

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672


8650 HOUSE LABOR & COMMERCE



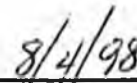
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FIRST SPECIAL SESSION, 5/9/96

BOARDS/COMMISSIONS, 1995

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GOVERNOR APPOINTMENT: JOHN KEPPLER

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SPEC.

SESS. ,

5/9/96

style

AGREEMENT

between the

STATE OF ALASKA

operating the

ALASKA MARINE HIGHWAY SYSTEM

and

**INLANDBOATMEN'S UNION
OF THE PACIFIC ALASKA REGION**

representing the IBU

October 10, 1994 - March 31, 1996

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 INLANDBOATMEN'S UNION OF THE PACIFIC, ALASKA REGION, representing the employees 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, or leased for operation by the Marine Highway System, State of Alaska.

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 except those that specifically arise through Rule 37.

1.02 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.

1.03 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 employee, proper and reasonable notice shall be given to the Union. Should a dispute arise, it shall be settled in accordance with Rule 14.

1.04 The parties to this Agreement adopt the concept of mutual interest in operational changes resulting in changes in wages, hours and working conditions of employees. Therefore, there shall be established a labor management committee comprised of representatives from both labor and management who will meet periodically for the purpose of discussing changes, making recommendations, conducting studies, reviewing contract requirements and making recommendations as to changes mentioned above.

RULE 2-RECOGNITION

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

RULE 3 - HIRING

3.01 The Employer may employ from any source, including the Union, but shall give first consideration to applicants who are residents of Alaska. If called upon to do so, the Union agrees to furnish the Employer qualified and satisfactory personnel for any classification covered by this Agreement.

3.02 The Marine Highway System personnel office shall furnish the Union's Regional Office one (1) copy of the appointing personnel action form for each new hire in the bargaining unit.

3.03 The Union agrees that all nonpublic personnel information provided to them 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.

month and remit the amount monthly to the Treasurer or other officer of the Union as may be designated in writing by the Union.

5.04 Upon written demand 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 shall be terminated by the Employer. Termination shall become effective within thirty (30) days after receipt of the aforesaid demand to the Employer by the Union.

5.05 The Employer agrees not to discriminate against any employee for membership in the Union or activity in behalf of the Union, provided such activity is not contrary to law or this Agreement.

5.06 Each crew shall have a ship delegate designated in writing by the Union to check overtime and pay discrepancies and to handle shipboard disputes. The Union and all ship delegates will be provided a copy of all office directives pertaining to changes in work rules or conditions of employment. The Union will notify the Employer in writing of any changes in designation of ship delegates.

RULE 6 - NONDISCRIMINATION

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

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

RULE 7 - CREW REQUIREMENTS

7.01 The minimum crewing requirements for each vessel shall be in accordance with 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 The Employer will include the Union in discussion of the ships' annual winter maintenance program during planning stages. The Employer further grants the Union the right to discuss crewing and crew space during planning and design stages before new vessels are acquired or constructed or existing vessels are converted.

7.03 The Employer and the Union agree that every effort will be made to crew the vessels of the Employer with the proper complement of personnel. Summer positions will be filled on the closest crew change date prior to June 1, and will be carried onboard to the closest crew change date following September 15. A weekly crew list will be prepared by the personnel section of the Alaska Marine Highway System identifying the minimum authorized number of positions to be filled. When any vessel on the run is not crewed with the complement of personnel needed to fill the minimum number of positions identified on the weekly crew list, the wages of the missing crew member or members shall be divided equally among the employees of the same classification performing the work of the missing crew member or members. Only when the number of employees falls below the minimum number of authorized positions will split wages be paid. If it is necessary that an employee must work on off-duty hours due to a missing crew member or members, the employee shall be paid overtime for this work in accordance with Rule 22.

7.04 It is recognized that the Employer retains the right to transfer crew members between vessels to accommodate peak traffic loads, absences, changes in scheduling or other valid business needs. Except in cases of emergency, the affected crew member will be notified in writing of such transfers at least one (1) week in advance of the scheduled transfer date. Notice of transfer shall be sent to the Union at the time such notice is provided to the employee. The Employer shall make every effort to minimize such

8.07 All employees will be encouraged to obtain a U.S. Coast Guard Lifeboatman's Certificate within six (6) months from the 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 the necessary Coast Guard requirements as a condition of continued employment with the Employer.

8.08 The Employer will provide safety items and apparel as required for the safe performance of the job. Such items shall include where necessary, hard hats, safety goggles, ear protection devices, welder's apparel and breathing devices. Employees refusing to wear the proper items may be subject to disciplinary action.

8.09 The parties recognize that certain employees may, in the performance of their duties, come in contact with asbestos. When an employee provides evidence to the Employer of having undergone an examination for asbestosis, the Employer will reimburse that employee one hundred and five dollars (\$105.00). To qualify for reimbursements as provided above, the employee must show proof of the examination. No more than one (1) such reimbursement will be paid to an employee in any twelve (12) month period.

RULE 9 - OCCUPATIONAL INJURY AND ILLNESS BENEFITS

9.01 **Unearned Wages:** In the event an Employee 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. 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 **Maintenance:** When an employee is entitled to payment of maintenance under the doctrine of maintenance and cure, payment of maintenance shall begin at the end of the period for which unearned wages are payable. Effective July 1, 1994, the maintenance rate shall be \$45.00 per day. Maintenance incurred and paid between the signing of this agreement and July 1 1995, shall be paid at the maintenance rate in effect upon signing. The difference between that rate, and the \$45.00 maintenance rate shall be paid retroactively subject to legislative appropriation pursuant to Rule 39.01.

The employee may, at his or her option, combine sick leave with maintenance payments, in a combined amount equal to his or her daily pay rate. The combined rate for maintenance and sick leave and accrued annual leave shall not exceed the employee's regular daily pay.

9.03 **Cure:** An employee shall submit all bills regarding a work related injury or illness to the State's group health insurance carrier which is funded by the Employer. Any medical costs incurred as a result of the work related injury or illness before the time the employee has reached maximum medical cure that are not provided by the State's group health insurance carrier will be sent to:

Scott Wetzel Services
ATTN: George Erickson
3000 C Street
Anchorage, Alaska 99503

9.04 **Transportation:** In the event an employee becomes ill or is 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 only when the employee is not hospitalized and has notified the vessel department head or the Personnel Officer of his or her medical status.

9.05 When hospital treatment is required, transportation to and from the hospital will be furnished by the Employer if the employee becomes ill or needs medical attention while in the service of the vessel and a

12.04 TRAVEL BETWEEN ASSIGNMENTS--REGULARLY ASSIGNED EMPLOYEES.

(A) **To Regular Assignments.** If a Regularly Assigned Employee resides at a port other than the designated change port for his or her position, the employee shall be obligated to "deadhead" or travel at his or her own expense to be available at the designated change port to relieve when scheduled to do so.

(B) **To Temporary Assignments.** If a Regularly Assigned Employee is temporarily assigned duties which involve a crew change or work assignment at other than his or her regularly assigned change port, the employee is entitled to travel pay and receipted necessary travel expenses for travel between the employee's regularly assigned change port and the temporary change port.

12.05 TRAVEL BETWEEN ASSIGNMENTS -- DISPLACED REGULARLY ASSIGNED EMPLOYEES, RELIEF, AND REGULARLY ASSIGNED RELIEF EMPLOYEES. Relief Employees, RAREs, and DRAEs shall identify a designated change port, either Juneau or Ketchikan. When a Relief Employee, RARE, or DRAE receives an assignment at other than the employee's designated change port, the employee shall receive receipted necessary travel expenses for travel between the assignment and the designated change port.

12.06 TRAVEL BETWEEN ASSIGNMENTS -- SEASONAL EMPLOYEES. Seasonal Employees may "deadhead" to and from the assigned change port for the position which they are relieving, but will not be paid air transportation, travel expenses or travel pay. This applies to assignments or reliefs made at the regularly assigned change ports.

12.07 "DEADHEADING." Employees who are permitted to "deadhead" may take meals in the crew 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 employee traveling to the employee's change port by means other than vessels of the System. The Employer agrees to eliminate "deadheading" whenever and wherever possible, if no additional cost such as early call back or minimum guarantee is involved, and if it is mutually agreeable between the Union and the Employer.

12.08 TRAVEL PAY. When an employee 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 or from the temporary change port. Employees will receive a minimum of four (4) hours travel pay per trip, including time worked on assignment during the same day. Employees will receive a maximum of twelve (12) hours travel pay in any twenty-four (24) hour period, regardless of mode of travel involved. 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 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. 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.

12.09 TRANSFER OR CHANGES OF ASSIGNMENT. All additional costs incurred by a transfer or change of assignment at the convenience of and request by an employee shall not be the responsibility of the Employer. This includes transfers caused by initiation of a bid award and employees' costs incurred upon returning to their regularly assigned positions after a reduction-in-force period. Expenses incurred when a transfer or permanent change of assignment of a Regularly Assigned Employee is at the direction of and for the convenience of the Employer shall be the responsibility of the Employer. When employees are permanently transferred for the convenience of, and at the direction of the Employer, other than through the bid process to work assignments in Southwest Alaska from a Home

The AMHS System Director shall attempt to resolve the matter and shall report the decision to the Union in writing within fifteen (15) working days of its presentation.

STEP TWO: Failing to settle the grievance at Step One, the appeal may be submitted in writing by the Union to the Commissioner of Transportation and Public Facilities within fifteen (15) working days after the response from the AMHS System Director is due or received, which ever is earlier. The Commissioner of Transportation and Public Facilities or his or her designee shall respond in writing within fifteen (15) working days after receipt of appeal.

STEP THREE: Failing to settle the grievance at Step Two, the appeal may be submitted in writing by the Union to the Commissioner of Administration within fifteen (15) working days after the response from the Commissioner of Transportation and Public Facilities is due or received, which ever is earlier. The Commissioner of Administration or his or her designee shall respond in writing within twenty (20) working days after receipt of appeal.

STEP FOUR: 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 the Union so requests within forty-five (45) calendar days after the date of the response from the Commissioner of Administration is due or received, which ever is earlier. Such request shall be made in writing to the Director of Personnel/EEO and shall specify which Rule or Rules are alleged to have been violated and the specific nature of that violation.

(D) 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 (1) 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 if a contractual violation is determined by the arbitrator. 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.

(E) 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.

14.03 COMPLAINT PROCEDURE

A complaint is defined as: the appeal of the discharge or discipline of a probationary employee not holding permanent status in any classification. 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, which ever is later (except as provided in Rule 14.01 regarding onboard disputes).

(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.

15.05 During the peak meal hours one (1) additional employee may be assigned when required to assist the crew waiter at the discretion of the Chief Steward. No watchstander shall be required to report for watch duty nor retire from watch duty without being served meals, provided that the member reporting for watch reports to the crew mess at least twenty (20) minutes prior to commencement of his or her watch and the relieved member proceeds directly to the crew mess.

15.06 Crew members called out for the tie-up and let-go shall assist with loading and unloading and lashing of vans as necessary and may be used for other lawful duties.

15.07 The Employer agrees that sea watches shall not be broken when in-service vessels are laying over due to a schedule change. It is recognized that watchstanders may be temporarily reassigned as dayworkers in order to increase productivity during these temporary layovers.

15.08 When engine room day workers are required to work between the hours of 2200 to 0600 and cannot receive a six (6) hour break before the scheduled reporting time for their next shift the starting time of the shift may, at the employee's option, be delayed until a six (6) hour break has been taken.

15.09 No ship scaling or other noise-producing work will be performed before 0600 or after 2000.

15.10 Watchmen shall not be required to do such work or other duties that are normally assigned to Able Bodied Seamen or Ordinary Seamen.

15.11 (A) Oilers and Junior Engineers may be required to perform normal wiper duties only on the M/V LeCONTE, M/V AURORA, and the M/V BARTLETT without the payment of overtime.

(B) Oilers shall not be required to perform any maintenance work while the vessel is underway and they are on watch.

15.12 Only sanitary work shall be performed on Sundays or holidays and between the hours of 1800 and 0600. Such work shall consist of the following: cleaning pilot house and pilot house windows, cleaning crew's heads and showers, cleaning crew's passageways, cleaning stairwells, hosing down car deck, dumping refuse buckets, sweeping and mopping floor plates, cleaning up loose oil.

This Rule does not apply to persons engaged solely for the purpose of servicing the passengers or crew; nor employees engaged in work in connection with navigation, loading or unloading, tying up and untying the vessel, or normal duties performed by the Junior Engineer.

16.07 During annual layup periods, a crew member may arrange to trade with another crew member on another vessel providing no overtime or shortage pay shall be paid by the Employer for such a trade and any such arrangement will be mutually agreed to in writing by the employees involved and the Employer prior to such a trade. These trades are subject to prior written approval of the Labor/Management Relief Assignment Committee.

16.08 If a vessel is scheduled to leave service for any reason, as much notice as possible will be given to the crew members. Such notice shall include the date and place of layup.

16.09 Displaced Regularly Assigned Employees shall accept available assignments to their assigned out-of-service vessel before being temporarily assigned to in-service vessels.

RULE 17 - PAY PLAN

17.01 This Agreement includes a pay plan providing a cost-of-living differential between employees living in the state and those living outside the state in accordance with AS 23.40.210.

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 principal 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.

(A) Salaries for Alaska residents, effective August 1, 1994 through June 30, 1995:

CLASSIFICATION	STRAIGHT TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$20.43	\$30.65
Senior Assistant Purser	\$18.12	\$27.18
Junior Assistant Purser	\$15.52	\$23.28
A/B Bos'n	\$18.25	\$27.38
Able Seaman	\$16.71	\$25.07
Ordinary Seaman	\$15.65	\$23.48
Ordinary Seaman-Porter	\$15.65	\$23.48
Watchman-Porter	\$15.65	\$23.48
Junior Engineer	\$18.37	\$27.56
Oiler	\$16.85	\$25.28
Wiper	\$15.77	\$23.60
Chief Steward	\$20.43	\$30.65
Second Steward	\$18.12	\$27.18
Storekeeper	\$17.50	\$26.25
Chief Cook	\$18.62	\$27.93
Second Cook	\$16.37	\$24.56
Assistant Second Cook	\$15.52	\$23.28
Bartender	\$15.52	\$23.28
Headwaiter	\$15.52	\$23.28

Oiler	\$18.06	\$27.09
Wiper	\$16.32	\$24.48
Chief Steward	\$21.15	\$31.73
Second Steward	\$18.75	\$28.13
Storekeeper	\$18.11	\$27.17
Chief Cook	\$19.27	\$28.91
Second Cook	\$16.94	\$25.41
Assistant Second Cook	\$16.06	\$24.09
Bartender	\$16.06	\$24.09
Headwaiter	\$16.06	\$24.09
Head Bedroom Steward	\$16.06	\$24.09
Mess Steward	\$15.99	\$23.99
Cashier/Gift Shop Operator	\$15.99	\$23.99
Officer's B/R	\$15.35	\$23.03
Waiter/Waitress	\$15.35	\$23.03
Steward	\$15.35	\$23.03

(D) Salary schedule for employees residing outside Alaska, effective July 1, 1995:

CLASSIFICATION	STRAIGHT TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$17.49	\$26.24
Senior Assistant Purser	\$15.31	\$22.97
Junior Assistant Purser	\$13.10	\$19.65
A/B Bos'n	\$15.43	\$23.15
Able Seaman	\$14.12	\$21.18
Ordinary Seaman	\$13.23	\$19.65
Ordinary Seaman-Porter	\$13.23	\$19.65
Watchman-Porter	\$13.23	\$19.65
Junior Engineer	\$16.40	\$24.60
Oiler	\$14.70	\$22.05
Wiper	\$13.32	\$19.98
Chief Steward	\$17.49	\$26.24
Second Steward	\$15.31	\$22.97
Storekeeper	\$14.81	\$22.22
Chief Cook	\$15.73	\$23.60
Second Cook	\$13.82	\$20.73
Assistant Second Cook	\$13.10	\$19.65
Bartender	\$13.10	\$19.65
Headwaiter	\$13.10	\$19.65
Head Bedroom Steward	\$13.10	\$19.65
Mess Steward	\$13.05	\$19.58
Cashier/Gift Shop Operator	\$13.05	\$19.58
Officer's B/R	\$12.54	\$18.81
Waiter/Waitress	\$12.54	\$18.81
Steward	\$12.54	\$18.81

17.02 (A) Probationary employees who are working in one (1) of the entry-level classifications shall be paid at 90 percent of the hourly rates established for that classification. Beginning with the first pay period in the month following when the employee completes the probationary period, the employee shall receive 100 percent of the hourly rates established for that classification.

RULE 18 - HOURS--VESSEL ON THE RUN

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

18.02 **DAY CREW MEMBERS--TWELVE (12) HOURS.** Twelve (12) consecutive hours shall constitute a day's work, except steward's department employees who may work twelve (12) hours a day broken into any three (3) work shifts with a minimum break of two (2) hours between shifts with a minimum of one (1) six (6) hour break during a twenty-four (24) hour work period. Days on duty and days off duty shall be the same as for the watchstanding crew members. On the last day for the seven (7) day workweek, the Chief Steward shall post a schedule for the crew's next workweek, detailing hours on duty and off duty for each position.

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 one (1) week (seven [7] consecutive days) followed by one (1) week off duty with the alternate crew relieving. The provisions of this Rule shall not apply to shipyard or tie-up time.

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 hours 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 crew members 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.

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 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 the delay one-half (1/2) 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.

4 but less than 5	336.0
5 or more	420.0

(B) **Eligibility for Accrual.** Eligibility for vacation accrual shall commence once the employee has accumulated two thousand one hundred eighty-four (2,184) straight-time hours of compensation. The employee 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 employee shall be credited with eighty-four (84) hours vacation. Vacation in successive years shall be at 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, an employee 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. An employee'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 employees 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 employee 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 employee 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 employee shall be credited with eighty-four (84) hours vacation accrual. Vacation in successive years shall be at rate shown in Rule 23.02(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, an employee 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. An employee'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) **Employees covered by this section who have vacation balances of at least eighty-four (84) hours, and who established eligibility for vacation at least ten (10) years ago shall be permitted to cash out eighty-four (84) hours of vacation per calendar year. The employee's vacation balance shall be reduced by the number of hours for which payment is made.**

(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 of one (1) day required under Rule 23.08(a).

(C) The release of members 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.

23.08 COURT LEAVE.

(A) An employee 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. Employees must notify the personnel section in writing 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 employee were on annual leave. To receive pay for court leave, the employee 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) Employees 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 served 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 section 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 dispatch based on his or her seniority.

23.09 OTHER APPROVED LEAVE:

Upon application and approval of the appointing authority, an employee may be granted leave without pay. Such leave shall not normally exceed six (6) months. Said leaves of absences shall not be unreasonably denied.

The employee's seniority held at the time of leaving active service shall remain static except as provided for in Rule 26. Leave without pay time shall not be used when computing continuous service for benefit purposes.

23.10 LEAVE DONATIONS: Members of this bargaining unit shall be allowed to donate annual leave to and receive donations of annual or personal leave from employees in this unit or those represented by a different union or noncovered employees subject to the following provisions:

(A) Each employee wishing to donate annual/personal leave will fill out, date and sign a leave slip showing the amount of leave to be donated subject to a minimum of four hours. The leave slip will have written along the bottom, or in the space provided, "Leave donated to (employee name, social security number)."

(B) The recipient's union will be responsible for gathering all leave donations to be forwarded to the AMHS Personnel Section to the recipient's account during the pay period in which received (1 through 15, or 16 through the end of the month) for use from that pay period forward. Donations shall not be posted for use in a pay period prior to that in which received.

24.05 An employee shall be considered in pay status for the purpose of holiday pay when said employee is in pay status within seven (7) days of the holiday. To be an "employee" for purposes of this section, he or she must have been hired prior to the holiday, and must not have terminated before the holiday.

24.06 OBSERVANCE OF HOLIDAYS. A designated holiday will normally be observed on the calendar day on which it falls, except when the holiday falls on Saturday, the holiday shall be observed on the preceding Friday, or if the holiday falls on Sunday the holiday shall be observed on the following Monday.

RULE 25 - MINIMUM GUARANTEE

25.01 (A) All Regularly Assigned Employees shall receive in wages not less than eighty four (84) times the employee's basic straight-time rate for each bimonthly pay period.

(B) All Relief Employees, RAREs and DRAEs shall receive in wages not less than eighty-four (84) hours straight-time pay for each assignment.

(C) Holiday Premium Pay, overtime worked beyond the basic straight-time day and the premium portion of overtime shall be paid in addition to the guarantee.

(D) The above shall not apply to crew members engaged as seasonals or extras to relieve crew members for vacations, illness or leaves of absence.

25.02 SHOW-UP PAY. When a relief is dispatched and reports to a job, but is not put to work, he or she shall be guaranteed a minimum of a full day's pay (twelve [12] hours) for the assignment.

25.03 Employees dispatched for a full workweek shall be paid for six (6) hours of work on the first and last day of the assignment.

25.04 Employees dispatched for less than a full workweek shall be paid for actual hours of work on the first and last day of the assignment, but not less than six (6) hours.

RULE 26 - SENIORITY

26.01 The Employer recognizes the principle of seniority in the administration of promotions, transfers, layoffs and recalls. Employees' seniority rights shall be applied to the award of bids in accordance with Rule 28, and shall be applied to dispatch and job assignment in accordance with Rule 27.

26.02 Seniority is the total length of service with the Employer in any classification covered by this Agreement, and shall begin with the first day of work with the Employer. Seniority shall be cumulative utilizing the formula of one (1) point for each calendar month. One (1) seniority point equals one (1) month and shall not be duplicated for any calendar month. There are three (3) categories of seniority -- job seniority, department seniority, and company seniority.

26.03 In computing seniority, a seniority point shall be awarded at the end of the month in which the employee is in pay status for a minimum of eighty-four (84) straight time hours. Employees in non-pay status will not accrue seniority points. 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 in pay status for eight-four (84) straight time hours before the end of the calendar month in which the assignment began. If the eight-four (84) hour minimum has already been filled, the hours in pay status in the following month shall be credited to that month for the purpose of computing seniority.

(B) Regularly Assigned Employees, Regularly Assigned Relief Employees, and Relief Employees will continue to accrue seniority, up to three (3) points, while in approved leave without pay status during reduction in force periods. Seasonal Employees may take leave without pay but will not accrue seniority; it shall remain static. Seniority points accrued in accordance with this provision shall not be used when computing continuous service for pass, vacation, sick leave or retirement benefits, and shall apply to the E 3 System only.

26.07 Seniority rosters shall be published quarterly reflecting job, department and company seniority points as of March, June, September and December. The Union offices and all ships shall be provided copies of the seniority roster.

Within ten (10) working days of receipt of notification of error in seniority point calculation, the Employer shall act upon or dispute seniority adjustments or corrections which are submitted by the Union in writing to the System Director, AMHS or designee. The Employer shall not be liable for lost wage claims until after the correction has been agreed upon or the dispute has been settled. The Employer shall be allowed fifteen (15) working days to implement any corrections.

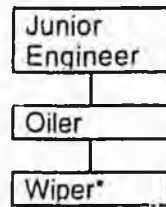
In application of seniority the Union shall administer and decide any dispute. Other disputes that arise involving the Employer shall be processed through the disputes procedure under Rule 14. Grievances that involve only the Union shall be resolved through the procedure set forth in the Union's Constitution and Bylaws.

RULE 27 - DISPATCH

27.01 The parties agree that the provisions of Rule 26 in the 1990 - 1993 collective bargaining agreement regarding dispatch not modified by Rule 26 - Seniority or Rule 28 - Bid Awards will remain in effect until such time as the provisions of Rule 27.02 of this agreement are completed. Such provisions include: Line of Progression, Relief Assignments, Temporary Upgrades Onboard the Vessel, Reductions in Force, and Return to Service.

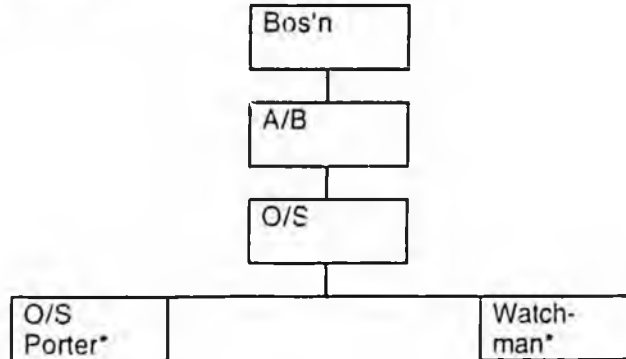
(A) In the application of seniority under this Rule, if an employee has the necessary qualifications to perform in accordance with job requirements, seniority shall prevail.

(3) ENGINE DEPARTMENT



* Entry level position.

(4) DECK DEPARTMENT



* Entry level position.

(C) RELIEF ASSIGNMENTS

Rosters of employees interested in entry-level relief assignments to departments other than the steward's department, shall be maintained by department seniority. When dispatching entry-level relief assignments to departments other than the steward's department, first consideration shall be given to the employee with the most department seniority in the department in which the assignment is available. If an employee refuses a relief assignment in one (1) department in order to be dispatched to one (1) or two (2) of the other departments, then that employee's seniority in the department to which dispatch has been requested shall be substituted for that employee's company seniority for purposes of determining order of dispatch.

(D) TEMPORARY UPGRADES ONBOARD THE VESSEL.

(1) The shipboard supervisor agrees to recognize the principle of seniority in filling above entry-level relief assignments to promote upward mobility and the training of employees. Therefore, whenever possible, an above entry-level relief assignment shall be filled by temporary upgrade of a Regularly Assigned Employee on the vessel in the next lower classification in the applicable line of progression. However, if qualified Regularly Assigned Employees in above- entry level positions are not available for upgrade and the relief assignment will therefore be given to an entry-level employee, the assignment will be made based on department seniority.

(2) Dispatches will be made to the department requested by the vessel. However, the actual assignment will be made by the shipboard supervisor and the employee shall be paid according to that assignment.

- (D) The Committee shall forward written recommendations on modifications to the dispatch provisions to the IBU Regional Director and the Commissioner of the Department of Administration by August 1, 1995. Recommendations made by the committee will be considered during contract negotiations beginning after September 1, 1995.
- (E) However, should the committee reach mutual agreement regarding dispatch provisions prior to August 1, 1995, the parties recognize that a letter of agreement in accordance with Rule 1.02 may be negotiated.
- (F) Nothing in this contract provision prohibits the Union from discussing progress or soliciting comments from its membership.

RULE 28 - BID AWARDS

28.01 Bid Jobs are regularly assigned positions on board a particular vessel and crew. Bid job vacancies shall be posted on board each vessel and at terminals for a period of not less than thirty (30) days. Relief personnel may be assigned to fill vacancies until the vacancy is filled through the bid award process. Vacancy advertisements will be posted and applications processed in accordance with the provisions set out in Rule 28.

28.02

(A) In the application of seniority under this Rule, if an employee has the necessary qualifications to perform in accordance with job requirements, seniority shall prevail. In awarding of bids an employee's personnel file will be subject to review.

(B) Pursuant to the parties' recognition of the principle of Affirmative Action, a bid to be awarded in a classification where underutilization has been found to exist may be awarded to the senior qualified bidder who is a member of the underutilized group. Any unsuccessful bidder shall have appeal rights under Rule 14.

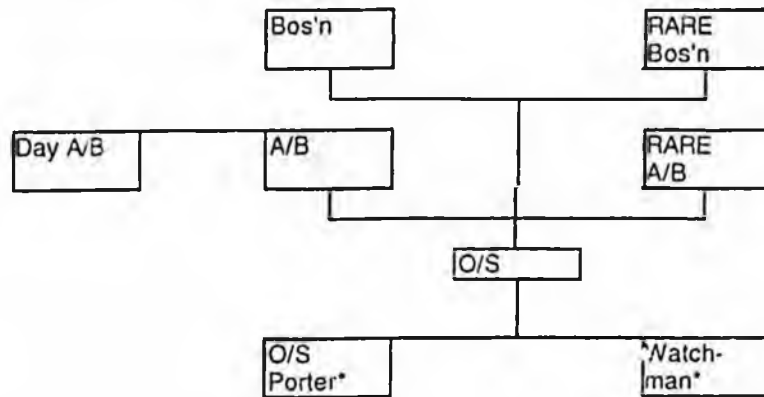
28.03 Notwithstanding Rule 28.02(A), management retains the right to select and appoint employees in the following classifications: Chief Purser and Chief Steward. Appointment to these classifications shall occur through the following process. The Employer shall post notice of job vacancies for Regularly Assigned and Regularly Assigned Relief bid openings for the above classifications aboard all AMHS vessels and terminals for a period of not less than thirty (30) days. In filling the vacancies for these classifications, the Employer will select an individual from the pool of applicants who is qualified and competent to perform the duties of the position. Seniority will be considered.

28.04 TO BE CONSIDERED A QUALIFIED APPLICANT:

(A) Documented evidence that the employee meets the U.S. Coast Guard requirements must be on file at AMHS by the deadline for receiving bid applications;

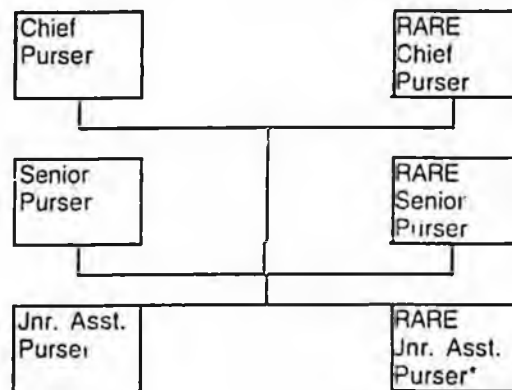
(B) The employee must satisfy the minimum qualifications (MQs) as specified in the AMHS Class Specifications for the position bid. Information concerning job qualification standards for hiring and promotion shall be established for all positions and will be made available on all vessels and a copy to the Union when available.

(B) DECK DEPARTMENT



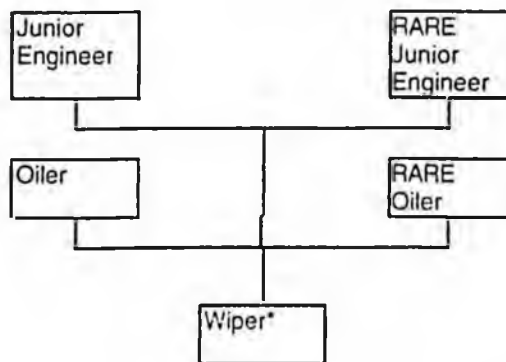
* Entry level position

(C) PURSER DEPARTMENT



* Entry level position

(D) ENGINE DEPARTMENT



* Entry level position

28.06 PREFERRED ACTIONS. Bids which would accomplish the following actions shall be considered before bids which represent either promotions or entry-level interdepartmental transfers:

(A) Voluntary demotion of a Regularly Assigned Employee to a classification which is lower in the applicable line of progression.

Awarding a bid job to a Relief Employee with no job points will be considered a promotion.

28.10 PROBATIONARY PERIOD

In any bid assignment, employees shall have a six (6) month (but not less than thirteen (13) working assignments in the Southeast System) probationary period in the new position. Such probationary period shall be no less than one (1) month. The maximum probationary period for employees in the Southeast System shall be thirteen (13) eighty-four (84) hour assignments. If the employee does not perform satisfactorily at any time within the probationary period, the employee will be removed from the bid position and shall not be eligible for dispatch to the classification in which he or she failed to complete his or her probationary period unless mutually agreed by the parties.

28.11 EMPLOYEES' OBLIGATION TO WORK THEIR BID POSITIONS. Regularly Assigned Employees (RAEs) and Regularly Assigned Relief Employees (RAREs) who choose to work as Relief Employees (REs) will forfeit their Regularly Assigned Position or their Regularly Assigned Relief Positions and said position shall be open for bid. No employee may hold more than one (1) bid position. This provision does not apply to employees working temporary assignments at the Employer's direction.

28.12 CERTAIN RARE ASSIGNMENTS. When a vacancy occurs and it is necessary to appoint a Regularly Assigned Relief Employee (RARE) in the classifications of Second Steward, Storekeeper, Chief Cook, Second Cook, A/B Bos'n, or Junior Engineer, or when no eligible RARE bids on a vacant Regularly Assigned Position in one (1) of these classifications, the following procedure shall apply:

(A) There shall be convened a Labor/Management Review Committee, to be composed of three (3) Union representatives and three (3) Management representatives. The Union representatives shall consist of the Regional Director or designee and two (2) employees from the job classification in which there is a vacancy. The Management representatives shall be designated by the System Director, Alaska Marine Highway System or his designee.

(B) Bids will be solicited by postings on each vessel and at terminals for a period of not less than thirty (30) days.

(C) The Labor/Management Review Committee shall review the bids received, and shall identify the four (4) most senior qualified candidates, unless the classification is one (1) where underutilization has been found to exist, in which case the Committee shall identify an additional four (4) qualified candidates. These additional candidates shall be the most senior qualified members of the underutilized group who have submitted bids.

(D) The Labor/Management Review Committee shall rank the candidates identified from most to least qualified.

(E) The ranked list of candidates shall be forwarded to the System Director or designee, who shall select the successful candidate from this group.

(F) Any employee whose name was presented to the System Director or designee, but who was not selected, may request in writing that the System Director or designee explain the reason for nonselection. The System Director or designee shall respond to the employee, with a copy to the Union, within fifteen (15) working days of receiving the employee's request.

28.13 Employees regularly assigned to positions being deleted shall temporarily be designated as RAREs in their classification, and shall be considered as RAREs until three (3) bid sheets have been processed with bidding opportunities in their classification. After three (3) such opportunities, if the temporary RARE has not been awarded a bid job, the temporary RARE shall become a relief employee.

RULE 30 - PENSIONS

30.01 The employees shall enjoy the retirement benefits as outlined in the applicable statutes relating to the Public Employees' Retirement System (PERS). Benefit credits begin accruing October 1, 1983. Vesting credits only are accrued for service from October 1, 1978.

30.02 The parties agree that they will continue to participate in the Northwest Marine Retirement Trust for the sole purpose of permitting bargaining unit members with service prior to October 1, 1983, to vest under the NMRT. The Employer agrees to pay six dollars (\$6.00) per employee per year as the cost of maintaining such participation.

RULE 31 - SICK LEAVE

31.01 Employees with a minimum of six (6) months service shall accrue sick leave credit at the rate of fifteen (15) hours for each completed month of service.

(A) For employees hired prior to April 1, 1985, "six (6) months service" shall mean accrual of eight hundred (800) straight-time hours within any six (6) month period.

(B) For employees hired on or after April 1, 1985, "six (6) months service" shall mean accumulation of one thousand and ninety-two (1,092) straight-time hours.

31.02 Each crew member's sick leave balance is terminated on the same basis as seniority in accordance with Rule 26.05.

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

31.04 All sick leave claims must be accompanied by doctor's certification to support the claim, whether it be for only one (1) day or more. Such certification must be presented to the Employer at the time the employee is fit for duty and prepared to return to work, or the absence will be regarded as unauthorized and unexcusable and subject to disciplinary action. The doctor's certification is to cover the period from the date the employee became incapacitated until the date that the employee became fit for duty, disregarding the employee's scheduled crew change date. The employee shall normally be returned to duty at the next scheduled crew change date of the employee's assigned vessel at his or her change port following the date of presentation of the doctor's certificate. An employee shall use either annual leave or authorized leave without pay, at his or her option, on interim days between scheduled crew change date and the date the employee becomes fit for duty. The sick leave relief employee shall not be entitled to minimum guarantee.

31.05 FUNERAL LEAVE. Sick leave can be claimed for funeral attendance of deaths in the immediate family to the maximum of eighty-four (84) hours. "Immediate family" is defined as father, mother, husband, wife, sons, daughters, brothers, sisters, grandchildren, grandfather, grandmother, father-in-law and mother-in-law. It shall be the employee's responsibility to provide evidence of such attendance.

31.06 FAMILY LEAVE Employees shall be entitled to Family Leave pursuant to A.S. 23.10.540.

Family leave shall be charged to Sick Leave. If this is insufficient, family leave will be charged first to annual leave and then to leave without pay for the period of approved leave.

Assistant Pursers, Junior Assistant Pursers, Chief Stewards and Second Stewards and/or other positions when required to wear the standard navy dress blue uniforms with internationally recognized insignia will be paid four hundred dollars (\$400.00) per year, or sixteen dollars and sixty-seven cents (\$16.67) per pay period.

32.06 Laundry or uniform allowances are to be paid only if the required items are worn as stated. Union delegates shall assist in demanding such compliance. Recipients may be required to sign time sheets or other forms attesting to their eligibility to receive payment. Notwithstanding these conditions, there shall be no deduction from these allowances during periods of vacation, sick leave or accumulated time off.

32.07 The Ship's Boatswain, Junior Engineer and Chief Cook shall wear appropriate maritime uniform insignia as provided by the Employer.

32.08 Employees may display the Union's insignia on the working uniform in accordance with standards developed by the Employer and the Union.

32.09 AMHS may choose to provide uniforms and cleaning services to bargaining unit members in lieu of the laundry or uniform allowance in 32.05.

RULE 33 - RESTRICTIONS

33.01 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 apply to the employees.

RULE 34 - FREE PASSAGE

34.01 Employees with twenty-four (24) points of company seniority as per Rule 26.03 will be issued annual passes upon request for the employee and spouse, subject to the following:

(A) The employee, employee'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 enrolled as a full-time student at an accredited university.

(B) The employee's vehicle shall not travel on a pass while the employee is on duty unless the vehicle is accompanying the employee's dependent(s).

(C) Only one (1) personally-owned vehicle may be listed and travel on an annual pass, unless otherwise authorized by the Juneau Headquarters Office.

(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 dependents or the employee. Any contention or confirmation of a violation of this Rule will be made known to IBU at the earliest possible time. Should the Union fail to resolve the matter immediately, Rule 34.08 shall be initiated by the Employer.

34.04 Employees 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.

34.03 Employees who retire from the Alaska Marine Highway System under provisions of PERS or the NMRT pension shall receive an annual pass for themselves, their spouse, dependents under nineteen (19)

RULE 36 - DISCIPLINE

36.01 It is recognized the Employer has the right and duty to institute disciplinary actions against any employee 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 employee.

36.02 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 employee'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; department heads shall obtain permission from the Master prior to leaving the vessel.

36.03 Ship's Union Delegate shall be present in any shipboard grievance procedure where suspension or discharge action against an employee covered under this Agreement is being considered.

36.04 All unlicensed vessel employees of the AMHS 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. After a hearing and determination by the employer of a violation of the Employer's drug policy, the employee 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 applications for employment from a former employee discharged for a positive drug test who has completed a drug rehab program and regains USCG documents.

RULE 37 - CONDITIONS NOT SPECIFICALLY COVERED

37.01 In the event operating conditions or service requirements arise due to length of voyage or other reasons not specifically covered by the agreement, the Employer recognizes its obligations to negotiate on mandatory subjects of collective bargaining covered by law. The parties agree to negotiate immediately for the purposes of arriving at a mutually satisfactory supplemental agreement covering such operation. Should the parties fail to reach agreement, Rule 14.04 shall not apply.

RULE 38 - SAVING AND SEPARAB:

38.01 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.

RULE 39 - TERM OF AGREEMENT

39.01 This Agreement shall become effective upon signing, unless otherwise specified and shall remain in effect through March 31, 1996, and shall be considered renewed from year to year thereafter between the parties unless either party gives written notice to the other of its desire to amend or terminate same during the period from September 1, 1995, to March 1, 1996. Should the negotiations not result in a settlement by March 31, 1996, the provision of Rule 14.04 shall be waived pursuant to the provisions of PERA. Automatic renewals pursuant to this Rule shall not conflict with AS 23.40.210.

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
INLANDBOATMEN'S UNION OF THE PACIFIC, ALASKA REGION

Re: SOUTHWEST SYSTEM

It is hereby understood and agreed between the parties that the following is intended to supplement the 1994-1996 Agreement entered into between the State of Alaska and the Inlandboatmen's Union of the Pacific, Alaska Region, and is intended to amend that Agreement to cover the issues unique to the SOUTHWEST SYSTEM. The Agreement without this Supplement is intended to cover the Southeast System. The entire Southeast System Agreement is intended to apply to the Southwest System unless a Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental.

RULE 12 - RELIEF TERMINAL AND TRAVEL BETWEEN ASSIGNMENTS

12.01 Home terminal for the M/V TUSTUMENA shall be Seward; home terminal for the M/V BARTLETT shall be Cordova. Crews shall be relieved at the same terminal where they began their duties and such terminal shall be designated by the Employer as the home terminal. Relief or replacements made other than at their home terminal will be furnished transportation from their home terminal to place of employment and return transportation to their home terminal after completion of assignment, or from point of relief to their home terminal. Crew members shall be entitled to free transportation on vessels of the Employer between regular ports of call in which they reside and the home terminal at the commencement and termination of each period of duty. Crew members living in cities other than their home terminal will be able to secure passes through terminal agents either by teletype or telephone, if that terminal has no teletype. Changes in personnel (relief or replacement) shall take place at the vessel's home terminal whenever possible. Changes at other than the vessel's home terminal must be specifically authorized by the Employer.

12.05 TRAVEL BETWEEN HOME TERMINALS--DISPLACED REGULARLY ASSIGNED EMPLOYEES, RELIEF, AND REGULARLY ASSIGNED RELIEF EMPLOYEES. Relief Employees, RAREs, and DRAEs shall designate a preferred home terminal for assignments, either Seward or Cordova. When a Relief Employee, RARE, or DRAE receives an assignment at other than his or her preferred home terminal, the employee shall receive receipted necessary travel expenses for travel between the assignment and the preferred home terminal. However, if a Regularly Assigned Employee has become a Relief Employee or a DRAE as the result of a temporary upgrade or an assignment change at the convenience of the Employer, the Relief Employee or DRAE shall also be entitled to travel pay for travel to and from the temporary upgrade or assignment change.

RULE 16 - SHIPYARD AND TERMINAL WORK

16.02 All time worked during a forty-two (42) hour workweek assignment 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 the overtime rate. In computing weekly overtime hours, the ship's watch time and shipyard or tie-up time on the forty-two (42) hour week schedule shall not be combined.

16.07 (A) Upon entering shipyard or tie-up status, Southwest Rule 17 and Rule 25 shall apply until the end of the bimonthly pay period in which the vessel enters shipyard or tie-up status.

(B) Salary schedule for employees residing outside Alaska, effective August 1, 1994 through June 30, 1995:

CLASSIFICATION	STRAIGHT TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$13.30	\$25.35
A/B Bos'n	\$13.08	\$22.37
Able Seaman	\$11.13	\$20.46
Ordinary Seaman	\$10.51	\$19.17
Ordinary Seaman-Porter	\$10.51	\$19.17
Watchman-Porter	\$10.51	\$19.17
Junior Engineer	\$12.22	\$22.50
Oiler	\$11.24	\$20.63
Wiper	\$10.61	\$19.31
Chief Steward	\$13.30	\$25.35
Chief Cook	\$12.31	\$22.80
Second Cook	\$10.90	\$20.03
Assistant Second Cook	\$10.40	\$18.99
Bartender	\$10.40	\$18.99
Headwaiter	\$10.40	\$18.99
Head Bedroom Steward	\$10.40	\$18.99
Mess Steward	\$10.36	\$18.92
Waiter/Waitress	\$10.30	\$18.81
Steward	\$10.30	\$18.81

(C) Salaries for Alaska residents, effective July 1, 1995:

CLASSIFICATION	STRAIGHT TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$16.79	\$31.73
A/B Bos'n	\$15.38	\$28.34
Able Seaman	\$14.12	\$25.94
Ordinary Seaman	\$13.32	\$24.30
Ordinary Seaman-Porter	\$13.32	\$24.30
Watchman-Porter	\$13.32	\$24.30
Junior Engineer	\$16.64	\$30.23
Oiler	\$14.87	\$27.09
Wiper	\$13.44	\$24.48
Chief Steward	\$16.79	\$31.73
Chief Cook	\$15.60	\$28.91
Second Cook	\$13.81	\$25.41
Assistant Second Cook	\$13.18	\$24.09
Bartender	\$13.18	\$24.09
Headwaiter	\$13.18	\$24.09
Head Bedroom Steward	\$13.18	\$24.09
Mess Steward	\$13.12	\$23.99
Officer's B/R	\$12.62	\$23.03
Waiter/Waitress	\$12.62	\$23.03
Steward	\$12.62	\$23.03

RULE 21 - SCHEDULING OF TIME OFF

21.01 When an employee has obtained written approval from the Juneau Personnel Office for his or her scheduled vacation or time off at least one (1) month prior to the first scheduled day of leave, such leave shall not be cancelled except in an emergency. In the event that an employee is subsequently required to work on or beyond his or her first scheduled day of leave or is called back to work prior to the end of his or her scheduled leave, the employee shall be paid at the overtime rate for each day of work within the scheduled leave period up to a maximum of fourteen (14) days at the overtime rate.

RULE 22 - OVERTIME

22.02 All work performed off watch or in excess of eight (8) hours per day, shall be paid for at the overtime rate of pay applicable to the classification.

RULE 23 - ACCUMULATED DAYS OFF

23.01 For each day worked and for each day a crew member is required to remain on board, such crew member shall accumulate time off with pay according to the following schedule:

Employees hired April 1, 1985, and after:

<u>Years in System</u>	<u>Accrual Rate</u>
0 but less than 2	1/2 day
2 but less than 5	5/8 day
5 but less than 7	3/4 day
7 or more	7/8 day

Employees hired prior to April 1, 1985:

<u>Years in System</u>	<u>Accrual Rate</u>
0 but less than 2	1/2 day
2 but less than 3	2/3 day
3 but less than 7	3/4 day
7 but less than 9	7/8 day
9 or more	1 day

For each holiday worked and for each holiday a crew member is required to remain on board, such crew member shall accumulate one and one-half (1-1/2) days off with pay. This accrual includes the accrual rate as provided for above. Changes in accrual rates shall be effective on the first day of the month following fulfillment of the service requirement. Provisions of this Rule are in effect while the vessel is in service and during periods of shipyard or lay-up time.

23.02 When in ports other than the home port, crew members shall be given Saturday, Sunday and holidays off with pay. If any crew member is required to work by the vessel, or is ordered to remain aboard for security reasons, such crew member shall receive the straight-time rate of pay and in addition thereto shall earn the appropriate number of accumulated days off with pay.

while an employee is on sick leave will be eight (8) hours holiday pay at straight-time rate and such hours will not be charged to sick leave balances.

RULE 25 - MINIMUM GUARANTEE

25.01 Regularly Assigned Employees working as part of the crews shall receive not less than a half-month's pay (one hundred and twenty [120] hours per pay period). Holiday Premium Pay, overtime worked beyond the basic straight-time day and the premium portion of overtime paid in addition to the guarantee. The above shall not apply to crew members engaged as extras to relieve crew members for vacations, illnesses, or leaves of absences.

25.02 SHOW-UP PAY. When a relief is dispatched and reports to a job, he shall be guaranteed a minimum of a full day's pay eight (8) hours for the assignment.

25.03 Does not apply.

APPENDIX B

LETTER OF AGREEMENT between the STATE OF ALASKA and the INLANDBOATMEN'S UNION OF THE PACIFIC ALASKA REGION

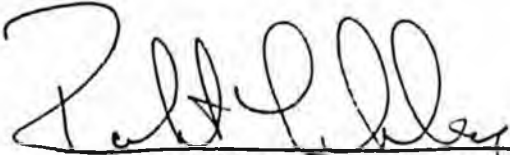
Re: Emergency Trauma Training

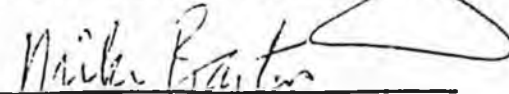
The parties agree that it is in the best interest of the Alaska Marine Highway System's passenger and crew to train employees to be able to respond to medical emergencies. Therefore, the parties agree to the following:


1. The Employer will continue to schedule Purser's Department employees for appropriate emergency trauma training and will provide such training at no cost to the employee. Other employees may request to attend such training but must receive prior approval. The employee will be considered in work status while in training; therefore, Rule 25 will apply to the period of training. In addition and when required for the training, the employee will receive transportation expenses and travel pay according to the provisions of Rule 12, and per diem as provided for in Rule 11.
2. Satisfactory completion of emergency trauma training is currently a minimum requirement for successful completion of the probationary period in the Purser's Department. Purser's Department employees will continue to be required to complete emergency trauma training of a type specified by the Employer, or provide evidence of current emergency trauma training certification in order to establish Purser's job and/or department seniority. Consistent with Rule 26.03 emergency trauma training shall be completed before the sixth point of Purser's job and/or department seniority is earned.
3. Exceptions to the above may be authorized by mutual agreement of the System Director of the Alaska Marine Highway System or designee and the Regional Director of the Inlandboatmen's Union of the Pacific, Alaska Region.
4. This Letter of Agreement is subject to the continuing availability and sufficiency of funds for emergency trauma training.

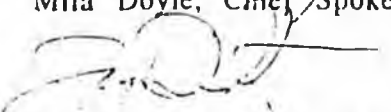
Signed on this 10th day of October, 1994

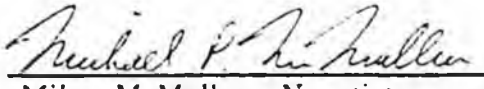
For the State of Alaska:


Robert Libbey, Commissioner

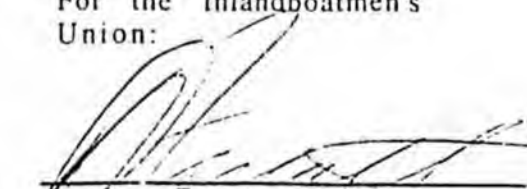

Michael Barton, Commissioner

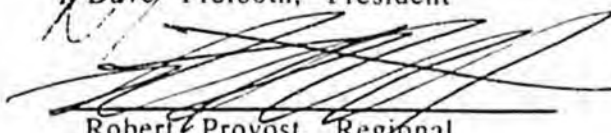

Mila Doyle, Chief Spokesperson


Greg Dronkert, Negotiator


Mike McMullen, Negotiator

For the Inlandboatmen's
Union:


Dave Freiboth, President


Robert Provost, Regional
Director

MEMORANDUM

STATE OF ALASKA
Department of Administration
Office of the Commissioner

To: Annalee McConneil
Director
Office of Management and Budget
Office of the Governor

Date: October 3, 1995

File No:

Phone: 465-2200

From: Mark Boyer
Commissioner
Department of Administration

Subject: Monetary Terms of 1995-96
Masters, Mates & Pilots
Agreement

The State of Alaska has concluded negotiations with the International Organization of Masters, Mates and Pilots, Pacific Maritime Region, representing the MMP Unit for an agreement extending from April 1, 1994, through June 30, 1996. I will provide the legislature with a report of monetary terms as required by AS 23.40.215(b).

Monetary Terms. Monetary terms of an agreement are defined at AS 23.40.250(4) as changes which will require an appropriation for their implementation, that will result in a change in state revenues, or that will result in a change in productive work hours for state employees.

- I. **Require Appropriation.** Bargaining unit members employed by the State on August 7, 1995, shall receive a lump sum payment of \$950.00, less mandatory deductions, payable no later than July 15, 1996. This payment could be appropriated as either an FY96 or FY97 obligation.
- II. **State Revenues.** There are no provisions in the agreement which should change State revenues.
- III. **Productive Work Hours.** There are no provisions in the agreement which should change productive work hours.

Conclusion. Funding of the monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Unit for any assistance desired.

MB/dmc

cc: Sharon Barton, Director
Division of Administrative Services

Don Wanie, Director
Division of Finance

Rep. Hanley

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, 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 M/V COLUMBIA, M/V MALASPINA, M/V MATANUSKA, M/V TAKU, M/V LECONTE, M/V AURORA, M/V BARTLETT and M/V TUSTUMENA, and any other such vessels operated by the Alaska Marine Highway System, State of Alaska.

1.02 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the undisturbed 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.

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.

RULE 3—INITIAL APPOINTMENTS AND USE OF INFORMATION

3.01 The Employer may employ from any source it chooses, including the Union, but shall give first preference to applicants who are qualified and are residents of Alaska. The Union, in supplying any personnel, shall recognize this preference.

3.02 The Employer recognizes that the Union is a normal source of obtaining new Deck Officers. If called upon to do so, the Union agrees to furnish the Employer qualified and satisfactory personnel for any classification covered by this Agreement.

3.03 The Employer may reject any applicant for a position who it feels is unsatisfactory. If the Union feels that any rejection of an applicant, who is a current employee of the Employer, has been made without valid reason, the Union shall have the right to review the case in behalf of the applicant.

3.04 Preemployment physicals may be required.

3.05 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.

RULE 4—DEFINITIONS**4.01 DECK OFFICERS.**

(A) **Regularly Assigned Deck Officer.** A Deck Officer who is regularly assigned to a specific position on board a given vessel. A Regularly Assigned Deck Officer who is temporarily assigned to a Third Main Trainee position on a Soatle route vessel shall continue to be considered a Regularly Assigned Deck Officer.

(B) **Vacation Relief Deck Officer.** A Deck Officer who has been assigned to relieve Regularly Assigned Deck Officers and who has been so designated in writing by the Employer in accordance with Rule 2.01.

(C) **Extra relief.** A Deck Officer who does not have a regularly assigned position or is not a designated Vacation Relief Deck Officer and is employed to fill temporary vacancies, i.e., illness, injury, leaves of absence, etc.

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

4.03 SYSTEMS.

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

(B) **Southwest System.** Includes all vessels using Seward or Cordova as change ports.

RULE 5 UNION MEMBERSHIP

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 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 demand by the Union, any Deck Officer who has been employed for more than thirty (30) days and who is not in compliance with the provisions of this Rule shall be terminated by the Employer. Termination shall become effective within thirty (30) days after receipt of the aforesaid demand to the Employer by the Union.

5.04 The Alaska Marine Highway System personnel office shall furnish the Union's Regional Office one (1) copy of the appointing personnel action form for each new hire in the bargaining unit within thirty (30) days of hire.

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.

RULE 7—CREW REQUIREMENTS

- 7.01 The minimum manning for all present and future vessels shall be in accordance with the safe operation of the vessel as concluded between the Employer and the Union 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.

RULE 8—HEALTH AND SAFETY

- 8.01 The health and safety of Deck Officers shall be reasonably protected. The Employer agrees that, on vessels where quarters are provided, white sheets, pillowslips, 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 remodeling or construction of new vessels occurs. The Employer recognizes the right of the Union to discuss quarters before new vessels are acquired, constructed or converted.
- 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 All employees will be encouraged to obtain a U.S. Coast Guard Lifeguard certificate within six (6) months from date of meeting the necessary Coast Guard requirements. All employees shall be required to obtain the lifeguard certification within one (1) year after completing necessary U.S. Coast Guard requirements as a condition of continued employment with the Employer.
- 8.06 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. However, those Deck Officers enrolled in SBS Option 1, shall be entitled only to reimbursement for costs not covered by SBS Option 1 physical examination coverage up to a maximum of one hundred fifty dollars (\$150.00).
- 8.07 The Employer will reimburse each Deck Officer for the actual cost of a drug test required by law, regulation, employer direction or to maintain his/her license. This shall not apply to pre-employment drug tests, or to testing or screening associated with a drug rehabilitation program.

RULE 9 - OCCUPATIONAL INJURY AND ILLNESS BENEFITS

- 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. 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.

For the purposes of this Rule, the "end of the voyage" in the Southeast System shall be that point in time when the employee was scheduled to be relieved. In the Southwest System, the "end of the voyage" is when the vessel returns to its home port or when the employee was scheduled to be relieved, whichever is sooner.

- 9.02 **Maintenance:** When an employee is entitled to payment of maintenance under the doctrine of maintenance and cure, payment of maintenance shall begin at the end of the period for which unearned wages are payable. Effective July 1, 1994, maintenance shall be paid at the rate of \$30.00 per day.

If an employee elects to utilize medical/sick leave or accrued annual leave for the same period in which maintenance is received, the combined rate for maintenance and medical/sick leave and accrued annual leave shall not exceed the employee's regular daily pay.

- 9.03 **Cure:** An employee shall submit all bills regarding a work related injury or illness to the State's group health insurance carrier which is funded by the Employer. Any medical costs incurred as a result of the work related injury or illness before the time the employee has reached maximum medical cure that are not provided by the State's group health insurance carrier will be sent to:

Scott Watzel Services
ATTN: George Erickson
3000 C Street
Anchorage, Alaska 99503

- 9.04 **Transportation:** In the event a Deck Officer becomes ill or is 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.

- 9.05 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 said transportation is connected to an assignment.

- 9.06 Seniority shall accrue while the Deck Officer is paid Maintenance and Cure for the time absent from work, provided the Deck Officer was eligible for dispatch based on his or her seniority.

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

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.

LI CHANGE FOR SUBSISTENCE AND QUARTERS

11.01 When the employee is in work status away from home and quarters are not furnished, the employee shall be entitled to a quarters allowance of forty five dollars (\$45.00) per day. 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 employee is in work status away from home and meals are not furnished, the employee shall be entitled to a meal allowance of thirty dollars (\$35.00) per day. In the event that the rate for meal allowance designated in the State Administrative Manual for Southeast Alaska is adjusted, the rate specified herein shall be adjusted by the same dollar amount.

RULE 12—RELIEF TERMINAL

12.01 CHANGE PORTS.

(A) Regularly Assigned Deck Officers. Change ports shall be Juneau and Ketchikan. 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, 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. Regularly assigned Deck Officers shall normally be relieved at the same change port where they began their duties.

(B) Vacation Relief Deck Officers shall designate a preferred change port, either Juneau or Ketchikan.

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 recouped necessary travel expenses to return to the port of engagement.

12.03 TRAVEL BETWEEN REGULAR ASSIGNMENTS. 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. 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 a Deck Officer traveling to Deck Officer's designated change port by means other than vessels of the System.

12.04 TRAVEL BETWEEN TEMPORARY ASSIGNMENTS.

(A) When a Regularly Assigned or Vacation Relief Deck 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 Deck Officer is entitled to travel pay and recouped 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.

(B) When an Extra Relief Deck 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 Deck Officer is entitled to recouped 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.

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.

12.06 TRAVEL PAY. When a Deck 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 or from the temporary change port. Deck Officers will receive a minimum of four (4) hours travel pay per trip, except that if more than four (4) hours is claimed, the Deck Officer must submit documentation 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. 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 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.

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.

12.07 TRANSFER OR CHANGE OF ASSIGNMENT. All additional costs incurred by a transfer or change of assignment at the convenience of an request 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), reimbursements for actual moving expenses incurred shall be in accordance with the State travel regulations.

12.08 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 to return as a result of the early return to work. In order to be reimbursed under this section the call back must be approved by the Operations Manager of the Alaska Marine Highway System prior to the Deck Officer incurring additional expenses. The Deck Officer shall submit documentation to support the additional expenses claimed. If the Deck 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.

12.09 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.

RULE 13—VISITATION

13.01 Authorized representatives of the Union shall be allowed to go on the Employer's property and on board vessels covered by this Agreement. The Employer will issue the duly accredited representatives a pass for such visits, and 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 Deck Officers will be interrupted in their work.

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 Director, 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 Director, 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 the Department of Administration required under Step Four. Such request shall specify which Rule or Rules are alleged to have been violated.

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 judgment 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 20 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) working 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 ENOPP 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 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.

Allocated time frames may be extended by mutual agreement.

provide: The Employer and agreed to by the Union.

The facts from which it arises, the rules, procedures, or conditions which should be remedied and the remedy. Adjustments to complaints shall not conflict with this Agreement or applicable 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 System Director. The System Director 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 Director 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.

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. The Employer will notify the Deck Officer in writing when said coverage is initially provided or renewed.

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 Reimbursement will be made for all or part of costs incurred, including necessary transportation and per diem in accordance with the State 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 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. 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 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 Director upon his finding that such training is in the interest of the Employer and determination that the necessary fiscal resources are available.

During the life of this Agreement the parties agree to continue discussions regarding Employer participation in the Maritime Institute of Technology and Graduate Studies.

15.04 Upon approval by the Operations Manager, Alaska Marine Highway System, Deck Officers shall be allowed to attend, in a continuous pay status, any Employer-approved course of instruction involving freightling and/or emergency medical treatment.

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, those Deck Officers assigned to remain on the vessel shall work a forty-two (42) hour workweek, consisting of five (5) consecutive eight and four tenths (8 4) hour days and two (2) consecutive days off. 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 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. 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 workweek.

16.03 When a vessel is in maintenance/layup status, the Employer shall determine crew requirements. However, 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.

16.04 All time worked in excess of eighty four (84) hours in a pay period shall be paid at the overtime rate.

RULE 17—PAY PLAN

17.01(A) BASIC SALARY SCHEDULE EFFECTIVE APRIL 1, 1994, THROUGH MARCH 31, 1995:

Southeast: M/V COLUMBIA CLASS

JOB CLASSIFICATION	MONTHLY (102 HOURS)	BIMONTHLY (84 HOURS)	DAILY (12 HOURS)	STRAIGHT-TIME HOURLY	OVER-TIME HOURLY
MASTER	\$5,113.85 245.24 293.83	(Base salary) (Master's pay) (Nonwatch pay, in lieu of overtime)			
	\$5,652.02	\$2,609.04	\$372.72	\$31.06	\$46.59
PILOT	\$4,757.40	2,195.76	313.60	26.14	39.21
CHIEF MATE	4,499.05 293.83	(Base Salary) (Nonwatch Pay, in lieu of Overtime)			
	\$4,702.88	\$2,170.56	310.08	25.84	38.76
SECOND MATE	4,116.84	1900.00	271.44	22.62	33.93
THIRD MATE	4,116.84	1900.00	271.44	22.62	33.93
THIRD MATE-TRAINEE	3,862.04	1,702.40	254.64	21.22	31.83

Southeast: LECONTE CLASS

JOB CLASSIFICATION	MONTHLY (102 HOURS)	BIWEEKLY (84 HOURS)	DAILY (12 HOURS)	STRAIGHT-TIME HOURLY	OVER-TIME HOURLY
MASTER	\$5,113.85 245.24 293.83	(Base Salary) (Master's Pay) (Nonwatch Pay, in lieu of Overtime)			
	\$5,652.92	\$2,609.04	\$372.72	\$31.06	\$46.59

CHIEF MATE WATCH STANDER	4,207.84	1,942.00	277.44	23.12	34.68
SECOND MATE	3,942.12	1,819.44	259.02	21.66	32.49
THIRD MATE	3,942.12	1,819.44	259.02	21.66	32.49

17.01(A)(2) Effective September 1, 1994, the two tiered wage schedule in effect for the Southeast System shall be abolished and all Southeast System employees shall be paid according to the wage schedule in effect on August 31, 1994, for the M/V Columbia Class vessels. However, watchstanding Chief Mates on the M/V Aurora and the M/V Le Conte shall remain ineligible for non-watch pay.

(B) COST-OF-LIVING DIFFERENTIAL FOR ALASKA RESIDENTS. Pursuant to AS 23.40.210, in addition to the basic wage schedule provided in Rule 17.01(A) above, those Deck Officers who are residents of Alaska shall receive a cost of living differential for each pay period that they are in pay status, according to the following schedule:

M/V COLUMBIA CLASS

Job Classification	Per Two Week Pay Period
Master	\$536.53
Pilot	451.57
Chief Mate	446.28
Second and Third Mates	390.67
Third Mate-Trainee	366.46

M/V LeCONTE CLASS

Master	\$536.53
Chief Mate	399.46
Second and Third Mates	374.27

17.01 (B)(2) Effective September 1, 1994, the two tiered Cost of Living Differential (COLD) schedule in effect for the Southeast System shall be abolished and all Southeast System employees shall be paid according to the COLD schedule in effect on August 31, 1994, for the M/V Columbia Class vessels.

17.02 It is agreed that the cost of living differential between Alaska and Seattle which is referred to in AS 23.40.210 shall be a mandatory subject for collective bargaining and shall not be changed, modified, adjusted, redetermined, or altered in any way by the State of Alaska unilaterally, and no change shall be made without the consent and Agreement of the Union.

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 It is agreed that the Employer will compile a total gross wage study for all shipboard ratings within the system when so requested by the Union. In the event the Union requests the wage study be performed by an independent third party, this party must be mutually agreed to by the Union and the Employer.

17.04 VACATION RELIEF DECK OFFICERS' PAY RATES. The Vacation Relief Deck Officer shall be paid at the rate of the highest rating he or she has relieved during the preceding twelve (12) months. For purposes of this section, the highest rating relieved shall be determined with reference to the job classifications listed in this Rule and, if assigned to the Southwest System, also with reference to the class of vessel (M/V COLUMBIA, M/V LaConte). Vacation Relief Deck Officers working in the Southwest System shall be paid according to the vessel on which they are actually relieving.

17.05 A Deck Officer who establishes eligibility for vacation under Rule 23.01(B) will, seven (7) years after establishing such eligibility, begin receiving an annual lump sum payment equal to eighty-four (84) times the Deck Officer's straight time hourly rate.

RULE 18—HOURS--VESSEL ON RUN

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

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 one (1) week (seven [7] consecutive days) followed by one (1) week off duty, with the alternate crew relieving.

19.02 The provisions of this Rule shall not apply to maintenance/layup status.

19.03 When mutually agreed upon by two Deck Officers in equal grade, they may work fourteen (14) days on, followed by fourteen (14) 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.

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 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 Deck Officers held over on duty.

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 at 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.

RULE 22—OVERTIME

22.01 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 When a Regularly Assigned Deck Officer has worked a regularly assigned week (seven [7] consecutive days) and is required to work during his or her assigned week off (seven [7] 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.

22.03 When any vessel is not crewed with the complement of Deck Officers required by the ship's Certificate of Inspection or established as minimum for the safe and efficient operation of the vessel per Rule 7.01, the wages of the missing Deck Officers shall be divided equally between all Deck Officers on board.

22.04 Any nonwatchstanding Deck Officer who is required to stand watch will continue to receive his or her nonwatch extra compensation and will get paid overtime or premium on the same basis as any watchstander.

22.05 The first assignment for any Deck Officer returning for duty from prolonged sick leave, vacation (exclusive of the vacation assigned by the Vacation Relief 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.

RULE 23—VACATION

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:

Years of Continuous Service	Vacation Accrual Hours/Year
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

(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:

Years of Continuous Service	Vacation Accrual Hours/Year
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 rate shown in Rule 23.02(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 eighty-four (84) hours, and who established eligibility for vacation at least ten (10) years ago, shall be permitted to cash out eighty-four (84) 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 Union Vacation Committee and the Operations Manager of the Alaska Marine Highway System or designated working in unison to arrive at the individual's vacation dates. This program will provide Vacation Relief Deck Officers who shall have a schedule and relief 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 Deck Officers must contact an active Union Vacation 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 day (7th) following the actual date of the end of the approved vacation.

(B) During periods of major layup of vessels, Deck Officers with greater amounts of vacation may be required, through joint Agreement of the Union and the Port Captain, Alaska Marine Highway System, or designee, to utilize their vacation time in order to permit other Deck Officers to remain employed.

23.04 The Vacation Relief Deck Officer's work assignment shall be as prescribed by the Deck Officer Vacation committee. The Vacation Relief Deck Officers shall be paid on the basis of eighty-four (84) hours every two (2) week period in accordance with past practice. The eighty-four (84) hour base pay per two (2) week period shall not vary if the Vacation Relief Deck Officer works more or less than eighty-four (84) hours in any given two (2) week period. Late arrival pay, holiday pay, etc., 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. (For definition of a Vacation Relief Deck Officer's regular pay rate see Rule 17.05.) If a higher pay rate than the Deck Officer's regular pay rate 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. However, if circumstances cause 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 appropriate 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 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 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, 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 six (6) hours of vacation on April 1 of each year provided that the Deck Officer's balance is at least eighty-four (84) hours. Such vacation shall be converted to dollars at the hourly rate of the donor and transferred to the Union Business Leave Bank. Withdrawal requests from the Bank will be for 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 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 credit to an individual's vacation account.

(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 credit 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. Vacation dates approved under this Rule shall not be revised until all other alternatives have been exhausted.

23.11 Vacation Relief Deck Officers will be paid overtime at time and one-half (1-1/2) for the hours worked in excess of the normal straight time number (one thousand and ninety-two (1,092)) shown by the Employer's June and December audits, and the provisions of Rules 22.01 and 22.02 will not apply. The audits are to be provided to the Vacation Relief Deck Officer on or before August 1 and March 1 respectively.

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 work off while on sea watches, the Deck Officer's scheduled two (2) consecutive days off while at a shipyard or the up terminal as provided for in Rule 16.01, 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, except when the holiday falls on Saturday, the holiday shall be observed on

the preceding Friday, or if the holiday falls on Sunday the holiday shall be observed on the following Monday.

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 the week off shall be paid in addition to the guarantee. The above shall not apply to Deck Officers engaged as extras to relieve Deck Officers for vacations, illnesses or leaves of absence.

RULE 26—SENIORITY

26.01 Deck Officers who have completed six (6) months of continuous service shall establish seniority with the Employer. There shall be two (2) 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.

- (A) Any Deck Officer having six (6) months or more continuous 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 Masters' Seniority Roster shall include all Deck Officers who have been promoted to and established seniority as Master, and are serving in either the capacity of Master or Pilot. All Masters or Pilots shall be placed on the Deck Officers' Seniority Roster after having completed six (6) months of continuous service. A Master will be placed on the Masters' Seniority Roster, retroactive to first date of service in the Master's capacity, after completion of ninety (90) working days as a Master. Deck Officers or Masters who are employed on the same date shall have their seniority determined by lot.
- (C) For purposes of this Rule, continuous service shall be defined as having been compensated for a minimum of eighty-four (84) straight-time hours worked in successive calendar months. In computing continuous 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 Master, Pilots and Chief Mates. The employer shall serve notice of all such vacancy within fifteen (15) days. Notice shall be posted on each vessel, at the JunEAU 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 may be delayed until the vessel returns to service.

26.05 Whenever a Chief Mate's position becomes vacant, those Deck Officers currently serving as Chief Mates 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. All Deck Officers, other than those assigned to vacation relief, shall have a regularly assigned position. Deck Officers in excess of those required shall be assigned as Extra Reliefs. Third Mate Trainee positions on Seattle route vessels shall not be regularly assigned positions.

26.06 When a Master's or Pilot's position becomes vacant, those persons on the Masters' Seniority Roster 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.

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:

- (A) Discharge for cause.
- (B) Continuous layoff of twelve (12) months duration.
- (C) Resignation.

- (D) 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.

26.11 The Union recognizes the Employer's right to establish and modify various piloting requirements as minimum standards for each position and recognizes the standards in effect upon the signing of this Agreement.

RULE 27—HEALTH AND WELFARE

29.01 The Employer shall pay the total premium required for health insurance covering Deck Officers, their spouses and dependents at the level of coverage in effect for this bargaining unit on March 31, 1993, until such a 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.

The Employer shall provide written notice to the Union of changes to the level of Health Insurance benefits at least sixty (60) days prior to implementation. The Union may then elect the Employer provided Health Insurance Plan pursuant to AS 39.30.090 or provide a plan of their choice to the bargaining unit members.

The Union will respond to the Employer within forty-five (45) days of the notice of changes to the level of Health Insurance benefits.

The State expressly waives its right to require the Union to bargain collectively and the Union expressly waives its right to require the State to bargain collectively over all matters relating to the provision of a group health insurance plan established pursuant to AS 39.30.090.

29.02 (A) As an alternative to the Employer provided Health Insurance Plan as described in Rule 29.01 the Union may elect to provide its own health insurance program for its members. At any time, but not less than sixty (60) days prior to the rate change date, the Union shall notify the Employer in writing of its desire to cease the Employer provided health insurance coverage and its intent to establish a health care trust for its members in accordance with applicable laws and regulations.

(B) If the Union elects to provide a plan of its choice, conversion to a Union Health Trust shall be effective no earlier than July 1, 1994, (or in the alternative July 1, 1995) subject to the approval of the monetary terms of this provision in accordance with Rule 39.02. If the Union elects to provide its own health insurance program, effective July 1, 1994, (or in the alternative July 1, 1995) the Employer will remit to the Union the amount of four hundred dollars (\$400.00) per month for each eligible

(C) The parties agree that the Union will remain on the Employer provided Health Insurance Plan while the parties negotiate a Letter of Agreement for the Union Health Trust and until the effective date of the Union Health Trust pursuant to 29.02(B).

29.03 The eligibility of employees and their dependents for each coverage referred to above and the precise benefits to be provided shall be as set forth in the insurance contract(s) entered into by the State of Alaska for that purpose.

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 dependents) who retired prior to the Masters, Mates and Pilots' entry into PERS under a provision 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.

RULE 29—SICK LEAVE

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 whether it be for only one (1) day or more when so requested by the Operations Manager, Alaska Marine Highway System. This verifying statement must be presented upon the Officer's return to work, or the absence will be regarded as unauthorized and unexcusable 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 at 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. The sick leave relief Deck Officer, if an Extra Relief, shall not be entitled to minimum guarantee.

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) 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.

29.06 FAMILY LEAVE. Employees shall be entitled to Family Leave pursuant to AS. 23.10.540.

Family Leave shall be charged first to sick leave. If this is insufficient, family leave will be charged to annual leave and then 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 employer's step child, with the employee for adoption shall be taken as a single block.

The twelve (12) month period for utilizing Family Leave entitlements shall commence with the first day leave is taken under the FMLA.

An employee may be required to recertify 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.

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 26.00 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 26.00 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

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 hose, 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 six hundred dollars (\$600.00) per annum paid semiannually in June and December in arrears. There shall be no deductions during periods of vacation or sick leave. Deck Officers leaving the service for any reason shall be paid a prorata 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.

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.

RULE 32--FREE PASSAGE

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, dependants and personally-owned vehicle shall be authorized free transportation on a space available basis only. Dependant 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 dependant(s), or with the specific approval of the Juneau Headquarters office.

(C) Only one (1) personally-owned vehicle may be listed and travel on an annual pass, unless otherwise authorized by the Juneau Headquarters office.

(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 dependants 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 32.00 shall be initiated by the Employer.

32.02 Deck Officers and/or their dependants 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.

32.03 Deck Officers who retire from the Alaska Marine Highway System and are receiving a PERS or NMRT pension shall receive an annual pass for themselves, their spouse, dependants 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.

32.04 All Deck 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 pass does not correspond with the actual date of travel, the Deck Officer and/or dependants involved must attempt to secure proper approval from Juneau Headquarters office. In emergency situations, if time precludes such approval before vessel departure, the Vessel Master, can make a determination on pass validity or non validity.

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

32.07 PERSONALLY-OWNED VEHICLE.

(A) A Deck Officer's personally-owned vehicle is defined as: A vehicle used as a daily or personal conveyance by the Deck Officer and having a registered gross vehicle weight of 7,200 pounds or less. The vehicle must be registered in the Deck Officer's name or an affidavit signed to the effect that it will be registered in the Deck Officer's name upon arrival in Alaska and that the vehicle is for the Deck Officer's personal use and is not intended for resale within a period of one (1) year. Only one (1) personally-owned vehicle may be listed on an annual pass. If the Deck Officer has more than one personally-owned vehicles, permission may be obtained from the division's main office to transport the second vehicle by use of an approved trip pass. To have a personally-owned vehicle shown on an annual pass it 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 7,200 pound limit on a case by case basis.

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.

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.

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 (49 CFR, 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.

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.

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.

RULE 37—TERM OF AGREEMENT

37.01 This Agreement shall become effective April 1, 1994, except where otherwise provided, and shall remain in effect through March 31, 1995 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 January 1, 1995, to March 1, 1995, or, in the event of automatic renewals, during the period from January 1 to March 1 of any subsequent year. Automatic renewals pursuant to this Rule shall not conflict with AS 23.40.210.

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 AS 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.

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

Re: M/V BARTLETT

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 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 BARTLETT. The Agreement without this Supplement is intended to cover the Southeast System. The entire Southeast System Agreement is intended to apply to the M/V BARTLETT unless an entire Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental

RULE 12—RELIEF TERMINAL

12.01 The change port shall be Cordova. Deck Officers shall be relieved at the same port where they began their regularly assigned duties. If a Deck Officer begins his or her duties at, or is relieved at a place other than his or her regularly assigned change port, he or she will be furnished transportation between his or her regularly assigned change port and the place of relief or replacement of the next assignment, as necessary. Such Deck Officer may also receive a quarter and/or meal allowance, as provided in Rule 11.

12.05 Does not apply.

RULE 16—SHIPYARD AND TERMINAL WORK

16.01 When vessels are tied up and watches are broken such as at shipyard or tie-up terminal, those Deck Officers assigned to remain on the vessel shall work a forty (40) hour workweek. 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 All time worked during a forty (40) hour workweek assignment in excess of eight (8) hours per day or five (5) days of forty (40) hours a week shall be paid at the overtime rate.

RULE 17—PAY PLAN

17.01 (A) BASIC SALARY SCHEDULE EFFECTIVE APRIL 1, 1994, THROUGH MARCH 31, 1995:

BARTLETT

JOB CLASSIFICATION	MONTHLY (360 HOURS)	HALF MONTHLY (180 HOURS)	DAILY (12 HOURS)	STRAIGHT-TIME HOURLY	OVER-TIME HOURLY
MASTER	\$5,745.94 245.24 293.83	(Base Salary) (Mates pay) (Nonwatch pay, in lieu of overtime)			
	\$6,205.60	\$3,142.80	\$269.52	\$17.48	\$28.19
CHIEF MATE	5,562.00	\$2,781.00	185.40	15.45	23.18
DECK OILER/MAH	4,371.20	2,185.60	178.04	14.82	22.30

(B) COST-OF-LIVING DIFFERENTIAL FOR ALASKA RESIDENTS. Those Deck Officers who are residents of Alaska shall be paid wages on the salary schedule set forth in Rule 17.01(A). Pursuant to AS 23.40.210, in addition to the basic wage schedule provided in Rule 17.01(A) above, those Deck Officers who are residents of Alaska shall receive a cost of living differential for each pay period that they are in pay status, according to the following schedule:

Job Classification	Per Two Week Pay Period
Master	\$632.00
Chief Mate	577.72
Second Mate	558.12

17.04 Does not apply.

17.06 Does not apply.

RULE 18—VESSEL ON THE RUN

18.01 Twelve (12) hours shall constitute a day's work.

RULE 19—BREAKING WATCHES

19.01 When the vessel is taken out of service at its change port, watches can be broken at either twelve noon or midnight, and the Deck Officers assigned to supervisory and/or security watches.

19.03 Does not apply.

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 charge shall be paid for only at the straight time rate.

RULE 21—LATE ARRIVAL

Entire rule does not apply.

RULE 22—OVERTIME

22.02 Does not apply.

RULE 23—VACATIONS

23.01 Deck Officers shall be eligible for vacation benefits of twelve (12) days vacation for each thirty (30) days of covered employment or four tenths (4) of a day per day worked, i.e., thirty one (31) days work equal twelve and four-tenths (12 4) days leave. A prorated vacation benefit shall be given for periods of less than thirty (30) days provided there is a minimum of thirty (30) days employment.

23.02 No vacation benefits shall accrue during periods of leaves of absence.

23.03 When vacation benefits are paid, they shall cover all work performed to date of vacation on a prorated basis and all days of vacation shall be computed as days of work either at the option of the Deck Officer for the current vacation claim or for the purpose of determining the ensuing vacation benefits.

23.04 Vacations shall not be accumulated for more than three hundred and sixty (360) days of employment, except that this period may be extended to not more than four hundred and fifty (450) days to meet the operating necessities of the service.

23.07 Does not apply.

23.09 UNION BUSINESS LEAVE.

(A) All members shall donate one (1) day of vacation when the member's balance is at least fifteen (15) days or more. Such vacation shall be converted to dollars at the hourly rate of the donor and transferred to the Union Business Leave Bank. Withdrawal requests from the Bank will be for purposes of contract negotiations, executive meetings, training sponsored by the Union and other purposes as may be determined by the Vice President of the Pacific Maritime Region of the International Organization of Masters, Mates and Pilots. Requests for withdrawal from the Bank shall be made only by the Vice President 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 credit to an individual's vacation account.

(B) Employees shall be allowed to voluntarily donate vacation to the Union Business Leave Bank, subject to the following procedures and conditions:

1. Each employee wishing to donate vacation time will fill out, date and sign a request showing the amount of vacation he or she wishes to donate.
2. Each such 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. The Union will deliver all such requests to the Alaska Marine Highway System Personnel office. 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 credit to the donor's account.

6. It is understood that such donations are in addition to the mandatory donation of one (1) day's vacation required under Rule 23.09(A).

(C) The release of members 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.

23.11 Deck Officers covered by this section who have vacation balances of at least forty five (45) days shall be permitted to cash out fifteen (15) days of vacation per calendar year. The Deck Officer's vacation balance shall be reduced by the number of vacation days paid to the Deck Officer.

RULE 25—MINIMUM GUARANTEE

25.01 The minimum monthly pay for all Deck 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. This provision shall not apply to Deck Officers engaged as extras to relieve Deck Officers for vacations, illnesses or leaves of absence.

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

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 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 TUSTUMENA. The Agreement without this Supplement is intended to cover the Southeast System. The entire Southeast System Agreement is intended to apply to the M/V TUSTUMENA unless an entire Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental.

RULE 12—RELIEF TERMINAL

12.01 The change port shall be Seward. Deck Officers shall be relieved at the same port where they began their regularly assigned duties. If a Deck Officer begins his or her duties at, or is relieved at a place other than his or her regularly assigned change port, he or she will be furnished transportation between his or her regularly assigned change port and the place of relief or replacement of the next assignment, as necessary. Such Deck Officer may also receive a quarter and/or meal allowance, as provided in Rule 11.

12.05 Does not apply.

RULE 15 - WORKING CONDITIONS

15.05 PILOTAGE ENDORSEMENTS. All permanent licensed Deck Officers with assignments on the M/V Tustumena are required to obtain and maintain as a condition of employment all US Coast Guard required pilotage endorsements for the areas of operation of the vessel, excluding Southwest Alaska pilotage endorsements, within two (2) years of the signing of this agreement.

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, those Deck Officers assigned to remain on the vessel shall work a forty (40) hour workweek. 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 All time worked during a forty (40) hour week assignment in excess of eight (8) hours per day or five (5) days of forty (40) hours a week shall be paid at the overtime rate.

RULE 17—PAY PLAN

17.01(A) BASIC SALARY SCHEDULE EFFECTIVE APRIL 1, 1994, THROUGH MARCH 31, 1995:

TUSTUMENA

JOB CLASSIFICATION	MONTHLY (240 HOURS)	HALF MONTHLY (120 HOURS)	DAILY (8 HOURS)	STRAIGHT-TIME HOURLY	OVER-TIME HOURLY
MASTER	\$4,973.73 245.24 293.83	(Base Salary) (Masters pay) (Nonwatch pay, in lieu of overtime)			
	\$5,512.80	\$2,756.40	\$103.76	\$22.07	\$34.48
CHIEF MATE (Nonwatch-stander)	\$4,455.77 293.83	(Base Salary) (Nonwatch pay, in lieu of overtime)			
	\$4,749.60	\$2,374.80	\$158.32	\$19.79	\$29.69
CHIEF MATE (Watchstander)	4,471.20	2,235.60	140.04	18.63	27.05
SECOND MATE	4,226.40	2,113.20	140.88	17.61	26.42
THIRD MATE	4,032.00	2,016.00	134.40	16.80	25.20

(B) COST-OF-LIVING DIFFERENTIAL FOR ALASKA RESIDENTS. Those Deck Officers who are residents of Alaska shall be paid wages on the salary schedule set forth in Rule 17.01(A). Pursuant to AS 23.40.210, in addition to the basic salary schedule provided in Rule 17.01(A) above, those Deck Officers who are residents of Alaska shall receive a cost of living differential for each pay period that they are in pay status, according to the following schedule:

Classification	Per Two Week Pay Period
Master	\$570.71
Chief Mate (Nonwatchstander)	510.89
Chief Mate (Watchstander)	480.67
Second Mate	454.46
Third Mate	433.48

17.04 Does not apply.

RULE 18—HOURS--VESSEL ON THE RUN

18.01 Eight (8) hours shall constitute a day's work.

RULE 19—BREAKING WATCHES

19.01 When the vessel is taken out of service at its change port, watches can be broken at either twelve noon or midnight, and the Deck Officers assigned to supervisory and/or security watches.

19.03 Does not apply.

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 hourage shall be paid for only at the straight time rate.

RULE 21—ACCUMULATION OF DAYS OFF

21.01 For each day worked and for each day a Deck Officer is required to remain on board, such Deck Officer shall accumulate one half (1/2) day off with pay. For each holiday worked and for each holiday a Deck Officer is required to remain on board, such Deck Officer shall accumulate one and one (1-1/2) days off with pay.

21.02 When in ports other than the home port, Deck Officers shall be given Sunday, Saturday and holidays off with pay. If any Deck Officer is required to remain on duty, such Deck Officer shall receive the straight time rate of pay, and in addition thereto, shall earn the appropriate number of accumulated days off with pay.

21.03 The provisions of this Rule shall apply when the vessel is in shipyard or lay up status.

RULE 22—OVERTIME

22.01 Overtime shall be as provided for in Rule 17. When a Deck Officer is called back 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 at straight-time, time shall run continuously.

22.02 When any vessel is not manned with the complement of Deck Officers required by the ship's Certificate of Inspection or established as minimum for the safe and efficient operation of the vessel per Rule 7 01, the wages of the missing Deck Officers shall be divided equally between all Deck Officers on board.

22.03 Any nonwatchstanding Deck Officer who is required to stand watch will continue to receive his or her nonwatch extra compensation and will get paid overtime or premium on the same basis as any watchstander.

RULE 24—HOLIDAYS

24.02 All holidays shall be given off with pay to Deck Officers. If a Deck Officer is required to work on a holiday, he or she shall be paid for the actual hours of work at the overtime rate and in addition shall receive holiday pay of eight (8) hours at the straight time rate.

24.03 All holidays will be paid at the eight (8) hour rate. Should a holiday occur while a 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 his or her sick leave balance.

RULE 25—MINIMUM GUARANTEE

25.01 The minimum monthly pay for all Deck 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. This provision shall not apply to Deck Officers engaged as extras to relieve Deck Officers for vacations, illnesses or leaves of absence.

APPENDIX A

Public Employees' Retirement System

The parties recognize that the following terms applied to the entry of the Deck Officers' bargaining unit into the Public Employees' Retirement System (PERS).

- (A.) Deck Officers were credited for a maximum of five (5) years of past service, retroactive from date of entry into PERS, for both vesting and benefits purposes, at the Employer's expense.
- (B.) Deck Officers would be allowed to purchase, at individual expense, a maximum of an additional three (3) years of past service. Individuals who opt to do so will establish a PERS Indebtedness account, and will pay the full actuarial cost of the service purchased, plus any interest that is mandated by PERS.
- (C.) In no event would a Deck Officer be credited with an amount of past service which exceeds the time that individual has actually served in this bargaining unit during the eight (8) years preceding this bargaining unit's entry into PERS.
- (D.) Except as specifically provided in Rule 28 of the collective bargaining agreement, or in this Letter of Agreement, from and after the date on which Deck Officers enter PERS they will be subject to all of the terms and conditions of PERS as it exists on that date, or as it may be lawfully modified from time to time thereafter.

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Committee on Finance
State Capitol, Juneau, Alaska 99801-1182

HOUSE FINANCE COMMITTEE

**COLLECTIVE BARGAINING UNIT AGREEMENTS AND OTHER NON-
COVERED EMPLOYEE COMPENSATION HEARINGS
MARCH 5TH AND 6TH**

Committee Handout

- Approximate costs of bargaining unit contracts spreadsheet - prepared by Legislative Finance.
- Summary of changes/proposed changes by bargaining unit (MM&P, IBU, LTC, GGU, SU, PSEA and ACSEA) for wages, leave, holidays, and health insurance from 1984 forward - prepared by DOA by request. (ACSEA is only for new contract)
- March 5, 1996 Memorandum from University - FY97 Salary Adjustments
- December 22, 1995 Memorandum from Department of Administration - Merit Increases.

HK
Handout

APPROXIMATE COST OF BARGAINING UNIT CONTRACTS & OTHER NON-COVERED EMPLOYEE COMPENSATION											
OMB-DBR 2/23/96											
Legislative Finance Modifications											
ANNUAL TOTALS											
BARGAINING UNIT											
Note											
FY 97											
FY 98											
FY 99											
GF OTHER TOTAL GF OTHER TOTAL GF OTHER TOTAL											
G	Masters, Mates & Pilots (MMP)	1		139.5	139.5		166.9	166.9		252.1	252.1
G	Inland Boatmen's Union (IBU)	1		1,210.2	1,210.2		948.5	948.5		1,433.5	1,433.5
G	Labor, Trades, and Crafts (LTC)		724.9	588.4	1,313.3	1,460.7	1,185.6	2,646.3	2,207.5	1,791.8	3,999.3
G	General Government Unit (GGU)		3,621.5	2,717.7	6,339.2	7,297.3	5,476.2	12,773.5	11,028.3	8,276.0	19,304.3
G	Supervisory Unit (SU)	2	702.8	503.6	1,206.4	1,416.1	1,014.8	2,430.9	2,140.2	1,513.6	3,673.8
LFD	Public Safety Employees Assn (PSEA)		497.8	127.0	624.8	1,003.1	255.9	1,259.0	1,515.9	386.7	1,902.7
G	Exempt Employees (XE)		764.2	661.2	1,425.4	1,539.9	1,332.3	2,872.2	2,327.2	2,013.5	4,340.7
LFD	University of Alaska	3	1,750.0		1,750.0	1,750.0		1,750.0	1,750.0		1,750.0
LFD	AMHS Fund	1	810.0		810.0	669.2		669.2	1,011.5		1,011.5
LFD	Legislature		342.9		342.9	686.0		686.0	1,028.9		1,028.9
LFD	Court Covered & Non-Covered	4	517.7		517.7	1,043.2		1,043.2	1,576.5		1,576.5
ANNUAL SUBTOTAL			9,731.8	5,947.6	15,679.4	16,865.5	10,380.2	27,245.6	24,585.9	15,687.4	40,273.4
LFD	MERIT INCREASE	5	2,148.7	1,688.3	3,837.0	2,148.7	1,688.3	3,837.0	2,148.7	1,688.3	3,837.0
LFD	HEALTH BENEFITS (requested from DOA)		?	?	?	?	?	?	?	?	?
CUMULATIVE TOTALS											
Masters, Mates & Pilots (MMP)											
Inland Boatmen's Union (IBU)											
Labor, Trades, and Crafts (LTC)											
General Government Unit (GGU)											
Supervisory Unit (SU)											
Public Safety Employees Assn (PSEA)											
Exempt Employees (XE)											
University of Alaska											
AMHS Fund											
LFD	Legislature		342.9		342.9	1,028.9		1,028.9	2,057.8		2,057.8
LFD	Court Covered & Non-Covered		517.7		517.7	1,560.9		1,560.9	3,137.4		3,137.4
CUMULATIVE SUBTOTAL			9,731.8	5,947.6	15,679.4	16,597.3	16,327.8	42,925.0	51,183.2	32,015.2	83,198.4
CUMULATIVE WITH MERIT			11,880.5	7,635.9	19,516.4	30,894.7	19,704.3	50,599.0	57,629.4	37,000.0	94,709.4
CUMULATIVE WITH HEALTH			?	?	?	?	?	?	?	?	?

INTERNATIONAL ORDER OF MASTERS. MATES & PILOTS
MM&P

	WAGES % increase	LEAVE Hrs per year	HOLIDAYS Days per year	HEALTH INSURANCE Premium contribution
1984 (A)	No increase	180 hrs sick leave	11 holidays	N/A
		Annual leave:		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 - 7 yrs	420.00	
		7 - 10 yrs	504.00	
		10+ yrs	588.00	
1985 (B)	7/1/85 2% wage increase.	180 hrs sick leave	Same as above	\$237.75
		Annual leave:		
		(Pre 85 hires)		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 - 7 yrs	420.00	
		7 - 10 yrs	504.00	
		10+ yrs	588.00	
		(Post 85 hires)		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 + yrs	420.00	
1986 (B)	No increase.	Same as above	Same as above	\$256.80
1987 (C)	7/1/87 2% wage increase not funded by the legislature.	Same as above	Same as above	\$320.64
1988 (D)	No increase	Same as above	Same as above	\$427.41
1989 (D)	No increase	Same as above	Same as above	\$384.59
1990 (D)	4/1/90 3.3% wage increase	Same as above	12 holidays	Same as above

	WAGES % increase	LEAVE Hours per year	HOLIDAYS Days per year	HEALTH INSURANCE Premium contribution
1991 (E)	4/1/91 5.6% wage increase	Same as above	Same as above	Same as above
1992 (E)	4/1/92 3.6% wage increase	Same as above	Same as above	Same as above
1993 (E)	no wage increase	Same as above	Same as above	\$423.50
1994 (F)	4/1/94 4.4% wage increase for a limited group of employees.	Same as above	Same as above	Same as above
1995 (G)	No wage increase	Same as above	Same as above	Same as above
1996 (G)	7/1/96 1/2 CPI capped at 1.5% 7/1/96 \$950.00 bonus	Same as above	11 regular holidays, 1 floating holiday.	Employer provided plan
1997 (H)	7/1/97 1/2 CPI capped at 1.5%	Same as above	Same as above	Same as above
1998 (H)	7/1/98 1/2 CPI capped at 1.5%	Same as above	Same as above	Same as above
1999 (H)		Same as above	Same as above	Same as above

Contract Terms:

- (A) LOA to extend terms of 7/1/80 - 3/31/83 contract
- (B) 4/1/85 - 3/31/88
- (C) 4/1/88 - 3/31/89
- (D) 4/1/89 - 3/31/91
- (E) 4/1/91 - 3/31/93
- (F) 4/1/93 - 3/31/94
- (G) 4/1/94 - 5/31/96
- (H) 6/1/96 - 5/31/99

NOTE: All wage and leave provisions are for employees working in the Southeast System. Employees working in the Southwest System have a different pay and leave scale. The majority of AMHS vessel employees work in the Southeast System.

INLANDBOATMENT'S UNION OF THE PACIFIC
IBU

	WAGES % increase	LEAVE Hours per year	HOLIDAYS Days per year	HEALTH INSURANCE Premium contribution
1984 (A)	No wage increase	180 hrs sick leave	11 holidays	\$184.57
		Annual Leave:		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 - 7 yrs	420.00	
		7 - 10 yrs	504.00	
		10+ yrs	588.00	
1985 (B)	4/1/85 2.0% wage increase.	180 hrs sick leave	Same as above.	\$224.20
	\$500.00 signing bonus.	Annual Leave:		
		(Pre 85 hires)		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 - 7 yrs	420.00	
		7 - 10 yrs	504.00	
		10+ yrs	588.00	
		(Pcs: 85 hires)		
		1 - 2 yrs	84.00	
		2 - 3 yrs	168.00	
		3 - 4 yrs	252.00	
		4 - 5 yrs	336.00	
		5 + yrs	420.00	
1986 (B)	4/1/86 2.1% wage increase which was not funded by the legislature.	Same as above	Same as above.	\$242.25
1987 (B)	4/1/87 2.0% wage increase which was not funded by the legislature.	Same as above	Same as above.	\$308.45
1988 (C)	4/1/88 2.1% wage increase.	Same as above	Same as above.	\$411.16
1989 (C)	No wage increase	Same as above	Same as above.	\$384.59

Inlandboatmen's Union of the Pacific

	WAGES % increase	LEAVE Hours per year	HOLIDAYS Days per year	HEALTH INSURANCE Premium contribution
1990 (D)	4/1/90 3.3% wage increase	Same as above	12 holidays	Same as above.
1991 (D)	4/1/91 5.0% wage increase	Same as above	Same as above.	Same as above.
1992 (D)	4/1/92 3.6% wage increase	Same as above	Same as above.	Same as above.
1993 (D)	no wage increase	Same as above	Same as above.	\$423.50
1994 (E)	no wage increase	Same as above	Same as above.	Same as above.
1995 (E)	no wage increase	Same as above	Same as above.	Same as above.
1996 (F)	7/1/96 1/2 CPI capped at 1.5% 7/1/96 \$950.00 bonus	Same as above	Same as above.	Cost of the employer provided plan.
1997 (F)	7/1/97 1/2 CPI capped at 1.5%	Same as above	Same as above.	Same as above.
1998 (F)	7/1/98 1/2 CPI capped at 1.5%	Same as above	Same as above.	Same as above.
1999 (F)		Same as above	Same as above.	Same as above.

Contract Terms

(A) 4/1/80 - 3/31/83

(B) 4/1/85 - 3/31/88

(C) 4/1/88 - 3/31/91 (wage reopener scheduled for last year of contract resulted in a new three year contract beginning 4/1/90)

(D) 4/1/90 - 3/31/93

(E) 10/10/94 - 5/31/96

(F) 6/1/96 - 5/31/99

NOTE: All wage and leave provisions are for employees working in the Southeast System. Employees working in the Southwest System have a different pay and leave scale. The majority of AMHS vessel employees work in the Southeast System.

U.M.W. 1564815
Bargaining Unit Summary of Negotiations

Unit	Expires	Status
1. General Government (GGU)	6/30/96	Current agreement extends the terms of the prior contract with no change in monetary terms.
	6/30/99	Tentative agreement effective July 1, 1996, through June 30, 1999. Includes salary schedule adjustment equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. The State's monthly health insurance contribution may increase up to \$50 for each eligible employee per month, with future increases matched by employee payroll deduction. Martin Luther King, Jr. Day will be observed by Class One employees. January 1, 1997, the employee's birthday will no longer be observed. February 1999, Lincoln's Birthday will no longer be observed. Correctional Officers will convert to a system of personal leave, with a 60% conversion of sick leave to personal leave. Overtime after 37.5 hours of work in a workweek, versus 37.5 in pay status. Monetary terms submitted for legislative approval.
2. Inlandboatmen (IBU)	5/31/96	Current agreement includes a lump sum payment of \$950.00 payable no later than July 15, 1996. Monetary terms submitted for legislative approval.
	5/31/99	Tentative agreement effective June 1, 1996, through May 31, 1999. Includes salary schedule adjustment equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. A 4.5% increase is guaranteed if the CPI should exceed 9% over the term of the agreement. Monetary terms submitted for legislative approval.
3. Labor, Trades and Crafts (LTC)	6/30/96	Current agreement includes the conversion to a system of personal leave. 50% of sick leave converted to personal leave with the remainder retained as sick leave. Contracting out provisions are changed to require a cost efficiency study in all cases.
	6/30/99	Tentative agreement effective July 1, 1996, through June 30, 1999. Includes wage schedule adjustment equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. A 4.5% increase is guaranteed if the CPI should exceed 9% over the term of the agreement. Tool allowance will increase by ten dollars (\$10) per month. State's monthly contribution to the Public Employees Local 71 Health and Welfare Trust may increase by up to \$26 to be matched by employee payroll deduction. Current employees will receive a one time addition of two days of personal leave. Holidays proclaimed by the president will no longer be observed. Monetary terms submitted for legislative approval.

Note: Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible in all units with Class 1 employees: GGU, SU, PSEA, LTC CEA.

Bargaining Unit Summary of Negotiations

Unit	Expires	Status
4. Marine Engineers (MEBA)	10/31/96	Negotiations have not formally commenced.
5. Masters, Mates & Pilots (MM&P)	6/30/96	Current agreement effective April 1, 1994, through June 30, 1996, includes a lump sum payment of \$950.00 payable no later than July 15, 1996. Monetary terms submitted for legislative approval.
	5/31/99	Tentative Agreement effective June 1, 1996, through May 31, 1999. Includes salary schedule adjustment equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. A 4.5% increase is guaranteed if the CPI should exceed 9% over the term of the agreement. Southwest Deck Officers shall be paid for the 31st day of the month if worked. Lincoln's birthday shall be treated as a floating holiday. Monetary terms submitted for legislative approval.
6. Supervisory (SU)	06/30/96	Current agreement extends the prior agreement. Includes conversion of 20% of existing medical leave balances to personal leave effective December 16, 1995.
	6/30/99	Tentative Agreement effective July 1, 1996, through June 30, 1999. Includes salary schedule adjustment for overtime eligible employees equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. A 4.5% increase is guaranteed if the CPI should exceed 9% over the term of the agreement. The salary schedule for overtime ineligible bargaining unit members will increase 1.5% each year of the agreement. \$50,000 will be allocated for supervisory training each year of the agreement. The standby rate of pay for overtime ineligible employees is increased from .75 hours pay per standby day to 1.25. Monetary terms submitted for legislative approval.
7. Public Safety (PSEA)	12/31/95	Current agreement. Arbitrator's award for 1992-94 received and amended. Extended one year by agreement.
	12/31/98	Tentative agreement. Effective January 1, 1996, to December 31, 1998. The salary schedule will increase by 1.5% each year of the agreement. Effective July 1, 1996, the State's health insurance contribution will increase to \$495. Effective July 1, 1997, the State's health insurance contribution will increase to \$520. Monetary terms submitted for legislative approval.

Note: Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible in all units with Class 1 employees: GGU, SU, PSEA, LTC, CEA.

Bargaining Unit Summary of Negotiations

Unit	Expires	Status
8. Correspondence Teachers (ACSEA)	6/30/96	Current agreement extends the terms of the prior contract.
	6/30/99	Tentative agreement effective July 1, 1996, through June 30, 1999. Includes salary schedule adjustment equal to one half of the increase in the Anchorage Consumer Price Index (CPI-U), not to exceed 1.5%, for each year of the contract. Monetary terms submitted for legislative approval.
9. Confidential (K)	06/30/96	Negotiations in progress.
10. Alaska Vocational Technical Center (AVTEC)	06/30/96	Negotiations in progress.
11. Mt. Edgecumbe Teachers	06/30/97	Negotiations begin Spring 1996.

Note: Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible in all units with Class 1 employees: GGU, SU, PSEA, LTC CEA.

March 1, 1996

BARGAINING UNIT SUMMARY REPORTS

BARGAINING UNIT MATRIX

AS OF 12/31/95

BARG. UNIT	SIZE	Average Mo Salary	Average Yrly Salary	Average Mo Employer Benefits	Average Yrly Employer Benefits	Average Yrs of Service	Avg. Yrly leave Accumulation in Dollars
GGU Class 1(GC)	731	3,743	44,910	1,220	14,642	8.13	6,416
GGU Class 1(GY)	133	3,503	42,042	1,169	14,032	7.48	6,306
GGU Class 1(GG)	1,201	2,899	34,784	1,011	12,132	7.98	5,218
GGU Class 2 & 3	5,560	3,337	40,044	1,100	13,196	7.98	6,007
SU	1,121	4,939	59,271	1,419	17,025	13.68	8,207
LTC	1,379	3,536	42,437	1,240	14,885	9.95	6,366
CFA	187	3,439	41,268	1,120	13,443	8.50	4,764
PSEA AA	323	5,730	68,766	1,689	20,266	11.57	8,926
PSEA AP	78	4,367	52,406	1,399	16,792	11.15	6,803
IBU (MM)	486	3,339	40,065	1,100	13,200	9.12	11,007
MEBA (BB)	72	6,247	74,970	1,192	14,298	16.59	21,901
MM&P (CC)	70	6,157	73,879	1,669	20,034	16.02	25,979
AVTECA	31	4,233	50,800	1,193	14,313	9.31	4,164
TEAME	17	4,311	51,730	1,207	14,481	7.33	8,255
ACSEA	24	4,522	54,258	1,245	14,940	9.46	7,826

Notes: Reference all Bargaining Units

Size: Number of permanent employees is based on count from "Avg. Semi Monthly Pay Report" as of 12/31/95

Avg. Mo. Salary: Source: Avg. Semi-monthly pay for last pay run of the quarter, 12/31/95. Includes only permanent, probationary, and provisional full time employees. salary includes Regular compensation, Leave, Differential, Standby, Hazard and Leadman Pay. Overtime is not included in the month or yearly averages.

Avg. Empl. Ben.: source: Payroll calculation sheet/collective //1/95. Includes only Health Ins, Retirement, and SDS. Work Comp, Leave Cash in, Medicare and UI are excluded

AVERAGE BENEFITS BY BARGAINING UNIT

for use with Bargaining Unit Matrix
as of 12/31/95

Barg. Unit	Health Ins.	Avg Yr Sal	Retirement % of Gross	SBS	Annual Benefit Totals	Avg. Mo. Benefits
CC	425.22	44,910	0.1511	0.0613	14,641.63	1,220.14
GY	425.22	42,042	0.1511	0.0613	14,032.26	1,169.35
GG Class 1	425.22	34,784	0.1408	0.0613	12,132.42	1,011.04
GG Class 2&3	425.22	40,044	0.1408	0.0613	13,195.53	1,099.63
SU	420.52	59,271	0.1408	0.0613	17,024.88	1,418.74
LTC	525.72	42,437	0.1408	0.0613	14,885.12	1,240.43
CEA	425.22	41,268	0.1408	0.0613	13,442.91	1,120.24
PSEA AA	471.72	68,766	0.1511	0.0613	20,266.44	1,688.87
PSEA AP	471.72	52,406	0.1511	0.0613	16,791.66	1,399.30
IIU	425.22	40,065	0.1408	0.0613	13,199.87	1,099.99
MEIM	425.22	74,970	0.3833	0.0613	14,298.26	1,191.52
MM&P	425.22	73,879	0.1408	0.0613	20,033.59	1,669.47
AVTECTA	425.22	50,800	0.1200	0.0613	14,312.69	1,192.72
TEAME	425.22	51,730	0.1200	0.0613	14,481.30	1,206.78
ACSEA	425.22	54,258	0.1200	0.0613	14,939.62	1,244.97

NOTE: MEBA retirement = 6.50/day for each day in pay status (based on 240 days/year = 1,360/yr)
 MEBA Money Purchase Benefit = \$13.50/day x 240 days/yr = 3,240/yr
 Avg. Monthly retirement benefit for MEBA = 383.33/ mo

Health Insurance Provisions for Employees Covered by Collective Bargaining

Bargaining Unit	Insurance Type	FY97	FY98	FY99
General Government Unit	Defined Contribution with defined benefit.	State rate of \$423.50. State and employees share increase equally to a maximum of \$50 each; state rate capped at \$473.50 per month.	State rate of \$423.50. State and employees share increase equally to a maximum of \$50 each; state rate capped at \$473.50 per month.	State rate of \$423.50. State and employees share increase equally to a maximum of \$50 each; state rate capped at \$473.50 per month.
Supervisory Unit	Defined Contribution with defined benefit. Convert to flexible benefit plan on January 1, 1997. LMC has recommended a conversion date of July 1, 1997.	State rate of \$423.50. State rate will increase to \$450 on January 1, 1997. Employees pay the difference between state rate and rate for options selected.	State rate of \$450. Employees pay the difference between the state rate and rate for options selected.	State rate of \$450. Employees pay the difference between the state rate and rate for options selected.
Labor, Trades and Crafts	Union Trust.	State rate of \$524 per month. Employees pay \$24 monthly.	State rate of \$524 per month. Employees pay \$24 monthly. If the monthly contribution rate increases, state and employees equally share the increase to a maximum of \$26 each; state rate capped at \$550 per month.	State rate of \$524 per month. Employees pay \$24 monthly. If the monthly contribution rate increases, state and employees equally share the increase to a maximum of \$26 each; state rate capped at \$550 per month.
Public Safety Employees	Union Trust.	07/01/96. State contribution of \$495 per month. Employee contribution of \$75.	07/01/97. State contribution of \$520 per month. Employee contribution of \$75.	State contribution of \$520 per month. Employee contribution of \$75.
Masters, Mates & Pilots	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must notify union before implementing changes. Union may elect a union trust with a state rate of \$423.50		
Marine Engineers	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must notify union before implementing changes. Union may elect a union trust with a state rate of \$450. Current agreement expires October 31, 1996. Negotiations commence soon for a successor.		
Inlandboatmen	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must notify union before implementing changes. Union may elect a union trust with a state rate of \$423.50		

Bargaining Unit	Insurance Type	FY97	FY98	FY99
Confidential Employees	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must notify the union at least 60 days before enacting changes. Current agreement expires June 30, 1996. Negotiations in progress for successor agreement.		
Mt. Edgecumbe Teachers	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must meet and confer with union before enacting plan changes. Current agreement expires June 30, 1997. Negotiations expected to commence in the Spring of 1996 for a successor agreement.		
AVTEC Teachers	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium. Must meet and confer with union before enacting plan changes. Current agreement expires June 30, 1996. Negotiations in progress for a successor agreement.		
Correspondence Teachers	Commissioner's Plan	Benefits determined by Commissioner of Administration. State pays full premium of \$423.50; if premium exceeds \$423.50 the state and employees share increase equally to a combined maximum of \$25 per month. Must meet and confer with union before enacting plan changes.		

SUMMARY OF CONTRACTING OUT LANGUAGE

General Government (GGL)	Article 13 Contracting Out	Current language proposed for 1996-1999
Supervisory (SU)	Article 6 Contracting Out	One change to 1996-1999 contract. In the 1995 one-year agreement, the State would pay for two audits. In the three-year agreement, the State would pay for six audits (as in agreement prior to 1995).
Confidential (CEA)	No contract language	
Labor Trades and Craft (LTC)	Article 7.04 Contracting Out	Current language proposed for 1996-1999.
Public Safety (PSEA)	Article 32 Contracting Out	Current language proposed for 1996-1999.
Unlicensed Alaska Marine Highway, Vessel (BU)	No contract language	
Licensed Alaska Marine Highway Engine Room Employees (MEBA)	No contract language	
Licensed Deck Employees, Alaska Marine Highway System (MM&P)	No contract language	
Correspondence School Bargaining Unit (ACSEA)	Article 6 Contracting Out	Current language proposed for 1996-1999.
Mount Edgecumbe Teachers (TEAME)	No contract language	
Alaska Vocational Technical Center Teachers (AVTEC)	Article 27, Section 4 Feasibility Study	Current contract in effect through June 1996. Negotiations for successor agreement have not been completed.

LABOR COSTS - FACTS AND FIGURES

TOTAL COST OF COMPENSATION INCREASES BY FISCAL YEAR:

(source: Legislative Finance Division spreadsheet attachment #1)

<u>FY97</u>	<u>FY98</u>	<u>FY99</u>
\$19,360,300.00	\$33,044,000.00	\$48,246,100.00

TOTAL COST FOR ALL THREE YEARS:

\$100,650,400.00

A FEW FACTS AND FIGURES:

- 1) **STATE WORKER SALARIES ARE 8% ABOVE THE PRIVATE SECTOR**
(source: Department of Administration 1994 Salary Survey Report, attachment #2, on average for comparable job classes - does not include benefits)
- 2) **AVERAGE ALASKAN STATE AND LOCAL GOVERNMENT SALARIES ARE 30.7% ABOVE PRIVATE SECTOR.**
(source: U. S. Dept. of Commerce, Bureau of Economic Analysis, 1993, attachment #3)
- 3) **ALASKAN PUBLIC SECTOR WAGES ARE 144% OF NATIONAL AVERAGE** (source: Employment and Wages 1993, U. S. Department of Labor, attachment #4)

A FEW OF THE DISTORTIONS - Let's just look at one union's claims.

ASEA, the largest state union claims members have had no pay raise in more than ten years (source: ASEA press release, March 9, 1995, attachment #5)

FACTS:

1) ASEA receives automatic pay increases

2% automatic pay increases on the average, each year.

(Source, Department of Administration, attachment #6, range 13 employee)

2) ASEA received negotiated pay increases

5% increase - 1991 (CPI 3.6%)

3.6% increase 1992 (CPI 3.5%)

(Source, Department of Administration, attachment #7)

ATTACHMENT #1

APPROXIMATE COST OF BARGAINING UNIT CONTRACTS & OTHER NON-COVERED EMPLOYEE COMPENSATION											
G LFD	UNIT	Note	FY 97			FY 98			FY 99		
			GF	OTHER	TOTAL	GF	OTHER	TOTAL	GF	OTHER	TOTAL
SOURCE: OMB-DBR 2/23/96 or Department of Administration Legislative Finance Modifications											
ANNUAL TOTALS											
G	Masters, Mates & Pilots (MMP)	1		139.5	139.5		166.9	166.9		252.1	252.1
G	Inland Boatmen's Union (IBU)	1		1,210.2	1,210.2		948.5	948.5		1,433.5	1,433.5
G	Labor, Trades, and Crafts (LTC)		724.9	588.4	1,313.3	1,460.7	1,185.6	2,646.3	2,207.5	1,791.8	3,999.3
G	General Government Unit (GGU)		1,621.5	2,717.7	6,339.2	7,297.1	5,436.2	12,733.3	11,028.1	8,276.0	19,304.1
G	Supervisory Unit (SU)	2	702.8	503.6	1,206.4	1,416.1	1,014.8	2,430.9	2,140.2	1,533.6	3,673.8
G	Public Safety Employees Assn (PSEA)		497.8	127.0	624.8	1,003.1	255.9	1,259.0	1,515.9	386.7	1,902.7
G	Exempt Employees (XE)-Executive Branch		764.2	661.2	1,425.4	1,539.9	1,332.3	2,872.2	2,327.2	2,013.5	4,340.7
LFD	University - ACCFT	3	466.2	32.9	499.1	946.4	66.8	1,013.2	1,441.0	101.7	1,542.7
LFD	University - CEA	3	220.9	3.2	224.1	220.9	3.2	224.1	220.9	3.2	224.1
LFD	University - Classified/Professional, Non-union	3	1,384.0	488.0	1,872.0	1,384.0	488.0	1,872.0	1,384.0	488.0	1,872.0
LFD	University - Faculty		969.0	590.0	1,559.0	1,954.0	1,189.7	3,143.7	2,964.6	1,805.0	4,769.6
G	AMHS Fund		810.0		810.0	669.2		669.2	1,011.5		1,011.5
LFD	Legislature		342.9		342.9	686.0		686.0	1,028.9		1,028.9
LFD	Court Covered		592.1		592.1	771.6		771.6	953.9		953.9
LFD	Court Non-Covered		1,202.3		1,202.3	1,566.9		1,566.9	1,937.0		1,937.0
	ANNUAL SUBTOTAL		12,298.6	7,061.7	19,360.3	20,916.1	12,127.9	33,044.0	30,160.8	18,085.3	48,246.1
G	MERIT INCREA		2,148.7	1,688.3	3,837.0	2,148.7	1,688.3	3,837.0	2,148.7	1,688.3	3,837.0
G	HEALTH BENEF		137.9	103.4	241.3	1,061.0	810.9	1,871.9	1,543.6	1,173.2	2,716.8
CUMULATIVE TOTALS											
	Masters, Mates & Pilots (MMP)			139.5	139.5		306.4	306.4		558.7	558.7
	Inland Boatmen's Union (IBU)			1,210.2	1,210.2		2,158.7	2,158.7		3,592.2	3,592.2
	Labor, Trades, and Crafts (LTC)		724.9	588.4	1,313.3	2,185.6	1,774.0	3,959.6	4,393.1	3,565.8	7,958.9
	General Government Unit (GGU)		3,621.5	2,717.7	6,339.2	10,918.8	8,193.9	19,112.7	21,947.1	16,469.9	38,417.0
	Supervisory Unit (SU)		702.8	503.6	1,206.4	2,118.9	1,518.4	3,637.3	4,259.1	3,051.9	7,311.1
	Public Safety Employees Assn (PSEA)		497.8	127.0	624.8	1,500.9	382.9	1,883.8	3,016.8	769.6	3,786.4
	Exempt Employees (XE)-Executive Branch		764.2	661.2	1,425.4	2,304.1	1,993.5	4,297.6	4,631.2	4,007.0	8,638.2
	University of Alaska (Covered & Non-covered)		3,040.1	1,114.1	4,154.2	7,545.4	2,861.8	10,407.2	13,555.9	5,259.7	18,815.6
	AMHS Fund		810.0		810.0	1,479.2		1,479.2	2,490.7		2,490.7
	Legislature		342.9		342.9	1,028.9		1,028.9	2,057.8		2,057.8
	Court Covered & Non-Covered		1,794.4		1,794.4	4,132.9		4,132.9	7,021.8		7,021.8
	CUMULATIVE SUBTOTAL		12,298.6	7,061.7	19,360.3	33,214.7	19,189.6	52,404.3	63,375.5	37,274.9	100,650.4
	CUMULATIVE With MERIT		14,447.3	8,750.0	23,197.3	37,512.1	22,566.1	60,078.3	69,821.7	42,339.7	112,161.4
	CUMULATIVE w/MERIT & HEALTH		14,585.2	8,853.4	23,438.6	38,711.0	23,480.4	62,191.5	72,564.2	44,427.2	116,991.4

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NOTES: COST OF BARGAINING UNIT CONTRACTS & OTHER NON-COVERED EMPLOYEE COMPENSATION

- 1 **IMPORTANT NOTE:** The appropriation from the General Fund to the Alaska Marine Hwy System fund includes \$810.0 GF related to salary adjustments. This is the GF portion of lump sum payments and 1.5% salary adjustments for the IBU and MMP bargaining units. This amount is also shown as an Other Funds appropriation in the back section of the general appropriation bill (Ak Marine Hwy Sys Fund). Unduplicated outlays would be reduced by \$810.0 Total Funds. Estimate for FY98 and FY99 assumes the same ratio of general to total funds (60%) as applied in FY97. This funding is also duplicated as discussed above.
- 2 Adds Front Section DOA-supervisory
- 3 The salary adjustments in the Governor's FY97 budget include \$1750.0 for the University of Alaska. The attached spreadsheet prepared by the University shows the additional costs associated with funding increases for covered (ACUFT and CEA) and non-covered employees.
- 4 Estimates for FY97-99 were provided by the Court System.
- 5 Merit increase figures are based on information provided by the Department of Administration. Figures are based on CY95 total gross payroll. Gross payroll (wages only) figures were \$612,540,000 for the Executive, \$25,838,000 for the Courts, and \$17,668,000 for the Legislature. The analysis applies a factor calculated for the Executive Branch, 585% of wages, to all branches. It is important to note that these figures represent an estimate of total annual costs. A small portion of these costs could be attributed to the collective bargaining agreements.
- 6 Health insurance figures were provided by the Department of Administration, Division of Retirement and Benefits. Health insurance increases for the Supervisory and Public Safety Employees Association are already included in the bargaining unit costs. The Health Benefits line is based on assumed increases in costs and estimates additional costs for the General Government Unit and the Labor, Trades, and Crafts bargaining units. Premiums for other bargaining units and exempt employees assume no increase or that benefits will be reduced to stay within the current premium. See attached sheet on methodology.

ATTACHMENT #2

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF PERSONNEL AND
OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

1994

SALARY SURVEY REPORT



FINDINGS

SALARY SCHEDULE

There are two important considerations under Alaska Statutes when making salary setting decisions: external comparison and internal consistency.

The surveying of salaries paid by other states and other Alaskan employers provides an external comparison to State of Alaska salaries.

Internal consistency is at the heart of the State of Alaska's constitutionally mandated merit system of employment. Alaska statutes require the Personnel Rules to provide for the director of personnel to prepare a pay plan that '... shall provide for fair and reasonable compensation for services rendered, and reflect the principle of like pay for like work.' For example, it is not consistent with the statute for employees with substantially the same duties to be paid under substantially different pay schedules.

External Comparison

The data from the 1994 Salary Survey indicates that state employees in the benchmark positions, on the average, have higher wages than comparable positions in the other employers surveyed. However, these results must be considered in light of the accuracy and reliability of the data.

First, only 48 of approximately 1000 job classes were surveyed. The number of job classes surveyed is necessarily small due to: limits on Division of Personnel/CEO resources; ensuring that the survey is not too cumbersome for responding employers; and the difficulty of matching state job duties to job duties in the private and public (not including the State of Alaska) sectors to create valid job comparisons.

* { Second, there is a relatively wide variation in comparisons of hourly pay between specific jobs. For example, the average for the General Government Unit Employees, which represents the largest surveyed group with positions in 37 of the 48 benchmark job classes, is 8% higher than the average of the other employers surveyed. However, within the GGU benchmark job classes, individual comparisons range from 18% less to 40% more than the average of the other employers surveyed.

In conclusion, the relatively small number of job classes surveyed and the relatively wide variation in the comparison of specific jobs significantly limits the reliability of specific "market comparison" conclusions from the salary survey. In general, the survey indicates that state employees are adequately compensated and may be ahead of the market for most job classes.

Internal Comparison

On the other hand, internal comparison within state government is extremely precise because, for the most part, the same pay scales and job classifications are used making comparisons very accurate.

The various bargaining units have received approximately 3.5% increases above the non-represented employees paid under the statutory pay scale. Also, the bargaining units have received or been offered at least an additional 2.5% increase as of July 1, 1995. The total pay gap between the non-represented and represented employees is therefore will be at least 6.2% (which is the compounded total of the two pay increases) as of July 1, 1995. *

RECOMMENDATION

Prior to collective bargaining, the salary survey process was the means for making pay and benefit recommendations for most state employees. Since the salary survey statute was adopted, collective bargaining under the Public Employment Relations Act (PERA) has superseded this process for the vast majority of state employees. This statutory pay scale now only affects state employees in the classified and partially exempt services that are not represented by collective bargaining representatives.

The Personnel Board finds that while it appears that state employees are generally adequately compensated and may be ahead of the market for most job classes, the non represented employees have not received reasonable cost of living increases received by and/or offered to the represented employees. The State Personnel Act requires that the statutory pay plan 'reflect the principle of like pay for like work' (AS 39.25.150(2)(B)). The law further requires that the annual pay schedule be developed 'taking into account the statistics and reasonable internal pay relationships' (AS 39.27.035). A pay gap of at least 6.2% between represented and non represented employees constitutes an unreasonable inequity based on the merit principle of like pay for like work. Therefore, it is recommended that the statutory pay scale be increased by 6.2% as of July 1, 1995.



The State Factor

Volume 20, Number 4

April 1994

AMERICA'S PROTECTED CLASS III

*The Unfair Pay Advantage of
Public Employees*

A State-by State Analysis
1980-1991

by
Wendell Cox
Director of State Policy and Legislation

and

Samuel A. Brunelli
Executive Director

Table B-1: Change in Average Employee Wages & Salaries: 1980 to 1991

	Change			Inflation Adjusted Change		
	Private	State	Local	Private	State	Local
Alabama	60.6%	69.1%	74.2%	-1.9%	3.3%	6.4%
Alaska	24.4%	62.3%	58.3%	-25.0%	-2.1%	-4.5%
Arizona	56.7%	63.1%	92.6%	-5.5%	-1.6%	10.1%
Arkansas	57.7%	83.1%	69.0%	-3.7%	11.8%	3.2%
California	76.6%	78.4%	96.1%	6.5%	7.6%	18.3%
Colorado	61.4%	91.4%	30.8%	-2.6%	15.5%	9.1%
Connecticut	100.3%	160.9%	102.7%	14.6%	49.3%	16.0%
Delaware	63.4%	82.8%	111.3%	-0.2%	11.7%	29.0%
Florida	68.9%	30.1%	97.1%	3.1%	10.0%	20.4%
Georgia	76.6%	69.5%	89.6%	7.9%	3.5%	15.8%
Hawaii	31.1%	73.4%	93.5%	9.2%	4.6%	10.7%
Idaho	49.6%	66.3%	58.0%	-9.8%	0.3%	-4.7%
Illinois	62.7%	79.2%	71.7%	0.3%	10.5%	5.9%
Indiana	50.9%	76.2%	87.2%	-6.9%	8.7%	15.4%
Iowa	44.4%	102.8%	73.1%	-10.9%	25.1%	6.7%
Kansas	56.5%	57.7%	95.7%	-3.5%	-2.7%	14.6%
Kentucky	49.5%	99.8%	66.7%	-8.7%	22.1%	1.8%
Louisiana	45.8%	81.3%	69.0%	-11.0%	10.7%	3.2%
Maine	73.7%	96.8%	38.7%	-0.7%	12.6%	7.9%
Maryland	79.1%	98.8%	99.6%	9.4%	21.4%	21.9%
Massachusetts	103.2%	112.5%	30.6%	16.2%	21.5%	3.3%
Michigan	50.6%	83.8%	74.0%	-7.1%	13.4%	7.3%
Minnesota	69.5%	88.0%	90.8%	4.5%	15.9%	17.7%
Mississippi	57.7%	78.1%	73.2%	-3.7%	8.8%	5.7%
Missouri	60.5%	61.0%	38.7%	-1.0%	-0.7%	16.4%
Montana	40.3%	67.6%	73.2%	-13.4%	1.1%	4.5%
Nebraska	51.4%	84.0%	81.2%	-6.6%	13.5%	11.8%
Nevada	58.8%	67.8%	90.0%	-4.2%	1.2%	14.6%
New Hampshire	89.6%	87.6%	115.8%	8.5%	7.3%	23.5%
New Jersey	92.7%	120.3%	97.8%	10.2%	26.0%	13.1%
New Mexico	49.7%	72.8%	58.5%	-9.7%	4.2%	-4.4%
New York	87.9%	108.7%	94.4%	7.5%	19.4%	11.2%
North Carolina	72.3%	84.1%	94.5%	5.2%	12.4%	18.8%
North Dakota	42.6%	68.3%	71.9%	-12.0%	3.8%	6.0%
Ohio	52.4%	95.8%	78.5%	-6.0%	20.7%	10.1%
Oklahoma	45.0%	61.4%	75.2%	-11.5%	-1.4%	7.0%
Oregon	51.3%	75.9%	71.7%	-8.7%	6.1%	3.6%
Pennsylvania	65.5%	89.8%	87.6%	-5.3%	8.6%	7.3%
Rhode Island	82.5%	90.6%	89.2%	4.4%	9.0%	8.2%
South Carolina	66.3%	57.8%	92.2%	1.5%	-3.6%	17.4%
South Dakota	50.6%	62.5%	73.6%	-7.1%	0.2%	7.1%
Tennessee	67.6%	81.8%	72.9%	2.4%	11.0%	5.6%
Texas	60.1%	84.7%	66.4%	-2.3%	12.8%	1.6%
Utah	50.6%	52.4%	64.9%	-9.2%	-8.1%	-0.5%
Vermont	75.7%	94.1%	95.7%	0.5%	11.0%	12.0%
Virginia	78.2%	82.1%	88.2%	8.9%	11.2%	15.0%
Washington	48.7%	69.3%	61.0%	-10.3%	2.1%	-2.9%
West Virginia	40.7%	81.1%	69.9%	-14.1%	10.6%	3.8%
Wisconsin	54.7%	84.5%	68.4%	-4.6%	13.8%	3.9%
Wyoming	24.4%	57.2%	63.2%	-25.0%	-5.2%	-1.6%

Estimated for full-time equivalent employees: October

Source: Public Employment

Table B-2: Relative Change in Average Monthly Employee Wages and Salaries: 1980 to 1991

	Percentage Change Relative to Private Employees		Amount Change Relative to Private Employees	
	State Govt. Employees	Local Govt. Employees	State Govt. Employees	Local Govt. Employees
Alabama	5.3%	8.4%	\$105	\$142
Alaska	30.5%	27.3%	\$828	\$734
Arizona	4.1%	16.5%	\$81	\$351
Arkansas	16.1%	7.2%	\$272	\$114
California	1.0%	11.1%	\$76	\$323
Colorado	18.6%	12.0%	\$457	\$250
Connecticut	30.3%	1.2%	\$653	\$32
Delaware	11.9%	29.3%	\$241	\$557
Florida	6.7%	16.7%	\$139	\$320
Georgia	-4.0%	7.3%	(\$88)	\$98
Hawaii	-4.3%	1.4%	(\$76)	\$64
Idaho	11.2%	5.6%	\$202	\$110
Illinois	10.2%	5.5%	\$229	\$129
Indiana	16.8%	24.1%	\$342	\$427
Iowa	40.4%	19.9%	\$681	\$348
Kansas	0.8%	18.7%	\$12	\$321
Kentucky	33.7%	11.5%	\$566	\$212
Louisiana	24.4%	15.9%	\$448	\$301
Maine	13.3%	8.7%	\$284	\$158
Maryland	11.0%	11.4%	\$258	\$302
Massachusetts	4.6%	-11.1%	\$86	(\$279)
Michigan	22.0%	15.5%	\$510	\$364
Minnesota	10.9%	12.6%	\$285	\$289
Mississippi	12.9%	9.8%	\$214	\$148
Missouri	0.3%	17.6%	\$8	\$310
Montana	19.5%	23.5%	\$323	\$383
Nebraska	21.5%	19.7%	\$367	\$343
Nevada	5.7%	19.6%	\$121	\$419
New Hampshire	-1.1%	13.8%	(\$15)	\$251
New Jersey	14.3%	2.6%	\$385	\$58
New Mexico	15.4%	5.8%	\$277	\$111
New York	11.1%	3.4%	\$292	\$89
North Carolina	6.8%	12.9%	\$159	\$231
North Dakota	18.0%	20.5%	\$299	\$345
Ohio	28.4%	17.1%	\$549	\$343
Oklahoma	11.4%	20.9%	\$223	\$366
Oregon	16.3%	13.5%	\$324	\$273
Pennsylvania	14.7%	13.4%	\$330	\$289
Rhode Island	4.4%	3.7%	\$121	\$115
South Carolina	-5.1%	15.6%	(\$100)	\$246
South Dakota	7.8%	15.2%	\$120	\$231
Tennessee	8.5%	3.2%	\$160	\$55
Texas	15.4%	4.0%	\$313	\$82
Utah	1.2%	9.5%	\$5	\$180
Vermont	10.4%	11.4%	\$222	\$213
Virginia	2.2%	5.6%	\$48	\$119
Washington	13.9%	8.3%	\$298	\$174
West Virginia	28.7%	20.7%	\$505	\$390
Wisconsin	19.3%	8.9%	\$424	\$184
Wyoming	26.4%	31.2%	\$511	\$587

Estimated for full-time equivalent employees October
Source: Public Employment