentative agreement, subject to ratification by Union membership, has been reached. The monetary terms of this agreement must be submitted to the Legislature for approval pursuant to AS 23.40.215.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sheldon Fisher".

Sheldon Fisher

Enclosure

cc: Pat Pitney, Director of the Office of Management and Budget



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

To: Pat Pitney, Director
Office of Management and Budget
Office of the Governor

Date: January 29, 2015

From: Sheldon Fisher
Commissioner

Phone: 465-2200

Subject: Monetary terms of the July 1, 2014 to June 30, 2017 Collective Bargaining Agreement between the State and the Marine Engineers' Beneficial Association, Alaska Region representing the licensed Marine Engineers of the Alaska Marine Highway System.

The Administration has concluded the negotiations process with the Marine engineers' Beneficial Association resulting in a tentative agreement that is subject to ratification by the Union membership. **If approved by the Legislature the monetary terms of this agreement become effective July 1, 2015 and remain in effect through June 30, 2017.**

I. Terms Requiring Appropriation.

Future Legislative Sessions

Effective July 1, 2015, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan, whichever is higher.

Effective July 1, 2015, the wage schedule in effect on June 30, 2015 will increase by 1%.

Effective July 1, 2015, State contribution to the Union training fund will increase by \$1 per man per day.

Effective July 1, 2016, the Employer's health insurance contribution will be the amount of money that is necessary to maintain the Select Benefits Default/Economy Plan.

Effective July 1, 2016, the wage schedule in effect on June 30, 2016 will increase by 2%.

Effective July 1, 2016, the wages for employees working on the M/V Tustumena will increase by 5% to 8%, depending on job classification.

Effective July 1, 2016, the Employer contribution to the Defined Benefits plan is increased by 5.9%

Effective July 1, 2016, State contribution to the Union training fund will increase by \$1 per man per day.

II. Change in State Revenues.

Upon implementation of the agreement, employees and retirees who retire during the life of this agreement are required to pay a \$100 fee to use any pass privileges.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Effective July 1, 2014, the Employer's health insurance contribution rate will be \$1371 per eligible member per month.

Effective July 1, 2016, the Employer contribution to the Money Purchase Benefit Plan is reduced by 2.4 %

Effective July 1, 2016, the wage reallocation will be reduced to 3.6%.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Representative Mike Chenault, Speaker of the House, Alaska State Legislature

Senator Kevin Meyer, Senate President, Alaska State Legislature

Acting Commissioner John Binder, Department of Transportation and Public Facilities

Mary Siroky, Administrative Services Director, Department of Transportation and Public Facilities

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations

Supposal to MEBA June 30, 2014.

- COLD-stays at book.
- LOA 14-BB-079 and LOA 12-BB-123 are in effect until June 30, 2016. The parties agree that the State will continue to contribute 8.62% and the union is not disputing it should be a higher rate as of July 1, 2014. These LOAs will be ~~discontinued~~ ^{amended} on 7/1/2016
- Port Engineers- no change for current, but as vacancy occurs go to State proposal and let ALRA decide proper unit clarification.
- Kennicott, Tusti and Aurora at book (wage increases the same as other BU members).
- 0-1-2
- Tusti wages go to Kennicott wages effective July 1, 2016
- Wage reallocation LOA is reduced to 3.6% effective July 1, 2016.
- Contributions to MPB goes to 4% effective July 1, 2016
- Employer contribution to DB increases to 8.1% effective July 1, 2016.
- No longer have passes for Union officials.
- Increase length of personal vehicle traveling on annual pass to be the same as MMP.
- In order to qualify for passes a \$100 annual fee has to be paid before use.
- Eliminate Late Arrival effective July 1, 2014.
- Indemnification language HI.
- HI for temps remains at current rate for the life of the agreement.
- HI contribution for permanent employees, contribution needed to maintain Select Benefits economy plan, \$1371 effective July 1, 2014.
- Change fast ferry supplemental to day boat in the same manner as TA'd with MMP .
- Overtime and minimum guarantee at book.
- Reduce unearned wages effective July 1, 2014, if injured employee receives unearned wages until the end of the assignment, if ill, until returned to change port or port of residence, whichever comes first.
- Eligibility period for retiree medical goes from five (5) years of service to ten (10) years of service for all employees hired/rehired after July 1, 2014. The ten years of service have to be served as permanent engineer officer. 2184 hours shall constitute one year of service. ~~if a retiree, who retired on or after July 1, 2014 receives PERS HI as a retiree earned through other service, he/she is not eligible for this retiree health insurance.~~
- Full-time year around equivalent at book.
- Travel. Clarification language changes only. ~~State proposal June 28, 2014~~
- Increases to training fund from \$6 to \$7 effective July 1, 2015 and from \$7 to \$8 effective July 1, 2016. The Union ~~and the Calhoun~~ school will make every effort that the priority of training goes to permanent AMHS employees before it is used by other MEBA members. A semi-annual report will be proved to AMHS's General Manager itemizing all training taken and scheduled and the manner in which training funds were used.

TA'd
alternate
language
MMP

TA
MMP
7/1/14

BB
State to
Union
7/1/14
1:30

Notice that the State will not continue with the LeConte dayboat agreement effective July 1, 2014.

Notice regarding discontinuation of draws effective July 1, 2014.

Notice regarding discontinuation of license fee reimbursements July 1, 2014.

The parties agree to meet and discuss the manner in which the State will provide sufficient information for the plan to make a determination on eligibility based on 240 days per year / full-time employment / 2080 straight time hours per calendar year.

A handwritten signature in black ink, consisting of a large, stylized 'B' followed by a horizontal line and a small flourish.

State to Union
May 13 '14
3:04

RULE 1-SCOPE

1.01 The Rules contained herein constitute an Agreement, as amended, between the STATE OF ALASKA (hereinafter referred to as the "Employer"), and the District #1—PCD, MEBA (AFLCIO), (hereinafter referred to as the "Union" or the "Association, governing wages, hours and conditions of employment on the vessels owned, operated or chartered by the Alaska Marine Highway Systems and engaged in ferry operations in the waters of Southeastern and Southwestern Alaska, British Columbia, and Puget Sound.

1.02 Unique operational requirements pertaining to some of these vessels are addressed by Supplemental Agreement(s) amending this basic Agreement. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective negotiations during its term except those that specifically arise through Rule 35.

1.03 Any additions, deletions or changes which are negotiated during the life of this Agreement shall be in the form of a written amendment or addendum and shall become part of this Agreement. No agreement altering this contract can be entered into without the participation of a duly elected negotiating team from the membership of the Alaska Marine Highway System. The negotiating team shall be elected for the term of this agreement. The negotiating team shall consist of a minimum of four(4) members ~~two (2) members from the Southeast region and two (2) members from the Southwest region~~. Interpretation or clarification of provisions of the Agreement shall be set forth in memorandums of understanding. The bargaining team member requirement shall not be subject to the grievance procedure.

1.04 It is mutually understood that there is no desire on the part of the Union to dictate the business policies of the Employer, but when the Employer contemplates a change in policy affecting the welfare of the Engineer Officer, proper and reasonable notice shall be given to the Union. Should a dispute arise, it shall be settled in accordance with Rule 14.01.

1.05 In the event additional vessels owned, operated or chartered by the State are added to the fleet, the MEBA shall have jurisdiction over negotiating contract terms of engineering Personnel aboard those vessels and all work related to the operation and maintenance of machinery on those vessels shall belong to MEBA - District 1. The State of Alaska shall have the ability to contract for the passenger and vehicle service for the following ports: Angoon, Gustavus, Hoonah, Kake, Tenakee and Pelican without regard to MEBA jurisdiction.

TA BUMP
PS 5/13/14
3:05

State to Union
5/13/14
3:07

RULE 2-RECOGNITION

2.01 The Employer recognizes the Union as the exclusive representative of all Engineer Officers as classified herein, and as the sole collective bargaining agent for the purpose of acting for the Engineer Officers in negotiating wages, hours, and conditions of employment, interpreting this Agreement, and adjusting disputes.

JA POMP

5/13/14

3:07

BB

JA Miller
6/6/14 9:10

RG

State + O
Union

June 5 '14
1:00k

RULE 3

PREFERENTIAL HIRING AND USE OF INFORMATION

3.01 The Employer recognizes the Union as the normal source of obtaining new Engineer Officers. The Union recognizes the Employer's legitimate interest in local hire. Accordingly, when dispatching Engineers to the Employer, the Union will, in all instances, observe the following order of preference for vessels located in Alaska:

1. Group I Alaska residents
2. Others in Group I
3. Group II Alaska residents
4. Others in Group II
5. Group III

Within each of the above categories the order of dispatch shall be according to the date that the individual last registered with the Union (i.e., the individual with the earliest date and time is the first offered the dispatch from the appropriate group).

3.02 Recognizing the passenger-carrying capacity and unique operational requirements of the Employer's vessels, the Union agrees, at all times, to accept applications and immediately register for work those employees who have at least three (3) ~~years~~ years' experience in the engine

rooms of the Employer's vessels, have the required license, possess a lifeboatman's certification and have been certified by the Port Engineer and a Chief Engineer of the Employer as being capable of safely taking over a watch as a licensed Engineer. Individuals who meet the above criteria and subsequently terminate their employment with the Alaska Marine Highway System, lose all rights in this subsection if such rights were gained solely as a result of Alaska Marine Highway System employment. The Employer will promptly notify the Union of such terminations, and will furnish the Union a copy of the terminating Personnel Action form containing the pertinent information.

3.03 Due to geographic considerations, no Alaskan resident shall be required to physically be present in the union hiring hall or facility in order to be eligible for dispatch to the Employer.

3.04 When called upon to do so, the Union agrees to furnish the Employer with qualified, competent and satisfactory personnel for any classification covered by this Agreement. The Employer retains the right to reject personnel referred for employment, including the right to reject previously employed Engineer Officers for cause. Such rejection shall be subject to the grievance procedure.

3.05 In the event that the Union is not able to provide Engineer Officers on demand, the Employer may hire from other sources. The period of such hire may not exceed two (2) working weeks.

3.06 The Employer, in addition to its unrestricted right of selection of Chief and First Assistant Engineer, shall have the right to keep in continuous employment within its fleet any licensed Marine Engineer who desires to continue full time employment with the Alaska Marine Highway System for assignment to any rating providing he or she continues to tender the dues uniformly required to maintain his or her membership in good standing in the Association. Continuous employment shall not be deemed to have been broken if the Engineer is on a mutually approved leave of absence.

3.07 It is recognized that the parties have a commitment to hiring practices consistent with the principles of Equal Employment Opportunity and Affirmative Action ~~where underutilization of individuals in particular sex and race/ethnicity categories is documented.~~

3.08 Pre-employment physicals may be required by the Employer.4

3.09 The Union agrees that all nonpublic personnel information provided to it by the Employer shall be used only for purposes related to the execution of the Agreement; and that the Union shall be responsible for the protection and security of information provided.

3.10 In the event that an Engineer Officer is discharged for medical reasons and there is conflict between the Employer's medical doctor and the Association's medical examiner, the parties shall refer the matter to a third doctor mutually agreed upon by both parties whose decision shall be final and binding.

State to Union
5/13/14
3:00

**RULE 4
DEFINITIONS**

4.01 ENGINEER OFFICERS

(A) Regularly Assigned Engineer. An Engineer Officer who has been awarded or assigned a specific position on board a given vessel in accordance with Rule 26 of this Agreement.

(B) Vacation Relief Engineer. An Engineer who has been assigned in accordance with Rule 23, to ~~replace~~relieve a Regularly Assigned Engineer while the Regularly Assigned Engineer is on
Vacation.

(C) Temporary Relief Engineer. An Engineer Officer who does not have a Regularly Assigned Position or is not a designated Vacation Relief Engineer, and is hired for temporary vacancies, including but not limited to, illness, injury, leaves of absence, and training.

4.02 REGULARLY ASSIGNED POSITIONS. Specific positions aboard a given vessel and crew ("A" or "B" where applicable) which are filled in accordance with Rule 26 of this Agreement, and the positions of Engineers who have been designated Vacation Relief Engineers.

4.03 SYSTEMS

(A) Southeast System. Includes all vessels normally using Juneau and/or Ketchikan as change ports.

(B) Southwest System. Includes all vessels normally using Valdez, Homer or Cordova as change ports.

4.04 ORIGINAL PORT OF ENGAGEMENT (HIRE). The original port of engagement shall be the port of Seattle or any port in the state of Alaska where the Engineer Officer is hired by the Employer.

JA BUMP
5/13/14
3:00
BS

*Union to
State
7/1/14*

**RULE 5
UNION MEMBERSHIP**

5.01 Engineer officers covered by this Agreement shall, within thirty (30) days after employment with the Employer, apply for membership in the Union and shall thereafter as a condition of employment tender the dues and initiation fees or other fees as required by AS 23.40.220 uniformly required as a condition of membership.

5.02 The Union shall advise the Employer in writing the amount of its initiation fee and monthly dues as duly adopted. The Employer, with the written consent of the employee, shall deduct monthly from the pay of each employee covered by this Agreement such fee or dues for the preceding month and remit the amount monthly to the Treasurer or other officer of the Union as may be designated in writing by the Union.

5.03 It is agreed between the parties that, following the signing of the collective bargaining agreement, a unit member may authorize and the State will deduct a specified amount to be forwarded to the Union for the MEBA/PAF. The Union will obtain the payroll deduction authorization from each employee who wishes that the deduction can be made.

The Union will furnish the payroll deduction authorization forms as approved by the State.

5.04 Upon written notice by the Union, any employee who has been employed for more than thirty (30) days and who is not in compliance with the provisions of this Rule and with confirmation by the Union that it has provided the employee with the procedural protections required by law the employer shall terminate the employee. Termination shall become effective within thirty (30) days after receipt of the aforesaid notice to the Employer by the Union.

The Union shall defend, indemnify, and save the Employer harmless against any and all claims, demand, suits, grievances, or other liability (including attorney's fees incurred by the Employer) that arise out of or by reason of actions taken by the Employer pursuant to this section, except those actions caused by the Employers negligence. If the Union undertakes the defense under this section, it shall as its option select counsel to conduct the defense.

*TA MURP B6
7/1/14*

SOH
9:17
12/17/13
BOOK

**RULE 6
NONDISCRIMINATION**

6.01 The Employer shall not discriminate against any Engineer Officer because of membership in the Union or activity on behalf of the Union, provided such activity is not contrary to law or this Agreement.

6.02 The Employer and the Union agree that there will be no unlawful discrimination against any Engineer Officer because of race, religion, disability, marital status, change in marital status, pregnancy, parenthood, sex, color, age, genetic information, or national origin.

6.03 All references herein to the male gender will also include the female gender.

JA PS

AMP

12/17/13

10:03

**RULE 7
CREW REQUIREMENTS**

State to
Union
6/6/14

7.01 The minimum crewing requirements for each vessel shall be in accordance with the safe operation of the vessel as concluded between the Employer and the Union and the Certificate of Inspection under which the vessel is licensed to operate, and the certificates of all vessels covered by this Agreement are made a part hereof by reference.

9:10

7.02 There shall be no unilateral reduction in present crewing while in operational status.

~~BB~~ PMP

BB
JA PMP
6/6/14
9:15

**RULE 7
CREW REQUIREMENTS**

Union FO
State Jones 5/16
3:30

7.01 The minimum crewing requirements for each vessel shall be in accordance with the safe operation of the vessel as concluded between the Employer and the Union and the Certificate of Inspection under which the vessel is licensed to operate, and the certificates of all vessels covered by this Agreement are made a part hereof by reference.

7.02 There shall be no unilateral reduction in present crewing.

**RULE 8
HEALTH AND SAFETY**

8.01 The health and safety of Engineer Officers shall be reasonably protected. Each Engineer Officer shall have his or her own individual stateroom. All Engineer Officers' quarters shall be properly equipped with a washroom, fresh running water, cleaned, heated and lighted at all times during occupancy. Such washrooms are to be equipped with fresh hot and cold running water, and fresh water shower facilities, as well as sanitary drainage.

The Employer agrees that on vessels where quarters are provided that white sheets, pillow slips, mattresses, blankets, and soap shall be furnished to insure sanitary and healthful conditions. The employer shall afford room service for its Engineers; such as changing linens, sweeping, mopping and waxing in their respective staterooms, bathrooms and toilets. Clean bed linen and towels are to be provided weekly and rooms are to be cleaned and beds made daily.

8.02 Each Engineer Officer shall have a private room with toilet facilities and shower on new construction. construction, when quarters are provided.

8.03 Unless a separate suitable messroom is provided for their use, all Engineer Officers shall have their meals in the regular ship's dining salon. All Engineer Officers shall be permitted to eat in the main passengers' dining salon provided they wear clean khakis or dress blue uniforms; coveralls will not be accepted.

8.04 Annual employee physicals may be required by the Employer to be performed by a doctor of the Employer's choice and at the expense of the Employer.

8.05 There will be established appropriate safety committees for the purpose of developing programs concerning the health and safety of Engineer Officers.

~~8.06 All employees will be encouraged to obtain a U.S. Coast Guard lifeboatman's certificate within six (6) months from date of meeting the necessary Coast Guard requirements. All employees shall be required to obtain the lifeboatman's certificate within one (1) year after completing necessary Coast Guard requirements as a condition of continued employment with the Employer.~~

BB TA PAMP

RULE 9

June 6 '14
9:06

Union to State 7/1/14 12:40

**RULE 9
OCCUPATIONAL INJURY AND ILLNESS BENEFITS**

9.01 Unearned Wages: In the event an Engineer Officer becomes ~~ill or is~~ injured while in the service of the Employer's vessel, he/she shall receive wages to the end of the work assignment. In the event an Engineer Officer becomes ill while in the service of the Employer's vessel, he/she shall receive wages until returned to their change port or residence, whichever is sooner. During the period of time that an employee is receiving unearned wages for a work related illness or injury, the employee may not receive additional income supplementation by claiming accrued personal leave or medical/sick leave.

9.02 Transportation: In the event an Engineer Officer becomes ill or is injured while in the service of the Employer's vessel, he or she will be furnished meals, lodging and transportation until returned to his or her change port. This provision shall apply when the Engineer is not hospitalized and has notified the Chief Engineer or the Personnel Officer of his or her medical status.

9.03 When hospital treatment is required, transportation to and from the hospital will be furnished by the Employer if the Engineer becomes ill or needs medical attention while in the service of the vessel and a Master's certification has been issued. Upon release from the hospital, transportation to the Engineer's change port shall be provided upon request, provided said transportation is connected to an assignment.

9.04 Seniority will accrue while the Engineer is absent from work with authorization, with or without pay or compensation, for illness, injury, or disability.

9.05 The Employer shall provide the Union with written notice of all job-related injuries in a timely manner.

9.06 The Employer will insure the life of every Engineer against accidental death while the Engineer is in authorized travel status in the amount of seventy-five thousand dollars (\$75,000.00).

TA
PMP
BS

30A
9:18
12/17/13
Book

**RULE 10
COMPENSATION FOR LOSS OF EFFECTS**

10.01 Crew personnel will be reimbursed in cash for the loss of personal effects, instruments and equipment resulting from shipwreck, stranding, sinking, burning, and collision of the vessel in the amount not to exceed two thousand dollars (\$2,000.00). Each individual must provide the Employer with an itemized list of the individual's losses, including replacement value. Reimbursement may be made over two thousand dollars (\$2,000.00) up to five thousand dollars (\$5,000.00) for lost items if supported by documentation.

JA BMD
12/17/13
10:04
BS

State to
Union
6/6/14
11:00

RULE 11
CASH ALLOWANCE FOR SUBSISTENCE AND QUARTERS

11.01 When an Engineer Officer is in work status away from his or her home and quarters are not furnished, the Engineer shall be entitled to a quarters allowance of ninety-five dollars (\$95.00) per day between May 16 and September 15 and eighty-five dollars (\$85.00) per day between September 16 and May 15 . In the event the rate for lodging designated in the StateAlaska

Administrative Manual for Southeast Alaska is increased, the rate specified herein shall be increased by the same dollar amount.

In the event the quarters are not available at the contracted quarters allowance rate the Engineer Officer shall be reimbursed for necessary receipted expenses for quarters.

11.02 When an Engineer Officer is in work status away from his or her home and meals are not furnished, the Engineer shall be entitled to a meal allowance of sixty dollars (\$60.00) per day effective July 1, 2000. In the event the rate for meal allowance designated in the StateAlaska Administrative Manual for Southeast Alaska is increased, the rate specified herein shall be increased by the same dollar amount.

11.03 In instances when the Employer provides meals and lodging the employee has no entitlement to any per diem allowance of any type.

On the first day in travel status, the employee shall be entitled to quarters allowance if overnight lodging is necessary, but only a prorated portion of meal allowance, calculated in accordance with Section 60.220 of the Alaska Administrative Manual.

On the last day of travel status, the employee shall be entitled to a prorated portion of meal allowance as provided for in Section 60.220 of the Alaska Administrative Manual.

TA
6/6/14
11:05
RB

State to Union
7/1/14
1:35

RULE 12
CHANGE PORTS AND TRAVEL BETWEEN ASSIGNMENTS

12.01 CHANGE PORTS

(A) Regularly Assigned Engineer Officers. Change ports are Juneau, Ketchikan, Cordova, Valdez and Homer. Changes in these change ports shall be designated by the Employer. Should the Employer make a change to the usual change port of a given vessel, moving costs or travel expenses will be paid for affected Engineer Officers in accordance with Rule 12.08 B or EG. The Employer will determine whether moving costs or travel expenses are to be paid on a case by case basis. However, other communities may also be used as change ports with the written approval of the Employer, if both

Regularly Assigned Engineer Officers covering a position reside in such community or vicinity and when such community is a regular port of call of the Employer's vessels, provided no additional expenses are incurred by the Employer. Engineer Officers receiving COLD payments must designate a change port within the State of Alaska. Regularly Assigned Engineer Officers shall normally be relieved at the same change port where they began their duties. The senior Regularly Assigned Engineer Officer on the Time in Grade seniority roster shall designate the change port for the position.⁹

(B) For purposes of 12.04, Vacation Relief Engineers shall designate a preferred change port, either Juneau or Ketchikan. This designation shall be in writing and may be changed with prior written notification to the Employer.

(EG) When both the Regularly Assigned Employees are not working a given position, the two (2)

Engineer Officers relieving may mutually agree to temporarily designate a change port other than stated in Rule 12.01(A) provided the Engineer Officers involved notify receiving prior written approval from the Employer and notification to the Union prior to the change and provided no additional expenses are incurred by the Employer. This subsection shall not be used to change the designated change port of the Regularly Assigned Engineer Officer upon his or her return.

JA
POMM
7/1/14
1:40
PS

~~12.02 RELIEF AT OTHER THAN PORT OF ENGAGEMENT~~ When an Engineer Officer is relieved at a point other than the port at which he or she began that particular assignment, the Engineer Officer is entitled to travel pay and receipted necessary travel expenses to return to the port of engagement.

12.03 TRAVEL BETWEEN TO REGULAR ASSIGNMENTS. Engineer Officers who reside at any port of call of the Employer's vessels other than at their designated change port may "deadhead" aboard said vessels. During such passage, the Engineer Officer may take meals in the Officer's mess without charge. Berths will be furnished free of charge whenever possible, on a space-available basis, but the Employer shall not be liable for travel and/or other expenses incurred by an Engineer Officer traveling to the Engineer Officer's designated change port by means other than vessels of the System.

When a Regularly Assigned or Vacation Relief Engineer Officer is required to change their travel arrangements at the Employer's direction, he/she is entitled to the extra cost incurred due to this change. It is the Engineer Officer's responsibility to provide documentation of actual travel in order to receive entitlements under this subsection. All expenses will be paid in accordance with the Alaska Administrative Manual.

12.04 TRAVEL TO/FROM BETWEEN TEMPORARY ASSIGNMENTS CHANGE PORTS. When

a Regularly Assigned or a Vacation Relief Engineer Officer is temporarily assigned duties which involve a crew change or work assignment at other than his or her normal designated change port, for each and every occasion travel

is required, the Engineer Officer is entitled to necessary and reasonable actual travel expenses (including air fare and ground transport) to and from their designated change port and the temporary change port. Engineer Officers deviating from the required travel between temporary and designated change port, including but not limited to choosing to travel at another time, to another destination, or using means other than those offered by the State, will be reimbursed for actual necessary travel expenses up to the expenditures that would have been incurred by the Employer, had the employee not deviated, whichever is less. All requests for reimbursement must be submitted within sixty (60) days from the Engineer officer's release from the vessel and must include receipts for actual travel. Travel expenses will not be paid for the portion of travel provided by the employer on its vessels. If an Engineer Officer is required to travel on the Employer's vessels and required to purchase accommodations he/she shall be entitled to reimbursement. It is the Engineer Officer's responsibility to provide documentation of actual travel in order to receive entitlements under this subsection. All expenses will be paid in accordance with the Alaska Administrative Manual travel pay and receipted necessary travel expenses for travel between the normal change port and the temporary change port. For purposes of this Rule, the "normal change port" shall be either Juneau or Ketchikan.

Temporary employees who reside outside Alaska shall be entitled to necessary and reasonable actual travel expenses from port of hire to their temporary change port. Temporary employees who reside within Alaska shall receive necessary actual travel expenses from their designated change port to and from their temporary change port. It is the Engineer Officer's responsibility to provide documentation of actual travel in order to receive entitlements under this subsection. All expenses will be paid in accordance with the Alaska Administrative Manual

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~~12.05 In no case shall the implementation of a change port other than Juneau or Ketchikan cause the State of Alaska to incur any significant additional expense nor cause any Alaskan resident to travel outside the state of Alaska to relieve another Engineer Officer.~~

~~12.06 Licensed Engineer Officers who are entitled to receive transportation and who travel by automobile at their option, will be reimbursed at thirty-five (35) cents per mile or an amount equal to airfare, whichever is the lesser.~~

12.057 TRAVEL PAY.

(A) MINIMUMS AND MAXIMUMS

When an Engineer officer is eligible for travel pay as provided elsewhere in this Rule, it shall be computed on the basis of straight-time pay for the actual hours involved in traveling to and from the temporary change port. Engineer Officers will receive a minimum of four (4) hours travel pay per trip, except that if more than four (4) hours is claimed, the Engineer Officer must submit documentation of actual travel to support the claim. Engineer Officers will receive a maximum of twelve (12)

hours travel pay in any twenty-four (24) hour period, regardless of mode of travel involved. Notwithstanding that a Temporary Relief Engineer's particular assignment begins upon commencement of work on the vessel to which assigned, nor that the port of engagement for any particular assignment is the port to which the Temporary Relief Engineer is directed to

report for work, Temporary Relief Engineers shall nevertheless be entitled to travel pay as provided herein. Travel pay for Temporary Relief Engineers assigned to Southeast System vessels shall be limited to actual time spent travelling by the most expeditious route, or four hours per trip, which ever is less. Travel pay for Temporary Relief Engineers assigned to

Southwest System vessels shall be limited to actual time spent travelling by the most expeditious route, or eight hours per trip, whichever is less. Eligibility for travel pay shall not be construed as creating other entitlements except as may be expressly stated in this Rule.

(B) ENTITLEMENT--TO ASSIGNMENTS

Travel pay time begins at check-in time of commercial air transportation over the most expeditious route, or at the scheduled departure time of the Employer's vessel, when necessary or directed to travel by vessel. Travel pay time ends upon arrival at the airport serving the designated change port when traveling via commercial air transportation, or when the vessel upon which the employee is traveling arrives at the change port. However, if necessary to await the arrival of the vessel to which assigned, travel pay status will continue until the vessel arrives but shall not exceed eight (8) hours.

(C) ENTITLEMENT--ASSIGNMENT COMPLETION

Travel pay time begins at check-in time of commercial air transportation over the most expeditious route, or at the scheduled departure time of the Employer's vessel, when necessary or directed to travel by vessel. Travel pay time ends upon arrival at the airport serving the port at which the employee began the assignment, or upon the Employer's vessel arriving at the port at which the employee began the assignment.

(CD) PER DIEM

When it is necessary to await arrival of the vessel to begin an a temporary assignment at other than designated change port, Rule 11, Cash

Allowance for Subsistence and Quarters, will apply. Claims for subsistence shall be made on Form 02-027, the State of Alaska Travel Authorization Form. Travel time will apply towards minimum guarantee but shall not be included in straight-time hours in determining when overtime will commence.

12.068 TRANSFER OR PERMANENT CHANGE OF ASSIGNMENT.

(A) All additional costs incurred by a transfer or permanent change of assignment at the convenience of and request by an Engineer Officer shall not be the responsibility of the Employer unless otherwise specified in this Agreement.

(B) All additional costs incurred by a transfer or permanent change of assignment of an Engineer Officer which is at the request of and for the convenience of the Employer shall be the responsibility of the Employer.

(C) All reimbursements for actual moving expenses incurred shall be in accordance with the State Administrative Manual.

12.079 When an Engineer Officer is on an approved personal leave and is unexpectedly called back to work, and agrees to such callback, he or she will be reimbursed for any additional transportation expenses incurred by the Engineer Officer to return as a result of the early return to work. In order to be reimbursed under this section, the callback must be approved by the System Director, Alaska Marine Highway System, prior to the Engineer Officer incurring additional expenses. The Engineer Officer shall submit documentation to support the additional expenses claimed. If the Engineer Officer undertakes return travel after completing the

assignment to which called back, he or she shall be reimbursed for any additional transportation expenses to return to the original point of call.

12.10 Upon initial hire, the Engineer Officer shall be entitled to one-way air transportation between his or her port of original hire and the port of relief. Upon termination the Engineer Officer shall be entitled to one-way air transportation between the port of relief and his or her original port of hire.

*leave at book, not deleted
MMP*

| **12.0814** When an Engineer Officer whose residence is other than the State of Alaska, and moves his or her legal residence to within the State of Alaska, then the Engineer Officer will be entitled to reimbursement for moving expenses in accordance with the State Administrative Manual. Such changes of residence must occur within a year of the Engineer Officer's initial hire date unless required by the Employer.

**RULE 13
VISITATION**

State to
Union
7/1/14

13.01 Prior to conducting Union business, authorized representatives of the Union shall notify the Engineering Manager, or designee and sign in to receive a visitor's pass before being allowed to go on the Employer's property and on board vessels. The Union agrees that the Employer is absolved from all claims resulting from any accident involving such representatives while on the property or on board vessels of the Employer. No individual or group of Engineer Officers will be interrupted in their work without the approval of the Chief Engineer.

BG
JA Group
2:30

VA MWP
5/13/19
BE
Staff to Union
5/13/19
3:11

**RULE 14
SETTLEMENT OF DISPUTES**

14.01 Any dispute arising between the Union or the Engineer Officers covered herein, and the Employer, the Union or the aggrieved Engineer(s), as the case may be, regarding the interpretation or application of this Agreement shall be determined in accordance with the following procedure as the sole means of settling said controversy:

STEP ONE An aggrieved Engineer Officer or Union Representative shall first attempt to settle the grievance through discussion with the Engineer's immediate supervisor. Failing to resolve the dispute, the Engineer shall reduce the grievance to writing and submit it to the Union and the System Director, Alaska Marine Highway System, within thirty (30) ~~calendar~~working days of the

action or inaction, or the date the employee is made aware of the action or inaction, whichever is later. The System Director shall render a decision in writing within fifteen (15) working days from receipt of the filing. Settlements reached at this step shall be consistent with the provisions of this contract and with policies and regulations of the Employer.

STEP TWO: If the grievance is not resolved at Step One of the procedure, the Union may appeal the grievance in writing to the Commissioner of the Department of Transportation and Public Facilities within fifteen (15) working days after the Step One decision is due or received, whichever is earlier. The Commissioner of the Department of Transportation and Public Facilities or designee shall respond in writing to the Union within fifteen (15) working days after receipt of the appeal.

STEP THREE: In the event a grievance which has been considered at Step Two is not resolved at Step Two, the Union may appeal it in writing to the Commissioner of the Department of

Administration within fifteen (15) working days after the response from Step Two is due or received, whichever is earlier. The Commissioner of the Department of Administration or designee shall respond in writing to the Union within fifteen (15) working days after receipt of the appeal.

STEP FOUR: If a grievance over the correct interpretation or application of this Agreement remains unresolved after being timely processed through the preceding steps, it shall proceed to binding arbitration if either party so requests by written notice to the other party within fortyfive (40~~5~~) ~~calendar~~working days after the date of the response of the Commissioner of the Department of

Administration required under Step Three. Such request shall specify which Rule or Rules are alleged to have been violated.

14.02 Within thirty (30) ~~calendar~~working days after the signing of this Agreement the Employer and the

Union shall jointly request from the Federal Mediation and Conciliation Service the names of seven (7) qualified arbitrators. Thereafter, on each occasion requiring an arbitrator, the parties will promptly select the arbitrator by alternately striking names from the list until only one name remains. The party requesting arbitration shall strike the first name. The last name remaining on the list shall be the arbitrator, and arbitration shall commence on a date to be selected by agreement of the arbitrator and the parties. The arbitrator shall issue a decision and award in writing within thirty (30) ~~calendar~~working days after the close of the hearing, which decision and award

shall be final and binding on each of the parties. The arbitrator shall have no authority to rule contrary to, amend, add to, subtract from or eliminate any of the terms of this Agreement. The arbitrator shall have the power to return a grievant to employee status with or without restoration

of back pay or mitigate the penalty under the facts provided a specific contractual violation is found.

14.03 In any arbitration proceeding held pursuant to this Rule, the expenses incident to the services of the arbitrator shall be borne entirely as designated by the arbitrator. The arbitrator shall assign such expense to the losing party. If, in the opinion of the arbitrator, neither party can be considered the losing party, then such expenses shall be apportioned as in the arbitrator's judgment is equitable.

14.04

(A) To qualify for consideration under the grievance procedure set forth in this Rule, a grievance must be brought to the attention of the Employer through the Union in writing within thirty (30) ~~calendar~~working days of the occurrence of the disputed action or inaction or of the date the

Engineer Officer is made aware of the action or inaction, whichever is later.

(B) The appeal of a dismissal, demotion, or suspension must be brought to the attention of the Employer through the Union in writing within ten (10) ~~calendar~~working days of the date the Engineer is

notified of the action. Any grievance resulting from the dismissal, demotion or suspension of an Engineer who has, at the time of the disputed action, established seniority pursuant to Rule 26 of this Agreement shall be entered into the procedure at Step Two. Such grievances by Engineers who have not established seniority shall likewise be entered at Step Two but may not be carried beyond Step Three.

(C) Prior to using the grievance procedure, pay complaints must first be submitted on forms provided by the Employer entitled Notice of Pay Problem (NOPP) within thirty (30) ~~calendar~~working

days after the issue date of the pay warrant in question or of the date the Engineer Officer is made aware of the action or inaction, whichever is later. It shall be the employee's responsibility to complete the form with full details of the complaint and to insure that the Union receives a copy of the NOPP. The Employer shall respond within fifteen (15) working days from the Employer's receipt of the NOPP and a copy of the response shall be sent to the Union.

13

Should the response not be satisfactory to the employee and the Union, a grievance must be entered at Step Two under Rule 14.01 within fifteen (15) ~~calendar~~working days after the NOPP response is due or received, whichever is earlier.

14.05 Written grievances at Steps One through Four shall be processed on forms provided by the Employer and shall, at all levels of the grievance procedure, cite specific Rules alleged to have been violated, and shall contain, as a minimum, sufficient information to determine the issues and relief sought. All time limits expressed herein may be extended by mutual agreement of the parties, but it is understood that time is of the essence and that grievances not timely appealed are considered moot.

14.06 There shall be no strikes, lockouts, sympathy strikes, slowdowns or stoppages of work during the term of this Agreement, it being the intent of the Employer and the Union that all disputes be settled in accordance with the provisions of this Agreement. Notwithstanding this, however, no Engineer working under this Agreement shall be required to board any vessel of the Employer which is being picketed by any union in connection with a lawful primary strike sanctioned by the District Treasurer of the District #1, MEBA.

TA [signature] 5/13/14
[signature] 5/13/14
Overtime to [signature]
5/13/14
3:13

**RULE 15
WORKING CONDITIONS**

15.01 Licensed Engineers shall not paint, chip, scale, clean or polish bright work, or do any clean-up work in the engine department or any other work customarily assigned to unlicensed personnel. Welding, burning and asbestos work shall be accomplished as directed by the Chief Engineer or designee.

15.02 In addition to the straight-time rate of pay, the penalty rate shall be paid to Licensed Engineer Officers, with a minimum of one (1) hour, for the following:

- (A) burning or welding outside of the machinery spaces when a vessel is in operation, except as directly required in connection with the Engineers' duties for the maintenance and repair of the vessel's machinery or piping;
- (B) all work performed physically below floor plates;
- (C) when ordered to enter water tanks, fuel tanks, air bottles and inside boilers, dry tanks, voids, waste heat boilers, sewage tanks and work on effluent lines;
- (D) repair work on refrigerating units that are not part of the vessel's equipment or property of the State;
- (E) major overhaul work while a vessel is in operation, such as pulling pistons, heads, gears, bow thrusters, main bearings, cranks, intake and exhaust valves, or super chargers, and major boiler repairs;
- (F) when required to wear special protective clothing consistent with the Alaska Marine Highway System's policy and procedure on asbestos removal and repair.

15.03 If the Engineer Officer is on overtime, the overtime rate will apply plus the penalty rate.
14

15.04 When a Licensed Engineer Officer is assigned a watch on a vessel in operation, he or she shall not be required to perform repair work as in 15.02 except that work which is necessary to keep the ship in operation or work as may be necessary due to a mechanical failure which would affect the safety of the ship, passengers or crewmembers.

Engineers on watch shall not be required to perform duties away from the confines of the engine room casings while the vessel is underway. Engineers shall not be required to perform duties other than those necessary for the proper operation and maintenance of the vessel's auxiliary and main propulsion units. All pumps, winches, steering units, lines, sanitary and heating systems, refrigeration units and other mechanical or electrical equipment normally falling under the cognizance of the Chief Engineer shall be classed as vessel's auxiliaries. The Engineers are charged with the operation and maintenance of all vessel's mechanical and electrical equipment as normally performed by Licensed Engineers on merchant ships.

15.05 In the Southeast System on the COLUMBIA Class vessels, the First Assistant Engineer position is that of a nonwatchstander. He or she will be used whenever possible as determined by the Chief Engineer to break in new Engineers or to fill in for a watchstanding Engineer who has become ill or injured after reporting for his or her duty tour.

15.06 The Employer will continue to furnish washing machines and dryers for the Engineer Officers in the engine room and will continue to replace parts of, or worn-out, washing machines and dryers.

15.07 The Employer will provide an Observing Billet on a space-available basis with the approval of the System Director of the Alaska Marine Highway System, or designee and the Union, limited to one Engineer at a time (no pay involved).

15.08 INDEMNIFICATION.

Upon request, the Employer agrees to provide for the legal defense of a Licensed Engineer in any civil action brought against the Engineer Officer as the result of the Engineer's performance of or failure to perform his or her duties and to indemnify and hold harmless such Engineer from any judgment levied against him or her in any such civil action, subject to the following conditions:

If the Employer determines that the Engineer is guilty of willful misconduct, the Employer shall notify the Engineer of this determination. The Engineer may then obtain legal representation of his or her choosing and at his or her expense, and may bring the Employer into the action as third-party defendant.

If it is determined by the court that the Engineer is not guilty of willful misconduct, the Employer shall indemnify the Engineer for all costs and for actual attorney's fees stemming from the action, as well as for any judgment rendered against the Engineer. If it is determined by the court that the Engineer is guilty of willful misconduct, the Engineer shall bear the costs and attorney's fees, as well as any judgment rendered against him or her.

The Engineer must request, in writing and within ten (10) days of the service of the Summons and Complaint on the Engineer, that the Employer provide the legal defense services available under this Rule. The submission date of the Engineer's request shall be established by its postmark. Failure to submit a written request within the required ten (10) days shall relieve the Employer of any obligation under this Rule. The Employer shall select which attorney will represent the Engineer, and if the Engineer objects to the

15
attorney selected by the Employer, he or she may obtain his or her attorney, at his or her own expense.

~~15.09 The Employer shall provide license insurance for all permanent Engineer Officers.~~

Union to
Gabe
7/11/14
12:45

**RULE 16
SHIPYARD AND TERMINAL WORK**

16.01 When vessels are tied up and watches are broken such as at a shipyard or tie-up terminal, the regular Engineer Officers shall work an assignment as defined in Rule 19.01. During such periods, Rule 25 shall apply. Provisions of 15.02(B) and (C) will still apply.

16.02 Engineers working on a vessel while in shipyard or at the Employer's tie-up repair terminal shall work in accordance with Rule 19.02. ~~When changing from shipyard workweeks to running time workweeks, the hours concerned shall be combined only for the purpose of establishing minimum pay requirements within the regular pay period.~~

Engineer Officers are entitled to a fifteen (15) minute period at the time of completion of the shift for clean-up.

16.03 For Shipyard and terminal work, Rule 22 shall apply. Rule 22.02 will not apply to Chief Engineers receiving nonwatch pay.

16.04 All running time on ship's watch time to bring vessel to tie-up or repair terminal or return from shipyard or repair terminal shall be paid on the twelve (12) hour day basis with the change to occur at the nearest noon or midnight that the vessel leaves or enters service.

16.05 Holiday pay while in the shipyards will be at the rate of twelve (12) hours.

~~16.06 All two (2) week or special working arrangements are automatically cancelled when the ship is covered by this Rule.~~

16.07 The Employer agrees that prior to establishing the annual winter maintenance program, it will actively solicit, and give due consideration to input from its Licensed Engineer Officers. The Employer shall notify and invite the lead Chief Engineer from the vessel to all major maintenance planning meetings for that vessel and the Union representative shall be notified of the meeting. The lead Chief Engineer may request that additional ship's Engineer Officers be invited subject to approval by the System Director or designee.

In establishing its winter maintenance schedule, the Employer will utilize its Engineer Officers to perform maintenance/repair work to the fullest extent after considering cost effectiveness, time constraints and the advantages of using its own Engineer Officers. This subsection (16.07) is not subject to Rule 14.01, Step Four.

16.078
(A) The minimum manning levels of licensed engineers assigned to a vessel in maintenance status, when licensed engineers are assigned to the vessel for repair work, shall be no less than as follows:

<u>MV COLUMBIA CLASS</u>	
One (1) each	Chief Engineer
Two (2) each	First Assistant Engineer
Two (2) each	Second Assistant Engineer

MV LE CONTE CLASS

RB
TA
MMP
7/11/14

One (1) each
One (1) each
Two (2) each

Chief Engineer
First Assistant Engineer
Second Assistant Engineer

(B) The M/V TUSTUMENA shall have no less than the manning levels as worked in the 1985-1986 annual maintenance period for each vessel.

(C) To facilitate repairs unlicensed personnel as determined by management may be assigned to vessels in maintenance status. This subsection [16.08(c)] is not subject to Rule 14.

16.089 (A) In addition to the above manning levels, the Employer agrees to use Engineer Officers who have been issued a permanent MEBA dispatch to the employer, to stand vessel engineering security watches, when such watches are required, or otherwise established by Alaska Marine Highway System. If no current Alaska Marine Highway System employees are available, the employer will make temporary job calls to the Union to fill any engineering security watch vacancies, who will be paid at the M/V COLUMBIA class, third assistant engineer rate. The parties agree that on a weekly basis there would be a maximum need for one hundred and twenty-eight (128) hours security coverage. Licensed engineers assigned to security watches may be scheduled to work hours other than as specified in Rule 16 of the current agreement, but will be paid overtime for hours worked in excess of forty-two (42). Accordingly, there would be no more than three (3) security watch engineers required on any given vessel.

(B) When Engineer Officers in the yard are either directed in advance by their supervisor to be available for immediate recall or their names are placed on a Engineer Security Watch roster, they will receive Engineer Security Watch pay as outlined below. Assignments to a Engineer Security Watch roster will be, insofar as it is possible, equitably rotated among officers normally required to perform the anticipated duties, provided that nothing in this Rule will preclude the assignment of an individual to perform Engineer Security Watch whose knowledge makes that individual the most logical choice for the anticipated tasks.

When an Engineer Officer is assigned to an Engineer Security Watch roster, the officer will receive Engineer Security Watch premium pay in an amount equal to two hours pay at the Engineer Officer's straight-time hourly rate of pay for each calendar day or portion of calendar day of such assignment. Officers receiving nonwatch pay will not receive this Engineer Security Watch premium pay.

16.0940 Effective July ~~January~~ 1, 2014~~96~~, the AMHS will maintain the full time year round equivalent licensed engineering positions at ~~seventy-seven point five (77.5)~~. Effective January 1, 2006, the full time year round equivalent licensed engineering positions will be ~~seventy-two point five (72.5)~~ and effective January 1, 2007, the full time year round equivalent licensed engineering positions will be ~~sixty-seven point five (67.5)~~. In the event the Union has cause to believe that the proper level of positions is not being maintained, they may pursue a resolution of the question by filing a grievance at the Step Two level in order to expedite a timely resolution of such dispute. In the event the initiating conditions of Rule 35 are not met the parties will meet and negotiate on this Rule.

16.10 Those Engineer Officers who are assigned to a vessel in the yard and who reside in the same area will be allowed to take meals on a designated hotel ship if available. In the event meals are not provided there shall be no entitlement to a meal allowance for those Engineer Officers residing in the same area.

**RULE 18
HOURS**

Ullman to
State
7/11/14
12:50

18.01 Twelve (12) hours shall constitute a day's work for watchstanders. The daily hours for watchstanders shall be divided into sea watches of six (6) hours on duty followed by six

~~20~~
~~(6) hours off duty or any other~~ combination equaling twelve hours as mutually agreed upon by the Chief Engineer and AMHS management. The Chief Engineer shall be a nonwatchstanding officer.

PUMP
BG

18.02 Dayworking Engineer Officers shall work a twelve (12) hour day from 0600 to 1800 hours within which a one (1) half-hour break for lunch and two (2) fifteen (15) minute coffee breaks shall occur.

18.03 Chief Engineers: Twelve (12) hours shall constitute a non-watchstanding day's work, however, the hours are not required to be contiguous; allowing flexibility to accommodate variable operation activity and minimize overtime.

PUMP BG
7/11/14
12:50

date to Union
June 5 '14
1:26

**RULE 19
MONTHLY WORK**

19.01 Two (2) complete crews shall be assigned to each vessel with the workdays divided evenly during each year between the two (2) crews as nearly as practicable. Each crew will work two (2) weeks [fourteen (14) consecutive days] followed by two (2) weeks [fourteen (14) consecutive days] off duty with the alternate crew relieving.

19.02 If mutually agreed upon by two (2) Engineers in grade, they may work alternative Schedules, such as four (4) weeks (twenty-eight consecutive days) on, followed by four (4) weeks (twenty-eight consecutive days) off rotation, provided they obtain the written approval of the General Manager, or designee, and the Union, and the Chief Engineers are informed.

19.03 It is understood that there shall be no overtime because either Engineer does not fulfill his part of the schedule while the vessel is on the run and this alternative schedule is in effect.

TA
PUMP
6/6/14
10:05
BG

**RULE 20
EMERGENCY SERVICE**

20.01 Emergency service such as collision, breakdown, standing to and rendering aid to another vessel or parties in distress and lifesaving shall not be considered overtime. The additional hourage shall be paid for only at the straight-time rate. Any late arrival at crew change ports due to such emergency service is included and the straight-time rate, to the extent of the emergency service rendered as indicated in the ship's log, shall be paid to those Engineer Officers held over on duty. Breakdown shall be defined as rendering vessel dead in the water or loss of main propulsion. Emergency service shall continue only until vessels are in safe moorage at a dock or safe anchorage where the emergency repairs, minimally needed for safe operation, are to be effected.

Union to
State
12/17/13
1:13

JA BUMP
12/17/13
BB 1:14

State to Union
Jan 16 '14
11:33

**RULE 21
LATE ARRIVAL**

21.01 When a vessel is delayed for any reason other than "Emergency Service" in excess of one (1) hour after scheduled time of arrival at change ports, such delay shall be termed a "Late Arrival." Scheduled time of arrival shall be one (1) hour before the published departure time from each port. The hours involved in such delays shall be determined by the Deck Log. Total hours shall be calculated from the scheduled time of arrival.

21.02 Personnel scheduled to be relieved at their change port will be paid the overtime rate of pay for that portion of the Late Arrival period that they are on duty, and straight-time for that period that they are off duty with the following limitations:

(A) Twelve (12) hours pay of either scale or combination thereof shall constitute a day's pay.

(B) Nonwatchstanders shall be paid on the basis of one-half (1/2) the delay at straight time, and one-half (1/2) at overtime, unless proof of time actually worked is in excess of one-half (1/2) the delay period. In that case, the overtime will apply to the time worked. When the delay totals an odd number of hours, the odd hour will be regarded as overtime.

(C) The foregoing applies to delays of twelve (12) hours or less. Delays over twelve (12) hours will be handled under regular callback or overtime rules for the entire Late Arrival.

21.03 When circumstances, other than a schedule change or a change in change ports, necessitate an early crew change, and the change is made twelve (12) or less hours early, the provisions of rule 21.02 will apply. If the change is made more than twelve (12) hours early, Rule 22.03 will apply.

LA OT: \$170.82
265
TA POMP
7/1/14
12:55

**RULE 22
OVERTIME**

Union State
10
7/1/14
12:53

22.01 The overtime rate shall be one and one-half (1-1/2) times the straight-time hourly rate.

(A) Engineer Officers working one (1) week on one (1) week off schedule shall receive overtime for work in excess of eighty-four (84) hours of work.

(B) Engineer Officers working two (2) week on two (2) week off schedule shall receive overtime for work in excess of one hundred and sixty-eight (168) hours of work.

22.02 If a Licensed Engineer is called out after completing his or her normal workday, he or she shall be paid a minimum of two (2) hours at the overtime rate.

22.03 In case an Engineer is called out after completing his or her week(s) on, he or she is to receive one day's pay at the overtime rate. Following the first day of callback, each watch stood until the start of the Engineer's regular workweek shall be at the overtime rate. This minimum does not apply when there is a schedule change or a change in change ports. In these cases, he or she will start the work week with the standard six (6) hours at overtime. The Employer and the Union shall make every effort to prevent Engineer Officers from working their assigned week off due to the Engineer's opposite being sick or injured.

22.04 The penalty rate shall be thirteen dollars \$13.00 per hour effective July 1, 2000.

22.05 Premium pay shall not be pyramided (overtime will not be compounded).

22.06 In the event an Engineer Officer's overtime or penalty time is disputed for any reason, the Employer will furnish the Engineer Officer a copy of the timesheet involved.

22.07 Extend LOA 98-B-256 (Appendix A).

RS
J A BWP
7/1/14

SOA

6/6/14

11:10

**RULE 23
LEAVE**

TA BUMP
7/1/14
3:05

23.01 PERSONAL LEAVE

(A) Conversion of Accrued Annual and Sick Leave to Personal Leave: All Regularly Assigned and Vacation Relief Engineers on the payroll as of April 1, 1989, and thereafter employees permanently transferring from other vessel bargaining units who have accrued annual and sick leave shall have the entire annual leave balance and 40 percent of their sick leave balance as of March 31, 1989, converted to the employee's personal leave account except as specified in 23.07 below.

(B) Personal leave shall accrue according to the following schedule:

Years of Personal Leave Accrual	Continuous Service (Hours/Year)
1 but less than 2	188
2 but less than 3	250
3 but less than 4	318
4 but less than 5	390
5 but less than 7	468
7 but less than 10	551
more than 10	638

(C) Eligibility for Accrual. Eligibility for personal leave accrual shall commence once the Engineer Officer has accumulated two thousand one hundred eighty-four (2,184) straight-time hours of compensation. The Engineer Officer will then be considered as having one (1) year of continuous service, thereby establishing a leave anniversary date. Upon the establishment of a leave anniversary date, the Engineer Officer will be credited with one hundred and eighty-eight (188) hours personal leave. Personal Leave in successive years shall be at rate shown in Rule 23.01 (B). A Temporary Relief Engineer who becomes a Regularly Assigned Engineer will have all straight time hours worked as a AMHS Engineer during the preceding five (5) years counted towards the two thousand one hundred eighty hour (2,184) hour threshold for their leave anniversary date as a Regularly Assigned Engineer. At no time can a Temporary Relief Engineer establish a leave anniversary date before becoming a Regular Assigned Engineer (at no time can the leave anniversary date precede the date of becoming a Regular Assigned Engineer).

Personal leave benefits awarded under this Rule will not be construed as establishing seniority, which is separately defined in Rule 26.

Once eligible for personal leave accrual, an Engineer Officer will be credited with one-thirteenth (1/13) of the year's [twenty-six (26) pay periods] personal leave accrual during each calendar month in which he or she is compensated for a minimum of eighty-four (84) straight-time hours. An Engineer Officer's leave anniversary date will be adjusted forward one (1) month for each calendar month that he or she does not receive personal leave credit.

23

(D) Cash Out: Engineer Officers covered by this section who have personal leave balances of at least one hundred and sixty-eight (168) hours shall be permitted to cash out ~~one hundred and sixty-eight (168) hours of personal leave~~ six (6) times per calendar year when mutually agreed to by the

Union and the Employer, but at in no case shall the Engineer Officer be allowed to cash out their leave balance below one hundred sixty-eight (168) hours unless mutually agreed by the Union and the Employer. Cash-out requests must be submitted on forms approved by the Employer.

The Engineer Officer's personal leave balance shall be reduced by the number of hours for which payment is made, but shall not be counted as personal leave

used. Cost of living differential (COLD) will be paid on cash-ins except that COLD will not be duplicated for any period.

23.02 LEAVE SCHEDULING.

Personal Leave shall be taken as scheduled following notification by the Leave Scheduling Committee and the System Director, Alaska Marine Highway System, or designee working in unison to arrive at the individual's Personal Leave dates. This program will provide Vacation Relief Engineers who shall have a schedule and relieve for vacations throughout the year, and shall not be removed from their vacation relieving schedule unless they are ill. However, during the annual overhaul period Vacation Relief Engineers must contact an active Leave Scheduling Committee representative of the Union and the State no later than seven (7) days prior to returning to work from leave. It is recognized that Vacation Relief Engineers may be reassigned from the first day to the seventh day following the actual date of the end of the approved vacation. Management reserves the right of final approval for all personal leave requests. Engineer Officers desiring to take personal leave not scheduled by the Leave Scheduling Committee including but not limited to those reasons specified in 23.06, must contact the Marine Engineering Manager, or designee, a Union dispatch office and one of the two employer representatives on the Leave Scheduling Committee to have such leave approved.

23.03 LEAVE SCHEDULING COMMITTEE

(A) The Leave Scheduling Committee will consist of a chairperson, co-chairperson, and ~~four (4)~~ two (2) committee members. ~~The co-chairperson will become the chairperson the following year. The Union will select its four (4) committee members each year and advise the AMJHS of their selection a chairperson and a co-chairperson. The other four (4) committee members will be selected by the Union from those vessels in for the annual yard period.~~ The System Director, Alaska Marine Highway System, will designate up to two (2) Employer representatives to serve as full members of the Leave Scheduling Committee in addition to those committee members selected by the Union.

(B) Allocation of vacation for this program will be based on Time in Grade seniority.

(C) The Port Engineer's office will be consulted concerning the schedules and the number of relief positions required. The System Director shall have final approval of the vacation schedules and number of relief positions required. Leave shall not be unreasonably denied.

(D) Those Engineers who participated on the Leave Scheduling Committee are to receive pay on the basis of one (1) day's pay for each day served when not on the payroll. The rate of pay shall be at the Engineer's regularly assigned classification. The Leave Scheduling Committee shall meet in part or in whole as frequently as necessary to adjust the operational changes.

The frequency and nature of these meetings shall be mutually agreed to by the Union and the System Director, Alaska Marine Highway System, or designee.

(E) During periods of layup of vessels, Engineer Officers with greater amounts of usable personal leave may be directed by the Leave Scheduling Committee to utilize this time in order to permit other Alaska Marine Highway System Engineer Officers to remain working. In their effort to accomplish this goal, the Leave Scheduling Committee may not involuntarily reduce an Engineer Officers personal leave balance below 546 hours for SE & Port Engineers, 720 hours
24

for Tustemena, 1080 hours for Bartlett/Aurora, or 90 "A" days for Kennicott. Any additional time scheduled off must conform to the engineers existing working schedule and change port. In the event an Engineer Officer volunteers to have their personal leave or "A" day balance

reduced below this level, he/she must submit a letter to the chairperson of the Leave Committee stating how many hours or "A" days they are willing to have their balance reduced to.

23.04 VACATION RELIEF ENGINEERS.

(A) The Vacation Relief Engineer's work assignments shall be as prescribed by the Leave Scheduling Committee. Vacation Relief Engineers will be designated as: Vacation Relief Chief Engineer, Vacation Relief First Assistant Engineer and Vacation Relief Second Assistant Engineer.

(B) When a Vacation Relief Engineer Officer is working in his or her regularly assigned job classification, or is working a temporary downgrade, he or she will be paid at the pay rate of his or her regularly assigned job classification. When a Vacation Relief Engineer Officer is temporarily working in a higher classification (i.e., First Assistant working as a Chief), he or she will be paid the eighty-four (84) hour [or one hundred sixty-eight (168) straight-time hour] base pay rate per assignment, and all other hours earned during the pay period at the rate of pay for the job classification he or she is working.

23.05 PERSONAL LEAVE PAYRATE. Regularly Assigned and Vacation Relief Engineers shall be paid for vacation at the rate of their regular assignment. Regularly Assigned Engineers who are working in a temporary upgrade position shall be paid for personal leave at the rate no less than their regularly assigned position or at the rate of the classification the engineer worked for the majority of the preceding year. Vacation Relief Engineers shall be paid for vacation at the rate of the highest rating he or she has relieved in accord with Rule 23.04 when such relief work constituted more than 50 percent of all straight-time hours of work performed within the calendar year the vacation is to be taken. Temporary Relief Engineers shall be paid for vacation at the rate of the classification in which the Engineer worked. (If more than one [1] classification was worked, the Temporary Relief Engineer shall receive the rate of pay on which the majority of his or her time during the last year was worked.) Minimum guarantee and holiday pay entitlements shall not be affected by vacation.

23.06 PERSONAL LEAVE USAGE

(A) In addition to scheduled vacation, personal leave may be claimed for the following:

1. Illness or injury which incapacitates any Engineer Officer to the extent that the Engineer is unable to perform assigned work. The Engineer Officer shall notify the Employer of incapacitating illness or injury at the earliest possible time so that arrangements for a Relief Engineer Officer may be made.

2. Illness or disability within the Engineer Officer's immediate family which requires the attendance of the Engineer at the direction of a physician. Such absences shall in all instances be supported by physician's certificate.

3. Funeral attendance of deaths in the family to the maximum of eighty-four (84) hours. "Immediate family" is defined as father, mother, husband, wife, sons, daughters, brother, sister, grandchildren, grandparents, father-in-law, and mother-in-law. It shall be the Engineer's responsibility to provide evidence of such attendance.

4. Pregnancy and/or childbirth for an Engineer Officer. Claims for personal leave submitted for these reasons shall be treated in the same manner as are any other personal

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leave claims. If a medical doctor certifies the father's presence is necessary, the leave provisions as above shall be applicable to him also.

5. Nonwar Military Duty Absence and Payment. An employee who is required to report for a military physical examination is entitled to a leave of absence without loss of pay, time or performance rating. The leave of absence shall not exceed three (3) working days.

An employee who is a member of a reserve or auxiliary component of the U.S. Armed Forces is entitled to a leave of absence without loss of pay, time or performance rating

(B) The Employer shall pay into the Union Business Leave Bank (UBLB) fifty dollars (\$50.00) per month for each Engineer Officer and Port Engineer. Alternatively, a MPB salary reduction of fifty dollars

(\$50.00) per month will take effect at the direction of the Union. The Employer shall remit to the Union on a monthly basis all such monies allocated to the UBLB, ~~beginning on July 1, 2000.~~

(C) Any employee, at the employee's option, may transfer leave in increments of full days [twelve (12)] only to the bank. Donations, under this section [23.07 (c)], may be made at any time during the duration of the Agreement with no maximum limit of the number of increments of full days except that an employee may not transfer more increments of personal leave than are posted on the employee's personal leave balance at the time of authorization. The employee's leave balance will then be reduced by the hours of leave transferred after the conversion to dollars to the bank.

(D) The purposes listed in section (a) of this rule shall first be met through use of the UBLB. Should there be insufficient money available in the UBLB, the employee(s) shall then exhaust all their personal leave prior to applying for leave without pay for purposes of Union Business.

(E) The release of employees for Union business leave shall be handled on the same basis as release from duty for personal leave, except that such release shall not be unreasonably withheld. However, the parties recognize that situations may develop when an employee cannot reasonably be released from work.

23.08 TERMINAL LEAVE.

(A) In case of an Engineer Officer terminating services at any time after the Officer has established eligibility for personal leave, the Engineer shall receive cash payment for whatever personal leave that Engineer has accrued at the point of termination.

(B) The payment authorized by this section is not considered salary or compensation except for purposes of taxation.

23.09 COURT LEAVE.

(A) An Engineer Officer who is called to serve as a juror or is subpoenaed as a witness shall be entitled to court leave provided that he or she would have been working aboard a vessel of the

Alaska Marine Highway System. Engineer Officers must notify the personnel section within ten (10) days of receipt of notice and prior to jury service in order to be eligible to use court leave. Court leave shall be in the form of straight-time pay for the hours of work missed due to service as a juror or witness at the pay rate which would be appropriate if the Engineer were on personal leave. To receive pay for court leave, the Engineer Officer must turn over to the Alaska Marine Highway System all monies received from the court as compensation for service as a juror, or any monies received as compensation for service as a witness. Claims for court leave must be supported by written documents such as a subpoena, marshal's statement of attendance and compensation for service, per diem and travel.

(B) Engineer Officers will only receive court leave pay from the AMHS for the actual time that they are physically unable to work because they either have not been excused or have been selected and physically serve on a jury, or as a witness. In all cases, the individual must present proper documentation in accordance with Rule 23.

In order to assure pay during the time involved with court duty, Engineer Officers should submit a request for personal leave for the affected pay period(s) and accrual balance adjustments will be made when the verification documents are given to the Personnel Office of the AMHS.

(C) Seniority shall accrue while the Engineer Officer is on paid court leave for the time absent from work provided the Engineer Officer was eligible for dispatch based on his or her seniority.

23.10 FAMILY LEAVE Employees shall be entitled to Family Leave pursuant to A.S. 23.10.540.

Family leave shall be charged to Personal Leave. If this is insufficient, family leave will be charged to leave without pay for the period of approved leave.

Family leave taken because of pregnancy and the birth of a child or the placement of a child, other than the employee's stepchild, with the employee for adoption shall be taken in a single block.

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**RULE 24
HOLIDAYS**

24.01 The following holidays shall be recognized holidays: New Year's Day, Martin Luther King Jr. Day, President's Day, Seward's Day, Memorial Day, Independence Day, Labor Day, Alaska Day, Veterans Day, Thanksgiving and Christmas Day, or other days as may be declared as legal holidays by the Governor of the State of Alaska.

Effective July 1, 1997, Lincoln's Birthday shall be considered a floating holiday. On the day of the holiday, each employee eligible for a holiday in accordance with Rule 24.04 shall have their personal leave account credited with one day of leave.

24.02 All holidays shall be given off with pay to Engineer Officers scheduled to work and if required to work, they shall be paid at the overtime rate.

24.03 All holidays will be paid at the twelve (12) hour rate. Engineer Officers required to work on a holiday on their assigned day off will be paid at the overtime rate for the actual hours worked. Assigned days off include the Engineer Officer's scheduled week off while on sea watches and his or her scheduled two (2) consecutive days off while at a shipyard or tie-up

terminal as provided for in Rule 16. A holiday which occurs while the Engineer Officer is on Personal Leave and occurs within what would have been his or her normal work week shall be paid for the day at the straight-time rate and such hours will not be charged to Personal Leave.

24.04 An employee will be credited a holiday for pay purposes when said employee is in pay status within seven (7) days of the holiday, or, if scheduled to work two (2) weeks on and two (2) weeks off, the employee must be in pay status within fourteen (14) days of the holiday. To be an "employee" for this section, he or she must have been hired prior to the holiday and must not have been terminated before the holiday.

24.05 OBSERVANCE OF HOLIDAYS. A designated holiday will normally be observed on the calendar day on which it falls. Crewmembers working in more than one bargaining unit during a workweek in which a holiday falls will only receive holiday pay and/or holiday overtime pay once for each holiday listed in 24.01.

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**RULE 25
MINIMUM GUARANTEE**

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25.01

(A) All Regularly Assigned and Vacation Relief Engineer Officers shall receive in wages not less than eighty-four (84) times the employee's basic straight-time rate of hourly pay for the employee's regular assigned position for each two (2) week pay period. The overtime portion of pay for a holiday worked, the holiday pay (twelve [12] straight-time hours) for a holiday which falls on the employee's scheduled time off and Employer authorized hours worked beyond the basic twelve (12) hour straight-time day, are the only three (3) forms of pay not included in calculating the Employer's monetary liability in this Rule.

(B) Those Engineer Officers who work two (2) consecutive weeks will have the eligible hours of work (as in (A) above) combined for the two (2) week assignment in computing a minimum guarantee of one hundred and sixty-eight (168) times their basic straight-time pay. This subsection (25.01) (b) shall not diminish the Vacation Relief Engineers minimum guarantee entitlement of one thousand and ninety-two (1,092) hours every six (6) calendar months.

(C) This Rule does not apply to Temporary Relief Engineers.

25.02 - MINIMUM GUARANTEE.

25.02.01

(A) The normal work period for all Engineer Officers working regular assignments shall be a fourteen (14) day period consisting of eighty-four hours in pay status within a maximum of seven (7) working days and seven (7) consecutive days off.

(B) All Engineer Officers working assignments as part of the crews and all Vacation Relief Engineer Officers shall receive in wages not less than ninety-one (91) times the basic straight-time rate for each two pay period. The overtime portion of pay for a holiday worked, the holiday pay (twelve [12] straight-time hours) for a holiday which falls on the employee's scheduled time off, and Employer authorized hours worked beyond the basic twelve (12) hour straight-time day, are the only three (3) forms of pay not included in calculating the Employer's monetary liability in this Rule.

(C) Those Engineer Officers who work two (2) consecutive weeks will have the eligible hours of work (as in (A) above) combined for the two (2) week assignment in computing a minimum guarantee of one hundred and eighty-two (182) times their basic straight-time pay.

The above shall not apply to Temporary Relief Engineers called in excess of regular "Vacation Relief" Engineers.

The parties recognize that the levelized ninety-one (91) hour minimum guarantee will result from time to time in wage payments greater than or less than the wage payment for actual straight-time hours worked. Overtime, penalty rate, travel pay and premium pay shall normally be paid in the pay period earned. The Employer will audit pay records for each year upon a written request from the Engineer and make necessary adjustments at the applicable rate for straight time hours worked in excess of 2,184 hours per year.

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Nothing in the change from a two week "pay period" to a two week "work period" shall be construed to modify or reduce the minimum guarantee set out in Rule 25.

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**RULE 26
SENIORITY**

26.01 Engineer Officers who have completed nine (9) months of continuous service as a Regularly Assigned Engineer and/or a Vacation Relief Engineer shall establish seniority with the Employer and shall be placed on the Licensed Engineer Officers Seniority list commencing with the first day of employment as a Regularly Assigned Engineer or a Vacation Relief Engineer. Engineer Officers who are employed on the same date shall have their seniority determined by the date of registration.

26.02 There shall be two (2) separate seniority lists as follows: A Licensed Engineer Officers' Seniority List to be used in determining layoff, recall and other rights which affect all Engineer Officers and which shall show the seniority date established in 26.01, and a Time In Grade Seniority List which shall show the first date of regular assignment to the rating currently held by the licensed Engineer Officer. In addition this list shall show the accumulated time in grade in other job ratings previously held by the Engineering Officer. This list shall be used to determine lateral transfer rights to open positions, promotions or reductions in grade, and vacation preference.

26.03 The seniority lists shall be posted in a place accessible to those affected. They will be revised in June of each year and shall be open for correction for a period of seventy-five (75) days from the date of posting, upon presentation of proof of error in writing by any Engineer Officer or designated representative. Any seniority date that is not protested within seventy-five (75) days from date of its first appearance on the seniority list(s) will not thereafter be subject to protest, except for correction of typographical error. The Union shall be furnished copies of such seniority lists.

26.04 Engineer Officers may be granted leaves of absence up to six (6) continuous months in any year without loss of seniority. Retention of seniority during a longer leave of absence may be arranged for by agreement between the Employer and the Union. The six (6) month limitation shall not apply to disability cases or to schooling to upgrade in the Maritime Industry. All leaves of absence shall be with the mutual consent of the Employer and the Union. Time involved during each leave of absence shall not be accumulative in regards to total seniority time. Seniority credit held at time of leaving active service will remain static until return to active service. Therefore, leave of absence time shall not be used when computing continuous service for pass, vacation or sick leave benefit.

26.05 In reducing or increasing personnel the Licensed Engineer Officer's Seniority List shall govern. When layoffs become necessary, the last Engineer Officer hired shall be the first laid off. When Engineer Officers are called back to service, the last laid off shall be the first restored to work. When reductions in grade are necessitated, the Time in Grade Seniority Lists shall govern with the least senior Engineer Officer in a particular grade being the first reassigned downward. When an opening in the particular grade subsequently occurs the last reassigned downward shall be the first restored. Transfers between vessels or terminals and travel in exercising seniority retention rights will be at the Engineer Officer's expense and the overtime pay rules will not apply.

26.06 All Engineer Officers, other than those assigned to Vacation Relief and Temporary Reliefs, shall have a regularly assigned vessel and position. Vacation Reliefs shall be regularly assigned in the rating currently held. Engineer Officers in excess of those required will be assigned as Temporary Reliefs.

26.07

(A) When a Regularly Assigned Position becomes vacant it shall be posted onboard each vessel and at terminals within fifteen (15) work days for a period of thirty (30) calendar days.

seventy-five (75) days if vessel is in lay-up status. No bid shall be accepted after the closing of bids at the end of that thirtieth (30th) day. Relief personnel may be assigned to fill vacancies during the posting period.

~~18~~ (B) The position will first be offered to those Engineer Officers on the Time in Grade List for the same rating who have filed bids for transfer to that position on the basis of their seniority on that list. The position left vacant after all lateral transfers have been exhausted shall be filled by promotion from among those Engineer Officers who have entered a bid for such promotion on the basis of their seniority on the next lower Time in Grade Seniority List. The ultimate vacant position shall be filled in accordance with Rule 3, within fifteen (15) work days of closing the bids.

(C) In the event that the Employer believes any Engineer Officer to be unacceptable for a position for which the Engineer Officer has submitted a bid or the Employer is exercising its right in Rule 26.08, the Employer may reject such Engineer Officer's bid and the Employer will promptly notify both the Union and the Engineer Officer involved (in writing) of the rejection, and of each and every reason relied upon by the Employer in rejecting the bid if requested by the Engineer Officer. Any Engineer Officer (except applicants for Chief and First Assistant vacancies) whose bid is so rejected shall have the absolute right to protest such rejection under the provisions of this Agreement relating to disputes, and in the event that the rejection is finally determined to have been without sufficient cause, such Engineer Officer shall immediately be accepted for the position for which he or she was rejected, and reimbursed for any salary that may have been lost due to such rejection.

26.08 The Employer agrees to establish a procedure whereby Engineer Officers will be given the opportunity to bid for transfers as well as promotion. However, nothing in this Rule shall be construed to deny the Employer's right to assign Engineer Officers to certain vessels or routes for legitimate business or managerial purposes. However, the System Director or designee, shall make every effort to assign personnel with regard to their preference of change port and working schedule.

Whenever a First Assistant Engineer position becomes vacant, those Engineer Officers on the Time and Grade Seniority List, who are qualified and competent, shall be afforded the opportunity to transfer. The Port Engineer shall consult the Chief Engineer of the vessel before selecting an ~~Deck-Engineer~~ Officer to fill the First Assistant Engineer position. In determining assignments in accordance with this Rule, First Assistant Engineer seniority, as determined by the Time and Grade Seniority List, shall be given full consideration. If an ~~Engineering~~ Officer is denied a transfer, the Engineer Officer may file a grievance under Rule 14.

In the case of a promotion to any First Assistant Engineer position, the position shall be filled by written request in accordance with Rule 26.07.

When a Chief Engineer's position becomes vacant, those ~~persons-Engineer Officers~~ on the Time and Grade Seniority list, ~~and-who~~ are qualified and competent, shall be afforded the opportunity to transfer. In determining assignments in accordance with this rule, Chief Engineer seniority, as determined by the time and grade seniority list, shall be given full consideration. If an Engineer Officer is denied a transfer, the Engineer Officer may file a grievance under ~~the~~ Rule 14.

In the case of a promotion to a Chief Engineer's position, those applying for the job shall apply on a form supplied by the Employer specific to the Chief ~~'s-Engineer~~ position.

Applicants for a Chief Engineer's position, whether by transfer or promotion, shall be reviewed by a Union Peer Review- Committee consisting of 3 members designated by the Union. The Committee shall rank the candidates and provide the list to the Employer. The Employer shall select the Chief Engineer considering the Board's-Peer Review Committee's list.

If the Committee disagrees with the Employer's selection, the Union may contest the decision. If the Union contests the decision, the dispute will be submitted to an arbitrator. The arbitrator's decision shall be limited to considering whether the Employer acted in an arbitrary, capricious or discriminatory manner. The arbitrator shall not substitute his/her judgment for that of the Employer. The arbitrator, if he/she finds against the Employer, shall be limited to ordering a new selection process.

26.09 Whenever an Engineer Officer who has established seniority with the Employer is transferred from a vessel to a management position or is elected or appointed to a full-time Union position, he or she shall continue to accrue seniority.

26.10 If an Engineer Officer resigns, or is dismissed for cause, exhausts entitlements under Family and Medical Leave or Alaska Family Leave, or is unemployed with the System for a period of six (6) months since completion of an assignment, excluding sick leave or other authorized leave of absence, all seniority benefits will cease. If reemployed, the Engineer Officer will be considered as a new hire and must begin again to establish seniority.

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RULE 27 HEALTH AND WELFARE

27.01 Health Insurance

The Employer shall provide a group health plan covering licensed Engineer Officers, their spouses and dependents. Such a plan shall maintain the level of coverage in effect for this bargaining unit on the date of signing this Agreement, until such time as changes are made in the level of benefits for the Health Insurance Plan provided by the Employer pursuant to AS 39.30.090.

Effective July 1, 2014¹ the Employer contribution to the health insurance plan shall be one thousand ~~two~~^{three} hundred and ~~fifty~~^{seventy-one} dollars (\$~~1371250~~) per month per eligible employee.

A. Effective July 1, for each year of this Agreement, the Employer health insurance contribution will ~~increase~~ be amended by an amount of money not exceeding that necessary to maintain comparable

coverage under the current Select Benefits Default/Economy Plan.

B. Eligible employees shall pay by payroll deduction any difference between the employer contribution and the total premium required to provide the health care coverage for the employee, spouse and dependents.

The parties acknowledge that discrepancies between employee eligibility and corresponding contributions will frequently arise and may exist in any month. The parties will exercise all due diligence in reconciling contributions and eligibility on a monthly basis, including adjustments of overpayments and underpayments as may be necessary.

~~27.02 (A) deleted~~

~~27.023~~ The Employer shall continue to insure the life of every employee in the principal amount of two thousand dollars (\$2,000.00)/five thousand dollars (\$5,000.00) AD&D.

~~27.034~~ (A) In lieu of 27.01 through 27.03, for each day worked by a Temporary Relief Engineer except those for whom the Employer is otherwise providing a similar health plan, the Employer will pay a maximum of forty-three dollars (\$43.00) per day to the plan designated by the MEBA. (B) The Employer's sole obligation will be to transmit the monies required to the designated plan.

27.05

~~RS~~
~~MMP~~
(A) In order to be assured any PERS retiree health insurance benefits, Engineer Officers hired or rehired after July 1, 2014 shall be required to have ten years of service as a permanent Engineer Officer with the Alaska Marine Highway System. Two thousand one hundred eighty-four (2,184) straight-time hours of compensation shall be considered one year of service.

Effective July 1, 2000, Engineers who retired with not less than five (5) years service from the Alaska Marine Highway System after July 1, 1983, their spouses and ~~dependants~~dependents who are

provided Major Medical insurance shall be provided a ~~self-pay~~self-pay option for Dental, Vision and

Audio coverage. All premiums will be collected by MEBA and forwarded to the Division of Retirement and Benefits on an annual basis. Information regarding coverage levels and claims submission procedures shall be provided to MEBA in a timely manner by the Division of Retirement and Benefits, Department of Administration. A ~~one-time~~one-time four week open enrollment

period will be provided effective July 1, 2000. MEBA agrees to enroll retirees in the DVA plan and provide eligibility information. MEBA agrees to notify the Division of Retirement and Benefits of any change in retiree status. MEBA and the covered retirees agree to comply with all provisions of the plan.

(B) MEBA members who are eligible for regular retirement under the MEBA Pension Trust, but who elect a lump sum payment rather than a monthly annuity shall be provided coverage as described above provided:

1. Retirees keep the State of Alaska, Division of Retirement and Benefits informed of their physical and mailing address and,
2. MEBA certifies to the State of Alaska Division of Retirement and Benefits that employees receiving a lump sum payment in lieu of regular monthly payments are eligible to retire under the MEBA Pension Trust.

27.05 At the request of either party, this Rule may be reopened during the term of this Agreement for the express purpose of dealing with the effects of national health care.

**RULE 29
SICK LEAVE**

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29.01 TRANSFER OF ACCRUED SICK LEAVE

(A)

1) Bargaining Unit Sick Leave Bank. Sixty (60) percent of the dollar value of each Engineer Officer's accrued sick leave balance will be transferred to a bargaining unit wide sick leave bank which will be maintained by the Employer and administered by the MEBA. For purposes of this subsection "administered by the MEBA" shall mean the Union approves or disapproves payment from the sick leave bank for work missed by an Engineer Officer due to illness or injury. The Employer retains the right to determine if such absences are authorized or unauthorized according to its absentee control policy. This leave account may be used when any member is scheduled for work but is incapacitated due to an illness or injury. The MEBA will administer the sick leave account in prudent and responsible manner until exhaustion, but in no event will the Employer be obligated to pay out more than seventy-five thousand dollars (\$75,000.00) in any six (6) month periods (January to June/July to December) under this Rule. In the event of the death of an Engineer Officer prior to retirement, and provided the BUSLB has sufficient funds to pay, the MEBA shall submit to the Employer a sick leave request equal to 60 percent of that Engineer Officer's original (as is July 1, 1989) sick leave balance less any sick leave used from the BUSLB by the officer after July 1, 1989, which was converted to personnel leave for payment to the Engineer Officer's beneficiary. Employees, who cannot report to work because of an illness or injury, shall be individually responsible to apply to the MEBA for sick leave compensation. Such absences are subject to Employer verification.

(2) Personal Leave Account. Forty (40) percent of the dollar value of each Engineer Officer's accrued sick leave balance will be transferred to the individual's annual leave account, the 10 percent deduction made per Rule 23.01 and thereafter shall be called PERSONAL LEAVE.

(B) When a doctor's certification is requested by the Employer it must be presented prior to the Engineer's return to work or the absence will be regarded as unauthorized,

~~unexcusable~~ inexcusable and

subject to disciplinary action. The doctor's certification is to cover the period from the date the Engineer Officer became incapacitated until the date the Engineer Officer became fit for duty disregarding the Engineer's scheduled crew change date.

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**RULE 30
STANDARD DRESS**

30.01 All Licensed Engineer Officers will be required to wear white or blue coveralls or clean starched and pressed khaki or black pants at all times while on duty and, the Employer will pay a cash allowance of four hundred dollars (\$400.00) per annum to each Engineer Officer.

30.02 The above per annum payment will be increased to six hundred (\$600.00) if the Engineer Officer elects to wear the usual navy blue uniform while off duty aboard ship.

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**RULE 31
RESTRICTIONS**

| 31-04 It is understood that the Agreement at all times shall be applied subject to federal laws, State laws, and Executive Orders to the extent that these affect the Engineer Officers.

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Feb 13 '14

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July 1, 2014
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**RULE 32
PASS PRIVILEGES**

In order to receive any benefits provided by this Rule the pass holder must pay a one hundred \$100 fee before qualifying for any benefits

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32.01 Engineer Officers with two (2) years of company seniority as per Rule 26.01 and MEBA Officials engaged in business, will be issued annual passes upon request for the Engineer Officer and his or her spouse, subject to the following:

- (A) The Engineer Officer, Officer's dependents and personally-owned vehicle shall be authorized free transportation on a space-available basis only. Dependent children shall be eligible for pass privileges to age nineteen (19) years old or as a full-time student at an accredited university. See Rule 32.07 (A) for vehicle specification.
- (B) The Engineer Officer's vehicle shall not travel on a pass while the Officer is on duty unless the vehicle is accompanying the Officer's dependent(s).
- (C) Only two (2) personally-owned vehicle(s) may be listed and travel on an annual pass, unless otherwise authorized by the System Director, Alaska Marine Highway System.
- (D) No pass shall be used for transporting goods for resale or for any purpose other than personal use.
- (E) There shall be no excessive transport of a pass-listed vehicle nor joyriding by the dependents or the Officer. Any contention or confirmation of a violation of this Rule will be made known to the Union at the earliest possible time. Should the Union fail to resolve the matter immediately, Rule 32.08 shall be initiated by the Employer.
- (F) If an employee brings a vehicle other than a standard car or truck the employee will pay the difference between the standard car or truck price and the price of the larger vehicle.

32.02 Engineer Officers and/or their dependents traveling on passes will pay for all meals consumed and for berths, if used, at the prevailing prices paid by farepaying passengers. Meals will be taken in public dining areas and not in the crew mess.

32.03 Engineer Officers who retire directly from the Alaska Marine Highway System and are receiving a PERS or MEBA pension shall receive an annual pass for themselves, their spouse, dependents under nineteen (19) years of age, and for their personally-owned vehicle. Dependents of deceased Engineer Officers (whether retired or current) will continue to be eligible for pass privileges. A retired employee's vehicle must be registered and licensed appropriately.

but who do not have 2 years of company seniority
BMP

32.04 All Engineer Officers who have established seniority with the Employer will be entitled to trip pass privileges.

32.05 If the date of travel on an approved trip pass does not correspond with the actual date of travel, the Engineer Officer and/or dependents involved must attempt to secure proper approval from the Juneau-AMHS Headquarters Office. In emergency situations, if time precludes such approval before vessel departure, the Vessel Master can make a determination on pass validity or nonvalidity.

32.06 Open date and/or multiple date time frames for date of travel may be used at the discretion of the Juneau AMHS Headquarters issuing officer on an individual basis when authorizing trip passes.

32.07 PERSONALLY-OWNED VEHICLE

(A) An Engineer Officer's personally-owned vehicle is defined as: a standard car or truck used as a daily or personal conveyance by the Officer, and any non commercial vehicle less than ~~twenty-three (23)~~ thirty (30) feet in length. The vehicle must be registered in the Officer's name or an

affidavit signed to the effect it will be registered in the Officer's name upon arrival in Alaska and that the vehicle is for the Officer's personal use and not intended for resale within a period of one year. Only two (2) personally-owned vehicle(s) may be listed on an annual pass. To have personally-owned vehicles shown on an annual pass they must be registered and licensed by the State of Alaska in accordance with State statutes.

(B) The System Director, Alaska Marine Highway System, will consider timely written requests for waiver of the provisions of Rule 32 on a case by case basis.

(C) At no time will an employee's vehicle be allowed to travel on pass if loss of revenue results.

(D) A vehicle and trailer may be transported on a trip pass subject to the following restrictions:

1. Vehicle and trailer length will be determined as the connected length overall. The trailer must be towed by the vehicle listed on the employee's annual pass and shall not be allowed to be transported unaccompanied. First ~~twenty-three (23)~~ thirty (30) feet will be allowed as

free passage, any length over ~~23-~~ 30 feet will be based on current fare tariff in place for difference between the overall length and ~~twenty-three~~ thirty (30) feet of total connected length of trailer.

2. The fee charged does not provide confirmed reservations and transportation is still on a space available basis.

3. If trailer is transported in accordance with this rule the trailer must be licensed for highway use.

32.08 Unauthorized use of or abuse of the pass privilege shall be cause for revocation of the Engineer Officer's pass and possible disciplinary action. Effective July 1, 2011, Rule 32 shall not apply to Engineer Officers terminated from State employment for cause.

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**RULE 33
MANAGEMENT CLAUSE AND UNION RIGHTS**

33.01 Subject to the terms and conditions of this Agreement the Employer retains the right and duty to manage its business, including the right to adopt regulations governing the appearance, dress, conduct and work procedures of its Engineer Officers as are reasonably required to maintain safety, efficiency, quality of service and the confidence of the traveling public. The Union reserves the right to intercede on behalf of any Engineer Officer who feels aggrieved because of the exercise of this right and to process a grievance in accordance with Rule 14. The existence of this clause shall not preclude the resolution of any such grievance on its merits notwithstanding any procedural defects.

33.02 The Employer will not engage in activities, or assist or encourage Engineers not members of the Association in activities calculated to undermine the status of the union as the sole collective bargaining representative. The Employer will not attempt to influence or persuade any member of the Union to withdraw therefrom or to influence any Engineer Officer not to join. The Employer will not in any way attempt to interfere with the internal affairs of the Union.

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33.01

Except as modified by this Agreement, the Employer retains all rights of management, which, in addition to all powers, duties, and rights established by constitutional provisions or statute, will include but not limited to, the right to:

- (a) Determine the Employer's mission on strategic plans;
- (b) Determine the Employer's budget and the financial basis for layoffs;
- (c) Direct and supervise employees;
- (d) And all other rights to manage and operate the AMHS in an effective, efficient, safe, and fiscally prudent manner with in the DOT and PF fiscal budget;
- (e) The Union reserves the right to intercede on behalf of any employee who feels aggrieved because of the exercise of this right and to process a grievance in accordance with Rule 14;
- (f) The existence of this clause shall not preclude the resolution of any such grievance on its merits.

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33.02 The Employer will not engage in activities, or assist or encourage Engineers not members of the Association in activities calculated to undermine the status of the union as the sole collective bargaining representative. The Employer will not attempt to influence or persuade any member of the Union to withdraw therefrom or to influence any Engineer Officer not to join. The Employer will not in any way attempt to interfere with the internal affairs of the Union.

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DA PMP
6/6/14 10:10

TA
DAMP
7/1/14
**RULE 34
DISCIPLINE**

State to
Union
7/1/14
1:05

34.01 It is recognized the Employer has the right and duty to institute disciplinary actions against an Engineer who has committed an infraction of the Employer's policies, rules or regulations. Such disciplinary action is to be administered fairly and be commensurate with the offense committed by the Engineer.

34.02 Certain offenses shall be grounds for immediate discharge including but not limited to: drinking alcoholic beverages or illegal use of drugs on board during the Engineer's workweek, reporting to work under the influence, theft or willful destruction of State property, insubordination; dishonesty; physical misconduct; accessing or viewing pornography at work or on a State computer; excessive absenteeism; falsifying records; leaving the vessel without being properly relieved or without permission of their department head.

34.03 Nothing in this Agreement shall prevent the employer from discharging any Engineer Officer who is not satisfactory to it, but any dispute arising therefrom shall be settled in accordance with Rule 14.

34.04 All licensed Engineer Officers will be required to be tested for illegal substance use prior to hiring, on reasonable suspicion, after a serious marine incident, and randomly on a periodic basis. If an employee tests positive, he or she will be suspended from duty without pay or benefits pending an investigation and will be subject to discipline up to and including dismissal. If the USCG revokes an employee's documents, the employee will be terminated. The Employer will accept for hire through the Union's Hiring Hall a former employee discharged for a positive drug test who has completed a drug rehab program and regains USCG documents.

RULE 35
CONDITIONS NOT SPECIFICALLY COVERED

35.04 In the event additional vessels owned or chartered by the State are added to the fleet, or operating conditions or service requirements arise due to length of voyage or other reasons not specifically covered by Agreement, the parties agree to negotiate immediately on those mandatory subjects of bargaining as required in the Public Employment Relations Act for the purpose of arriving at a mutually satisfactory supplement covering such operations.

JA BMP
BS 1:17
Feb 13 '14

**RULE 36
SAVING AND SEPARABILITY**

| 36.04 If any rule of this Agreement or any addendum's thereto should be held invalid by operation of law or by any tribunal or body of competent jurisdiction, or if compliance with or enforcement of any Rule should be restrained by such body or tribunal, the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a replacement of such Rule.

TA BOMP
BS 1:17
Feb 13 '14

**RULE 37
EDUCATION**

JA MMP 7/1/14 2:30

BB Deck to Union 7/1/14 2:30

37.01 The Employer shall continue to participate in the MEBA Training Plan. For this purpose the Employer shall agree to pay to the MEBA Training Plan four dollars (\$4.00) per day per man effective July 1, 2011, for each Engineer Officer employed with Alaska Marine Highway System. Effective July 1, 2012, the Employer shall agree to pay to the MEBA Training Plan five dollars (\$5.00) per day per man, for each Engineer Officer employed with Alaska Marine Highway System. Effective July 1, 2013, the Employer shall agree to pay to the MEBA Training Plan six dollars (\$6.00) per day per man, for each Engineer Officer employed with Alaska Marine Highway System. Effective July 1, 2015 the contribution amount will be increased from \$6 to \$7. Effective July 1, 2016 the contribution amount will be increased from \$7 to \$8. The Union and the Calhoun school will make every effort to ensure that priority of training goes to permanent AMHS employees before it is used by other MEBA members. A semi-annual report will be provided to AMHS' General Manager itemizing all training taken and scheduled and the manner in which training funds were used. In the event the contract is further extended pursuant to Rule 39 herein, it is agreed that the MEBA Training Plan shall continue in force and effect for twelve (12) months past the expiration date of the contract. Upon request the Union shall provide a listing of AMHS engineers that have attended training at the Calhoun School specifying what classes they have taken.

MMP

37.02

- (A) Employees undergoing employer approved, instructor facilitated training will receive travel allowances in accordance with Rule 11 and will be provided transportation in cash or in kind. "Employer approved training" for the purpose of this rule shall be a written, employee specific travel and training authorization.
- (B) Employees residing within fifty (50) road miles of the training site will not be entitled to travel or transportation under this rule.
- (C) Employees will be paid for actual training time not to exceed 8.4 hours per day. Regularly Assigned Employees will be paid at the straight time rate of their bid job and all others will be paid at the rate of their last assignment.
- (D) Employees may be reimbursed for tuition for other than employer-approved training at the employer discretion.

7-1-14

*TA
BOND
7/1/14*

[Signature]

RULE 38

JOINT EMPLOYMENT COMMITTEE

*Union to
State
7/1/14
1:15*

38.01 The Employer shall continue to participate in the Joint Employment Committee. For this purpose the Employer shall continue to pay to the Joint Employment Committee two dollars (\$2.00) per man per day for each Engineer Officer employed with the Alaska Marine Highway System. In the event the contract is further extended pursuant to Rule 39 herein, it is agreed that the Joint Employment Committee shall continue in force and effect for twelve (12) months past the expiration date of the contract.

**RULE 39
TERM OF AGREEMENT**

39.01 This Agreement shall be negotiated in good faith by both parties and shall be ratified by majority of the Union membership in the AMHS . An elected official of the Union will sign the final agreement, once the balloting is complete and the addendum is approved. Once signed, the Agreement shall become effective July 1, 2014 and shall remain in effect through June 30, 2017 and shall be considered as renewed from year-to-year thereafter between the parties unless either party gives written notice of its desire to amend or terminate same during the period from February 1, 2017 to April 1, 2017.

39.02 The parties, having negotiated in good faith, recognize that the monetary terms of this Agreement are subject to legislative appropriation in accordance with AS 23.40.215. If the legislation submitted to obtain the necessary funding is not passed by the end of the legislature session in which submitted, or if such legislation is rejected by the legislature, the parties shall immediately re-enter negotiations. In the event such negotiations are at an impasse, then the no-strike, no-lockout provisions of this Agreement are waived in accordance with AS 23.40.200.

39.03 New, substantively different provisions of this Agreement will take effect on the date of signing of this Agreement, unless another effective date is specifically provided herein.

*Union to
State*

*7/1/14
1:16*

*TA BUMP
7/1/14
1:16*

[Signature]

JA
amp
glick

BB State to
Union
7/1/14
2:16

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
DISTRICT #1--MEBA (AFL-CIO)
affiliated with
NATIONAL MARINE ENGINEERS' BENEFICIAL ASSOCIATION
Re: **PORT ENGINEERS**

for

The parties agree that the terms and conditions of this supplemental are only in effect to employees in a port engineer position as of June 30, 2014. Once a port engineer position becomes vacant the parties understand the terms and conditions of this supplemental do not apply to that position and the State is able to change duties from/to the position. In addition, the parties agree that, once a port engineer position has been vacated, the State has the full rights and ability to seek Unit Clarification based on the duties it chooses to assign to that port engineer position.

It is hereby understood and agreed between the parties that the following is intended to supplement the current collective bargaining Agreement between the parties executed on July 1, 2014, and is intended to amend that Agreement to cover the issues unique to personnel designated as "Port Engineers".

The terms or designations, "Engineer Officers", "Crew Personnel", or any other terms referring to Licensed Marine Engineer Officers employed with Alaska Marine Highway System; shall apply in this Supplemental Agreement to the personnel designated "Port Engineer".

RULE 3 - PREFERENTIAL HIRING AND USE OF INFORMATION

~~3.01 The Employer agrees that when employing Port Engineers, if the Employer cannot find a Port Engineer who is a member of the Union permanently employed with the Alaska Marine Highway System as a Licensed Marine Engineer who is determined by the Employer to be qualified to perform the work, first consideration will be given to the Union to refer competent and qualified personnel to fill any such vacancy. The Employer shall have exclusive right to hire Port Engineers at its discretion provided that such Port Engineers must be members of the Union or must become bona fide applicants for membership in the Union, as a condition of employment, following the completion of thirty (30) calendar days of employment. The Union shall not arbitrarily deny membership to a Port Engineer employee who applies for same in accordance with the Union's requirements. If a dispute arises in connection with the interpretation or performance of this hiring procedure, its resolution may be sought by either party and shall be subject to Rule 14 of this Agreement. Maintenance of membership in good standing in the Union shall be a condition of employment as a Port Engineer. The Employer shall promptly advise the Union of all changes in Port Engineer personnel and shall supply an employment seniority list of Port Engineer personnel to the Union semi-annually.~~

3.02 Does not apply.

3.03 Does not apply.

3.05 Does not apply.

3.06 Does not apply.

48

RULE 4 - DEFINITIONS

4.01 Does not apply.

4.02 Does not apply.

4.03 Does not apply.

4.04 Does not apply.

RULE 7 - CREW REQUIREMENTS

7.01 Does not apply.

7.02 Does not apply.

7.03 Does not apply.

RULE 8 - HEALTH AND SAFETY

8.01 Does not apply.

8.02 Does not apply.

8.04 Does not apply.

8.05 Does not apply.

RULE 12 - CHANGE PORTS AND TRAVEL BETWEEN ASSIGNMENTS

12.01 Port Engineers may not be permanently transferred away from their regular position to any other port without written consent of the individual Port Engineer and the Union, unless a vessel no longer calls at that port. When Port Engineers are transferred, the Employer shall reimburse them for all reasonable relocation expenses, in accordance with the State Administrative Manual. 12.02 When Port Engineers are temporarily assigned to a port away from their regular position, the Employer shall reimburse them for all travel and living expenses, under Rule 11.01, 11.02 and 11.03, incurred due to such assignment.

12.03 Travel time will be paid at the straight time rate of pay for any time the Port Engineer is in transit outside of his or her assigned regular port and will not be less than the rates established by the Union for the vessel engineers.

12.04 All travel will be by air unless it is impractical or unavailable.

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12.05 When a Port Engineer transfers to Alaska or within Alaska at his or her request and with the approval of the Employer he will receive all relocation expenses in accordance with the State Administrative manual.

12.07 Does not apply.

12.08 Does not apply.

12.09 Does not apply.

RULE 15 - DEFINITION AND PROTECTION OF PORT ENGINEERS WORK

15.01 The Port Engineers' work assignments shall consist of that which was in existence as of the effective date of this agreement, plus any other additional work which has been traditionally assigned to Port Engineers subsequent to the effective date of this Agreement.

15.02 No changes in work assignment of Port Engineers shall be effective without prior notice to the Union. In the event a dispute arises concerning the interpretation or performance under this paragraph, the resolution of such disputes shall be subject to the terms of Rule 14 of this Agreement.

15.03 The Employer shall not sub-contract or transfer the work performed by the Port Engineers to any other entity except for the condition that services under the jurisdiction of the Port Engineers, utilized by the Employer, are expanded. The Employer will give first consideration to Licensed Marine Engineer Officers' permanently employed in a Regularly Assigned Position within Alaska Marine Highway System to perform such services.

In the event a Port Engineer is not arranged as outlined above the Employer shall promptly advise the Union and then obtain personnel from any other source to perform such assignment.

15.04 Any dispute arising under this Rule shall be subject to arbitration procedures contained in the Agreement. Work normally performed by Port Engineers except where such assignment will delay the repair or operation of the vessel, shall be performed only by the Port Engineers.

15.05 Does not apply.

15.06 Does not apply.

15.07 Does not apply.

15.08 Does not apply.

RULE 16 - SHIPYARD AND TERMINAL WORK

16.01 Does not apply.

16.02 Does not apply.

16.04 Does not apply.

50

16.05 Does not apply.

16.06 Does not apply.

16.07 Does not apply.

16.08 Does not apply.

16.10 Does not apply.

RULE 17 - WAGES

17.01

(A) Port Engineers shall receive not less than the following monthly salary:

Monthly Straight-Time

Job Classification (182)hrs Hourly

Port Engineer \$7687.68 \$ 42.24

(B) In addition to the above, the senior Port Engineer shall receive \$350.00 per pay period and for pension purposes effective January 1, 2000. The Employer shall maintain at least one Senior Port Engineer.

17.02 Cost-of-Living Differential for Alaska Residents. Pursuant to AS 23.40.210, as part of the basic pay provided in Rule 17.01 and for pension purposes effective from the date of this contract, but not to be included in computing an hourly wage rate. Those Port Engineers who are residents of the State of Alaska shall receive a cost of living differential for each pay period they are in pay status according to the following:

\$ 601.02 Per Pay Period in Pay Status

(B) Cost of Living Differential (COLD) payments are a geographical differential which reflects the difference in the cost of living in Alaska and Seattle, Washington.

An employee establishes eligibility for COLD payments by establishing and maintaining his or her primary place of abode within the State.

Proof of eligibility for COLD payments must be filed annually on a form provided by the AMHS. The Employer may require an employee to provide additional documentation to support claims of eligibility for COLD payments. It shall be the employee's obligation to notify the Employer when he or she relocates his or her principal place of abode in a manner which affects eligibility for COLD.

17.03 COLD will not be removed from any Port Engineer's pay should he be temporarily assigned outside of the state for an indefinite period of time, as long he remains a resident of the state and intends to continue to do so.

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RULE 18 - HOURS

18.01 Port Engineer covered by this agreement shall work a five (5) day, forty-two (42) hour week.

RULE 19 - MONTHLY WORK

19.01 Does not apply.

19.02 Does not apply.

19.03 Does not apply.

RULE 20 - EMERGENCY SERVICE

20.01 Does not apply.

RULE 21 - LATE ARRIVAL

21.01 Does not apply.

21.02 Does not apply.

21.03 Does not apply.

RULE 22 - OVERTIME

22.01 The overtime rate shall be one and one-half (1-1/2) times the straight-time rate.

Overtime will not be compounded.

22.02 In the event a Port Engineer is called back from his or her scheduled vacation time, his or her return transportation will be paid. Any expenses accrued due to this interruption (ticket or hotel cancellation) will be paid. The employer will make every effort not to force any Port Engineer to return from their scheduled vacations. If the Port Engineer undertakes return travel after completing the assignment to which called back, he or she shall be reimbursed for any additional transportation expenses to return to the original point of call.

22.03 Port Engineers will receive overtime for all preapproved hours required to work on Sundays when they are attending to a vessel under repair either in a shipyard, repair facility or at a dock facility when overhaul or emergency repairs are taking place. The Senior Port Engineer will have this overtime pay credited against his monthly pay in Rule 17.01 (B) and will receive overtime pay only after the equivalent is reached. This will be based on pay periods and not totaled for reasons of reaching this equivalent.

22.04 Port Engineers will receive overtime rate of pay for all preapproved hours required to work on holidays that are observed by the State. Rule 24.01 establishes these days. Preapproval must be by the System Director of the Alaska Marine Highway System. The Senior

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Port Engineer will have this overtime pay credited against his monthly pay in Rule 17.01 (B) and will receive overtime pay only after the equivalent is reached. This will be based on pay periods and not totaled for reasons of reaching this equivalent.

22.05 Premium rate shall be at the rate of one (1) times the straight-time hourly rate.

22.06 Port Engineers will receive premium pay for time required to work in excess of eight and four-tenths (8.4) hours per day or forty-two (42) hours per week when they are attending to a vessel under repairs either in a shipyard, repair facility, or at any dock facility where overhaul or emergency repairs are taking place. The Senior Port Engineer will have his or her premium pay credited against his or her monthly pay in Rule 17.01 (B) and will receive premium pay only after the equivalent is reached. This will be based on pay periods and not totaled for reasons of reaching this equivalent.

22.07 Overtime and Premium pay shall be in hourly increments with a minimum one (1) hour.

22.08 In the event a Port Engineer's overtime or premium time is disputed for any reason, the Employer will furnish the Port Engineer a copy of the timesheet involved.

RULE 23 - LEAVE

23.01 PERSONAL LEAVE

(B) Port Engineers shall be entitled to Personal Leave accrued according to the following schedule:

Length of Service Personal Leave Accrual

(Years) (Hours/year)

1 but less than 2 84 (2 weeks)

2 but less than 3 126 (3 weeks)

3 but less than 4 168 (4 weeks)

4 but less than 5 210 (5 weeks)

5 but less than 7 252 (6 weeks)

7 but less than 10 294 (7 weeks)

more than 10 336 (8 weeks)

(C) Eligibility for Accrual. Eligibility for personal leave accrual shall commence once the Port Engineer has accumulated two thousand one hundred eighty-four (2,184) straight-time hours of compensation. The Port Engineer will then be considered as having one (1) year of continuous service, thereby establishing a leave anniversary date. Upon the establishment of a leave

anniversary date, the Port Engineer will be credited with eighty-four (84) hours personal leave. Personal leave in successive years shall be at rates shown in 23.01 (B).

Personal leave benefits awarded under this Rule will not be construed as establishing seniority, which is separately defined in Rule 26.

Once eligible for personal leave accrual, a Port Engineer will be credited with one-thirteenth (1/13) of the year's personal leave accrual during each calendar month in which he or she is compensated for a minimum of eighty-four (84) straight-time hours. A Port Engineer's leave anniversary date will be adjusted forward one (1) month for each calendar month that he or she does not receive personal leave credit.

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(D) Cash out: Port Engineers covered by this section who have personal leave balances of at least one hundred and sixty-eight (168) hours shall be permitted to cash out one hundred and sixty-eight (168) hours of personal leave per calendar year when mutually agreed to by the Union and the Employer. Cost of living differential (COLD) will be paid on cash-ins except that COLD will not be duplicated for any period. Upon termination or lay-off, the Port Engineer may cash out his entire Personal Leave Balance.

(E) Those Engineering Officers that are working temporary assignments as Port Engineers shall continue to accrue personal leave or "A" days as in their regularly assigned position. Length of Service: This will be defined as the total time in years the Port Engineer has been employed by the Employer in any status.

23.02 Does not apply.

23.03 LEAVE SCHEDULING

(A) Port Engineers may not schedule vacation during the overhaul period of their assigned vessels without permission of the Employer.

(B) Vacation will be scheduled bi-annually by the Senior Port Engineer in conjunction with the Port Engineers and approved by the Employer. Vacation will not be scheduled beyond what the Employee has accrued in his personal leave balance.

(D) Does not apply.

(E) Does not apply.

23.04 Does not apply.

23.05 Does not apply.

RULE 24 - HOLIDAY

24.01 The following holidays shall be recognized holidays: New Year's Day, Martin Luther King Day, President's Day, Seward's Day, Memorial Day, Independence Day, Labor Day, Alaska Day, Veteran's Day, Thanksgiving and Christmas Day, or other days as may be declared legal holidays by the Governor of Alaska. Effective July 1, 1997, Lincoln's Birthday shall be considered a floating holiday. On the day of the holiday, each employee eligible for a holiday in accordance with Rule 24.04 shall have their personal leave account credited with one day of leave.

24.03 A holiday which occurs while the Port Engineer is on sick leave and occurs within what would have been his or her normal workweek shall be paid for the day at the straight-time rate and such hours will not be charged to sick leave.

RULE 25 - MINIMUM GUARANTEE

25.01 Does not apply.

54

RULE 26 - SENIORITY

26.01 Engineer Officers who have completed six (6) months of continuous service as a Regularly Assigned Engineer, Vacation Relief Engineer and/or Port Engineer shall establish seniority with the Employer and shall be placed on the Licensed Engineer Officers' Seniority List commencing with the first day of employment as a Regularly Assigned Engineer, Vacation Relief Engineer or a Port Engineer. Engineer Officers who are employed on the same date

shall have their seniority determined by the date of registration.

26.05 In reducing or increasing personnel the Licensed Engineer Officers' Seniority List shall govern, except in the position of Senior Port Engineer, which will be solely determined by the Employer. When layoffs become necessary, the last Port Engineer hired shall be the first laid off. When Port Engineers are called back to service, the last laid off shall be the first restored to work.

26.11 Port Engineers hired from the fleet will continue accruing their seniority at the position which they held prior to their being hired as Port Engineer. Should they wish to return to the fleet they can, upon thirty (30) days notice, return to the next available position at that level or any position below that level according to Rule 26.07. Should they return to a position below the level they previously held, they will then have the option to upgrade to the original level they held as that position becomes available. This will only be allowed if the Port Engineer has seniority over other competing engineers. The Port Engineer may only bump back the least senior engineer in the least senior position. Should their original position be that of First or Chief Engineer then the Employer will have to show cause to the Employee and the Union as to why they choose not to allow the Employee to hold his original position. Should the Employee be dismissed from his position for cause, he would not have the option of returning to the fleet without approval of the Employer.

26.12 Should the Employer request the Employee terminate his or her position of Port Engineer, the Employer must give thirty (30) days notice to the Port Engineer. The Port Engineer has the option only of returning to the fleet in the manner as outlined above without the loss of pay or ending his employment with the Employer. Upon his return to the fleet the pay of the Employee will be at the rate at which he or she is serving. However, his or her vacation balance earned and not used during his time serving as Port Engineer will be paid at the rate at which he or she earned it.

RULE 28 - PENSIONS

~~28.02~~ The Employer contributions to said Plan of six dollars and fifty cents (\$6.50) per day shall be made for each Port Engineer for each day in pay status.

~~Contributions as in this Section shall be transmitted to the MEBA "Plans" office to be allocated by the Union.~~

~~28.03~~ Employer contributions to the Money Purchase Fund shall be thirteen dollars and fifty cents (\$13.50) per day for each day in pay status for each Port Engineer.

RULE 30 - STANDARD DRESS

30.01 Does not apply.

30.02 Does not apply.

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
DISTRICT #1 – MEBA (AFL-CIO)
affiliated with
NATIONAL MARINE ENGINEERS' BENEFICIAL ASSOCIATION

RE: M/V AURORA

*Union to State
July 1 '14
1:20*

It is hereby understood and agreed between the parties that the following is intended to supplement the current Agreement entered into between the State of Alaska and the District #1 – MEBA (AFL-CIO), an affiliate of the National Marine Engineers' Beneficial Association, to cover issues unique to the M/V Aurora. Unless specifically superseded by an item of this letter of agreement, it is agreed that the following provisions, to the extent practicable, supplement the Tustumena Supplemental agreement. Any reference to an 8-hour day will be considered a 12 hour day for purposes of this agreement.

*TA
OMP
7/1/14
[Signature]*

Relief officers shall be assigned as necessary from the Southwest or Southeast.

Rule 17- Pay Plan

The M/V Aurora will have a one-crew system with one Chief Engineer, one First Assistant Engineer, and one Second Assistant Engineer.

17.01 (A) The pay rate shall be as follows:

Classification	Hourly Rate
Chief Engineer	\$33.70
1 st Assistant Engineer	\$29.89
2 nd Assistant Engineer	\$28.30

The parties recognize that the wages of the Engineer Officers are a compromise and cannot be construed directly from other master or supplemental agreements.

Rule 18- Hours

Twelve (12) hours shall constitute a day's work whether at sea or in port or combined. Each day shall be reckoned from midnight to midnight. Overtime shall be paid for all work performed in excess of twelve (12) hours per day.

18.01 (A) Hours of Labor At Sea. Engineer Officers shall work twelve (12) hours a day, seven (7) days a week. Overtime will be paid any time a watchstanding Engineer is required to work over twelve (12) hours in any one day or eighty-four

(84) hours in any one week. The Chief Engineer shall be a nonwatchstander. The First Engineer shall be a watchstanding officer.

Rule 23- Personal Leave

Those engineers who have completed 5 years of service with AMHS, in lieu of personal leave, shall be credited accumulated days off as follows: Engineer Officers shall earn one (1) "A" Day for each day worked (on change day prorated in relation to hours worked).

Rule 25 – Minimum Guarantee

25.01 The minimum semi-monthly pay for all Engineer Officers is 180 hours per pay period. Only the pay at straight-time rates for regular hours of work will be counted as earnings in computing the minimum guarantee.

The above shall not apply to Temporary Relief Engineers called in excess of Regular Vacation Relief Engineers.

TA
MMP
7/1/14
FB

State to
Union
7/1/14
2:06

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
State of Alaska
and the
MARINE ENGINEERS BENEFICIAL ASSOCIATION
Re: Vehicle Ferry (FVF) Dayboats

It is hereby understood and agreed between the parties that the following is intended to supplement the Master Agreement entered into between the State of Alaska and the Marine Engineers Beneficial Association, and is intended to amend that Master Agreement only in regard to issues unique to the Fast Vehicle Ferries dayboats, including the M/V Fairweather and M/V Chenega (excluding any vessels in existence on July 1, 2014 and not operating as a day boat). The

Master Agreement without this Supplement is intended to cover the entire system. The entire Master Agreement is intended to apply to the Fast Vehicle Ferry (FVF) dayboats unless an entire Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental Agreement. The Master Agreement is not modified other than as specifically addressed in the Fast Vehicle Ferry (FVF) dayboats Supplemental Agreement.

It is understood between the parties that this Supplemental has been negotiated to address the specific service needs for the FVF dayboats. The party's intent is to address the needs and safety of the traveling public and the Engineer Officers working this service. Due to the unique nature of the service the parties acknowledge there may be unforeseen issues or problems that may emerge or develop during implementation and running of this service and agree to meet as soon as possible in order to address such issues or problems.

The home port for the M/V Fairweather shall be Juneau, AK.

The home port for the M/V Chenega shall be Cordova, AK.

Rule 7- Crew Requirements

Crewing requirements for the vessel shall be in accordance with the safe operation of the vessel as required by the United States Coast Guard. MEBA shall have jurisdiction for all work related to the operation and maintenance of machinery on the FVF dayboats.

Rule 8- Health and Safety

There are no quarters aboard the FVF dayboats. When an Engineer Officer not holding a bid position aboard the FVF dayboat is assigned to work on the dayboat FVF, the provisions of Rule 12 shall apply.

Rule 9 - Occupational Injury and Illness

9.01 Unearned Wages: In the event an Engineer Officer becomes ill or is injured while in the service of the FVF dayboat, he/she will receive wages to the end of the workday. In the event that an

Engineer Officer becomes injured while in the service of the FVF dayboat, and a report is filed and not successfully controverted, he/she will be entitled to wages for three working days or less, if not later compensated.

Rule 11 - Cash Allowance for Subsistence and Quarters

11.01 When an Engineer Officer is in work status, and remains away from the assigned change port overnight or nights, they shall be entitled to a quarters allowance in accordance with the

Master Agreement. In the event that the rate for lodging designated in the State Administrative Manual for Southeast Alaska is adjusted, the rate specified herein shall be adjusted by the same dollar amount.

11.02 When an Engineer Officer is in work status, and is away from the assigned change port for two (2) hours or more outside normal duty hours, they shall be entitled to meal per diem in accordance with this rule until the employee is returned to the assigned change port or the employee is assigned to a vessel upon which meals and quarters are provided, whichever comes first.

Rule 15 – Working Conditions

15.04 Engineers on watch shall not be required to perform duties away from the assigned work station. The Chief Engineer is assigned to a bridge work station. The Assistant Engineer is assigned to make rounds of the engine and passenger spaces, relieve the Chief Engineer as requested, and perform duties elsewhere as directed by the Chief Engineer while the vessel is underway. Whenever possible, repair and maintenance work will be done overnight, by the night maintenance Engineering Officers.

Rule 17 – Pay Plan

Rule 17.01 (A)

The wages, and wage-related items, for the FVF dayboat Engineers Officers shall be in accordance with the Master Agreement, -Rule 17 Southeast Pay Plan, FVF Engineer Officers shall receive an additional plus 5%.

The provisions of Rule 17.01(B) shall apply.

Rule 18- Hours

18.01 Twelve (12) consecutive hours shall constitute a day's work. All work in excess of the twelve (12) consecutive hours shall be compensated at the overtime rate and the provisions of Rule 22 shall apply.

Rule 21 – Late Arrival

Does not apply.

Rule 26 – Seniority

The Assistant Engineer shall be regarded as a First Engineer. First Assistant Engineers assigned to the FVF dayboat shall accrue time in grade seniority based upon the license which they hold, up to First Assistant Engineer.

Rule 37 – Education

All classroom training, prior to becoming type and route rated, shall be considered training operations. During training operations, all hours in port in excess of eight and four-tenths (8.4) hours per day or five days, forty-two (42) hours per week shall be paid at the overtime rate of one and one-half times the hourly rate. All training aboard the FVF while underway, will be paid at 12 hours at the straight-time rate of pay.

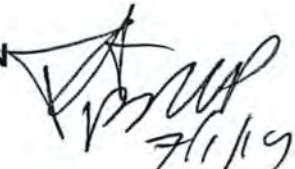
One Chief Engineer will be assigned to serve as a FVF Training Officer. The work schedule for the Training Officer shall consist of five days on, followed by two days off, with each workday being 8.4 hours during training operations. All hours in excess of eight and four tenths (8.4) hours per day or five (5) days of forty two (42) hours per week shall be paid at one and one half times the hourly rate.

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Comment [MB1]: Only actual hours of work will be compensated at the overtime rate. During transition to/from yard and when required to stay on board for more than twenty-four hours, the employee will be paid for actual hours worked only.

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SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
DISTRICT NO.1--MEBA (AFL-CIO)
Affiliated with
NATIONAL MARINE ENGINEERS' BENEFICIAL ASSOCIATION

Union to
State
7/1/14
1:25

7/1/14

Re: M/V KENNICOTT

It is hereby understood and agreed between the parties that the following is intended to supplement the Agreement entered into between the State of Alaska and the District #1--MEBA (AFL-CIO), an affiliate of the National Marine Engineers' Beneficial Association, executed on July 1, 2011, and is intended to amend that Agreement to cover the issues unique to the M/V KENNICOTT. Unless specifically superseded by the terms of this Supplemental Agreement, all provisions of the parties' master agreement shall remain in effect. In no way will this Agreement or any part of this Agreement be implemented for any other vessels owned and/or operated by the State of Alaska.



RULE 12 - Change Ports and Transportation

12.01(A) Regularly Assigned Engineer Officers. Change ports shall be Juneau and Ketchikan. However, other communities may also be used as change ports if both Regularly Assigned Engineer Officers covering a position reside in such community or vicinity and when such community is a regular port of call of the Employer's vessels, provided no additional expenses are incurred by the Employer. Engineer Officers receiving COLD payments must designate a change port within the State of Alaska. Regularly Assigned Engineer Officers shall normally be relieved at the same change port where they began their duties. The senior Regularly Assigned Engineer Officer on the Time in Grade seniority roster shall designate the change port for the position.

12.04 Travel Between Temporary Assignments. When a Regularly Assigned or a Vacation Relief Engineer Officer is temporarily assigned duties which involve a crew change or work assignment at other than his or her normal change port, for each and every occasion travel is required, the Engineer Officer entitled to travel pay and receipted necessary travel expenses for travel between the normal change port and the temporary change port. For purposes of this Rule, the "normal change port" shall be Juneau and Ketchikan.

12.05 In no case shall the implementation of a change port other than Juneau and Ketchikan cause the State of Alaska to incur any significant additional expense nor cause any Alaskan resident to travel outside the State of Alaska to relieve another Engineer Officer.

RULE 16 - Shipyard and Terminal Work

16.01 When vessels are tied up and watches are broken such as at a shipyard or tie-up terminal, the regular Engineer Officers shall work a forty-two (42) hour workweek. During such periods Engineers shall be paid for the first forty-two (42) hours of work at the straight-time rate and Rule

17.01(C) shall apply. Provisions of 15.02(b) and (c) will still apply.

16.04 All running time on ship's watch time to bring the vessel to shipyard or repair terminal or return from shipyard or repair terminal shall be paid on the eight (8) hour day basis. The change of work schedules from ships watch time to straight eight and four-tenths (8.4) hour days shall occur at the nearest noon or midnight that the vessel leaves or enters service.

16.08(A) The minimum manning levels of licensed engineers assigned to the M/V Kennicott in maintenance, or layup status, when licensed engineers are assigned to the vessel for repair work, shall be no less than as follows:

One (1) each	Chief Engineer
One (1) each	First Asst. Engineer
One (1) each	Second Asst. Engineer
Three (3) each	Third Asst. Engineer

RULE 17 - Pay Plan

17.01

(A) Basic Schedule

Job Classification	Straight Time Hourly	Overtime Hourly
Chief Engineer	\$42.24	\$63.36
First Assistant	\$37.64	\$56.46
Second Assistant	\$34.00	\$51.00
Third Assistant	\$32.40	\$48.60

(B) Non-watch Pay. In addition to the above, a Chief Engineer shall receive seven hundred and forty and thirty three (\$740.33) per pay period as non-watch pay in lieu of all overtime for vessel arrival & departure to port, repair and breakdown callout, while the vessel is in operation, and he or she is in work status. When a Chief Engineer is working on a vessel not in operation, he or she is not entitled to non-watch pay, but is eligible for overtime per Rule 16.01.

17.02 Cost-of Living Differential for Alaska Residents.

(A) Pursuant to AS 23.40.210, as part of the basic pay provided in 17.01 (A) and for pension purposes but not to be included in computing an hourly wage rate, those Engineers who are residents of Alaska shall receive a cost-of-living differential for each pay period they are in pay status according to the following schedule:

<u>Job Classification</u>	<u>Per Pay Period in Pay Status</u>
Chief Engineer	651.04
First Assistant	556.75
Second Assistant	527.38
Third Assistant	503.57

(B) Cost of Living Differential (COLD) payments are a geographical differential, which reflects the difference in the cost of living in Alaska and Seattle, Washington.

An employee establishes eligibility for COLD payments by establishing and maintaining his or her primary place of abode within the State.

Proof of eligibility for COLD payments must be filed annually on a form provided by the AMHS. The Employer may require an employee to provide additional documentation to support claims of eligibility for COLD payments. It shall be the employee's obligation to notify the Employer when he or she relocates his or her principal place of abode in a manner which affects eligibility for COLD.

17.03 One Chief Engineer aboard the vessel shall be designated as the "Lead Chief," and shall be responsible for additional duties as prescribed by the Employer and shall be compensated for these additional duties at the rate of one hundred and eight dollars and thirty-three cents (\$108.33) per pay period.

17.07 Does not apply.

RULE 18 - Hours

While in operational status eight (8) hours shall constitute a day's work whether at sea or in port or combined. Each day shall be reckoned from midnight to midnight. Overtime shall be paid for all work performed in excess of eight (8) hours per day.

18.01

(A) Hours of Labor at Sea. Four (4) consecutive hours shall constitute a watch; two (2) watches shall constitute a day's work. All work done at sea by watch standing Engineer Officers in excess of eight (8) hours a day or fifty-six (56) hours per week is overtime. The Chief Engineer shall be a non-watch standing officer. The First Assistant Engineer shall be a non-watch standing officer.

Normal working hours for Day Workers shall be 0800 to 1630.

When Engineer Officers are assigned to routine night, weekend or holiday watches, they may be required to perform and/or supervise maintenance/repair work which is necessary to keep the ship in operation, or such work as may be occasioned due to mechanical or electrical failure occurring during such night, weekend or holiday watches.

(B) Hours of Labor in Port. The normal hours of labor while Port Time is in effect shall be arranged in approximately eight (8) hour periods.

Port time shall commence and sea watches shall be broken one (1) hour after the vessel has anchored or moored at or in the vicinity of any port for the purpose of loading or discharging passengers, cargo, mail, fueling, or ballast transfer, undergoing repairs, lay-up, awaiting safe orders or berth.

Port time shall not apply in any port where the vessel's stay is anticipated to be less than (24) hours, nor when anchored or moored solely for reasons of safety or while awaiting safe weather or tide.

Port time shall not apply in the shipyard during the winter maintenance period.

18.02 On days of departure from port, if sea watches have been broken, they shall be set at the beginning of the normal period of time required for warming up engines prior to sailing time. Engineer Officers will be required to be on board and available for duty not less than one (1) hour before posted time for sailing.

18.03 Does not apply.

RULE 19 - Monthly Work

19.01 Two complete crews shall be assigned to the vessel with the workdays divided evenly during each year between the two crews as nearly as practicable. Each crew will work approximately one month followed by approximately one month off duty with the alternate crew relieving.

19.02 If mutually agreed upon by two Engineers in grade, they may work any schedule, provided they obtain the written approval of the System Director, or designee, and the Union, and Chief Engineer is informed.

19.03 There shall be no additional cost to the State, because either Engineer does not fulfill his part of the schedule while the vessel is on the run and Rule 19.02 schedule is in effect. In the event of illness or injury of an Engineering Officer Rule 22.03 shall be in effect.

RULE 20 - Emergencies

20.02 It shall not be made a normal practice to hold emergency drills on Saturdays, Sundays or holidays in port or at sea, except as may be required by U. S. Coast Guard regulations.

RULE 21 - Late Arrival

Entire Rule does not apply

RULE 22 - OVERTIME

22.01 (A) Does not apply.

22.01 (B) Does not apply.

22.03 If an Engineer is called back or is required to work during their scheduled time off, they are to receive one day's pay at the overtime rate. Following the first day of callback, each day worked until the start of the Engineer's regular work period shall be at the overtime rate. This does not apply when there is a schedule change or a change in change ports. In these cases, the Engineer will start the work period with the standard eight (8) hours at overtime. The parties will make every effort to prevent Engineer Officers from working their assigned scheduled time off due the Engineers opposite being sick or injured.

22.04 The penalty rate shall be \$13.00.

22.07 When overtime or penalty time work is to be performed, it shall be ordered by the Chief Engineer or, in the absence of the Chief Engineer, by the highest ranking Engineer Officer who is available. All Engineer's overtime must be certified on the timesheets by the Engineer Officer authorizing the work.

22.08 When the vessel is in port and watches are broken and Assistant Engineer Officers are called back for the purpose of shifting ship, fueling ship or to effect repairs, a minimum of two (2) hours overtime shall be paid for each call except when contiguous to regular watch.

RULE 23 -Personal Leave

23.01(A) Accumulated Days Off. Engineer officers shall earn one day of personal leave (an "A" Day) for:

- (1) Each day worked (on change day prorated in relation to hours worked);
- (2) Each day they are required to remain on board the vessel; and
- (3) Each day they are assigned to the vessel while in shipyard or layup status, including weekends and holidays.
- (4) Negative "A" day balances will be allowed, and Engineer Officers permanently assigned to the vessel shall be paid in the event that the vessel is late to its scheduled change port due to breakdown, weather or change in schedule.

23.01(B) Does not apply.

23.01(C) Does not apply.

23.01(D) Engineer Officers who have personal leave balances of at least (90) days (720 hrs.) may cash out a maximum of one month (30 days/240 hrs.) of personal leave per calendar year when mutually agreed to by the Union and the State. The Engineer Officer's personal leave balance shall be reduced by the number of hours for which payment is made, but shall not be counted as personal leave used.

23.04 (B) Vacation Relief Engineers shall be paid at the rate of the highest rating they relieve. Vacation Relief Engineer Officers working a temporary downgrade will be paid at the pay rate of his or her regularly assigned job classification. When a Vacation Relief Engineer Officer is temporarily working in a higher classification (e.g., First Assistant working as a Chief), they will be paid the Half-Monthly (one hundred and twenty hours (120) straight time hours) or Monthly (two hundred and forty (240) straight time hours) base pay rate per assignment, and all hours earned during the pay period at the rate of pay for the job classification they are working.

23.05 Personal Leave Pay Rate. Regularly Assigned Engineers shall be paid while on personal leave at the rate of their regular assignment.

Vacation Relief Engineers shall be paid for personal leave at the rate of the highest rating he or she has relieved in accordance with Rule 23.04 (B).

Temporary Relief Engineers shall be paid for personal leave at the rate of the classification the

Engineer Officer worked.

A pro rate personal leave benefit shall be given for periods of less than twenty eight (28) days provided there is a minimum of twenty eight (28) days employment.

No personal leave benefits shall accrue during periods of leaves of absence.

When personal leave benefits are paid, they shall cover all work performed to date of vacation on a pro rata basis and all days of vacation shall be computed as days of work either at the option of the Engineer Officer for the current vacation claim or for the purpose of determining the ensuing vacation benefits.

23.06 Utilization and Disposal. Personal leave shall be used for any and all purposes for which sick and/or annual leave have heretofore been used. Personal leave requests require the prior approval of the Employer except in the case of illness or injury to the Engineer Officer. Engineers' requests shall be given full consideration and, to the extent practicable, approved. However, the parties agree that the final decision with regard to approval or disapproval of any request will be based on the Employer's evaluation of the needs of the job. In an absence due to illness or injury for one (1) day or more, the Employer may require a physician's certificate.

23.08 Terminal Leave In case of any Engineer Officer terminating services at any time after the Engineer has accumulated a personal leave balance, the Engineer shall receive cash payments for whatever personal leave he or she has accrued. Each Engineer Officer's sick leave bank credits are canceled automatically upon termination of service. Accumulated unused sick leave will be paid to the beneficiary when death occurs during employment and prior to retirement.

23.11 Engineer Officers on temporary assignments from the Southeast System for less than twenty-eight (28) days, shall continue to accrue personal leave in accordance with Rules 23 of the basic Agreement and are excluded from coverage under this rule.

Engineer Officers on temporary assignments from the Southwest System for less than twenty-eight (28) days shall continue to accrue personal leave in accordance with Rules 23.01 of the TUSTUMENA Supplemental Agreements and are excluded from coverage under this rule.

Temporary Dispatches for less than 28 days for emergency purposes will be exempt from the above 28 day requirement.

23.12 Funeral Leave. If a death occurs among members of an Engineer's immediate family, the Engineer will be excused from work to attend the funeral and make other necessary arrangements without loss of pay from the day of death until the day after the funeral, but no more than a total of seven (7) days. The Funeral Leave time will be deducted first from the banked sick leave (ten [10] days maximum) and then from personal leave.

RULE 24 - Holidays

24.03 All holidays will be paid at the eight and four-tenth (8.4) hour rate. Engineer Officers required to work on a holiday will be paid additionally, at the overtime rate for the actual hours worked. The straight time portion of holiday pay shall apply toward minimum guarantee. The overtime portion of pay for a holiday worked and the holiday pay (eight and four-tenth [8.4] straight-time hours) for a holiday which falls on the employee's scheduled time off are not included

7-1-14

in calculating minimum guarantee.

RULE 25 - Minimum Guarantee

25.01 The minimum daily pay for all Engineer Officers shall be not less than eight hours straight time pay for each full calendar day the Officer works on board the vessel. To the maximum extent practicable, and consist with the operational scheduling needs of the vessel, crew change days and work assignments under Rule 19 will be scheduled in a manner intended to provide for monthly rates of pay as listed in Rule 17.01(A).

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
DISTRICT #1--MEBA (AFL-CIO)
affiliated with
NATIONAL MARINE ENGINEERS' BENEFICIAL ASSOCIATION

Re: M/V TUSTUMENA

It is hereby understood and agreed between the parties that the following is intended to supplement the Agreement entered into between the State of Alaska and the District #1--MEBA (AFL-CIO), an affiliate of the National Marine Engineers' Beneficial Association, executed on July 1, 2011, and is intended to amend that Agreement to cover the issues unique to the M/V TUSTUMENA unless specifically superseded by a Rule or a subsection of this Supplemental Agreement.

RULE 12 - HOME PORT AND TRANSPORTATION

12.01 The home port shall be the port of Homer.

RULE 16 - SHIPYARD AND TERMINAL WORK

16.04 All running time on ship's watch time to bring the vessel to shipyard or repair terminal or return from shipyard or repair terminal shall be paid on the eight (8) hour day basis. The change of work schedules from ship's watch time to straight eight and four-tenths (8.4) hour days shall occur at the nearest noon or midnight that the vessel leaves or enters service.

16.06 Does not apply.

RULE 17 - PAY PLAN

17.01

Basic Hourly Schedule	Straight-Time	Overtime
<u>Job Classification</u>	<u>Hourly</u>	<u>Hourly</u>
Chief Engineer	\$37.12	\$55.68
First Assistant	\$31.88	\$47.82
Second Assistant	\$29.97	\$44.96
Third Assistant	\$28.33	\$42.50

(B) Nonwatch Pay. In addition to the above, a Chief Engineer shall receive seven hundred and forty dollars and thirty-three cents per pay period as nonwatch pay in lieu of all overtime, for vessel arrival and departure to port, repair and breakdown callout, while the vessel is in operation, and he or she is in work status. When a Chief

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[Signature]*

Engineer is working on a vessel not in operation, he or she is not entitled to nonwatch pay, but is eligible for overtime per Rule 16.03.

(C) Compensation shall be based on the actual number of days in the given month.

(D) PAY WHILE IN SHIPYARD STATUS will be the same as southeast rates of pay.

17.02 COST-OF-LIVING DIFFERENTIAL FOR ALASKA RESIDENTS.

(A) Pursuant to AS 23.40.210, as part of the basic pay provided in 17.01 and for pension purposes effective April 1, 1988, but not to be included in computing an hourly wage rate, those Engineers who are residents of Alaska shall receive a cost-of-living differential for each pay period they are in pay status according to the following schedule:

CHIEF ENGINEERS

\$651.04 Per Pay Period in Pay Status

ASSISTANT ENGINEERS

<u>Job Classification</u>	<u>Per Pay Period in Pay Status</u>
First Assistant	\$ 556.75
Second Assistant	\$ 527.38
Third Assistant	\$ 503.57

(B) Cost of Living Differential (COLD) payments are a geographical differential which reflects the difference in the cost of living in Alaska and Seattle, Washington.

An employee establishes eligibility for COLD payments by establishing and maintaining his or her primary place of abode within the State.

An employee working in a pay period in which the employee has also worked in a classification covered by another labor agreement will have COLD payments subtracted from the COLD due under Rule 17.02. The total COLD compensation received from the two work assignments, combined, in the same pay period may not exceed the total amount that the employee could have otherwise received under Rule 17.02.

Proof of eligibility for COLD payments must be filed annually on a form provided by the AMHS. The Employer may require an employee to provide additional documentation to support claims of eligibility for COLD payments. It shall be the employee's obligation to notify the Employer when he or she relocates his or her principal place of abode in a manner which affects eligibility for COLD.

17.03 Does not apply.

17.05

The straight time hourly rate in effect for the M/V Tustumena on June 30, 2013 will increase by 5% on July 1, 2013. On July 1, 2016 the M/V Tustumena will revert to the Kennicott pay schedule.

17.07 Does not apply.

RULE 18 - HOURS

Eight (8) hours shall constitute a day's work whether at sea or in port or combined. Each day shall be reckoned from midnight to midnight. Overtime shall be paid for all work performed in excess of eight (8) hours per day.

18.01

(A) HOURS OF LABOR AT SEA. Four (4) consecutive hours shall constitute a watch; two (2) watches shall constitute a day's work. All work done at sea by watchstanding Engineer Officers in excess of eight (8) hours a day or fifty-six (56) hours per week is overtime. The Chief Engineer shall be a nonwatchstanding Officer. The First Assistant Engineer shall be a nonwatchstanding Officer.

When the ship's Engineer Officers are assigned to routine night, weekend or holiday watches, they may be required to perform and/or supervise only that maintenance/repair work which is necessary to keep the ship in operation, or such work as may be occasioned due to mechanical or electrical failure occurring during such night, weekend or holiday watches.

(B) HOURS OF LABOR IN PORT. When Sea Watches are broken in accord with Rule 18.03 the normal hours of labor while Port Time is in effect shall be arranged in approximately eight (8) hour periods.

Port time shall commence thirty (30) minutes after the vessel has anchored or moored at or in the vicinity of any port for the purpose of loading or discharging passengers, cargo, mail or ballast; undergoing repairs, layup, awaiting safe orders or berth.

Port time shall not apply in any port where the vessel's stay is less than three (3) hours, nor when anchored or moored solely for reasons of safety or while awaiting safe weather or tide.

Port time shall not apply in the shipyard during the winter maintenance period.

18.02 On days of departure from port, if sea watches have been broken, they shall be set at the beginning of the normal period of time required for warming up engines prior to sailing time. Assistant Engineer Officers will be required to be on board and available for duty not less than one (1) hour before posted time for sailing.

18.03 Sea watches shall be broken one (1) hour after finishing with the engine upon arrival at the home port, or at any other port, when the vessel is to remain there in excess of twenty-four (24) hours.

RULE 19 - MONTHLY WORK

19.01 Does not apply.

19.02 Does not apply.

19.03 Does not apply.

RULE 20 - EMERGENCIES

20.02 It shall not be made a normal practice to hold emergency drills on Saturdays, Sundays or holidays in port or at sea.

RULE 21 - LATE ARRIVAL

Entire Rule does not apply

RULE 22 - OVERTIME

22.01 (A) Does not apply.

22.01 (B) Does not apply.

22.03 Effective July 1, 2000, if an Engineer Officer is not relieved for scheduled time off they will receive one and one-half times their hourly straight time rate of pay for hours worked, up to a maximum of five (5) days.

22.07 When overtime or penalty time work is to be performed, it shall be ordered by the Chief Engineer or, in the absence of the Chief Engineer, by the highest ranking Engineer Officer who is available. All Engineer's overtime must be certified on the timesheets by the Engineer Officer authorizing the work.

22.08 When the vessel is in its home port and watches are broken and Assistant Engineer Officers are called back for the purpose of shifting ship, fueling ship or to effect repairs, a minimum of two (2) hours overtime shall be paid for each call except when contiguous to regular watch.

RULE 23 - PERSONAL LEAVE

23.01

Personal leave shall be earned and used in lieu of all sick leave and vacation except as specified in this Rule. Effective July 1, 1997, the rate of personal leave accrual for all Engineer Officers shall be fourteen and three quarters (14.75) days per month.

Once eligible for personal leave accrual, an Engineer Officer will be credited with one (1) month's accrual during every month in which he or she is compensated for a minimum of one-half (1/2) a month's straight-time hours.

Those engineers who have completed 5 years of service with AMHS, in lieu of the personal leave above, shall be credited accumulated days off as follows: Engineer Officers shall earn one (1) "A" day for each day worked (on change day prorated in relation to hours worked); each

day they are required to remain on board the vessel and each day they are assigned to the vessel while in ship yard or layup status, including weekends and holidays.

Negative "A" Day balances will be allowed for up to a maximum of three (3) days, and Engineer Officers permanently assigned to the vessel shall be paid in the event that the vessel is late to its scheduled change port due to break down, weather or change in schedule.

23.04 VACATION RELIEF ENGINEERS.

(B) Vacation Relief Engineers shall be paid at the rate of the highest rating they relieve.

23.05 PERSONAL LEAVE PAYRATE. Regularly Assigned Engineers shall be paid while on personal leave at the rate of their regular assignment. Vacation Relief Engineers shall be paid for personal leave at the rate of the highest rating he or she has relieved in accordance with Rule 23.04 (b).

Temporary Relief Engineers shall be paid for personal leave at the rate of the classification the Engineer Officer worked.

A pro rata personal leave benefit shall be given for periods of less than twenty eight thirty (2830) days provided there is a minimum of twenty eight thirty (2830) days employment.

No personal leave benefits shall accrue during periods of leaves of absence.

When personal leave benefits are paid, they shall cover all work performed to date of vacation on a pro rata basis and all days of vacation shall be computed as days of work either at the option of the Engineer Officer for the current vacation claim or for the purpose of determining the ensuing vacation benefits.

(A) Regularly Assigned engineers who are working in a temporary upgrade position shall be paid for personal leave at a rate no less than their regularly assigned position or at the rate of the classification the engineer worked for the majority of the preceding year.

23.06 UTILIZATION AND DISPOSAL. Personal leave shall be used for any and all purposes for which sick and/or annual leave have heretofore been used. Personal leave requests require the prior approval of the Employer except in the case of illness or injury to the Engineer Officer. Engineers' requests shall be given full consideration and, to the extent practicable, approved. However, the parties agree that the final decision with regard to approval or disapproval of any request will be based on the Employer's evaluation of the needs of the job. In an absence due to illness or injury for one (1) day or more, the System Director, Alaska Marine Highway System, may require a physician's certificate.

Personal leave must be taken. No cash allowances in lieu of leave shall be made without the mutual consent of the Union and the Employer.

23.08 TERMINAL LEAVE In case of any Engineer Officer terminating services at any time after the Engineer has accumulated a personal leave balance, the Engineer shall receive cash payments for whatever personal leave he or she has accrued. Each Engineer Officer's sick leave bank credits are cancelled automatically upon termination of service. Accumulated unused sick leave will be paid to the beneficiary when death occurs during employment and prior to retirement.

23.11 Engineer Officers on temporary assignments from the Southeast System for thirty (30) days or less shall continue to accrue personal leave in accordance with Rules 23 of the basic Agreement and are excluded from coverage under this Rule.

23.12 FUNERAL LEAVE. If a death occurs among members of an Engineer's immediate family, the Engineer will be excused from work to attend the funeral and make other necessary arrangements without loss of pay from the day of death until the day after the funeral, but no more than a total of seven (7) days. The Funeral Leave time will be deducted first from the banked sick leave (ten [10] days maximum) and then from personal leave.

RULE 24 - HOLIDAYS

24.03 All holidays will be paid at the eight (8) hour rate. Engineer Officers required to work on a holiday will be paid at the overtime rate for the actual hours worked. Holiday Pay shall apply toward minimum guarantee.

RULE 25 - MINIMUM GUARANTEE

25.01 The minimum monthly pay for all Engineer Officers working regular assignments shall not be less than the minimum monthly rate of pay as shown in Rule 17. Only the pay at straight-time rates for regular hours of work will be counted as earnings in computing the monthly minimum.

The above shall not apply to Temporary Relief Engineers called in excess of Regular Vacation Relief Engineers.

RULE 29 - SICK LEAVE

Engineers who have sick leave earnings credited to their State sick leave accounts shall have such earnings transferred to a sick leave bank.

The Engineer may draw upon a maximum of ten (10) days or the balance in the sick leave bank, whichever is less. Such leave is to be only in the event of illness or injury of the Engineer or the Engineer's immediate family. There will be no further additions to the sick leave bank and the balance can be authorized for use only for those purposes consistent with regulations regarding the use of sick leave, and only after the personal leave balance has been exhausted, except that any one medical disability which prevents the Engineer from performing his or her duties, as certified by the attending physician, which exceeds ten (10) working days shall be charged as follows:

- (A) shall be charged first to the ten (10) days referred to in this section;
- (B) shall be charged to personal leave up to a maximum of ten (10) working days;
- (C) after exceeding the ten (10) days charged to personal leave, the additional leave shall be charged to personal leave, the additional leave shall be charged to the sick leave bank;
- (D) If the sick leave bank has been exhausted, the leave shall be charged to personal leave.

Such illnesses shall in all cases require a report from a licensed physician.

RULE 40 - VESSELS OUT OF AND IN COMMISSION

40.01 When a vessel is inactive in a port for any reason for a period of ten (10) days or less, the Engineer Officer shall be kept on board at the regular monthly rate of pay, provided however, when it is expected that said vessel will be idle for a period in excess of ten (10) days, the personnel may be reduced on arrival. Should the vessel resume service within ten (10) days, the vessel's Engineer Officers who are entitled to return to the vessel shall receive wages and subsistence for the period that it was not furnished by the vessel.

40.02 When Engineer Officers are employed on vessels out of commission, one Engineer Officer shall receive the same pay and subsistence as that of a First Assistant Engineer and any other Engineer Officer employed shall be paid at the rate prescribed and for the rating and capacity in which he or she is acting for the period of time in which he or she so acts. The Employer shall, at all times, have the privilege of determining the number of Engineer Officers to be so employed.

40.03 A vessel shall be considered in commission when receiving power from its own plant.



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

MEMORANDUM

TO: Representative Neuman, Co-chair
Representative Thompson, Co-chair
Finance Committee

FROM: Crys Jones, Chief Clerk *Cry*

DATE: March 23, 2016

SUBJECT: Monetary Terms of Agreements

The attached monetary terms of agreement between the State and Public Employees Local 71 representing the Labor, Trades and Crafts Unit was referred to the Finance Committee during floor session today.

Attachments as noted:



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

March 21, 2016

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol Room 208
Juneau, Alaska 99801-1182

Dear Speaker Chenault:

I am required by the Public Employment Relations Act (AS 23.40.070-260) to report the monetary terms of any agreement reached with an employee organization. By copy of my memorandum to Pat Pitney, Director of the Office of Management and Budget (enclosed), please accept my report of the monetary terms of the collective bargaining agreement between the State and the Public Employees Local 71 representing the Labor Trades and Crafts Unit. The monetary terms of this agreement must be submitted to the Legislature for approval pursuant to AS 23.40.215.

If my staff or I may answer any questions or provide further information, please do not hesitate to call me.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Fisher".

Sheldon Fisher

Enclosure

cc: Pat Pitney, Director of the Office of Management and Budget



Memorandum

To: Pat Pitney, Director
Office of Management and Budget
Office of the Governor

From: Sheldon Fisher, Commissioner
Department of Administration *S.F.*

Date: March 21, 2016

Subject: Monetary terms of the July 1, 2015 to June 30, 2018 Collective Bargaining Agreement between the State and the Public Employees Local 71 representing the Labor Trades and Crafts Unit.

The Administration has concluded the negotiations process with the Public Employees Local 71 representing the Labor Trades and Crafts Unit. **If approved by the Legislature the monetary terms of this agreement become effective July 1, 2015, and remain in effect through June 30, 2018.**

I. Terms Requiring Appropriation.

Current Legislative session

Effective July 1, 2016, the Employer's health insurance contribution rate will be \$1363 per eligible employee per month.

Future Legislative Sessions

Effective July 1, 2017, the Employer's health insurance contribution rate will be \$1432 per eligible employee per month.

II. Change in State Revenues.

No term of this agreement would result in a change to State revenues.

III. Change in Productive Work Hours.

No term of this agreement would result in a change to productive work hours.

IV. Terms addressing employee compensation, not requiring appropriation.

Every permanent full-time employee will be required to take fifteen (15) hours of furlough each fiscal year.

Effective July 1, 2015, the employer will insure the life of each employee in the principle amount of ten thousand dollars (\$10,000). This is consistent with other Collective Bargaining Agreements.

Effective July 1, 2016, personal leave will be capped at one thousand (1000) hours. Employees will cease to accrue leave once this cap has been reached until they fall below the cap.

Employees who have a personal leave balance that exceeds one thousand (1000) hours on July 1, 2016 will be exempt from this provision until January 15, 2017.

Mandatory personal leave usage is increased to seventy-five (75) hours annually.

This report of monetary terms is consistent with the requirements of the Public Employment Relations Act. Please forward these monetary terms to the Legislature in accordance with AS 23.40.215.

cc: Representative Mike Chenault, Speaker of the House, Alaska State Legislature

Senator Kevin Meyer, Senate President, Alaska State Legislature

All Commissioners

All Administrative Services Directors

Scot Arehart, Director
Division of Finance

Kate Sheehan, Director
Division of Personnel and Labor Relations



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Administration

SHELDON FISHER, COMMISSIONER

10th Fl. State Office Building
PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

March 21, 2016

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol Room 208
Juneau, Alaska 99801-1182

Dear Speaker Chenault:

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All Commissioners

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MASTER AGREEMENT

between the

STATE OF ALASKA



and the

PUBLIC EMPLOYEES LOCAL 71

representing the

LABOR, TRADES AND CRAFTS UNIT

Effective July 1, 20~~12~~¹⁵ through June 30, 20~~15~~¹⁸

[Handwritten signature]
KD 10:58

10:55

ARTICLE 1 - PURPOSE

It is the objective of the parties that the obligation of the Employer for the successful conduct of its business and the fulfillment of its responsibilities to the employees covered by this Agreement be carried on without interference arising from differences between the parties.

The Union, representing the employees of the Employer, and the Employer desire to establish and maintain, through harmonious cooperation, a standard of conditions and procedures to provide for orderly collective bargaining relations, prompt and equitable disposition of grievances, and fair wages, hours, and working conditions for the employees covered by this Agreement.

State Proposal Book language

[Handwritten signature]
[Handwritten signature]
[Handwritten signature]
1/25/15
10:58

ARTICLE 2 - RECOGNITION

The Employer recognizes, during the term of this Agreement, the Union as the sole and exclusive collective bargaining representative for all employees working in the classifications in the Labor, Trades and Crafts Unit and as the representative of all such employees in interpreting this Agreement and adjusting disputes.

[Handwritten signature]
[Handwritten initials]
10:31
1/23/15

ARTICLE 3 - UNION ACTIVITIES

The Employer agrees that it shall not in any manner, directly or indirectly, attempt to interfere between any of its employees and the Union; it will not in any manner restrain or attempt to restrain any employee from belonging to the Union or from taking an active part in Union affairs; and it will not discriminate against any employee because of the Union membership or lawful Union activity.

ARTICLE 4 - EMPLOYMENT REFERRAL PROCEDURES

4.01 - REFERRAL SERVICES

The Union agrees to maintain preferential referral procedures for the purpose of soliciting qualified workers in order to fill all Employer referral requests. Except for promotions, demotions, transfers and emergency appointments, the Employer agrees to use such referral services and will call upon the Union to furnish all qualified workers required. The Employer further agrees to notify the employee and the Union of all promotions, demotions, transfers and emergency appointments.

4.02 - NONPERMANENT TO PERMANENT

The Employer may elect to appoint a nonpermanent employee into a permanent position if the position to be filled is at the entry level at that duty station; provided, however, that any qualified permanent part-time employees in that duty station are offered first rights of refusal to the position. The Employer shall notify the Union of such appointments in accordance with Section 6.

4.03 - REFERRAL COMMITTEE

The Union shall create a preferential referral committee within thirty (30) days of the signing of this contract, composed of not more than three (3) individuals appointed by the Union, to supervise and control the operation of the job referral system herein.

4.04 - APPLICATION FORMS/NONDISCRMINATION

The Union agrees to accept and review applications, on forms provided by the Employer, from all those wishing to apply for possible openings with the State. Selection of applicants for referral to jobs shall be nondiscriminatory and shall not be based on nor affected by race, ~~creed~~ religion, color, age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, parenthood, national origin or political affiliation or activity. The Union agrees that it will not discriminate against non-Union workers in referring applicants to the Employer, and the Employer agrees that it will not discriminate against Union workers in selecting job applicants referred by the Union.

partly SF
The parties agree that they will not unlawfully discriminate in any employment matter against any Bargaining Unit Member. The parties further agree that Bargaining Unit Members will have the right to utilize the Employer's internal discrimination complaint procedure should a dispute involving the provisions of this section arise. Statutory discrimination claims, referenced above, are not subject to the grievance and arbitration provision of Article 9.

4.05 - PREFERENTIAL CATEGORIES

A. The parties recognize the primary importance to employ residents of Alaska. Both the Union and the Employer shall give first preference to qualified residents of Alaska. Also, preference shall be given to qualified residents in the immediate area of the job call.

B. It is understood the Employer will have need for employees with special skills and abilities. The Union agrees to refer persons possessing such skills and abilities and to honor all such bona fide requests.

C. The parties recognize the need to hire people with disabilities. A person with a disability is one so specified under regulations issued by the Vocational Rehabilitation Division of the Department of Labor and Workforce Development.

D. Pursuant to the parties mutual recognition of the principles of Equal Employment Opportunity and Affirmative Action, the parties agree that selective certification by referral will be made to satisfy the State's affirmative action objectives. When a specific request is made for a referral to fill a position with an applicant in a protected category, the Union will make every effort to honor such request, providing such underutilization has been specified and approved by the Office of Equal Employment Opportunity. In such cases, the Union will have seventy-two (72) hours, rather than forty-eight (48) hours, to make the referral.

E. The criteria expressed in the subsections above may be used as justification for an appointment from other than the top qualified and available candidates; provided, however, the individual is registered with the Union.

4.06 - REJECTION OF APPLICANTS

The Employer retains the right to reject any job applicant, but the applicant and the Union shall be entitled to the reason for such rejection.

4.07 - REFERRAL TIME FRAME REQUIREMENTS

In the event the Union is unable to supply the Employer with three (3) qualified workers within forty-eight (48) hours (Saturdays, Sundays and holidays excluded) when called upon by the Employer, the Union and the Employer will coordinate efforts to advertise such openings for job vacancies to reach the largest pool of applicants. The Employer may procure workers from other sources; provided, however, that in such instances the Employer shall promptly furnish the Union with the names of such workers, their classification and date of hiring. In any emergency resulting from an act of God or natural disaster, the Employer may temporarily procure workers from any source.

4.08 - UNION MEMBERSHIP - NEW EMPLOYEES

It is further agreed that all workers employed by the Employer who are not already members shall become members of the Union or make the uniformly required payments on or before the thirty-first (31st) calendar day following the beginning of employment or the effective date of this Agreement, whichever is later, and all employees shall maintain membership in the Union as a condition of employment during the life of this Agreement. Membership means to tender the initiation fees and the periodic dues or fees uniformly required as a condition of acquiring or retaining membership in the Union. All requests by the Union for dismissal of any employee for failure to comply with this provision shall be in writing.

The Union shall defend, indemnify, and save the Employer harmless against any and all claims, demands, suits, grievances, or other liability (including attorney's fees incurred by the Employer) that arise out of or by reason of actions taken by the Employer pursuant to this section, except those actions caused by the Employer's negligence.

4.09 - UNION STEWARD - NEW EMPLOYEE NOTICE

Within a five (5) day period after reporting to work, each new employee within the bargaining unit shall be informed as to the identity of the Union steward, chief job steward, or a Union representative by the supervisor in the activity to which such employee will be regularly assigned. Each employee transferred from a section or shift shall likewise be informed.

State Proposal _____

4.10 - O.S.C.O. EXEMPTION FROM UNION REFERRAL

It is agreed between the parties that the Occupational Safety Compliance Officers under the Agreement shall be required to meet minimum qualifications established by the State required to pass any examinations to be considered for employment. The recruitment and selection procedures for Occupational Safety Compliance Officers shall be determined by the Employer.

1-4
1/23/15 KD [Signature]

(note: state's initial proposal for change for 5.01 removed and will to be proposed under 4.04)

ARTICLE 5 - UNION RESPONSIBILITY

5.01 - NONDISCRIMINATION

The Union assumes all obligations and responsibility for the continued membership of its members and the Union shall retain the right to discipline its members. No worker shall be discriminated against for the upholding of Union principles, and any employee who works under the instructions of the Union, provided such instructions are in compliance with the Agreement, or who serves on a committee, shall not lose their position or be discriminated against for this reason.

5.02 - BINDING EFFECT OF AGREEMENT

The Union agrees that this Agreement is binding on each and every member of this bargaining unit and that its members, individually or collectively, accept full responsibility for carrying out all the provisions of this Agreement.

5.03 - HARMONIOUS RELATIONSHIP

It is the responsibility of the Employer to manage the work force. It is the responsibility of the parties to promote such practices as will improve the quality of service provided and the working conditions of the members. The Union agrees that it will actively dissuade excessive absenteeism and other practices which may hamper the Employer's operation and that the Union will support the Employer's efforts to eliminate waste and inefficiency, to improve the quality of work, and to promote harmonious relations between the Employer and employees.

5.04 - EMPLOYER RULES AND REGULATIONS

The Union agrees to make every effort to see that the members working under this Agreement obey all reasonable rules, instructions, and regulations prescribed by the Employer.

BK, TA, KD 3:28 2/19/15
Buck J. Miller 15:28

ARTICLE 6 - RECOGNITION OF RIGHTS AND FUNCTIONS OF MANAGEMENT

6.01 - MANAGEMENT'S AUTHORITY

Except as provided in this Agreement, nothing herein limits the Employer in the exercise of the rights of ownership and management. Accordingly, the Employer has, among others, the right to: select its supervisory personnel (supervisors as defined by the Alaska State Labor Relations Agency); to hire new employees; to discipline, suspend, or discharge employees for just cause; to decide and determine and designate all occupational classifications it has to offer its employees, to assign duties and responsibilities to employees, to make such rules and regulations as the Employer considers necessary or advisable for the orderly and efficient conduct of its operations and to require employees to observe such rules and regulations; provided, however, the exercising of the aforementioned rights is not inconsistent with the provisions of this Agreement.

6.02 - AUTHORITY RETENTION

All of the functions, rights, powers, and authority of the Employer not specifically abridged, delegated, or modified by this Agreement are recognized by the Union as being retained by the Employer.

6.03 - EXEMPTION TO WORK STOPPAGE

The Union recognizes that the continuity of certain work is imperative to the public service mission of the Employer, and if a work stoppage should occur, management and all other personnel not covered by this Agreement, including guards, firefighters, and other protectors of public safety and health, shall be permitted to perform their respective functions without interference by the Union or its members.

Book

Book

T/A 3/18/16

17:01

ARTICLE 7 - PROTECTION OF RIGHTS

7.01 - PICKET LINES

It shall be a violation of this Agreement and it shall be cause for disciplinary action in the event an employee refuses to go through or work behind any primary picket line unless such line is sanctioned by Public Employees Local #71, AFL-CIO, and the participating International Union (Laborers International Union of North America). The Employer specifically retains all of its rights under AS 23.40.200.

7.02 - STRUCK GOODS

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action if any employee refuses to perform any service which the Employer undertakes to perform as an ally of any Employer or person whose employees are on strike, and which service, but for such strike, would be performed by the employees of the Employer or person on strike. Nor shall the exercise of any rights permitted by law be a violation of this Agreement, unless such exercise is precluded by this Agreement.

7.03 - LOST OR DAMAGED PROPERTY

Employees shall not be responsible for lost, stolen, or damaged property except in case of proven negligence or deliberate act. This shall include the use of credit cards for any purpose or any other method of giving credit. The Employer shall provide an adequate checking system to protect the Employer and employee.

7.04 - CONTRACTING OUT

The following shall govern contracting and subcontracting, involving the performance of work of classifications covered by this Agreement, which would directly result in the layoff of permanent or probationary employees covered by this Agreement.

A. Prior to the contracting or subcontracting of any work covered by this Agreement which would result in the layoff of permanent or probationary employees, the Employer agrees to conduct a cost efficiency study. Unless the study shows that the work can be performed by the contractor or subcontractor with less cost to the Employer, no permanent/probationary employee shall be laid off and replaced by contracted or subcontracted work.

The Employer shall require the contractor or subcontractor to pay the hourly wage rates established in the Agreement for all such work, plus an additional two dollars and fifty-five cents (\$2.55) for each compensable hour worked as "in lieu of" benefits. It is agreed that the above-mentioned "in lieu of" amount will be reduced only by the amount of actual cost of benefits paid by the contractor or subcontractor. To insure compliance with this section, the Employer will require the contractor or subcontractor to furnish a certification of wages and/or any certified cost of benefits paid upon written request. Such certified information shall be furnished to the Union upon reasonable written showing of suspected noncompliance. In addition, the Employer shall furnish to the Union, a copy of each new or renewal contract. If the contractor or subcontractor is found to be out of compliance, the Employer agrees to take all reasonable steps to enforce the requirements of this section, including without limitation, terminating the contract or subcontract if compliance cannot be otherwise obtained.

All work performed on motor vehicles which is typically associated with work done by private

service stations (e.g. tires, lights, fan belts, wipers, etc.) shall be free from the requirements of this section. Other vehicle repair and overhaul service work shall be performed in State facilities except in extreme emergencies. All State-owned vehicles shall contain a maintenance/repair instruction packet outlining the foregoing language.

B. Nothing in this Agreement will invalidate nor supersede AS 35.15.010 or AS 19.10.170.

7.05 - OVERLOADS

In the event an employee is arrested with an overload, the Employer shall pay all fines upon conviction, and the employee shall be paid for the time spent in service of the Employer, provided the employee has not loaded the cargo contrary to the instructions of the supervisor.

7.06 - REVOCATION OF LICENSES

In the event an employee suffers a revocation of his/her license because of violations of any Federal, state, or city law by the Employer, the Employer shall provide suitable and continued employment for such employee, at not less than the employee's hourly rate of pay at the time of revocation of the employee's license, for the entire period of revocation of the license. The employee shall be reinstated to the seniority the employee held prior to revocation of the employee's license, after the employee's license is restored.

7.07 - NO STRIKE/LOCKOUT

The parties agree that there will be no strikes or lockouts during the life of this Agreement.

7.08 - LICENSES

Each employee shall be responsible for obtaining and retaining all mandatory licenses and certifications necessary to perform the duties of his/her position. If a new licensing or certification provision is imposed by statute or regulation on current employees, the State shall pay for the initial license/certification fee provided the employee obtains the license or certification prior to the deadline established by statute or regulation. All future renewals shall be the sole responsibility of the employee.

Employees who were grandfathered under the 1992/94 agreement and had licenses or certifications paid for by the Employer, shall continue to have those licenses or certifications paid for so long as they remain in their current position or a position which requires the license or certification.

The parties recognize that there are certain licenses/certifications which are required for the convenience of the Employer. In such cases, the Employer shall pay for necessary training and license/certification fees.

KD 1/23/15

ARTICLE 8 - SEPARATION FROM STATE SERVICE/DISCIPLINE

8.01 - DISCIPLINE

The Employer retains the right to discipline or suspend an employee for just cause but agrees that the Union steward or a paid Union representative shall be notified in writing concurrent with written notice to the employee. The Employer further agrees that the Union steward or representative shall be present, if requested by the employee, during all stages of conduct of hearings determining such matters.

The following provision shall apply only to employees in positions that require the employee to possess a commercial driver's license (CDL) and who are subject to testing for drugs and alcohol under the provisions of title 49, Code of Federal Regulations.

- A. Employees who test positive for illegal drugs as defined in the Code of Federal Regulations shall be suspended for a minimum of ninety (90) days without pay as discipline. More severe discipline is subject to the just cause standard.
- B. Employees who test positive a second time for illegal drugs will be considered for immediate dismissal, subject to the just cause standard.
- C. The Union reserves the right to challenge the validity of the urinalysis and reporting under the provisions of Article 9.

8.02 - DISCHARGE

The Employer retains the right to discharge a permanent employee for just cause such as incompetence, unsatisfactory performance of duties, and unexcused absenteeism. The Employer further agrees that the Union steward and the Union office in the employee's district shall be notified immediately by copy of the written notice to the employee giving the reason(s) for such discharge. The Employer further agrees that with the exception of intoxication, substance abuse, dishonesty, gross disobedience, physical assault, abandonment of duties, lewd behavior, theft, fraud, or accessing or viewing pornography all permanent employees shall be given two (2) weeks notice or two (2) weeks pay prior to discharge. Employees other than permanent employees discharged or terminated under the provisions of this section shall have appeal rights through Step Three of the grievance procedure.

8.03 - RESIGNATION

A bargaining unit member may resign from the State by presenting the resignation in writing (including fax or email) to the member's first level supervisor outside of the bargaining unit. To resign in good standing the bargaining unit member must give the supervisor at least fourteen (14) calendar days notice. A bargaining unit member may resign in good standing with less than fourteen (14) calendar days notice when there is an emergency, as determined by management.

8.04 - TERMINATION/LAYOFF SLIPS

It shall be mandatory that the Employer furnish each employee a termination or layoff slip showing the actual reason for termination or layoff. Employees in year-round service will receive two (2) weeks notice prior to layoff or two (2) weeks pay in lieu thereof. The Employer will make every effort to provide employees in seasonal service with two (2) weeks notice prior to layoff.

T/A
2/19/16

ARTICLE 9 - GRIEVANCE PROCEDURES

9.01 - GRIEVANCES

A grievance shall be defined as any controversy or dispute arising between the Union or an employee of the bargaining unit and the Employer. Having a desire to create and maintain labor relations harmony, the parties agree that they will promptly attempt to adjust all complaints, disputes, controversies, or other grievances arising between them involving questions of interpretation or application of the terms and provisions of this Agreement, or other controversy or dispute having occasion to arise between the parties. If differences or disputes of any kind arise between the Union or the employee covered herein and the Employer, the Union or the aggrieved employee, as the case may be, shall use the following procedure as the sole means of settling said grievance. Deadlines may be extended by mutual agreement.

Disciplinary Grievances: Any grievance resulting from a dismissal, demotion for cause, or suspension in excess of thirty (30) days shall be entered into the procedure at Step Two and must be brought to the attention of the Employer through the Union within ten (10) working days of the effective date of the action or the date the employee is made aware of the action, whichever is later, to receive the assistance of the Union and the use of this grievance procedure.

Step One: Except for disciplinary grievances described above, any dispute must be brought to the attention of the Employer through the Union, consistent with the procedures set forth in this Article, within thirty (30) working days of the effective date of the disputed action or the date the employee is made aware of the action, whichever is later, to receive the attention of the Union and the use of this grievance procedure. The employee may report in writing to the Steward or designated representative of the Union any grievance that arises between the employee and the Employer. The written grievance will be filed with the employee's first line supervisor outside of the Labor, Trades and Crafts bargaining unit by the designated representative for investigation and resolution. The supervisor, with whom the grievance is filed, will provide an answer in writing, any corrective action taken and whether the grievance is denied or granted in total or in part within ten (10) working days.

Step Two: If the grievance is not resolved at Step One, the grievance shall be referred in writing to the designated Human Resource representative for the department or agency in which the grievant(s) is (are) employed within ten (10) working days after receipt of a response or the date response is due, whichever is earliest. The designated Human Resource Manager for that department or agency shall answer the Union representative within fifteen (15) working days in writing.

Step Three: If the grievance is not resolved at Step Two, the grievance may be submitted by the Union for settlement to the Commissioner of the Department of Administration within ten (10) working days after receipt of a Step Two response or the date the response is due, whichever is earliest. If the grievance has not been settled in writing within twenty (20) working days after receipt by the Commissioner, either party may proceed to Step Four of this Article if the nature of the grievance falls within the scope of Step Four. Date of receipt shall constitute date of answer or date the response is due, whichever is earliest. In the event the matter is settled by written agreement between the Union representative and the Commissioner of the Department of Administration, such written agreement shall have the same force and effect as a decision or award of the arbitrator and shall be final and binding on each of the parties and they will abide thereby. Should either party

fail or refuse to abide by the written agreement, the prevailing party shall be free to take whatever action it deems necessary and such action will not be considered in violation of this Agreement.

Step Four: Arbitration. Any grievance which involves the application or interpretation of the terms of this Agreement or is an appeal from demotion or dismissal of a permanent employee, or an appeal from dismissal of a probationary employee holding permanent status in another classification, which is not settled at Step Three may be submitted to arbitration for settlement. The Union shall state which Article(s) and section(s) the State may have violated. If either party desires to demand arbitration, the request must be received in writing within twenty (20) days of the receipt of the completed Step Three grievance. The parties will meet within ten (10) days to strike names.

9.02 - BOARD OF ARBITRATION

Within thirty (30) days of the signing of this Agreement the Employer and the Union will jointly request from the United States Federal Mediation and Conciliation Service (USFMCS) the names of thirty (30) qualified arbitrators. Each party may add up to three (3) names of arbitrators to the list provided from the USFMCS. From the list of thirty-six (36) arbitrators the employer and the Union shall alternately strike from the list one (1) name at a time until eleven (11) names remain on the list. This list of eleven (11) arbitrators shall be used by the parties to select individual arbitrators for arbitration. Either party may, at any time, request a new list of arbitrators during the life of this Agreement.

In the event that arbitration becomes necessary, the arbitrator will be selected by the Union and the Employer by alternately striking names from the list one name at a time until only one name remains on the list. The name of the arbitrator remaining on the list shall be accepted by the parties and arbitration shall commence within sixty (60) calendar days, unless otherwise mutually agreed to by both parties.

During the process of the above procedure, there shall be no strike or lockout which is in any manner related to this grievance. The parties agree that the decision or award of the arbitrator shall be final and binding on each of the parties and as they will abide thereby. The authority of the arbitrator shall be limited to questions directly involving the interpretation or application of specific provisions of this Agreement and no other matter shall be subject to arbitration hereunder. The arbitrator shall have no authority to add to, subtract from, or change any of the terms of this Agreement, to change an existing wage rate, or to establish a new wage rate. Should either party fail or refuse to abide by the arbitrator's decision, the prevailing party shall be free to take whatever action it deems necessary, and such action will not be considered in violation of the Agreement.

The arbitrator shall render a decision within thirty (30) days following the final day of the arbitration hearing unless mutually agreed to by both parties. Expenses incident to the services of the arbitrator shall be borne by the losing party. If, in the opinion of the arbitrator, neither party can be considered the losing party, then such expenses shall be apportioned as in the arbitrator's judgment is equitable.

9.03 - GRIEVANCE - MEDIATION

Nothing in this article shall preclude the parties from mutually agreeing to submit any grievance(s) not resolved at Step Three to mediation. The mediation agreement shall provide that:

1. Within thirty (30) days of the signing of this Agreement the Employer and the Union will jointly

State Proposal

request from the United States Federal Mediation and Conciliation Service (USFMCS) the names of twenty-one (21) qualified mediators. From the list of twenty-one (21) mediators the employer and the Union shall alternately strike from the list one name at a time until eleven (11) names remain. This list of mediators shall be used by the parties to select individual mediators. This does not prohibit the parties from compiling a mutually acceptable list without the assistance of the USFMCS. A member of the arbitration panel may also serve on the mediation panel; however, if mediation does not resolve the dispute(s), the mediator shall not be selected to hear and decide the matter at Step Four.

2. The parties agree only to have as many people present at the mediation as necessary.
3. The taking of oaths and the examination of witnesses shall not be permitted nor shall any written or electronic record of the proceeding be made. There shall be no formal evidentiary rules and the mediator shall decide any questions of procedure or of the admissibility of facts or arguments. Documents and other evidence submitted to the mediator shall be returned to the presenting party at the conclusion of the mediation meetings.
4. Comments, opinions, admissions and settlement offers of the parties or of the mediator shall be confidential and shall not be admissible or in any manner referred to in any future arbitration, hearing or other matter.
5. If the grievance(s) remain unresolved at the conclusion of the mediation meeting, the mediator will provide an oral statement to each party regarding how he/she would rule in the case based upon the evidence and argument presented.
6. Expenses incident to the services of the mediator shall be borne equally by the Employer and the Union. Except for the expenses of the mediator, each party shall be responsible for its own costs and fees.
7. Any mediation agreement shall provide for a specific extension of the time frames of Step four of this article, which may be modified by mutual agreement. Except as extended under authority of this provision, all time frames shall apply.
8. The parties may agree to such other provisions as they deem proper and necessary to facilitate resolution of the dispute.

11.05
1/23/15 KD

JM

ARTICLE 10 - UNION REPRESENTATIVES

10.01 - UNION REPRESENTATIVES

The Union shall have representatives, as designated by the Business Manager, who shall be authorized to speak for the Union in all matters governed by this Agreement and shall be permitted to visit any work area at any time with advance notice and mutual consent to the person in charge, so long as such visits do not disrupt the work or the employees doing such work.

10.02 - SHOP STEWARDS

In addition to the above, the Union may, upon written notice to the Director of the Division of Personnel and Labor Relations, authorize Shop Stewards from among the employees of the Employer to carry out the intent and purposes of this Agreement. Where practical, the shop steward shall notify their immediate supervisor prior to performing their union duties while at work. Stewards shall suffer no loss in compensation for time spent handling complaints and grievances for up to ten (10) hours per month. All time spent in such activities shall be recorded on a State form which clearly identifies the activity as release time. The Union shall provide to the Director of the Division of Personnel and Labor Relations a current list of all shop stewards every six (6) months.

1/23/15

KD

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ARTICLE 11 - EXAMINATION OF RECORDS

Any bargaining unit member or Union representative shall have the right to examine the employee's records pertaining to wages, hours and conditions covered by this Agreement subject to the following:

- A. An employee's employment records, other than those considered confidential under AS 39.25.080, shall be made available by the Employer for inspection by the authorized Union representative upon two (2) working days written or email notice by the Union to the State office where the records are maintained.
- B. Reasonable requests for copies of records as specified in this Article will be honored. The parties recognize that it may become necessary to charge for copies requested at the rate of twenty-five cents (\$.25) per page.

BK, TA, KD 3:28 2/19/15

Dash J. M. 5:28
ARTICLE 12 - CHECKOFF

12.01 - MEMBERSHIP - UNION DUES

Whenever an employee coming under the terms of this Agreement executes and delivers to the Union, who will deliver to the Employer, a proper written assignment for the deduction of Union dues/fees and initiation fees from the employee's wages, and the Secretary/Treasurer of the Union notifies the Employer that such Union dues/fees are due, the Employer agrees to make such deductions within thirty-one (31) days from the date of the notification and to remit to the Union the amount so deducted from each. All employees in the bargaining unit on the Employer's payroll on the effective date of this Agreement who have previously executed a proper written assignment shall continue to have their assigned dues/fees and initiation fees deducted from their wages. Upon receipt of a proper written assignment, the Employer shall deduct from the pay of each new employee in the unit such assigned dues and fees for the period specified so long as the employee remains in the unit. Such deductions shall commence not later than the pay period following the first full pay period after proper authorization is received by the State.

"Proper written assignment" shall mean an authorization executed by the employee for deductions of dues and fees in an amount as specified by the Secretary/Treasurer of the Union. The amount of dues and fees to be deducted shall be those amounts as specified to the Directors of the Divisions of Labor Relations and Finance by the Union Secretary/Treasurer. The Secretary/Treasurer of the Union shall notify the Directors of the Divisions of Labor Relations and Finance in writing of any change in dues or fees which require payroll programming changes at least sixty (60) days prior to the effective date of the change. The union shall provide written notice at least thirty (30) days prior to the effective date of any other change in dues or fees.

The Employer agrees to provide to the Union, each pay period, a list of employees showing the amounts deducted from each. This list will also include all employees and their classifications working under the jurisdiction of this Agreement. No other employee organization shall be accorded payroll deduction privileges with regard to this bargaining unit.

All dues and initiation fee assignments executed by employees shall be effective for as long as such employee is employed by the Employer in a position coming within the purview of this Agreement. However, assignments may be canceled by an employee who gives notice in writing to the Employer during the month of July each year.

12.02 - VOLUNTARY DONATIONS

It is agreed between the parties that, following the signing of the collective bargaining agreement, a unit member may authorize and the State will deduct a specified amount to be forwarded to the Union for the Public Employees Local #71 Supporting League. The Union will obtain the payroll deduction authorization from each employee who wishes to participate and forward such authorization to the State so that the deduction can be made.

It is agreed that an employee cannot revise the amount to be deducted once the authorization has been received by the State except during the month of January each year. However, an employee may withdraw the authorization at any time by notifying the Division of Personnel in writing at least thirty (30) days prior to the last intended deduction.

The Union will furnish the payroll deduction authorization forms as approved by the State.

7/A
3/18/16
17:02
[Signature]

ARTICLE 13 - CLASSIFICATION AND WAGES

13.01 - DAILY UPGRADES, TEMPORARY AND SUBSTITUTE APPOINTMENTS

A. **Daily Upgrades.** When the Employer directs an employee to work in a classification other than that held, the employee shall be paid at the higher wage group for the entire shift, provided the employee works at the higher-rated wage group for at least three (3) hours.

B. **Working in a Lower Classification.** When an employee is directed to temporarily work in a lower wage group, the employee shall receive his/her regular rate of pay for all lower rated work performed.

C. **Temporary Appointments.** Selection for appointments for less than thirty (30) consecutive days will be the right of management, other provisions of this contract notwithstanding. Temporary performance by an employee in a higher-rated classification shall not result in a change in classification of a position, unless such temporary work is approved in writing by the Division Director prior to performing the duties and is in excess of thirty (30) consecutive days. In such cases, the change to a permanent classification will be made in accordance with Article 22.02.

D. **Substitute Appointments.** When an employee is temporarily substituting for another employee who is absent from a position in a higher-rated classification and it is known or becomes known that the appointment will exceed thirty (30) consecutive days, the substitute appointment will be made in accordance with Article 22.02, from current employees.

E. Working Outside the Bargaining Unit

Any employee who has received prior written delegation from his/her division director or designee to perform essentially all of the duties of a specific position in a higher range than the employee's own, and outside the bargaining unit, for fifteen (15) or more consecutive calendar days shall, retroactive to the first (1st) day, be paid at the step of the higher range that would be appropriate in case of promotion. Upon commencement of duties in the employee's regular position, the employee will return to their normal rate of pay. Such delegation to act at the higher range shall not exceed sixty (60) calendar days, which may be extended by the Director of the Division of Personnel and Labor Relations.

In an emergency, the prior written delegation may be waived; however, written delegation by the division director or designee must be received within three (3) working days of the commencement of the duties of the higher range.

Accrued personal leave used or cashed out while in acting status shall be paid at the employee's regular rate of pay. When acting in a higher range position that is exempt from the Fair Labor Standards Act (FLSA), the employee will not be eligible for overtime during the assignment.

It shall not be a violation of this Agreement, nor cause for disciplinary action, should an employee decline to accept a prior written delegation of authority. Employees will be informed of the likely length of a delegation of authority at the time it is offered.

13.02 - WAGE SCHEDULE & STEP PLACEMENT

The wage tables shown in Section 13.02.A is the base wage schedule in effect June 30, ~~2012~~ 2015 and remain in effect through the duration of this agreement. The wage schedule is found on and

derived from the Division of Finance website.

A. Wage Schedule.

Merit Increases						
	1 yr	1 yr	1 yr	1 yr	1 yr	2 yr
Range	Step A	Step B	Step C	Step D	Step E	Step F
49	29.47	30.50	31.57	32.67	33.81	34.99
50	28.14	29.12	30.14	31.19	32.28	33.41
51	26.73	27.67	28.64	29.64	30.68	31.75
52	25.27	26.15	27.07	28.02	29.00	30.02
53	23.60	24.43	25.29	26.18	27.10	28.05
54	22.16	22.94	23.74	24.57	25.43	26.32
55	20.98	21.71	22.47	23.26	24.07	24.91
56	19.80	20.49	21.21	21.95	22.72	23.52
57	18.80	19.46	20.14	20.84	21.57	22.32
58	17.74	18.36	19.00	19.67	20.36	21.07
59	16.74	17.33	17.94	18.57	19.22	19.89
60	15.68	16.23	16.80	17.39	18.00	18.63
61	13.24	13.70	14.18	14.68	15.19	15.72

~~B. The base wage schedule in effect June 30, 2012 will increase by 2% on July 1, 2012. The base wage schedule in effect June 30, 2013 will increase by 1% on July 1, 2013. The base wage schedule in effect June 30, 2014 will increase by 1% on July 1, 2014.~~

~~B.~~ **Step Placement Upon Appointment.** Effective July 1, 2010, ~~upon~~ Upon initial appointment, each new employee will enter the schedule at Step A and shall remain at that Step for one year, and shall move to Step B at the beginning of the following pay period. Movement between Merit Steps shall be extended one month for each twenty-three (23) working days of leave without pay in a leave year.

~~D.~~ **Step Placement Upon Promotion.** Employees promoted under the provisions of this Agreement will move to the wage range of the higher class at the same step held prior to the promotion.

ED. Step Placement Upon Demotion. Employees demoted under the provisions of this Agreement will move to the wage range of the lower class at the same step held prior to the demotion.

FE. Step Placement Upon Rehire. If a rehired employee, who separated in good standing, is reappointed to the same class, to a parallel class, or a lower class within the same class series with prior approval of the Director of Division of Personnel and Labor Relations in which the employee previously held permanent or probationary status, the appointing authority will make the appointment at the same step in the salary range for the class that the employee occupied before separation, provided that rehire occurs within a period of ~~two (2)~~ three (3) years. If appointed above the beginning step of the range, the employee's merit or pay increment anniversary date will be the first day of the following pay period for the period of time required to advance to the step, one (1) year or two (2) years, depending on the type of step.

13.03 - JOB CLASSIFICATIONS

A. Classifications. Management retains the exclusive right to establish the specifications of job classifications regarding skills, abilities, experience, work requirements and duties of job classifications. The job classifications as of the effective date of this Agreement are as follows:

Wage Group 49

International Airport Foreman

Rural Airport Foreman

Occupational Safety and Compliance Officer

Safety Inspection and Compliance, Electrical Inspector

Safety Inspection and Compliance, Elevator Inspector

Safety Inspection and Compliance, Plumbing Inspector

Wage Group 50

Equipment Operator Foreman II

Maintenance Specialist, Bldg/Facility/Const, Foreman

Maintenance Specialist, Electrical Utility, Foreman

Maintenance Specialist, Electrician, Foreman

Maintenance Specialist, Electronics, Foreman

Maintenance Specialist, Plumbing, Foreman

Maintenance Specialist, Traffic Cntrl & Elec Sys, Foreman

Wage Group 51

Maintenance Specialist, Bldg/Facility/Const, Journey II/Lead

Maintenance Specialist, Electrical Utility, Journey II/Lead

Maintenance Specialist, Electrician, Journey II/Lead

Maintenance Specialist, Electronics, Journey II/Lead

Maintenance Specialist, Plumbing, Journey II/Lead

Maintenance Specialist, Traffic Control & Electrical Systems, Journey II/Lead

Mechanic, Automotive, Foreman II

Mechanic, Aircraft, Foreman II
Materials Laboratory Technician, Foreman
Equipment Operator Foreman I

Wage Group 52

Maintenance Generalist, Foreman
Mechanic, Automotive, Foreman I
Mechanic, Aircraft, Foreman I
Mechanic, Rural ARFF, Advanced Journey
Equipment Operator, Lead / Journey III
Materials Laboratory Technician, Specialist/Lead
Wildland Fire Support Services V

Wage Group 53

Maintenance Generalist, Lead
Maintenance Specialist, Bldg/Facility/Const, Journey I
Maintenance Specialist, Electrical Utility, Journey I
Maintenance Specialist, Electrician, Journey I
Maintenance Specialist, Electronics, Journey I
Maintenance Specialist, Plumbing, Journey I
Maintenance Specialist, Traffic Control & Electrical Systems, Journey I
Food Service, Foreman
Driller, Journey
Mechanic, Automotive, Advanced Journey/Lead
Mechanic, Aircraft, Advanced Journey/Lead
Equipment Operator, Journey II
Materials Laboratory Technician, Journey
Stock & Parts Services IV, Lead
Survey, Lead
Wildland Fire Support Services IV

Wage Group 54

Maintenance Generalist, Journey
Driller, Sub-Journey
Mechanic, Automotive, Journey
Mechanic, Aircraft, Journey
Equipment Operator, Journey I
Engineering Technician, Journey
Materials Laboratory Technician, Sub-Journey IV
Stock & Parts Services III, Journey II
Survey, Journey
Wildland Fire Support Services III

Wage Group 55

Engineering Technician, Sub-Journey III
Stock & Parts Services II, Journey I
Wildland Fire Support Services II

Wage Group 56

Maintenance Generalist, Sub-Journey II
Food Service, Lead
Mechanic, Aircraft, Sub-Journey
Mechanic, Automotive, Sub-Journey
Equipment Operator, Sub-Journey II
Materials Laboratory Technician, Sub-Journey III
Survey, Sub-Journey II
Wildland Fire Support Services I

Wage Group 57

Food Service, Journey
Environmental Services, Foreman
Engineering Technician, Sub-Journey II
Materials Laboratory Technician, Sub-Journey II
Stock & Parts Services I, Sub-Journey

Wage Group 58

Maintenance Generalist, Sub-Journey I
Environmental Services, Lead
Equipment Operator, Sub-Journey I
Survey, Sub-Journey I

Wage Group 59

Engineering Technician, Sub-Journey I
Materials Laboratory Technician, Sub-Journey I

Wage Group 60

Environmental Services, Journey II

Wage Group 61

Food Service, Sub-Journey
Environmental Services, Journey I

This list is subject to modification during the life of this Agreement.

It is the obligation of the Employer to maintain and establish a classification system and a pay plan. Classification disputes are not subject to the grievance and arbitration provisions of Article 9. The procedures outlined below will be the only method of settling any dispute concerning substantive classification matters.

B. Bargaining Unit Placement and New Classifications. It is recognized that all new positions (PCNs) and classifications created by the Employer should be placed in the appropriate bargaining unit.

Subsequent to the effective date of this Agreement, the Union Business Manager shall be notified of all new classifications created within ten (10) working days of such action and such notifications shall include the class specifications and wage grade assignment. If the Union disagrees with the

wage grade assignment of a new job class, it must notify the Director of Personnel and Labor Relations in writing of its objections within thirty (30) calendar days. The notice must include an analysis and rationale of the disagreement and detailed information regarding the duties, responsibilities and wage rates of comparable classifications in the public or private sector in Alaska or the Pacific Northwest. Within fifteen (15) working days of receipt of the Union's objections, the parties shall meet and confer. If disputes regarding the wage grade assignments of job classes are not resolved within thirty (30) calendar days, the director shall issue a decision in writing to the Union.

Both parties recognize that the Labor Relations Agency shall retain its usual authority to make determinations of unit classification assignments. No filled position (PCN) shall be changed to a bargaining unit outside this bargaining unit without written notification to Local 71 of such action concurrent with the notification to the department. If the Union does not notify the Employer within ten (10) working days from the receipt of notification of its intent to challenge, the Employer will be free to take the proposed action. If the Employer changes a vacant position (PCN) to a bargaining unit outside this bargaining unit, Local 71 shall be notified concurrently with such action.

C. Reallocation of a Position.

An employee occupying a position that is reallocated to a lower classification which carries a lower pay range and who continues in the same position shall be placed at the most advanced step providing an equal or lesser wage rate, but the salary will remain frozen at the former rate until earned step advancements or adjustments to the wage schedule cause the rate to exceed the frozen rate. For purposes of this paragraph, an employee may not be placed at a pay increment unless they have earned such step in that wage group or higher classification. Time served at Step F or a pay increment of the higher classification shall be counted as time served at Step F or a pay increment of the lower classification.

An employee occupying a position that is reallocated to a classification at the same pay range shall remain at the same step assignment.

An employee occupying a position that is reallocated to a higher classification which carries a higher pay range and who continues in the same position shall have their step placement determined in accordance with Article 13.02.D.

As the result of a reallocation action from outside the bargaining unit, the incumbent of the position shall be appointed to the position as of the effective date of the reallocation action.

D. Classification Reviews.

1. When the Union believes a position is improperly classified, the Union shall submit an updated position description and information regarding the duties and responsibilities of the position to the departmental Division of Personnel and Labor Relations Classifications Manager with a copy to the Director of the Division of Personnel and Labor Relations. Within thirty (30) calendar days of receipt the department shall submit its written analysis and recommendation to the Director with a copy to the Union. If the department fails to respond within thirty (30) calendar days, the Union may advance the request to the Director within five (5) working days of the due date. If the Union does not agree with the department's recommendation, it must notify the Director of its specific disagreement within twenty (20) working days of the date the recommendation was received.

2. Within thirty (30) calendar days from receipt of the department's recommendation or thirty (30) calendar days from the date the request was advanced by the Union, the Director shall review the position description in conjunction with existing class specifications, and issue a decision.
3. No more than one (1) request may be submitted for a position in any twelve (12) month period unless substantial changes in duties have occurred.
4. The time frames contained herein may be altered by mutual agreement of the parties.

13.04 - PAY INCREMENTS

Pay increments, beginning at Step J, computed at the rate of 3.75 percent of the employee's wage rate, shall be provided after an employee has remained at Step F within a given Wage Grade for two years, and every two years thereafter, if, at the time the employee becomes eligible for the increment, the employee's current annual rating by the employee's supervisor is designated as mid-acceptable or better. Movement between Pay Increments shall be extended by one (1) month for every twenty-three (23) working days leave without pay each year.

Pay increments will only be awarded through a performance evaluation in which the employee is considered to have a mid-acceptable or better commencing on the first day of the pay period following the fulfillment of the service requirement. If a pay increment is delayed due to an untimely performance evaluation, upon receipt of the evaluation with an annual rating of mid-acceptable or better, the pay increment will be granted retroactive to the employee's anniversary date.

(BARGAINING NOTE: Wage schedules are posted on DOF website, no need to include pay increments in CBA, so the schedule is not included.)

Pay Increments (continue every 2 years)						
	2-yr	2-yr	2-yr	2-yr	2-yr	2-yr
Range	Step-J	Step-K	Step-L	Step-M	Step-N	Step-O

13.05 - SUBSISTENCE

Subsistence shall be calculated as a daily rate according to geographic location and only at permanent work locations at two dollars and thirty-eight cents (\$2.38) per day times ~~step due district~~ steps above daily rate for eligible employees in Wage Groups 61 through 56 and two dollars and fifty-three cents (\$2.53) per day times ~~step due district~~ steps above daily rate for those eligible employees in Wage Groups 55 through 49. It is agreed that the rate of two dollars and twenty-five cents (\$2.25) per day shall remain in effect for those employees stationed outside Alaska.

Further, subsistence will be converted to an hourly rate and added to the employee's hourly rate as determined by Sections 13.02 and 13.04. The conversion shall be as follows:

$$\text{daily rate}$$

State Package Proposal 031816

x (times) steps due ~~district~~ above daily rate
 x (times) 7
 / (divided by) 37.5.

The Election Districts used below are those designated by the Proclamation of Reapportionment Redistricting of December 7, 1961, and retained for the House of Representatives by proclamation of the Governor September 3, 1965.

Illustrative Place Name	House Election Districts	Steps Above Pay Plan
Ketchikan	1	0
Prince of Wales	1	1
Wrangell-Petersburg	2	1
Sitka	3	1
Juneau	4	0
Icy Strait Lynn Canal	5	2
Yakutat	5	4
Gordona	6(a)	4
Valdez	6(b)	5
Palmer Wasilla	7	1
Cascade1	7(a)	2
Anchorage	8	0
Seward	9	2
Kennai Cook Inlet	10	2
Kodiak	11	3
Aleutian Islands	12	8

State Package Proposal 031816

Bristol Bay	13	8
Bethel	14	8
Yukon-Kuskokwim ²	15(a)	9
Nenana-Cantwell-Healy-Livengood-Manley	15(b)	7
Fairbanks (South of Arctic Circle)	16(a)	4
Eagle, Chicken, Circle, 40 Mile, Tok, Delta, Timms Camp, Northway	16(b)	5
Fort Yukon (North of Arctic Circle)	16(c)	9
Barrow-Kobuk	17	9
Nome	18	8
Wade Hampton	19	8
Outside Alaska		4

1. It is agreed as Talkeetna, Chulitna and Willow shall be considered to be in District 7(a) for subsistence purposes.

2. It is agreed as Seven Mile Camp shall be considered to be in District 15(a) for subsistence purposes.

The parties agree to reopen this Article for a period not to exceed 30 calendar days between December through February 2013 for the sole purpose to negotiate Article 13.05. The parties recognize any change to monetary terms in Article 13.05 are subject to legislative approval and funding according to AS 23.40.215. In the absence of mutual agreement for change to Article 13.05 or funding by the legislature, the original 13.05 terms will carry forward unchanged for the duration of this agreement.

Location	Steps Above Daily Rate
Adak	8
Akutan	8
Anchorage	0

Location	Steps Above Daily Rate
Anchorage International Airport	0
Aniak	9
Barrow	9
Bear Creek	8
Bethel	8
Birch Lake	4
Camp Carroll	0
Cantwell	7
Cascade	2
Central	5
Chandalar (Chandler) Camp	9
Chitina	5
Chulitna	2
Coffman Cove	1
Cold Bay	8
Coldfoot Camp	9
Cordova	4
Dalton Highway (Roving Crew LOA)	4
Deadhorse	9
Delta Junction	5
Dillingham	8
Dutch Harbor	8
Eagle	5
Eagle River	0
Eielson AFB	4
Ernestine	5

Location	Steps Above Daily Rate
Fairbanks	4
Fort Wainwright	4
Fort Yukon	9
Galena	9
Girdwood	0
Glenallen	5
Gustavus	2
Hienes	2
Healy	7
Homer	2
Hoonah	2
Huslia	9
Iliamna	8
JBER	0
Jim River	9
Juneau	0
Kalsin Bay	3
Kasilof	2
Kenai	2
Ketchikan	0
King Cove	8
King Salmon	8
Klawock	1
Kodiak	3
Kotzebue	9
Kulis ANG Base	0

Location	Steps Above Daily Rate
Livengood	7
Mackenzie Point	1
Manley Hot Springs	7
McGrath	9
Montana Creek	4
Mount Edgecumbe	1
Nelchina	5
Nenana	7
Ninilchik	2
Nome	8
North Kenai Camp	2
Northway	5
O'Brian Creek	5
Palmer	1
Paxson	5
Petersburg	1
Quartz Creek	2
Sag River	9
Saint Mary's	8
Seldovia	2
Seven Mile Camp	9
Seward	2
Silvertip	2
Sitka	1
Skagway	2
Slana	5

Location	Steps Above Daily Rate
Soldotna	2
South Fork	5
Talkeetna	2
Tanana	7
Tazlina	5
Teller	8
Thompson Pass	5
Tok	5
Trimms Camp	5
Unalakleet	8
Unalaska	8
Valdez	5
Wasilla	1
Willow	2
Wrangell	1
Yakutat	4
Outside Alaska	-4

~~For employees whose permanent work location is a work camp or other remote location that they commute to work by transportation provided or made available by the state, their Place/Location for the subsistence steps pay plan will be the point of origin where State provided or available transportation begins.~~

The parties agree that no employee will receive less than they currently receive in subsistence as a result of the adoption of this revision to geographic locations from previous agreements.

If a new duty station is established, the parties agree to meet and confer to determine the appropriate steps above the daily rate for the new location.

13.06 - PREMIUM PAY

A. **Overtime.** The Employer shall equalize the distribution of overtime among the bargaining unit members who desire to work overtime, and those not desiring to work overtime shall preferably not be assigned to work overtime. This does not preclude the Employer from assigning and requiring overtime work of bargaining unit members based on reasons such as the qualifications of the members and the amount of work to be accomplished. Compulsory overtime may be necessary when the Employer determines it is in the public's best interest, such as natural disasters or weather related emergencies.

An employee shall be paid overtime for all work in excess of eight (8) hours of work in any one ~~day~~ shift and forty (40) hours of work in any one (1) week, at one and one-half (1.5) times the basic rate of pay.

(BARGAINING NOTE: language clarification for payroll purposes.)

For purposes of clarification it is agreed that the employee's first and second scheduled days off follow the employee's five (5) scheduled work days of their work schedule.

Overtime and holiday pay shall not be pyramided or duplicated. Hours paid at an overtime rate shall only be credited once in the calculation of hours in the workweek for overtime purposes.

For all work performed on the employee's first or second scheduled day off, one and one-half (1.5) times the basic rate of pay shall be allowed for that shift. However, for all work performed on the second scheduled day off, provided it is on the seventh (7th) consecutive day of work, two (2) times the basic rate of pay shall be allowed for that shift.

(BARGAINING NOTE: Reference LOA 13-LL-066)

B. **Holiday Pay.** Through December 15, 2015, all ~~All~~ work performed on holidays shall be paid at one and one-half (1.5) times the basic rate of pay in addition to holiday pay. Overtime and holiday pay shall not be pyramided or duplicated. Hours paid at an overtime rate shall only be credited once in the calculation of hours in the workweek for overtime purposes.

Starting December 16, 2015 the following applies:

All hours worked on a holiday shall be paid at the holiday premium rate of time and one-half (1.5) the appropriate pay rate, in addition to seven and one-half (7.5) hours straight time holiday pay. Overtime and holiday pay shall not be pyramided or duplicated. Hours paid at an overtime rate shall only be credited once in the calculation of hours in the workweek for overtime purposes.

All hours worked on any shift that begins or ends between 12:01 a.m. and midnight on the day of observance as determined under Article 18.03, will be paid in accordance with this article. If more than one shift is worked on a holiday, only the first shift would be paid at the holiday premium rate.

Holidays not worked by the employee shall be counted as time in pay status for the purpose of fulfilling the minimum workweek requirement. When an employee is regularly scheduled to work two shifts that cross over a designated holiday, and the employee observes the holiday by not working one of the shifts, there will be no entitlement to holiday premium pay for hours worked during the other shift.

(BARGAINING NOTE: Reference LOA 16-LL-114)

C. **Shift Differential.** All bargaining unit members who work a swing shift beginning between 11 a.m. and 7:59 p.m. are entitled to three and three quarters percent (3.75%) of the employee's base hourly rate for each hour worked on that daily shift.

All bargaining unit members who work a graveyard shift beginning between 8 p.m. and 5:59 a.m. are entitled to seven and one-half percent (7.50%) of the employee's base hourly rate for each hour worked on that daily shift.

For the purposes of this section, the starting time of the employee's regularly scheduled shift, excluding overtime hours, shall determine eligibility for shift differential. All hours worked from the beginning of the employee's regularly scheduled shift until the starting time of the employee's following regular shift shall be paid shift differential at the same differential rate including those hours worked on the employee's regular scheduled days off.

D. **Hazard Pay.** Employees who are required to work under dangerous conditions shall receive hazard pay of seven and one-half percent (7.50%) in four (4) hour increments so worked. Dangerous conditions shall be defined as:

1. Working at heights more than twenty-five (25) feet above ground on towers, bridgework, and antennas.
2. Handling explosives so designated by the Employer or involved in some related activity which has been so designated by the Employer.
3. Transportation by or working under a helicopter required by the Employer.
4. Direct involvement in the clearing of an avalanche from the roadway (limited to equipment operators and spotters).

13.07 - PROBATIONARY PERIODS

For employees starting in a position after July 1, 2010 the probationary period for classifications in this bargaining unit shall be one (1) year, except that the parties may mutually agree to extend the probationary period by up to two (2) additional months. The probationary period will be extended one (1) month for each accumulation of twenty-three (23) working days of leave without pay within a leave year.

A. Each new employee appointed to a permanent position shall be hired as a probationary employee. Upon completion of the probationary period, the employee shall be considered a permanent employee and shall have seniority from the date of hire. Accrual and use of personal leave, holiday pay, retirement benefits, health and welfare coverage and other conditions of employment shall be subject to other provisions of this Agreement.

B. A permanent employee who is promoted to a classification in a higher wage group or appointed to a different classification at the same wage group or a different class series at a lower wage group will serve a probationary period in the new classification. Such employee, however, will retain permanent status in the class the employee left.

C. A probationary employee who is promoted to a classification in a higher wage group or is

appointed to a different classification at the same wage group will serve a probationary period in the new classification with the time in the previous class not being considered toward permanent status in either case.

D. If an employee is notified of failure to complete the new probationary period, he/she shall be returned to a vacant position in the previous classification. If there is no vacant position the Employer intends to fill, the provisions of Section 22.04 shall apply.

13.08 - NONPERMANENT EMPLOYEES

The Employer may elect to appoint a full-time or part-time nonpermanent employee subject to AS 39.25.195-39.25.200. If a nonpermanent employee is appointed to a permanent position, the duty station seniority shall be counted from the original date of hire providing such combined service is continuous. Nonpermanent employees shall be entitled to step placement in accordance with Section 13.02(C). Nonpermanent employees shall be entitled to subsistence in accordance with Section 5 of this Article. Time served as a nonpermanent employee shall not count towards probationary credit.

A nonpermanent employee is not entitled to accumulate or use paid leave, health and accident insurance, pension benefits or other benefits except when other benefits are expressly provided for nonpermanent employees in this Agreement. In lieu of such entitlements, each nonpermanent employee shall receive one dollar and sixty-five cents (\$1.65) for each compensable hour worked.

Nonpermanent employees shall be covered by the holiday and overtime provisions of this Agreement. If a nonpermanent employee is in work status on a designated floating holiday, then the employee is entitled to either another scheduled day off with pay, or an additional day's pay at the straight-time rate for the employee's regularly scheduled hours of work on the holiday.

Nonpermanent part-time employees working five (5) days per week will be paid holiday pay as provided by Article 18.03 according to the hours they are normally scheduled to work. Nonpermanent part-time employees working less than five (5) days per week will be paid holiday pay according to the hours they are normally scheduled to work on the day on which the holiday falls.

Nonpermanent employees reporting to work and not put to work shall receive four (4) hours pay or their regular shift, whichever is less, at their regular straight-time rate unless notified not to report at the end of their previous shift or two (2) hours prior to the start of the shift. If the second half is started, then a whole shift shall be allowed or their regular shift, whichever is less.

13.09 - PERMANENT PART-TIME EMPLOYEES

The Employer may establish a fixed reduced work schedule for an employee on a continuing basis when the employee accepts such employment or agrees in writing to the reduced work schedule in advance.

Increases or decreases to this fixed reduced work schedule may be made with fifteen (15) days written notice to the affected employee. If the affected employee is unable to accept a reduction to his/her part-time work schedule, a layoff in accordance with Article 22 may result.

Permanent part-time employees working five (5) days per week will be paid holiday pay as provided

by Section 18.03.B according to the hours they are normally scheduled to work. Permanent part-time employees working less than five (5) days per week will be paid holiday pay according to the hours they are normally scheduled to work on the day on which the holiday falls.

Benefits for personal leave and retirement pensions pursuant to pertinent statutes and regulations shall accrue proportionate to the benefits for full-time service.

Permanent part-time employees will be covered by the overtime provisions of this Agreement. Work in excess of the permanent part-time employee's regular schedule shall not be compulsory (except in dire emergency) and shall be distributed as evenly as possible among those employees desiring to work the additional hours.

13.10 - EMERGENCY EMPLOYEES

An emergency employee is one who is employed for not more than thirty (30) calendar days. The emergency employee is entitled to be paid the hourly rate specified in this Agreement. Emergency employees may be employed directly by the Employer with notice to the Union office of the names and locations of the employees. Emergency employees are not subject to other terms and conditions of this Agreement, except for overtime provisions.

Appointments of emergency employees shall be governed in accordance with AS 39.25.195-39.25.200, and the rules, regulations, policies and procedures adopted under the authority provided therein.

13.11 - TRAINING

It is understood and agreed that both parties will consider each training program individually and reach mutual agreement on wages and conditions implemented.

It is understood and agreed that the parties will meet within thirty (30) days of the signing of this Agreement to identify training needs and establish a policy and procedure for training employees in this bargaining unit.

T/A
3/18/14
17:02
[Signature]

ARTICLE 14 - WORKING RULES

14.01 - WORKWEEK

~~The workweek shall consist of thirty-seven and one-half (37.5) hours within five (5) consecutive days, and all permanent full-time employees shall be guaranteed a full workweek provided they are ready, willing and able to work, unless suspended, on layoff or leave without pay.~~

~~It is understood and agreed between the parties that at a duty station where workweek schedule changes are necessary, the requirement of five (5) consecutive days shall be invalid for a fourteen (14) day period provided, however, that the employee shall be guaranteed seventy-five (75) hours of work in that fourteen (14) day period. This provision applies only during a workweek schedule change period. However, in no instance will an employee be required to work more than seven (7) consecutive days at straight-time as a result of workweek schedule changes.~~

The workweek shall consist of thirty-seven and one-half (37.5) hours in pay status during the defined workweek. The default defined workweek will be Sunday midnight to Sunday midnight; however, alternate defined workweeks may be necessary depending on an employee's work schedule and will be assigned in writing by the supervisor. All permanent full-time employees shall be guaranteed a full workweek provided they are ready, willing and able to work, unless suspended, on layoff or leave without pay. The work schedule shall consist of five (5) consecutive work days followed by two (2) consecutive regular days off.

It is understood and agreed between the parties that when a work schedule change occurs, including a schedule change to or from an Alternate Workweek Agreement, the requirement for consecutive workdays in each applicable work schedule shall be invalid for that fourteen (14) day period beginning at the start of the workweek of the former schedule. The employee shall be guaranteed seventy-five (75) hours of work in that fourteen (14) day period. This provision applies only during a workweek schedule change period. If the schedule change results in an employee working more than seven (7) consecutive days at straight-time, the employee will be entitled to overtime at the rate of one and a half (1.5) times the employee's base rate for all hours worked on consecutive shifts exceeding the 7th day during the fourteen (14) day period. This does not affect the daily overtime threshold.

(BARGAINING NOTE: Reference LOA 13-LL-007)

When shift changes are required, the affected employees will receive reasonable notice of the shift change.

(BARGAINING NOTE: See LOA on furloughs)

14.02 - STARTING TIMES

The Employer shall establish regular starting times for each operation and may adjust those starting times up to two (2) hours without discussion or agreement of the parties. The Employer will not make such changes more frequently than twice per month without mutual agreement.

14.03 - CALL BACK

A. When an employee is called back to work within four (4) hours after the completion of the employee's regular shift, the employee shall be paid for such hours worked at the appropriate overtime rate. If the employee is called back to work later than four (4) hours after the completion

of the employee's regular shift, the employee is entitled to a minimum of four (4) hours pay at the appropriate overtime rate. If the hours worked exceed four (4), the employee shall be entitled to overtime pay for all such hours worked. If the employee is called out more than once in one four (4) hour period, a new call-out shall not be established.

B. When an employee is called to work within four (4) hours prior to the start of the employee's regular shift, the employee shall be paid for such hours worked at the appropriate overtime rate. If the employee is called to work more than four (4) hours prior to the start of the employee's regular shift, then 14.03(A) applies.

C. Minimum call back guarantees do not apply when the additional work assignment has been scheduled and the employee has been notified prior to the completion of the employee's regular shift. In such cases, the employee shall be paid for all hours worked at the appropriate rate of pay.

(BARGAINING NOTE: Shift language clarification in A and C for payroll purposes.)

14.04 - ON CALL

When employees are ordered to remain at home, or periodically report their whereabouts, and be available for immediate recall, their name shall be placed on an on-call roster. Assignments to an on-call roster shall be, insofar as it is possible, equitably rotated among employees normally required to perform the anticipated duties. Nothing in this Article shall preclude the assignment of an individual to an on-call roster whose knowledge, skills and abilities makes that employee the most logical choice for the call out tasks. An employee who is assigned to an on-call roster, for each calendar day or portion of a calendar day of such assignment, shall be paid one (1) straight-time hour at the employee's base hourly rate. The daily rate of compensation shall be in addition to pay for hours worked.

14.05 - STANDBY

When employees are required to standby because of temporary breakdown or shortage of materials, temporary weather conditions, or for any other cause beyond their control, no time shall be deducted from this period and the finishing time or shift shall not be extended to make up the lost time.

14.06 - TIDAL OPERATIONS

When it is necessary to work with the tide, any such working hours may be changed at the option of the Employer to meet tidal conditions; however, when these conditions make it impossible for full shift operations, the employees shall be paid for a full shift regardless of whether a full shift is worked. No split shift which extends into the next tide shall be worked except at the overtime rate.

14.07 - ORDERS

A. Authority for orders to employees covered by this Agreement will be to the employees by a management representative through a foreman or leadman, where there is a foreman or leadman as required by paragraphs B and C of this section.

B. When four (4) or more employees, except for laborers (includes laborers, custodians and helpers in a variety of job classifications performing unskilled and semiskilled work) in public buildings, are employed on the same shift as a crew, one (1) shall be selected by the Employer as a working leadman and shall be paid seventy-five cents (\$0.75) per hour above the employee's base hourly rate

for all such hours of supervision. Management may appoint a working leadman in situations where there are less than four (4) employees and the leadman shall be paid according to this section.

C. When eight (8) or more employees are employed on the same shift as a crew in an immediate area, one (1) shall be selected as a foreman to direct the work and shall be paid an additional one dollar and fifty cents (\$1.50) per hour above the employee's base hourly rate for all such hours of supervision provided that the designated employee does not currently hold a foreman position.

D. The appointment of such foreman or leadman will be the right of management, other provisions of the contract notwithstanding, and shall not result in a permanent wage change.

DK, 178, KL 2/19/15 13.03

ARTICLE 15 - TRAVEL AND MOVING

15.01 - TRAVEL STATUS

An employee shall be considered in travel status from the time an authorized trip begins until it ends. For purposes of interpretation, travel status will begin and end when the employee leaves and returns to his/her duty station if travel begins and ends during assigned working hours, or when the employee leaves and returns to his/her home if travel begins and ends outside assigned working hours.

No employee shall be required to travel for more than forty-eight (48) hours from the employee's duty station without prior authorization and travel advanced funds, based on the travel status requested by the Employer and applicable per diem rates.

Travel entitlements shall be paid in accordance with the Fair Labor Standards Act, except as provided in this section. However, if travel is outside of an employee's regularly scheduled hours of work and not in conjunction with the day's work, the employee shall be paid straight time for all such travel up to a maximum of two (2) hours. If travel on a regularly scheduled day off is outside the employee's normal work hours, the employee shall receive straight time for all such travel up to a maximum of two (2) hours.

Article 14.03 (Call Back) and Article 14.04 (On Call) do not apply during travel time; however, employees may be required to work as necessary for vehicle loading, unloading or repositioning during time in travel status.

15.02 - LODGING ALLOWANCE

When an employee is in travel status overnight on State business away from their duty station and quarters are not furnished, the Employer shall provide a lodging allowance in accordance with the following schedule. As to any one location assignment, the first thirty (30) days will be at the short-term rate and the day after that at the long-term rate.

Region	Location	Peak Season Rates 05/16 - 09/15		Off Season Rates 09/16 - 05/15	
		Short-Term	Long-Term	Short-Term	Long-Term
1	Southeast Alaska	\$74.00	\$44.40	\$64.00	\$38.40
2	Southcentral Alaska	79.00	47.40	59.00	35.40
3	Interior Alaska	64.00	38.40	54.00	32.40
4	Southwest Alaska	64.00	38.40	60.00	36.00
5	Barrow, Kotzebue	64.00	38.40	60.00	36.00

A bargaining unit member may request advance approval of the department head or his/her designee to receive a higher lodging allowance (consisting of actual hotel cost) on a trip-by-trip basis whenever the circumstances of travel are such that the established rate is not adequate to obtain lodging. Such requests will normally contain bulletins, agendas, etc., denoting prearranged lodging, and shall not be unreasonably denied.

When employees are assigned to temporary duty stations where a bunkhouse with heat, light, adequate cooking, sleeping and lavatory facilities is available and utilized by the employee, the

lodging allowance shall be reduced by ten dollars (\$10) per day. This does not apply to Article 21.08.

B. An employee, who is assigned to work a distance of more than fifty (50) miles away from their permanent duty station, is entitled to a commuting allowance in lieu of a lodging allowance if they choose to return to their residence on their own time rather than obtaining overnight lodging at their travel destination. The commuting allowance shall be equal to ninety percent (90%) of the applicable lodging allowance (short-term or long-term depending on the duration of the assignment).

The Meal and Incidental Expense Allowance for that day shall be paid in accordance with Article 15.03.

No mileage or travel pay will be paid for an employee's travel to or from their residence except for the initial assignment to and final return from a temporary work site.

C. An employee shall receive a lodging allowance for all travel outside the State of Alaska in accordance with the Alaska Administrative Manual.

15.03 - MEAL & INCIDENTAL EXPENSE ALLOWANCE

When an employee is traveling between work assignments or is temporarily assigned to work a distance of more than fifty (50) road miles away from their regularly assigned work location, the employee is entitled to a meal and incidental expense (M&IE) allowance in accordance with section 60.250 of the Alaska Administrative Manual. In no event will the M&IE rates be less than the following schedule:

	Short-term Rate	Long-term Rate
Breakfast	\$12.00	\$7.00
Lunch	16.00	9.00
Dinner	32.00	17.00
Daily Allowance	\$60.00	\$33.00

On the day of departure and return, the employee is entitled to a prorated M&IE allowance if the employee is in travel status at least three consecutive hours during a normal meal period. Normal meal periods are:

Breakfast	-	midnight to 10:00 a.m.
Lunch	-	10:00 a.m. to 3:00 p.m.
Dinner	-	3:00 p.m. to midnight.

Employees in travel status for less than twenty-four (24) hours but more than ten (10) hours who return to their residence and/or duty station rather than obtaining overnight lodging at their travel destination are entitled to a M&IE allowance of one-half the daily M&IE allowance for the destination.

An employee shall receive an M&IE allowance for all travel outside the State of Alaska in accordance with the Alaska Administrative Manual.

15.04 - REIMBURSABLE TRAVEL EXPENSES

Whenever an employee is required to change their place of residence because of a change in assignment, promotion or other reasons related to the employee's duties, the employee shall be reimbursed for transportation expenses in accordance with Section 60.360 of the Alaska Administrative Manual.

In cases of new hires to duty stations not on the connected highway system or ferry system, one-way airfare for the employee only will be furnished.

15.05 - REIMBURSABLE MOVING EXPENSES

Employees shall be reimbursed for moving expenses in accordance with Section 60.350 of the Alaska Administrative Manual. Transfer between duty stations and travel in exercising retention rights at the employee's option will be at the employee's expense.

15.06 - TRAVEL INSURANCE

The Employer shall insure the life of every employee against accidental death while in travel status away from their duty station in the amount of one hundred thousand dollars (\$100,000.00) at no cost to the employee. The employee shall name the beneficiary.

15.07 - PRIVATE VEHICLE USE

Any reimbursement for mileage for the use of the employee's privately owned vehicle shall be made pursuant to the Alaska Administrative Manual at the time of travel.

15.08 - PRIVATELY OWNED AIRCRAFT

From time-to-time it is mutually beneficial to have employees use their private aircraft in the course of State business. When the use of an employee's privately owned aircraft is authorized in advance by the Employer, reimbursement shall be one dollar-seven cents (\$1.07) per mile or such higher amount authorized in accordance with Section 60.090 of the Alaska Administrative Manual at the time of travel.

Back

BK, TA, KD 2/19/15

ARTICLE 16 - TIME CARDS

A. Corrections to the time-card hours and subsequent pay adjustments may be made and bargaining unit members will be notified by a copy of any alterations of their time card. All alterations will be made in a manner that does not obliterate or obscure the original time as reported by the employee. Copies of the employee's time cards shall be made available by the Employer for inspection by the employee or authorized Union representative upon eight (8) working hours written notice by the Union to the State office where the records are maintained.

B. If the employer implements an electronic timekeeping system, corrections to time cards and subsequent pay adjustments will be made using that system, and Section A of this article will not apply. Employees who are using the electronic timekeeping system will have access to review their time card on the system. If the employee is not able to access their time card on the system, then the employer will make available a copy upon eight (8) working hours written notice by the employee or the authorized Union representative.

C. The Employer shall not be required to keep time cards over sixty-five (65) days. Employees having a discrepancy on their time card must bring same to the attention of the Union within thirty (30) days after such discrepancy.

ARTICLE 17 - PAY PROCEDURES

17.01 - PAYDAY

Payday shall be the fifteenth (15th) day of the month and the last day of the month. If the employee's payday falls on a Saturday, Sunday, or holiday, then the last working day before said Saturday, Sunday, or holiday shall be the payday. The parties agree that if a bi-weekly pay schedule becomes available in the future, it will be implemented at the State's convenience. Leave accrual and any other conditions or benefits calculated based on a semi-monthly pay cycle will be recalculated to ensure that the conditions or annual benefits are not reduced by a conversion to a bi-weekly pay cycle.

The parties agree that if a new program becomes available to the State where paychecks are no longer mailed (because of mandatory direct deposit), then the language regarding the mailing of paychecks in this section is no longer valid. If an employee does not receive their direct deposit within twenty-four (24) hours of the close of business on payday or if the employee who elects to receive their paycheck at home or at work does not receive their paycheck on payday, the employee shall be entitled to penalty pay of forty dollars (\$40.00) per day for each day the payment or check is late excluding Saturdays, Sundays and holidays to a maximum of four hundred dollars (\$400.00), provided the employee files notice with the Employer on forms provided by the State within the next regular day of business. Failure to provide notice to the Employer within the specified time period will forfeit claim for penalty pay until the date of written complaint to the Employer.

A. The Employer shall itemize all deductions except deferred compensation on pay advices or regular paychecks so employees can clearly determine the purposes for which amounts have been withheld and shall include the number of straight-time hours, overtime hours, dues deductions and basic rate per hour paid.

B. All mailed checks shall be considered paid timely if postmarked ~~three (3) days~~ prior to payday the due date.

17.02 - PAY SHORTAGES

Verified pay shortages shall be paid promptly after receipt of the employee's complaint in accordance with Section 17.01 and no later than fifteen (15) days after the written complaint is received on forms provided by the State.

It is agreed that pay shortages of twenty-five dollars (\$25.00) or less are exempt from this provision. However, it is agreed that such verified pay shortages will be paid by the next regular payday following receipt of the notice by the Employer or within the fifteen (15) days described above, whichever is later. If not paid within the prescribed period, the penalties as set forth in Section 17.01 shall apply. Date of mailing of the verified pay shortage shall constitute date of payment.

17.03 - TERMINATION PAY

When an employee is terminated, the employee's wages less terminal leave and retirement contributions, become due immediately and shall be paid during business hours no later than the third (3rd) working day after termination. If not paid within the prescribed period, the penalties shall be seven and one-half (7.5) hours per day straight-time rate of pay for any day thereafter that the payment or check is late, provided that the employee files notice with the Employer on the next regular day of business. Failure to provide notice to the Employer within the specified time period

will forfeit claim for penalty until such notice is given. Provided, however, if the employee voluntarily terminates without two (2) weeks prior notice, the late pay penalty shall not apply until after the following pay period. Date of electronic distribution or date of mailing the paycheck shall constitute date of payment. Employees shall be entitled to penalty pay only from the date of written complaint to the Employer.

17.04 - REMOTE LOCATION EXEMPTION

The parties agree that the Employer is exempt from penalty pay under Section 17.01 and Section 17.03, for those employees assigned to duty stations at remote locations where United States mail delivery is not available, except when the regular or termination pay warrant is not mailed to the warrant address of record in accordance with the provisions referenced herein.

The Employer will make every effort, within available means, to forward or deliver mail to employees in such remote locations.

17.05 - LAYOFF

When an employee is placed on layoff, including seasonal layoff, the employee's wages earned through the date of layoff become due and shall be paid on the regular payday for the period in which the wages were earned. If not paid within the prescribed period, the penalties shall be seven and one-half (7.5) hours per day straight-time rate of pay for any day thereafter that the payment or check is late, provided that the employee files notice with the Employer on the next regular day of business. Failure to provide notice to the Employer within the specified time period will forfeit claim for penalty pay until such notice is given. Date of the electronic distribution or date of mailing of paycheck shall constitute date of payment. Employees shall be entitled to penalty pay only from the day of written complaint to the Employer. Pay shortages shall be handled as provided in Section 17.02.

TA KV 2/11/15 11:00
TA Miller
2/19/15

ARTICLE 18 - CONDITIONS

18.01 - MEAL BREAK

A meal period of not less than thirty (30) minutes or more than one (1) hour shall be allowed approximately midway of each shift. If the employee is scheduled to work twelve (12) hours in a day, the employee may request a second (2nd) meal period after eight (8) hours of work, and a third (3rd) meal period if the employee is expected to work beyond twelve (12) hours. The employee shall be relieved of all work-related duties and responsibilities during such meal periods.

18.02 - RELIEF PERIODS

All employees shall be allowed one (1) relief break not to exceed fifteen (15) minutes in duration during the first (1st) half of the shift and fifteen (15) minutes during the second (2nd) half of the shift. When working other than the regular shift, relief breaks shall be taken consistent with the above schedule.

18.03 - HOLIDAYS

Holidays recognized are:

1. The first (1st) of January, known as New Year's Day;
2. The third (3rd) Monday of January, known as Martin Luther King, Jr. Day;
3. The third (3rd) Monday in February, known as Presidents' Day;
4. The last Monday in March, known as Seward's Day;
5. The last Monday in May, known as Memorial Day;
6. The fourth (4th) of July, known as Independence Day;
7. The first (1st) Monday in September, known as Labor Day;
8. The eighteenth (18th) of October, known as Alaska Day;
9. The eleventh (11th) of November, known as Veterans Day;
10. The fourth (4th) Thursday in November, known as Thanksgiving Day;
11. The twenty-fifth (25th) of December, known as Christmas Day;
12. Every day designated by public proclamation by the Governor of Alaska as a legal holiday.

A designated holiday will normally be observed on the calendar day on which it falls except that if the holiday falls on an employee's first regularly scheduled day off it will be observed on the preceding day. If the holiday falls on the employee's second regularly scheduled day off it will be observed on the following day.

Holidays may be rescheduled to another day in the workweek or in the work schedule in which the holiday was to be observed with mutual agreement between the employee and supervisor.

~~1. Employees in the bargaining unit working for the Department of Military and Veterans Affairs will not observe October 18, Alaska Day, but will observe Columbus Day, during the same month, to coincide with the Federal employees attached to the Department of Military and Veterans Affairs (DM1).~~

2.—Any of the holidays provided above may be converted to a floating holiday for any designated group of employees upon mutual agreement of the parties.

18.04 - PERFORMANCE EVALUATIONS

A. Performance Evaluation Reports will be discussed with an employee by the rater. An employee who disagrees with a performance evaluation may submit written comments within ten (10) working days. The written comments shall be attached to the performance evaluation and become a part of the employee's personnel file. Following the discussion of the performance evaluation with the employee, the evaluation will be signed by both the employee and the rater. The signed evaluation, together with any employee comments, shall constitute the evaluation. The employee shall receive a copy of the finalized evaluation.

B. For an employee who is denied a Pay Increment increase under Article 13.04, the following process shall be the sole and exclusive method for resolution:

Level One: Within thirty (30) calendar days after receipt of a copy of the finalized evaluation, the employee must submit through the Union a written request to the director of the employee's division asking that the director investigate allegations that the evaluation includes factual inaccuracies, or that in the preparation of the evaluation management has been arbitrary or capricious, or has been motivated by discrimination or bias. The written request must state specifically the allegations to be investigated and, to the degree that information in support of those allegations is known, identify the facts surrounding the controversy. The list of allegations to be investigated shall not be expanded after the initial submission to the Employer except by written mutual agreement of the parties. The division director or section manager shall have thirty (30) calendar days to assign an investigator outside the complaint's direct chain of command to investigate and make written recommendations to the Director regarding revision of the evaluation, with a copy to the Union.

Level Two: In the event the dispute is not resolved by the recommendations at Level 1, the employee through the Union shall submit a written request for informal hearing to the Director of the Division of Personnel and Labor Relations within ten (10) working days after receipt of the recommendations. Absent such a request, the Director shall adjust the evaluation in accord with the recommendations, provided that those recommendations are not in violation of law or regulation. If a hearing is requested, every reasonable effort shall be made to schedule the hearing within thirty (30) calendar days of the request and in no case later than sixty (60) calendar days. Hearings shall be conducted by an individual outside the employing department and bargaining unit assigned by the Director of Personnel and Labor Relations. The employee and the employing department shall have one (1) hour each to present additional testimony and documentary evidence, which shall be considered by the Hearing Official together with the employee's initial request and the Level One recommendations. The Hearing Official shall issue a final decision within fifteen (15) working days after the close of the informal hearing revising those contested facts found to be inaccurate. Other contested portions of the evaluation shall be revised upon a finding by the Hearing Official that in the preparation of the evaluation management has been arbitrary or capricious, or was motivated by discrimination or bias.

C. Former employees who are evaluated following termination, or are otherwise not available to discuss their evaluation, will be mailed their copy of the completed evaluation at the last address of record. Upon receipt of their evaluation, former employees may, at their option, request to meet with the rater to discuss the evaluation and may submit written comments which will be attached to the evaluation and placed in the personnel file.

T/A
3/18/14
17:00
J.M.

ARTICLE 19 - LEAVE

19.01 - PERSONAL LEAVE ACCRUAL

During the term of this Agreement, personal leave shall be earned and used in lieu of all sick and annual leave except as specified in this Article.

A. Rate of Accrual. An employee shall accrue personal leave as follows:

Years of Service	Hours Per Pay Period
0 - 2	7.50
2 - 5	8.44
5 - 10	9.38
10 +	11.25

In determining years of service for the purpose of computing personal leave, all permanent/probationary service with the State of Alaska is included.

Personal leave accrual for partial pay periods of service will be prorated.

Employees who work less than full-time shall accrue personal leave on a prorated basis according to the above schedule and hours in pay status.

B. Maximum Accrual of Leave.

Effective July 1, 2016, personal leave accrued but not used shall accumulate to a maximum of 1,000 hours. Employees who have a personal leave balance that exceeds 1,000 hours shall not accrue leave until such time as his/her personal leave balance is less than 1,000 hours. Leave usage is deducted in the pay period used, while leave earned for a pay period accrual is not available for use until a subsequent pay period. Employees who have a personal leave balance that exceeds 1,000 hours on July 1, 2016, shall be exempt from this provision until January 15, 2017.

On or about September 1st of each year the Division of Finance will provide a listing of all employees whose personal leave balance is 900 or more hours. The employing agency will then notify the employees. For the remainder of the leave year it will be the employee's responsibility to monitor their own leave balances.

B. C. Changes of Accrual Rate. Accrual rate changes will become effective the sixteenth (16th) day of the month following the pay period in which the employee completes the service requirement and becomes eligible for the higher accrual rate. The leave anniversary date must be moved one month later for each twenty-three (23) days of leave without pay in a leave year (~~December 16 through December 15~~ January 1 through December 31).

19.02 - USE OF PERSONAL LEAVE

Accrued personal leave is available for use after an employee has completed thirty (30) continuous calendar days of employment.

A. Personal leave may be granted at any time business permits with the prior approval of the employee's supervisor. Employees desiring personal leave should submit a request at least forty-five (45) calendar days in advance. The Employer shall respond to the request within fifteen (15)

working days. Requests for personal leave will not be unreasonably denied. Once leave has been approved, the approval may not be rescinded unless the Commissioner of the Department declares that a situation exists which requires the employee's presence on the job.

B. An employee may take personal leave for medical reasons, regardless of whether business permits, upon permission of the employee's supervisor. The Employer shall grant personal leave if satisfied that the employee is absent for medical reasons. The taking of personal leave for medical reasons shall be reduced by the amount of wage continuation payments made under the Alaska Workers' Compensation Act (AS 23.30). The following constitute "medical reasons" and are subject to the conditions noted:

1. Medical disability of an employee is a medical reason for taking personal leave.
2. Medical disability of a member of an employee's immediate family is a medical reason for taking personal leave if the disability is such that the attendance of the employee is required.
3. A medical condition of an employee that makes presence at work a danger to the health of fellow employees is a medical reason for taking personal leave.
4. Pregnancy and childbirth is a medical reason for an employee to take personal leave.
5. Death of a member of an employee's immediate family is a medical reason for taking personal leave. An employee is entitled to five (5) days of personal leave for this purpose; additional personal leave may be granted at the Employer's discretion.

The Employer may require a doctor's certificate to substantiate any medical reason for taking leave which exceeds three (3) consecutive working days or if malingering is suspected. An employee who falsely claims a medical use of personal leave is subject to disciplinary action.

C. **Family Medical Leave (Federal).** Qualified employees will be entitled to coverage under the Family Medical Leave Act (FMLA). Health insurance contributions will be made on behalf of qualified employees during the twelve (12) week period of family leave (including periods of personal, sick or donated leave, or periods of leave without pay).

When taking leave under the FMLA, a qualified employee must exhaust all accrued sick, personal, and donated leave (in that order) before entering leave without pay. When taking leave due to pregnancy, childbirth, foster care placement or adoption, the leave entitlement must be taken consecutively.

The twelve (12) month period for utilizing leave entitlements shall commence with the first day leave is taken under the FMLA. Approved leave without pay taken under the provisions of the FMLA shall have the same effect as any other period of approved leave without pay on the employee's terms and conditions of employment, except as provided herein.

An employee may be required to re-certify the qualifying reason for remaining on family leave. An employee may be required to provide a fit-for-duty statement prior to returning to work.

The parties recognize that if leave provisions in this Article are found to be in conflict with the FMLA, FMLA entitlements prevail.

D. **Family and Health Leave (State).** The parties recognize that qualified employees may be entitled to up to eighteen (18) workweeks of leave during a twenty-four (24) month period pursuant to AS 39.20.305, and that such entitlements may run concurrently with FMLA entitlements.

19.03 - MANDATORY LEAVE USAGE

~~Each employee shall use at least thirty-seven and one-half (37.5) hours of personal leave during each leave year beginning December 16 and ending December 15 of the succeeding year. Personal leave accrued but not used shall accumulate up to the 1000 hour cap until separation; however, at least seventy-five (75) hours of personal leave must be used each full leave year (January 1 through December 31).~~ If the employee does not use at least ~~thirty-seven and one-half (37.5)~~ seventy-five (75) hours of personal leave during the leave year, the difference between ~~thirty-seven and one-half (37.5)~~ seventy-five (75) hours and the amount of personal leave used shall be canceled without pay unless the department or agency head certifies in writing that the employee was denied the opportunity to use ~~thirty-seven and one-half (37.5)~~ seventy-five (75) hours of personal leave during the leave year. Should circumstances cause the Employer to refuse the employee the opportunity to use the full ~~thirty-seven and one-half (37.5)~~ seventy-five (75) hours, any unused portion of the ~~thirty-seven and one-half (37.5)~~ seventy-five (75) hours mandatory leave shall be deducted from the employee's leave balance at the end of the leave year and paid at the employee's regular hourly rate. Part-time employees shall have the mandatory leave requirement prorated based upon the number of hours the employee is regularly scheduled to work.

Up to 37.5 hours of personal leave cashed-in under Article 19.04 will be applied to the employee's mandatory leave usage requirement.

19.04 - LEAVE CASH-IN

Upon written request to the Employer, an employee shall receive payment for the employee's personal leave. Leave shall be paid at the employee's regular hourly rate. Additional hours of personal leave may be granted at the Employer's discretion. The employee's leave balance will be reduced by the number of hours of personal leave for which payment is made. In no case may an employee's leave balance be reduced to less than thirty-seven and a half (37.5) hours through cash-in.

~~Withdrawals under this section shall not eliminate the employee's obligation to use personal leave as provided in Section 19.03, nor shall the hours withdrawn take the place of leave which an employee is required to use.~~

19.05 - TERMINAL LEAVE

An employee who is separated from State service except by seasonal layoff, shall receive within thirty (30) days a lump sum payment of the cash value of the employee's accrued personal leave. An employee who is placed on seasonal layoff may choose to: 1) receive within thirty (30) days a lump sum payment of the cash value of the employee's entire accrued personal leave, or 2) elect to retain up to one-hundred and fifty (150) hours of personal leave for use upon return to work. The cash value of leave in excess of one-hundred and fifty (150) hours will be paid in a lump sum payment. Retained leave may not be cashed out while on seasonal layoff, however, if a determination is made that the employee will not return or be returned from seasonal layoff the cash value of any retained leave will be paid as a lump sum at that time.

19.06 - LEAVE DONATIONS

Members of this bargaining unit shall be allowed to donate personal leave to and receive personal or annual leave from employees in this unit or those represented by a different union or non-covered

employees subject to the following conditions:

A. Each employee wishing to donate personal leave will fill out, date, and sign a leave slip showing the hours of personal leave he or she wishes to donate in increments subject to a minimum of two (2) hours. The leave slip will have written or typed along the bottom, or in the space provided, "Leave donation to: (employee name, employee identification number)."

B. Donors will submit leave slips for a particular donee to the Division of Personnel & Labor Relations, Payroll Services Supervisor of the department in which the donee is employed. Leave donations will be posted in date and order received to the recipient's Donated Leave Account during the pay period in which personal and sick leave is exhausted, for use from that pay period forward. Once the employee returns to work, if after three pay periods in which the donee does not require the use of donated leave, the leave donated and not used by the donee will be returned to the donor.

C. The Employer will convert the donated leave hours to dollars at the regular (annualized) hourly rate of the donor. The dollars will then be converted to hours of leave at the regular (annualized) hourly rate of the recipient, and the resulting number of hours will be added to the recipient's Donated Leave Account for use in accordance with the requirements of this Article. The total amount of leave credited to the recipient's Donated Leave Account shall not exceed three hundred (300) hours during the life of the agreement.

D. Once the Employer has completed the above process, the State will not be obligated for further processing or liabilities resulting there from. Once the donation has been transferred to the recipient's account, the donation cannot be withdrawn, modified or otherwise returned to the donor's account.

E. Donations of leave under this section will not reduce the mandatory leave usage requirements established in Section 19.03.

F. Donated leave may not be used unless and until all accrued personal leave and all sick leave have been exhausted. Donated leave may only be used for those purposes described in Sections 19.2.B, C, and D. Upon termination, any balance in the Donated Leave Account shall be canceled without pay. Upon the death of an employee, the balance of the Donated Leave Account will be paid to the employee's beneficiaries at the employee's regular hourly rate.

19.07 - CASH DONATIONS

Members of this bargaining unit shall be allowed to donate personal leave to and receive donations of personal or annual leave from employees in this unit, those represented by a different unit and non-covered employees. The Employer will convert the leave to earnings at the regular (annualized) hourly rate of the donor and appropriate deductions required by law will be made. The net sum of donations after deductions will be combined into a single check and delivered to the Division of Personnel & Labor Relations, Payroll ~~Technical~~ Services Manager for distribution to the employee. An individual letter of agreement between the State and the recipient's union will be required for each recipient.

19.08 - SICK LEAVE

In the event of serious illness or injury within the employee's immediate family which requires the attendance of the employee for emergency care or when the employee's presence on the job would jeopardize the health of fellow employees, the employee shall be entitled to the use of sick leave provided that a physician's certificate may be required by the Employer that the presence of the

employee was required or that the illness or injury would jeopardize the health of other employees. Immediate family shall be defined as father, mother, husband, wife, sons, daughters, brothers and sisters.

A. **Doctor's Certificate.** Employees using three (3) days sick leave or less shall not be required to furnish a doctor's certification before returning to work unless there is reason to believe malingering is involved. Any employee with more consecutive sick leave days than specified above may be required to furnish a doctor's certificate to the Employer, certifying that the employee was physically unable to perform their duties. Any employee who abuses the sick leave privilege is subject to disciplinary action.

B. **Dental Appointments.** The employee shall be allowed time off without loss of pay for time spent off the job while under the care of a dentist, for such treatment as provided under the health and welfare plan. Such time off shall be deducted from the employee's accumulated sick/personal leave credit account. The employee shall notify the Employer not less than one (1) day in advance of such appointment. However, in cases of emergency, the employee need not give notice to the Employer, but must show evidence of such emergency upon return to work if requested by the Employer. Upon completion of such appointment or series of appointments, the employee shall provide the Employer with a dentist's certificate, in a form acceptable to the Employer, that shall contain the date and hour of when such appointment or series of appointments were scheduled and completed.

19.09 - FUNERAL LEAVE

Following the death of a member of an employee's immediate family, an employee is entitled to five (5) working days of leave; additional days may be granted at the Employer's discretion. Immediate family shall be defined for purposes of this section only as spouse, son, daughter, mother, father, sister, brother, grandparents, including in-law and step-relation equivalents. Funeral-leave time shall be deducted first from accumulated sick leave, then from personal leave.

19.10 - DEATH OF AN EMPLOYEE

Upon the death of an employee, any unused sick leave balance shall be paid in cash to the employee's beneficiaries at the employee's base pay rate.

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ARTICLE 20 - LEAVES OF ABSENCE

20.01 - APPLICATION FOR LEAVES OF ABSENCE

No application for a leave of absence, as described in this Article, will be considered, unless it is applied for in writing or electronically, if electronic option is available and presented to the employee's immediate supervisor for approval in advance whenever possible.

20.02 - TEMPORARY ABSENCE DUE TO DISABILITY, ILLNESS OR INJURY

A permanent employee who shall be found and certified by a medical doctor to be unable to perform his or her regular or alternate duties within this bargaining unit because of disabling illness or injury shall use all accumulated leave prior to requesting extended leave without pay.

Leave of absence without pay will be granted up to a maximum of twelve (12) months, with service bonus credit and seniority accumulating, subject to the following conditions:

A. Requests for leave of absence without pay shall be in writing in accordance with Section 1 of this Article.

B. Requests for leave of absence without pay shall be submitted to the Employer no less than ten (10) days prior to the effective date of the request or ten (10) days before the employee exhausts accumulated paid leave. Reasonable extensions to the application shall be granted by the Employer upon a good faith showing by the affected employee.

C. The employee signs a release that will allow the Employer to obtain additional medical information when deemed necessary by the Employer.

A leave of absence without pay may be granted for a period of time up to twelve (12) months, depending on the extent of illness or disability. The Employer may require a certificate from a medical doctor of the Employer's choice at any time, although not more frequently than once every thirty (30) days, should there exist any questions with regard to the illness or injury as related to the employee's ability to perform their expected duties. This examination shall be performed at no cost to the employee.

D. If the disability continues beyond twelve (12) months and the employee has not returned to work, the employee's service bonus credit and seniority will be broken and terminated, unless otherwise mutually agreed by the Union and Employer.

20.03 - OTHER APPROVED ABSENCE

Upon written approval of the employing department, permanent employees may be granted a leave of absence without pay.

20.04 - MILITARY LEAVE

A. An employee who is ordered by the United States Selective Service System to report for a pre-induction physical examination is entitled to a leave of absence without loss of pay, time or performance rating. The leave of absence shall not exceed three (3) working days.

B. An employee of the State who is a member of a reserve component of the United States Armed Forces, National or Alaska Guard or Naval Militia, is entitled to a leave of absence without loss of

pay, time or performance rating on all days during which the employee is ordered to training duty, as distinguished from active duty, with troops or at field exercises or for instruction, or when under direct military control in the performance of a search and rescue mission. The leave of absence may not exceed sixteen and one-half (16.5) working days in any calendar period beginning December 16 and ending December 15.

20.05 - JURY/COURT LEAVE

An employee who is called for jury duty or who is subpoenaed to appear in court in Alaska as a witness will be compensated by the Employer for the difference between payment received for such compulsory jury duty or court appearance and the payment the employee would have received for the straight-time hours the employee was thereby required to lose from their regular work schedule but not to exceed thirty-seven and one half (37.5) hours per week, computed at the employee's established basic hourly wage rate. However, when subpoenaed by a party other than the Employer, the employee will not be compensated if the employee, the Employer or the Union is a party in the case, or if the employee has any direct interest or financial interest in the case. Differential payment shall be made so long as such jury duty or court appearance continues only upon presentation of documentary proof of jury duty or court appearance and the payment received therefore. Continuous service bonus credit and duly-established seniority privileges will accumulate during such leave.

20.06 - TIME OFF TO VOTE

If the Employer has so placed an employee that the employee is unable to vote on off-duty time, it shall be the responsibility of the Employer to provide time and transportation during normal working hours, without loss of pay to the employee, for each employee to vote in Federal, State, city, borough elections and Union elections held on the employee's job site.

20.07 - UNION BUSINESS LEAVE

There is hereby created a Union Business Leave Bank which shall be administered by the State with a monthly report of the balance and withdrawals provided to the Union Business Manager. The Bank shall be established by a transfer of one (1) day of personal leave from each employee on the payroll of the Employer. Employees shall donate one (1) day of personal leave when the employee's balance is at least one (1) day or more and such leave shall be transferred to the Bank. Existing employees who have donated leave during their current employment shall be exempt from this section.

Withdrawal requests from the Bank will be for purposes of compensation of bargaining unit members for absences due to contract negotiations and formulation, meetings, conventions, training sponsored by the Union, attendance at arbitration or other hearings as a witness of the Union, and other like purposes as may be determined by the Union. Requests for withdrawals from the Bank shall be made only by the Business Manager of the Union to the Director of the Division of Personnel on forms mutually agreed by the parties and furnished by the Union. Personal leave transferred to the Bank is final and not recoverable for re-credit to an individual's leave account.

In addition, the parties agree that a cash business leave bank may be established at any time by mutual agreement.

The release of employees for Union leave from duty shall be handled on the same basis as release from duty for personal leave, however, such release shall not be unreasonably withheld by the

supervisor. No one employee may be absent for longer than twelve (12) months during the life of this Agreement.

Unless otherwise mutually agreed in writing, should a promotional opportunity arise while an employee is on Union Business Leave, they shall be deemed eligible for the promotion. Should an employee accept such a promotion, their leave shall be canceled and they shall be ineligible for Union Business Leave during the succeeding six (6) months, unless specifically approved by the Director of the Division of Personnel and Labor Relations.

TA/KD 3/21/16

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TA Date 3/18/16
State of Alaska
Local 71 [Signature]
104-07

Local 71 Proposal 3/17/16

ARTICLE 21 - SAFETY AND LIABILITY

[BARGAINING NOTE: Current Contract Language]

21.01- UNSAFE EQUIPMENT

No employee shall be discriminated against or disciplined in any manner because of refusal to work with, operate, or ride in unsafe equipment. Such refusal must be evidenced by a written report of the unsafe condition by the employee. If subsequently the equipment is deemed to be safe by the Safety Committee, disciplinary action may be taken by the Employer.

21.02- WORK SAFETY

All work should be executed in a safe manner. The "Alaska State Safety Code" and OSHA regulations shall serve as minimum standards.

21.03- SAFETY AND FIRST-AID EQUIPMENT

Safety devices and first-aid equipment, as may be needed for safety and proper emergency medical treatment, shall be provided for by the Employer. Each employee shall be responsible to account for the tools, protective clothing and equipment so supplied, ordinary wear and tear excepted. Nonexpendable tools or protective clothing which become lost, damaged or stolen through the employee's proven negligence or deliberate act shall be replaced or paid for by the employee.

The Employer shall furnish such safety equipment and protective clothing as is necessary for the safety of the employees. Accordingly, the Employer agrees to furnish coveralls to employees working as equipment operators and their foreman, and mechanics and servicemen in an automotive shop and their foreman. The Employer may elect to provide coveralls to automotive shop mechanics, servicemen and foremen, which are of a color other than orange and which are fabricated of cotton or other fire resistant material. Each employee will be responsible for cleaning their own issued coveralls. However, in locations where washers and/or dryers are made available for such cleaning, such washers or dryers shall continue to be available for that purpose but there is no requirement to furnish washers or dryers in other locations, unless the State discontinues a practice of having them commercially cleaned during the term of this Agreement.

21.04- SAFETY AND FIRST AID PROGRAM

A safety and first-aid program as required by the State Safety Code, shall be instituted, and regular safety meetings at each duty station shall be scheduled by the Employer during working hours once each month in a "tool box" or "lunch" area.

21.05- FIRST AID TRAINING

The Union will cooperate with the Employer in order to have at least one (1) person in each ten (10) employed who is a trained first aid person.

21.06- SPECIAL FIRST-AID REQUIREMENTS

A. The Employer will keep and maintain fully-equipped standard first-aid kits (as prescribed by the National Safety Council). For crews who are working remote areas, a first aid kit shall be provided and accessible on each machine or for each crew.

B. Every foreman or leadman in the bargaining unit shall have a current State-approved first-aid card.

C. Blankets and stretchers shall be maintained for the use of employees who may be injured.

D. Employees whose injuries require the use of a stretcher or ambulance shall be accompanied to the hospital by an attendant.

E. Immediate transportation must be provided for seriously injured or ill employees, and such transportation must have precedence over all other transportation.

F. The Employer shall also notify the Union, as promptly as possible, of lost-time accidents and shall furnish the Union with a copy of the Employer's accident report at the time such report is furnished to the insurance company.

21.07- SANITARY REQUIREMENTS

A. Where temporary camp housing is furnished, each employee shall be allowed housing of approximately sixty (60) square feet of floor area and shall be furnished bedding and a weekly change of linen. Shelter-wells and similar structures shall require approximately ninety (90) square feet of floor area per employee. Adequate closet or locker space shall be provided each employee, and where more than two (2) employees are housed in a single room, a locker and keys or lockable closet shall be provided each employee. There shall be no more than four (4) employees housed in a standard 16' x 24' shelter-well. Living quarters, toilets, showers and laundry rooms shall be kept clean. The Employer shall furnish an adequate number of washers and dryers, both in camp and in facilities arranged for through a third (3rd) party. However, employees covered by this Agreement shall be entitled to as favorable camp conditions as other employees employed on the project. Alberta or equal quality trailer camps are acceptable, providing the patented or similar covered walkways are installed.

B. Those employees handling, preparing, or serving food will not be utilized during the same shift in cleaning toilets and urinals, and will not be used to wash or clean floors, beds, walls, and the garments of patients. This does not apply to the employee's assigned work area.

C. It shall not be considered a violation of this Agreement where employees refuse to work in facilities that are not being maintained in a sanitary condition.

21.08- SHELTER REQUIREMENTS

Warm and adequate shelter shall be provided for employees by the Employer in which to dry their clothes and eat their meals.

21.09- EQUIPMENT REQUIREMENTS

To insure safety and to eliminate unnecessary occupational accidents, the Employer agrees that all equipment shall be properly cabbed and screened.

21.10- DRINKING WATER

Clean and sanitary drinking water will be provided in adequate supply in close proximity to workers at all times.

21.11- TOILETS AND URINALS

On all projects covered by this Agreement there shall be provided by the Employer at all times during construction, sanitary facilities consisting of a reasonable number of toilets and urinals.

21.12- MONITORED HEALTH PROGRAM

The parties recognize that certain employees may come in contact with toxic chemicals, radioactive materials and/or work with and around asbestos. Upon the signing of this Agreement, the Employer and the Union agree to establish a labor-management committee consisting of two (2) representatives of the Union and two (2) representatives of the Employer to review the medical examination needs of employees who may have been exposed during the course of their employment with the Employer. The purpose of the committee shall be to determine a set of criteria which establish the circumstances under which employees exposed on the job are entitled to an in-depth medical examination at the Employer's expense.

21.13- FIRE DUTY

It is recognized that circumstances associated with fire suppression activities under the control of the Department of Natural Resources precludes management from maintaining camp requirements as outlined in Section 21.08.A. It is therefore agreed and understood that the following provisions shall apply to fire suppression activities:

A. When an employee is assigned to fire duty on a fire line, or in related duties at or near the fire line, camp requirements need not be met nor is per diem payable except that per diem will be payable, consistent with Article 15, for each day after twenty-three (23) consecutive days of initial assignment to fire suppression activities, or twenty-three (23) consecutive days for each reassignment to the fire suppression activities.

B. When an employee is assigned to supply or support activity related to a fire, but they are retained in a city, town, or village distant from the fire, per diem will be paid per Article 15 if commercial facilities are present in the community and the employee can procure such facilities for the employee's use, and the department has not provided for those commercial facilities.

If such facilities are not available or cannot be procured, the Department of Natural Resources will provide other facilities to include sleeping and lavatory needs, a light source, heat where needed, and a means of heating or preparing the food provided by the department.

Facilities provided by the Department of Natural Resources will be equal to facilities provided to all other employees similarly assigned and per diem is not payable.

Should it become necessary for support personnel to travel to or near the fire line, the provisions of

State of Alaska _____

Local 71 _____

subsection A herein shall apply for the duration of that stay.

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ARTICLE 22 - SENIORITY

For purposes of layoff, recall, and promotions, seniority shall be established by the date of entry by a probationary/permanent employee into an established or new duty station. Employees who are on leave without pay for layoff, subject to recall, or on leave in pay status, shall continue to have the same seniority date as original entry into the duty station. Employees who are on leave without pay for under thirty (30) consecutive days shall maintain their same seniority date. Employees on leave without pay for over thirty (30) consecutive days shall have their seniority date adjusted according to the days over thirty (30) in leave without pay status, except as specifically provided in other sections of this Agreement.

The Employer shall also notify the Union, in writing, of all layoffs and recalls and their effective dates concurrent with the notice to the affected employees. The Employer will also furnish every six (6) months, by duty station, lists of all employees by seniority date including their classification. Such seniority lists shall be forwarded to the Business Manager no later than March 1 and September 1 of each year.

22.01 - DUTY STATION SENIORITY

Duty Station seniority shall be established for the purposes of ranking employees for promotion or layoff and recall from layoff. Duty stations shall be determined by location. These locations will be categorized by department, by divisions within that department. For purposes of this section, location shall mean the city, town, village or job site.

Within the Department of Transportation and Public Facilities, the divisions of Maintenance and Operations, and the State Equipment Fleet, will be combined into one duty station at each location for determining duty station seniority. For the Southeast Region, because the Division of Maintenance and Operations is also combined with Construction, Construction shall be considered a separate duty station from Maintenance and Operations and the State Equipment Fleet for determining duty station seniority.

It has further been understood that if an employee is temporarily reassigned from their permanent duty station for a period not to exceed one (1) year, or as mutually agreed by the parties, the employee's seniority at their permanent duty station will not be affected.

Duty station seniority shall not in any way affect the employee's overall seniority with the Employer for purposes of vacation, holiday and/or other fringe benefits.

A. It is agreed that this subsection covers only design and construction employees within this bargaining unit employed in the Department of Transportation and Public Facilities, and the Department of Natural Resources, Division of Parks, who are assigned to work on-site at pre-construction or construction projects. Accordingly, Article 15 and Article 22 of this Agreement are modified to meet the working conditions of employees so employed. Those sections or subsections of the Collective Bargaining Agreement not modified herein will remain in full force and effect.

Each employee will be assigned by the Employer upon hire to a permanent duty station which will be an area of fifty (50) road miles from a focal point in a city, town, or village which has a population large enough to reasonably expect local hires for jobs within that duty station. Once assigned to a duty station, that duty station shall be the designated, permanent duty station of the

employee unless and until the employee elects to fill a position in another duty station in accordance with Article 4 or Article 22.03. There shall be only one (1) permanent duty station for each employee.

The Employer will designate duty stations and determine the focal point of each duty station. That designated duty station shall be used to compute duty station seniority. However, if a dispute arises regarding the focal point, both parties agree to meet and confer on the issue.

For the purposes of determining compensation, the focal point for each duty station will be considered point zero and the project office will be considered as the job assignment for determining miles from the focal point.

When an employee is assigned to work at a project with the project office between the focal point and twenty-five (25) road miles from the focal point, the employee will not be entitled to per diem, meal allowances, travel pay or any other compensation in lieu thereof.

When an employee is assigned to work at a project with the project office between twenty-five (25) road miles and fifty (50) road miles from the focal point, the employee will be entitled to ten dollars (\$10.00) for each day worked at the project.

When an employee is assigned to work at a project with the project office beyond fifty (50) road miles from the focal point of their designated, permanent duty station, the employee will be entitled to meal allowances in accordance with Article 15.03. When the employee is required to stay overnight for an assignment beyond fifty (50) road miles from the focal point of their designated, permanent duty station, the employee shall be entitled to lodging and meal allowances in accordance with Articles 15.02 and 15.03.

Each employee shall be entitled to report to the project office each workday and shall be entitled to travel time or work time, as appropriate, for the time required to transport themselves to the work site. In the event that the employee and their supervisor mutually agree that the employee will report directly to the work site, the employee shall be entitled to travel time or work time, as appropriate, for actual time spent traveling, but no more than that which it takes to travel from the project office to the work site.

22.02 - PROMOTION

For the purposes of this section, promotion means the movement from a permanent position in any classification to a permanent position in any classification at a higher range. It is recognized by the parties that promotions usually occur within an occupational series consisting of one (1) or more classifications. However, it is also recognized that promotions from one (1) occupational series to another occupational series shall be allowed providing the promotional candidate is qualified and competent for the position to be filled and the employee satisfies the other conditions of this section.

A. When an opening occurs, promotions shall be initiated by posting of a job announcement at the duty station where the opening occurs. Such job announcements shall be posted in a location or locations where all eligible candidates could reasonably be expected to be aware of the opening. Such job announcements will be posted for four (4) working days and will be retained by the Employer for six (6) months.

B. Promotions shall be made from among the three (3) employees signing the job announcement with the highest duty station seniority, provided each employee is qualified and competent for the higher classification and is qualified and competent to perform the duties of the position to be filled. If the Employer determines that any of the three most senior employees signing the job announcement are not qualified or competent for the higher level position, the Employer may consider other employees, in order of their seniority, until three qualified and competent employees are under consideration for the position. If an employee other than one of the three most senior is selected for promotion, the Union and Employer will meet and confer.

C. When Sections A and B above have been complied with ~~but no employee at the duty station is found qualified and competent for the promotional vacancy,~~ the Employer may promote an employee from another duty station. When an employee is promoted as a result of a transfer from one (1) duty station to another duty station, the duty station seniority of the employee will not be a determining factor, but such a promotional transfer will be determined by whether or not the candidate is qualified and competent for the position to be filled.

The employer at all times shall have the right to acquire and select from an applicant pool of no less than three applicants.

22.03 - TRANSFERS

A. An employee will not be compelled to accept a transfer from one (1) duty station to another duty station or from the employee's classification to another classification at the same wage group. When an employee accepts a transfer from one (1) duty station to another duty station, ~~the employee shall retain 50% of their duty station seniority. the employee's duty station seniority at the duty station the employee left will be terminated and the employee will begin accruing duty station seniority at the employee's new duty station effective on the date of the transfer.~~

B. When an employee accepts a transfer from one (1) classification to another classification of the same wage group at the same duty station, the employee's duty station seniority shall be retained for purposes of ranking for promotion.

C. When an employee applies for transfer to another duty station and it is accepted by the Division Director, the employee will receive a duty station seniority credit that will be calculated at a rate of 50% of current duty station seniority. For purposes of Article 22.03(C), a transfer shall be considered any movement from one LTC position to another from one duty station to another without a break in service, regardless of the job class or wage grade.

22.04 - LAYOFF

A. Layoffs, including reduction in force, shall be made in reverse order of duty station seniority from among those in the classification in which the layoff occurs.

B. An employee may exercise bumping rights to a lower classification in the employee's class series at the employee's duty station, provided the employee is qualified to perform the tasks of the lower classification and is not the least senior in the lower classification, and will assume the wage level of

the lower classification to which the employee is moved.

C. When an employee is promoted, voluntarily demoted in lieu of layoff or transferred outside of the employee's occupational series at the employee's duty station, the employee retains seniority in the classification the employee left for ~~two (2)~~ three (3) years. If the employee does not return to the classification the employee left within ~~two (2)~~ three (3) years, the employee loses all accumulated seniority in that classification.

22.05 - RECALL

A. Recalls shall be made in order of duty station seniority from among those employees laid-off in the classification in which the recall occurs.

B. Employees who exercise their bumping rights in accordance with Section 22.04.B of this Article shall retain their recall rights to the classification from which they were laid off, for a period of ~~two (2)~~ three (3) years.

C. Employees who voluntarily demote or transfer outside their classification series to another classification at the same duty station shall retain recall rights to the classification they vacated for a period of ~~two (2)~~ three (3) years.

22.06 - TERMINATION OF SENIORITY

Seniority shall be terminated and the Employer-employee relationship shall be severed by the following conditions:

A. Discharge in accordance with Article 8.

B. Layoff of ~~twenty-four (24)~~ thirty-six (36) months duration.

C. Resignation.

D. Failure to return from leave of absence on agreed date unless approval has been obtained from the Employer.

E. Failure to return from layoff when recalled, except under unique and unusual circumstances.

TAIKU 3/21/16

1/18/16
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State Proposal 031816 #2

ARTICLE 23 - HEALTH AND SECURITY

23.01 - EMPLOYEE HEALTH INSURANCE

The terms and conditions of the Public Employees Local 71 Health and Welfare Trust established by Letters of Agreement 93-LL-027 (as amended) and 99-LL-030 shall continue during the term of this Agreement.

Effective July 1, ~~2012~~ 2015, the Employer shall contribute \$1330 \$1389 per month to the Union's health insurance trust for each eligible employee.

Effective July 1, 2016, the Employer shall contribute \$1363 per month to the Union's health insurance trust for each eligible employee.

Effective July 1, 2017, the Employer shall contribute \$1432 per month to the Union's health insurance trust for each eligible employee.

Upon request, the Trust shall provide the State with the Trust's most recent audited financial statement, Summary Plan Description, a summary of plan changes enacted subsequent to the date of the last Summary Plan Description, as well as expense and revenue data specific to State employees. This shall include State employee contributions, paid claims and stop loss reimbursements, and the State employees' pro-rata share of pharmacy rebates, stop loss premiums, and administrative expenses.

~~Effective July 1, for each year after this Agreement, the Employer health insurance contribution will increase by an amount of money not exceeding that necessary to maintain comparable coverage under the current Select Benefits Default/Economy Plan.~~

Upon sixty (60) days written notice to the Commissioner of Administration, the Union may increase the monthly contribution of eligible employees.

23.02 - EMPLOYEE LIFE INSURANCE

The Employer shall insure the life of every employee in the principle amount of ~~two ten~~ thousand dollars ~~(\$2,000.00)~~ (\$10,000.00).

23.03 - HEALTH INSURANCE RATE ADJUSTMENTS

The Union agrees to provide the State with an actuarial analysis of the Trust by May 1 of each year of this agreement. The State, at its own expense, reserves the right to perform its own review and analysis of the Trust.

State Proposal INSERT DATE HERE

DAV *11 A* *11:11*

BE, TA, KD 2/19/15

ARTICLE 24 - PENSION AND RETIREMENT

The employee shall enjoy the retirement benefits as outlined in the applicable statutes relating to the Public Employees' Retirement System.

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T/A
2/19/14

State Proposal ~~PLG AR 9, 25, 27 & 4~~ PLG AR 9, 25, 27 & 4

TAKO
2/18/14
2/19/14

ARTICLE 25 - TOOL ALLOWANCE

All permanent Mechanics (Automotive) in Wage Group 53 and 54, Mechanics (Aircraft) in Wage Group 53, and Mechanic (Automotive) Foreman I in Wage Group 52 will be required to furnish their own hand tools up to but not including socket sets of 3/4-inch drives. The employees will receive a tool allowance of thirty dollars (\$30.00) each pay period. Maintenance Specialist (Electronics) Journey I and Lead will be paid twenty dollars (\$20.00) each pay period and furnish all hand tools exclusive of complex testing equipment consistent with this section. Mechanic (Automotive) - Sub-journey, Wage Group 56, will receive twenty dollars (\$20.00) each pay period and furnish all hand tools necessary to work within this class specification.

Department of Corrections employees who are provided all tools and not allowed to bring personal tools into the facility are excluded from the tool allowance provision in this article. However, any Department of Corrections employee who received a tool allowance as of July 1, 2010 will continue to receive the tool allowance as long as it would otherwise be permitted under this article.

If the Employer adopts new or revised class specifications which fall within the automotive mechanical or electronic technician fields, the parties agree to negotiate the amount of tool allowance which might be appropriate for the new or revised class specification. In the event such negotiations do not produce an agreement, the dispute shall only be resolved pursuant to Article 9, Section 9.02.

1/23/15 KD

ARTICLE 26 - SEPARABILITY AND SAVINGS

26.01 - SAVINGS CLAUSE

If an Article or section of this Agreement should be decided by a court of competent jurisdiction, or by mutual agreement of the parties, to be in violation of any Federal, State or local law, or if adherence to or enforcement of an Article or part of an Article should be restrained by a court of law, or if any Article or section should be found not in compliance with Federal regulations where compliance is required as a condition for the receipt and expenditure of Federal funds, the remaining Article and sections of the Agreement shall not be affected and the parties shall convene within thirty (30) days for the purpose of negotiating a satisfactory replacement.

26.02 - WAIVER OF BARGAINING

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that this Agreement is the entire Agreement and concludes all collective negotiations during its term.

The parties further agree that notwithstanding the above section, maintenance of contract matters, should they develop, may be negotiated under a written supplemental agreement.

26.03 - MERIT SYSTEM PRINCIPLES

The parties agree that it is their mutual intent to strengthen the merit principles in the bargaining unit, and pursuant to AS 23.40.070(3) shall use all due diligence to maintain merit principles among public employees.

Should this Agreement or any section or Article be found in violation of Federal regulations where compliance is required for receipt or expenditure of federal funds, the parties agree to convene within fifteen (15) days and re-negotiate the section or Article to comply with such regulations.

26.04 - GRANT-AIDED AGENCIES

Employees subject to Federal provisions regarding merit system requirements for Grant-in-Aid Agencies shall be subject to regulations developed by the referral committee provided for in Article 4.03. Regulations will be developed and implemented for those employees governing appointment, promotion and layoff in accordance with Federal merit system standards.

26.05 - AVAILABILITY OF PARTIES TO EACH OTHER

The State of Alaska and Public Employees Local 71 hereby agree to meet at reasonable times for a discussion of this Agreement, its interpretation, continuation and/or modification.

Therefore, there shall be established a labor/management committee comprised of representative(s) of both labor and management who will meet periodically for the purpose of discussing matters relative to the administration of the Agreement between the parties. Meeting agendas and location will be mutually agreed to in advance of the meeting. It is agreed that the location shall be rotated between Anchorage, Fairbanks and Juneau. This agreement is established for the purpose of facilitating two-way communication. Both parties agree that an obligation to meet in good faith exists.

T/A
KDM
2/19/16

KD
3/18/16
2/19/16 KD

ARTICLE 27 - STATE-OWNED/CONTROLLED HOUSING

The parties agree that the following is the rental schedule for Bargaining Unit Members living in State-owned or State-controlled housing.

27.01 - FACTORS TO BE USED IN DETERMINING RENT

The following factors are to be used in the rental formula for assessing rental charges for State housing units:

Rental Base - The typical rent for an unfurnished unit in Anchorage with a particular number of bedrooms.

Facility Condition - The index of facility condition in terms of "Good," "Fair," or "Poor."

Adjusted Rent - The figure derived from application of the facility condition index to the rental base. The adjusted rent figure will be used for the calculation of the amenities lacking and the imposition-on-privacy deductions.

Required-to-Live - A deduction of twenty-five (25) percent allowed for protection of property or for the convenience of the State where applicable.

Imposition-on-Privacy - A deduction of ten (10) percent of the adjusted rent allowed for the use of a portion of the facility for State business if applicable.

Amenities Lacking - Percentage of the adjusted rent to be deducted due to lack of fire and/or police protection.

Geographic Differential - The coefficient used to adjust an Anchorage-based rent to a level appropriate for a specific location outside of Anchorage. See Section 27.09 for list of coefficients by election district.

Travel Allowance - Deduction allowed for locations involving unusual transportation costs.

27.02 - RENTAL FORMULA

The rental formula is as follows:

$$[\{((RB \times CI) - (AL + IP)) \times GDF\} - TA] \times RTL + UC = FCR$$

Or Calculated FCR is:

RB
x CI
Subtotal 1

Subtotal 1
-(Subtotal 1 x AL) + (Subtotal 1 x IP)
Subtotal 2

Subtotal 2

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xGDF
Subtotal 3

Subtotal 3
-TA
Subtotal 4

Subtotal 4
xRTL
Subtotal 5

Subtotal 5
+UC
FCR

GDF is the geographical differential factor for a particular location.

CI is the facility condition index:

- 1.0 = Good
- 0.8 = Fair
- 0.6 = Poor

RB is the typical rental base for an unfurnished unit in Anchorage with a particular number of bedrooms.

RTL is the reduction for required-to-live; when used in the formula the RTL equals three-quarters (.75).

AL is the deduction for amenities lacking.

IP is the deduction for imposition-on-privacy.

TA is the allowance for excessive travel.

UC is the utility charge for all units except bunkhouses.

FCR is the formula calculated rent.

AND:

Amount of rent to be paid will be the lesser of the following:

1. twenty-five percent (25%) of employee's gross income (standby and overtime compensation excluded) as an employee of the State of Alaska, or
2. "FCR" resulting from exercise of formula.

STATE PROPOSAL _____

27.03 - RENTAL BASE SCHEDULE

ALL TYPES OF STRUCTURES (Mobile Homes, Apartments or Houses)	NUMBER OF BEDROOMS			
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3 or more</u>
	\$359	\$454	\$532	\$588

Rental Base Unit Notes:

A. Units are assumed to be unfurnished. All units are to include one (1) refrigerator, one (1) stove, one (1) washer, one (1) dryer and window coverings.

B. Units are assumed to be in "Good" condition. A lesser condition shall be compensated for by application of the "condition index."

27.04 - FACILITY CONDITION

State housing units are classified into the following three (3) condition categories:

"Good" - Wear and tear may be evident and/or is in need of minor repairs; insulation for winter use is adequate or heating plant capacity is able to compensate for inadequate insulation; water is reliable, adequate and safe for household use; reliable and adequate electrical service; reliable and adequate fuel available for heating, hot water and cooking needs.

"Fair" - Wear and tear is evident and/or unit is in need of significant repair; insulation for winter use is adequate or heating plant capacity is able to compensate for inadequate insulation.

"Poor" - Unit is marginally habitable and is in serious need of repair or insulation for winter use is less than adequate. The heating plant is not able to compensate for lack of insulation.

27.05 - REQUIRED TO LIVE

In cases where the Commissioner of a department requests and the Commissioner of the Department of Administration approves an employee to occupy a State-owned or State-controlled facility for either the protection of State property or for the convenience of the State a deduction of twenty-five percent (25%) is allowable. In no case will the total deductions reduce the rental base more than fifty percent (50%).

27.06 - IMPOSITION ON PRIVACY

In cases where the head of a department requests the use of a portion of the facility for the purpose of accommodating official visitors, for use as office space, or for the general convenience of the public, a deduction of ten percent (10%) of the adjusted rent is allowable. Only one (1) deduction is allowed per agency per location. In no case will the total deductions reduce the rental base more than fifty percent (50%).

27.07 - AMENITIES LACKING

A deduction from the adjusted rent equal to two percent (2%) shall be allowed for lack of fire and/or police protection up to a maximum of four percent (4%) for the unit in question. In no case will the total deductions reduce the rental base more than fifty percent (50%).

27.08 - TRAVEL ALLOWANCE

In some cases the State supplies quarters to its employees in locations where minimal community

STATE PROPOSAL _____

services are available only at some distance from the location of the quarters. In this situation the Department of Administration will grant a deduction from the chart listed below, to offset the direct economic effects of the unusual transportation costs incurred. The nearest established community as defined in this section is to be used as the base community for calculating the deduction. A community must be deficient in more than one (1) of the listed services if a town farther away is to be selected as the base for calculating the distance deduction.

Distance in miles, one (1) way for surface travel or air travel if surface travel not available	Maximum Monthly Deduction
Less than 10 miles	No deduction
10 but less than 20	\$15.00
20 but less than 30	25.00
30 but less than 40	35.00
40 but less than 50	45.00
50 but less than 60	55.00
60 but less than 70	65.00
70 but less than 90	80.00
90 but less than 110	95.00
110 and more miles	110.00

For purposes of calculating a deduction under this section, an established community is a population center offering the minimal community services listed below on a year round basis, or alternatively, approximately the same seasonal basis as the occupancy of the State rental quarters under consideration. Conformity with this definition, without regard to population size or other criteria, is the sole basis for identification of an established community.

Services	Minimum
Medical	Physician, one (1) dentist
Educational	Public elementary and high school (unless transportation is provided without charge, to a borough, or district school)
Shopping	Grocery, drugs, clothing, hardware and general household needs
Religious	Congregation of two (2) faiths, or denominations
Public	Connection with at least one (1) major town or city by
Transportation	common carriers (i.e., trucking, airport, bus)

In no case will total deductions reduce the rental base more than fifty percent (50%).

27.09 - GEOGRAPHIC DIFFERENTIAL FACTORS

Election District in Which Facility is Located	Applicable Geographical Differential Factor
1	1.0000
2	1.0375

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3	1.0375
4	1.0000
5	1.0750
6a excluding Valdez Duty Station	1.1500
6b Valdez Duty Station	1.1875
7	1.0375
8	1.0000
9	1.0750
10	1.0750
11	1.0750
12	1.2625
13	1.2625
14	1.3000
15a excluding Nenana Duty Station	1.3375
15b Nenana Duty Station	1.3000
16a South of Arctic Circle	1.1500
16b North of Arctic Circle	1.3375
17	1.3375
18	1.2625
19	1.2625

These ratios are derived from AS 39.27.020. If AS 39.27.020 is amended by the Legislature, the parties agree to reopen Article 27.09 for thirty (30) days for the sole purpose of bargaining the geographic differential factors.

27.10 - UTILITY CHARGE

The utility charge shall be two hundred dollars (\$200.00) per month for all units.

27.11 - MOBILE HOME PAD RENTAL RATES

The rental rate for mobile home pads shall be fixed at one hundred and forty-two dollars (\$142.00) per month.

27.12 - DAMAGE DEPOSIT

A damage deposit of two hundred and fifty dollars (\$250.00) is required for each unit. This deposit is refundable in full or part based on the condition of the unit, allowing for reasonable wear and tear, at the time of final inspection.

27.13 - CLEAN-UP DEPOSIT (MOBILE HOME PADS ONLY)

A clean-up deposit of two hundred and fifty dollars (\$250.00) for each mobile home pad is required for utility disconnect and pad clean-up. This deposit is refundable if upon inspection the pad is found to be clean and free of debris. This provision shall apply to new tenants only.

27.14 - PAYROLL DEDUCTIONS; DISPUTED AMOUNTS

Rent and utilities shall preferably be paid by payroll deduction. If a dispute between the State and an employee develops concerning the unit's condition as provided for in the Landlord-Tenant Act, payment will continue and the State agrees to establish a separate account into which monthly rent will be deposited until the dispute is resolved. When a settlement is reached the disputed funds will be disbursed appropriately.

27.15 - BUNKHOUSE RENTAL RATES

The standard bunkhouse room rental rate shall be one hundred and five dollars (\$105.00) a month for each occupant. There will be no charge for utilities to bunkhouse residents. All bunkhouse units will be furnished. No damage deposit will be required of bunkhouse residents.

27.16 - PET LIMITATION

Employee occupants who own pets shall ensure that their pets are not nuisances and do not create unsanitary conditions in/around quarters. All pets must be leashed or otherwise under direct control of their owners while on State-owned or State-controlled premises. Ownership of kennels, dog teams, livestock, horses and other exotic pets is prohibited on State-owned or State-controlled premises. Owners of pets are responsible and liable for injury, damage or loss caused by their pets.

11/23/15 KD

ARTICLE 28 - MISCELLANEOUS

28.01 - BULLETIN BOARDS

The Union shall have the right to use reasonable bulletin board space for the purpose of posting Union information. Whenever practical, the Employer shall designate an area at each work site which may be used for the purpose of posting Union notices. The Union, its agents and members, shall not post partisan political materials or advertisements in partisan political elections, on bulletin boards.

28.02 - REMOTE AREAS

The parties recognize that the terms prescribed by this Agreement may not be satisfactory for all permanent work assignments and duty stations for all employees, particularly in remote areas where climate, geography and specific duties may impose unique conditions which require modification to the terms. The parties therefore agree that either party may propose, on a situation-by-situation basis, modifications to the express terms of this Agreement throughout its term. Such proposed modifications may include, but are not limited to, such conditions as Employer-provided housing, transportation, shift schedules, overtime, etc. In the absence of mutual agreement on the proposed modification(s) the terms of this Agreement shall prevail.

T/A
3/18/16
17:00
JFK

ARTICLE 29 - TERM OF AGREEMENT

29.01

This Agreement shall be effective July 1, ~~2012~~, 2015, and remain in effect through June 30, ~~2015~~, 2018, except as provided herein.

29.02

The parties recognize ~~that~~ as the monetary terms of the Agreement are subject to legislative approval and funding in accordance with AS 23.40.215. The Employer shall submit the required legislation at the earliest possible date. If the Legislature rejects the monetary terms of the collective Bargaining Agreement in any year of the contract, the parties agree to reenter negotiations. Should the Legislature fail to fund the terms of this agreement, the parties agree that an impasse exists in accordance with AS 23.40.070-260. The parties agree to pursue reasonable efforts to obtain a mutually satisfactory resolution.

29.03

The Employer shall be held free of any penalty pay or other punitive action for a period that is ninety (90) days following the appropriation by the Legislature for funding of this Agreement and funds become available.

29.04

Either party may give written notice during the period of September 1, ~~2014~~ 2017, through September 30, ~~2014~~ 2017, of its desire to negotiate a successor agreement. Negotiations shall commence on or after October 1, 2017.

State of Alaska

Local 71, AFL-CIO

Sheldon Fisher, Commissioner
Department of Administration

Dennis Moen
Business Manager

Chief Spokesperson

President

Negotiator(s)...

Negotiator(s)...

LETTER OF AGREEMENT

between the

STATE OF ALASKA

and the

PUBLIC EMPLOYEES LOCAL 71

representing the

LABOR, TRADES and CRAFTS UNIT

16-LL-xxx

Administration of Furloughs

RECITALS:

To establish rules pursuant to which employees in the Labor Trades and Crafts Unit (LTC) will be subject to furlough, the State of Alaska (State) and the Public Employees Local 71 (Union), agree as follows:

1. The furlough provisions of 2 AAC 07.407 shall apply to LTC employees covered under the Collective Bargaining Unit (CBA) for fiscal years 2017 and 2018. However, notwithstanding anything in 2 AAC 07.407 to the contrary, full-time LTC employees shall be subject to 15.0 hours of furlough per fiscal year. During the furlough hours, the employee shall be treated as if in pay status relative to the effect on probationary period, leave accrual, health insurance, holiday pay and merit anniversary dates.
2. An employee who was hired on or before December 31 of a fiscal year shall be required to fulfill the 15.0 hours furlough requirement for that fiscal year. An employee who was hired between January 1 and June 30 of a fiscal year shall be required to fulfill a 7.5 hours furlough requirement during that fiscal year.
3. Employees working a reduced workweek of 30-37.5 hours shall have their furlough requirement prorated based upon the number of hours the member is regularly scheduled to work.

4. Employees in seasonal positions of less than 12 months duration and part time employees working less than 30 hours per week will not be subject to the furlough requirement set forth in this Letter of Agreement.
5. The employer will make every effort to grant a furlough on the day after Thanksgiving; however, furloughs will be set based on the needs of the employer with consideration of the wishes of the member. Employee requests to schedule furlough hours at the employee's convenience require the prior approval of the supervisor. Such requests shall be given full consideration and, to the extent practicable, approved. However, the parties agree that the final decision with regard to approval or disapproval of any employee request will be based on the supervisor's evaluation of the needs of the job.
6. Supervisors may direct an employee to take a furlough to satisfy the requirement by giving two weeks' notice prior to the scheduled date of the furlough. If the supervisor fails to provide two weeks' notice, the furlough can still be scheduled by mutual consent between the supervisor and the employee. Furloughs scheduled at the supervisor's initiation may not be for more than one work day in a pay period.
7. Employees may utilize the leave cash-in provision set forth in Article 19.04 of the CBA to offset, in whole or in part, the impact of the furlough. Any employee cash-in made in connection with a furlough shall be subject to all of the existing rules and conditions of the CBA.
8. Time taken as furlough hours shall not be considered time worked for the purpose of calculating overtime.
9. It is understood that the furlough provisions of this Letter of Agreement will not be implemented for LTC employees in the event the State enters into a voluntary settlement with any other union with a contract expiring June 30, 2016, and such voluntary settlement does not include provisions that require furlough of full-time employees for the equivalent of 15.0 hours per fiscal year.
10. No other provisions of the Collective Bargaining Agreement are modified by this Letter of Agreement.

Date: _____

TA/KD / 3/21/16

Kent Durand, State of Alaska

Date: 3/19/16

Dennis Moen
Dennis Moen, Public Employees Local 71