

AGREEMENT BY AND BETWEEN
the
STATE OF ALASKA
and the
MARINE ENGINEERS BENEFICIAL ASSOCIATION

The terms of the collective bargaining agreement of 2004-2007 including supplemental agreements will remain in effect July 1, 2007 through June 30, 2008 with the following exceptions.

The Employer's health insurance contribution will increase to eight hundred and fifty-one dollars (\$851) per month per eligible employee effective July 1, 2007.

Effective July 1, 2007 the straight time hourly rate of pay, nonwatch pay and COLD shall increase by three (3) percent.

One member designated by the Union shall participate on the Health Benefits Evaluation Committee.

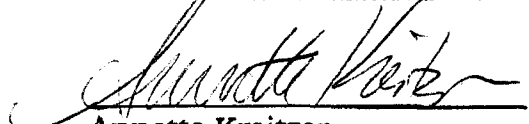
Effective September 12, 2007, the change port of the M/V Chenega is Cordova, Alaska. The Union agrees to withdraw grievances related to the redeployment of the M/V Chenega to Cordova, Alaska. The Employer and the Union agree the cash allowance, travel pay and expenses, and any other benefit, will be provided to the ~~Deck Officers~~ ^{ENGINEERING OFFICERS} consistent with Chenega's last season payments through September 12, 2007, or the end of the Chenega season in Cordova, whichever is later. 3A

The parties believe that the Le Conte galley manning issues are resolved by adding an additional galley crew member. The parties agree to meet on or before July 1, 2007 to revisit the issue of galley manning if necessary to mutually resolve the issues.

The parties will commence negotiations for a successor agreement (2008-2011) on or after September 10, 2007. The first three negotiation dates shall be scheduled and agreed to by June 15, 2007.

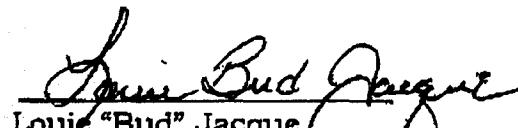
This agreement is subject to ratification by the MEBA membership and is also subject to legislative approval as to its monetary terms.

For the State of Alaska:


Annette Kreitzer
Commissioner
Department of Administration

5-10-07
Date

For the MEBA:


Louie "Bud" Jacque
Executive Vice President

8 May 2007
Date

LETTER OF AGREEMENT
between the
MARINE ENGINEERS' BENEFICIAL ASSOCIATION (MEBA)
and the
STATE OF ALASKA

07-BB-128

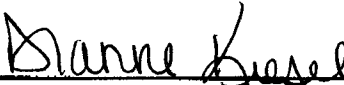
Re: Training

The Employer agrees to pay four hours of pay at the straight-time rate of pay after successful completion of each of the following training classes.

Security 101
Hazmat-Entry

This agreement only applies to those employees directed and required by the AMHS to complete the training. This letter of agreement will expire June 30, 2007 but may be extended with the mutual agreement of the parties.

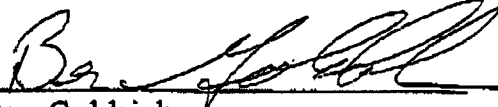
FOR THE STATE OF ALASKA:



Dianne Kiesel, Director
Division of Personnel
& Labor Relations

2/26/07
Date

FOR THE MEBA:



Ben Goldrich,
Director

2/26/07
Date

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
STATE OF ALASKA
and the
MARINE ENGINEER'S BENEFICIAL ASSOCIATION

Re: **M/V LECONTE**
06-BB-205

It is hereby understood and agreed between the parties that the following is intended to supplement the Agreement entered into between the State and the Marine Engineer's Beneficial Association to cover the issues unique to the day boat operation of the M/V LeConte. The Master Agreement is intended to apply to the M/V LeConte unless specifically superseded by a provision in this Supplemental Agreement

Rule 8 – Health and Safety

8.01 Clean bed linen and towels will be provided weekly.

Rule 9 – Occupational Injury and Illness Benefits

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

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

Rule 18.01 For Chief Engineer's on the LeConte Dayboat, the day shall begin at 0600. The Chief will work a standard 12 hour day. All work in excess of 13 hours a day shall be compensated at their overtime rate of pay. On the 2 days a week the LeConte day boat is scheduled to return to Home Port after 1800, the Chief will receive their over time rate after the 15th hour. It shall be the Engineers' choice whether to receive pay after the 13 or 15th hour at the overtime rate or as premium pay (ETV code 100), the Engineer will be afforded the opportunity to designate this choice quarterly, absent a designation the default will be at the overtime rate. All other provisions of Rule 22 shall apply.

Rule 21 - Late Arrival

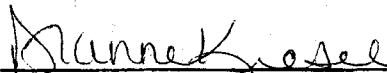
Does not apply.

The Parties agree to meet and confer during the first two weeks of August 2006 to revisit the issues of crew/manning. AMHS representatives will review Leconte Master's and Chief Engineer's recommendations regarding this issue.

This agreement shall be in effect June 30, 2006 shall be coterminous with the Master Agreement.

For the State of Alaska:

For the MEBA



Dianne Kiesel, Director
Division of Personnel & Labor Relations
Department of Administration



Ben Goldrich
MEBA Alaska Representative

6/30/06

Date

6/30/06

Date

INDIVIDUAL LETTER OF AGREEMENT
between the
STATE OF ALASKA
and the
MARINE ENGINEER'S BENEFICIAL ASSOCIATION
DISTRICT #1
representing the
MEBA

Re: Port Engineer, Addendum
LOA 07-BB-037

It is agreed between the parties that the following terms and conditions of employment apply to Paul Johnsen, Southeast Vacation Relief Chief Engineer, with the Department of Transportation. No provision of the 2004-2007 master agreement not specifically referenced herein is modified by this agreement.

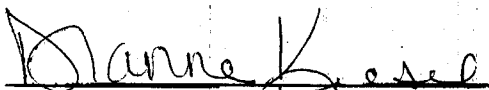
When not required to work aboard a vessel as a member of the crew, Mr. Johnsen will be assigned to work sporadic hours on the ADEC Waste Water Management project. For all such hours, LOA 98-B-256, Chief Engineer Pay for Work on Scheduled Weeks Off, will not apply. Time spent on the ADEC project will be paid at the straight-time rate of pay.

This assignment will expire on June 30, 2007 but may be cancelled by either party with 30 days advance notice.

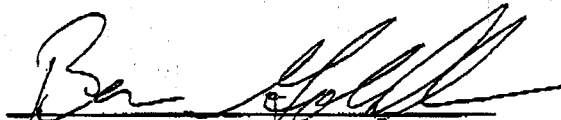
This agreement is entered into solely to address the specific circumstance of this particular situation. It does not establish any practice or precedent between the parties. This agreement shall not be referred to in any other dispute, grievance, arbitration, hearing, nor any other forum, except as may be necessary for the execution of its terms.

FOR THE STATE OF ALASKA:

FOR MEBA:



Dianne Kiesel, Director
Division of Personnel & Labor Relations



Ben Goldrich
Director

9/11/06
Date

9/10/06
Date

INDIVIDUAL LETTER OF AGREEMENT
between the
STATE OF ALASKA
and the
MARINE ENGINEER'S BENEFICIAL ASSOCIATION
DISTRICT #1
representing the
MEBA

Re: Stewart Emery, AMOS Project
LOA 07-BB-041

It is agreed between the parties that the following terms and conditions of employment apply to Stewart Emery, Port Engineer, with the Department of Transportation. No provision of the 2004-2007 master agreement not specifically referenced herein is modified by this agreement.

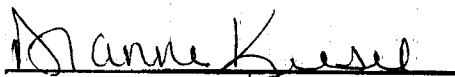
Mr. Emery will be assigned to the AMOS project on an intermittent basis. While assigned AMOS duties, Rules 18, 22.03, 22.05, and 22.06 of the Port Engineer supplemental will be waived and Mr. Emery will be paid straight time for actual hours worked. All working time spent on this project must be clearly designated as "AMOS" on timesheets submitted to DOA Technical Services. All time not designated as AMOS will be considered as regular Port Engineer duties, and will be paid according to the supplemental agreement.

This agreement will expire upon completion of the AMOS project as determined by the Engineering Manager, by either party upon 30 days written notice, or upon the expiration of the current contract whichever occurs first.

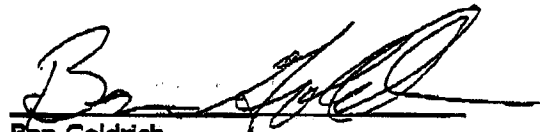
This agreement is entered into solely to address the specific circumstance of this particular situation. It does not establish any practice or precedent between the parties. This agreement shall not be referred to in any other dispute, grievance, arbitration, hearing, nor any other forum, except as may be necessary for the execution of its terms.

FOR THE STATE OF ALASKA:

FOR MEBA:



Dianne Kiesel, Director
Division of Personnel & Labor Relations



Ben Goldrich
Director

9/11/06
Date

9/10/06
Date

LETTER OF AGREEMENT
between the
STATE OF ALASKA
and the
MARINE ENGINEERS BENEFICIAL ASSOCIATION

Re: M/V Aurora Service in the Southwest System

It is hereby understood and agreed between the parties that the following is intended to supplement the current Agreement entered into between the State of Alaska and the District#1-MEBA (AFL-CIO), an affiliate of the National Marine Engineers' Beneficial Association, to cover issues unique to the M/V Aurora. Unless specifically superseded by an item of this letter of agreement, it is agreed that the following provisions, to the extent practicable, supplement the Tustumena Supplemental agreement. Any reference to an 8-hour day will be considered a 12 hour day for purposes of this agreement.

Relief officers shall be assigned, as necessary from the Southwest or Southeast.

Present bid holders on the M/V Aurora who choose to work in the SW system have rights of first refusal for their bid position. Those officers currently assigned to the M/V Aurora who will be displaced under this agreement shall be assigned to positions now vacant on the AMHS engineering assignment roster, based on time in grade.

Rule 12- Home Port and Transportation

Those assigned engineering officers who do not begin their assignment on the M/V Aurora in the Southeast will receive air transportation from their home or change port to Cordova, whichever is less when first reporting for duty. Those engineering officers that conclude their assignment in Cordova, will receive air transportation from Cordova to their home or their previous change port, whichever is less.

12.01 The change port of the M/V Aurora will be Cordova, Alaska effective upon its departure from Ketchikan, Alaska. Other change ports may be used by individual crewmembers at no cost to the State, with prior knowledge of the Port Captain's Office.

In no case shall moving costs be paid to any crewmember for purposes of this transition.

Rule 17- Pay Plan

The M/V Aurora will have a one-crew system with one Chief Engineer, one First Assistant Engineer, and one Second Assistant Engineer.

17.01 (A) The pay rates shall be as follows:

Classification	Hourly Rate
Chief Engineer	\$26.66
First Assistant Engineer	\$23.65
Second Assistant Engineer	\$22.40

This wage reflects the 7% wage increase effective July 1, 2004. Effective July 1, 2005, this rate will increase by 6%. Effective July 1, 2006, this rate will increase by 6%.

The parties recognize that the wages of the Engineer Officers are a compromise and cannot be construed directly from other master or supplemental agreements.

Rule 18- Hours

Twelve (12) hours shall constitute a day's work whether at sea or in port or combined. Each day shall be reckoned from midnight to midnight. Overtime shall be paid for all work performed in excess of twelve (12) hours per day.

18.01 (A) Hours Of Labor At Sea. Engineer Officers shall work twelve (12) hours a day, seven (7) days a week. Overtime will be paid any time a watchstanding Engineer is required to work over twelve (12) hours in any one day or eighty-four (84) hours in any one week. The Chief Engineer shall be a nonwatchstander. The First Engineer shall be a watchstanding officer.

Rule 23- Personal Leave

Those engineers who have completed 5 years of service with AMHS or currently hold a permanent bid position on the M/V Aurora, in lieu of the personal leave, shall be credited accumulated days off as follows: Engineer Officers shall earn one (1) "A" Day for each day worked (on change day prorated in relation to hours worked).

Rule 24 - Holidays

24.03 All holidays will be paid at the twelve (12) hour rate. Engineer Officers required to work on a holiday will be paid at the overtime rate for the actual hours worked. Holiday Pay shall apply toward minimum guarantee.


Rule 25 - Minimum Guarantee

25.01 The minimum semi-monthly pay for all Engineer Officers is 180 hours per pay period. Only the pay at straight-time rates for regular hours of work will be counted as earnings in computing the minimum guarantee.

The above shall not apply to Temporary Relief Engineers called in excess of Regular Vacation Relief Engineers.

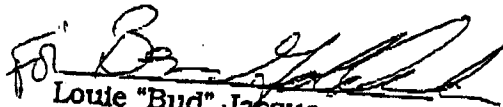
This agreement shall be effective July 1, 2005 and shall be coterminous with the Master.

FOR THE STATE OF ALASKA:


Art Chance, Director
Division of Labor Relations
Department of Administration

21 Jun 05
Date

FOR THE MEBA:


Louie "Bud" Jacque
Executive Vice President

6/21/05
Date

LETTER of AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
State of Alaska
and the
MARINE ENGINEERS' BENEFICIAL ASSOCIATION

In the interest of arriving at a mutually satisfactory agreement it is hereby understood and agreed to between the parties that the following is intended as an addendum to the Master Agreement entered into between the State of Alaska and the Marine Engineers' Beneficial Association PCD #1(AFL-CIO), and is intended to amend that Master Agreement only in regard to issues unique to the Fast Vehicle Ferry M/V Chenega. The Master Agreement without this Letter of Agreement is intended to cover the entire system. The entire Master Agreement is intended to apply to the Fast Vehicle Ferry M/V Chenega unless an entire Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Letter of Agreement. The Master Agreement is not modified other than as specifically addressed in the Fast Vehicle Ferry M/V Chenega Letter of Agreement.

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

The home port for the M/V Chenega shall be Ketchikan, Alaska.

Rule 8- Health and Safety

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

Rule 9 - Occupational Injury and Illness

9.01 Unearned Wages: In the event a crewmember becomes ill or is injured while in the service of the M/V Chenega, he/she will receive wages to the end of the workday. In the event that a crewmember becomes injured while in the service of the M/V Chenega, and a report is

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8/12/05

filed and not successfully controverted, he/she will be entitled to wages for three working days or less, if not later compensated.

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

Rule 11 - Cash Allowance for Subsistence and Quarters

11.01 When a crewmember is in work status, and remains away from the assigned home port overnight or nights, he/she shall receive state provided housing. If crewmembers choose to secure his/her own accommodations he/she shall be entitled to a quarters allowance of seventy dollars (\$70.00) per day. In situations where the crewmember is not returned to the state provided housing overnight or nights he/she shall be entitled to a quarters allowance of seventy dollars (\$70.00) or approved actual receipted expenses. In the event that the rate for lodging designated in the State Administrative Manual is adjusted, the rate specified herein shall be adjusted by the same dollar amount.

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

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

When temporarily assigned to Cordova, the crew will be paid a relief allowance in the amount of \$450.00 for every thirty (30) calendar days of service, including days off while in Prince William Sound. If a temporary assignment is different from Cordova, the parties shall meet and adjust the amount appropriately.

Crew members shall be entitled to per diem during their days off while away from the designated home port of Ketchikan.

Rule 15 - Working Conditions

T/A
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8/12/05
T/A
NS
8/12/05

15.04 Engineers on watch shall not be required to perform duties away from the assigned work station. The Chief Engineer is assigned to a bridge watch station. The Assistant Engineer is assigned to make round of the engine and passenger spaces, relieve the Chief Engineer as requested and elsewhere as directed by the Chief Engineer while the vessel is underway. Whenever possible, repair and maintenance work will be done overnight, by the night maintenance engineering officers.

15.06 When the permanent shore maintenance facility is constructed it will include a washer and dryer.

Rule 16 - Shipyard and Terminal Work

For any yard or maintenance period scheduled to be three (3) weeks or less in duration, which may be extended by mutual agreement, the working hours, crew, and all other terms and conditions of the Master Agreement shall apply as if the vessel is in underway status and twelve (12) consecutive hours shall constitute a days work. During this status, the provisions of Rule 16.01, 16.02, 16.03 and 16.04 shall not apply.

If the yard or maintenance period is scheduled for longer than three (3) weeks in duration, or as extended by mutual agreement, the provisions of Rule 16 of the Master Agreement shall apply.

When the vessel is in lay-up status, the Employer shall determine crew requirements, and the appropriate time periods and terms and conditions as described above shall apply.

Rule 17 - Pay Plan

Rule 17.01 (A)

Job Classification	Hourly Rate	Hourly Overtime Rate
Chief Engineer	\$37.20	\$55.80
Assistant Engineer	\$32.04	\$48.06

Effective July 1, 2006, the base wage in effect shall increase by 6%.

The provisions of Rule 17.01(B) shall apply.

Rule 18- Hours—Vessel on the Run

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8/12/05

T/A
BG
8/12/05

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

Rule 19-Monthly Work

From effective date of this agreement until April 14, 2006, one crew will work and be paid for four days on, followed by three unpaid days off. Crewmembers of the Chenega will have a forty-two (42) hour workweek. Daily schedules will be determined by operational schedule.

Effective April 15, 2006 the summer operating crew will consist of a two crew system under the following conditions:

1. Unions must provide personnel for all operational billets for both crews by April 1, 2006.
2. Alaska Marine Highway System will start classroom training on April 15, 2006.
3. Route training will begin upon arrival of the M/V Chenega in Prince William Sound.
4. Alaska Marine Highway System will guarantee the second crew will be deployed for ninety (90) days, after completion of route training.
5. If billets are not filled by April 1, 2006, the State and the Unions shall jointly recruit until April 15, 2006. It is understood that the jobs shall be put out for bid no later than January 15, 2006.
6. If billets are not completely filled, or assigned by the Vacation committee, by April 15, 2006, Alaska Marine Highway System reserves the option to operate under a one crew system during summer operations. AMHS will make every effort to work with the Union to maintain the 2 crew system.
7. Under the two (2) crew system, assignments will be in two week on two week off increments. Longer periods of deployment may be authorized by the Port Captain with the agreement of the opposite.
8. In the event that Alaska Marine Highway System determines the need to extend summer operations longer then the 90 days, the employees shall be notified within 15 days of the 90 day deadline. Crew will be guaranteed 168 hours of work or pay if extended beyond the 90 days.

Rule 21 - Late Arrival

Does not apply.

T/A
 BG
 8/12/05
 T/A
 NS
 9/12/05

Rule 26 - Seniority

The Assistant Engineer shall be regarded as a First Engineer. First Assistant Engineers assigned to the M/V Chenega shall accrue time in grade seniority based upon the license which they hold, up to First Assistant Engineer.

Rule 37 - Education

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

Probationary Crewmember: All crewmembers shall be considered probationary during type and craft rating on the M/V Chenega. If a crewmember accepting a bid position aboard the M/V Chenega and holding permanent status in another position fails to satisfactorily complete the training, they will be returned to their former position if vacant. If the former position is filled, they may exercise seniority to bid a position elsewhere in the fleet. This probationary language does not apply to crewmembers attending training aboard the M/V Chenega that do not have bid positions on the M/V Chenega.

Crewmembers awarded a bid on the M/V Chenega who held a bid on another vessel, at the time of the Chenega award shall have return rights to their previous bid for a period of six (6) months.

M/V Chenega(4 on 3 off Operations)

Crewmembers will work four consecutive days, followed by three consecutive days off. Crewmembers of the Chenega will have a forty-two (42) hour workweek. One crew will work and be paid for four days on, followed by three unpaid days off. Daily schedules will be determined by operational schedule. Each Engineering Officers shall be guaranteed 42 hours of work or pay each week.

When an Engineer Officer assigned to the M/V Chenega has worked a regularly assigned workweek and is required to work on his/her three days off, he/she shall be paid at the overtime rate of time and one-half for the time worked.

T/A
8/12/05
BG
TA
NS 8/12/05

Overtime for work in excess of 12 hours per day or 42 hours per workweek shall be paid at the overtime rate of pay.

MEBA shall have jurisdiction for all work related to the operation and maintenance of machinery on the M/V Chenega.

When necessary to fulfill manning requirements under the HSC the AMHS will assign a Chief Engineer to serve as a Training Officer. The work schedule for the Training Officer shall consist of five days on, followed by two days off, with each workday being 8.4 hours during training operations. All hours in excess of eight and four tenths (8.4) hours per day or five (5) days of forty two (42) hours per week shall be paid at one and one half times the hourly rate.

One Engineer Officer shall be assigned to perform maintenance work on the three days the vessel is not in service. The workweek for this Engineer Officer shall consist of four consecutive days, and shall be guaranteed 42 hours of work or pay.

Engineer Officers permanently assigned to the M/V Chenega that have less seniority may be assigned to other vessels or will work in the yard on the M/V Chenega. This does not supersede the seniority provisions of rule 26 in the Master Agreement.

This letter of agreement shall be coterminous with the Master Agreement and shall be effective upon signing or July 8, 2005 which ever comes first.

Ray Matiashowski , Commissioner
Department of Administration

Bud Jacque
Executive Vice President
MEBA

T/A
8/12/05
TA
NS
8/12/05
25

SUPPLEMENTAL AGREEMENT
to the
COLLECTIVE BARGAINING AGREEMENT
between the
State of Alaska
and the
MARINE ENGINEERS BENEFICIAL ASSOCIATION

It is hereby understood and agreed between the parties that the following is intended to supplement the Master Agreement entered into between the State of Alaska and the Marine Engineers Beneficial Association, and is intended to amend that Master Agreement only in regard to issues unique to the Fast Vehicle Ferry M/V Fairweather. The Master Agreement without this Supplement is intended to cover the entire system. The entire Master Agreement is intended to apply to the Fast Vehicle Ferry M/V Fairweather unless an entire Rule or a subsection of a Rule is specifically modified, amended, or otherwise superseded by this Supplemental. The Master agreement is not modified other than as specifically addressed in the Fast Vehicle Ferry M/V Fairweather Supplemental Agreement.

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

Rule 7- Crew Requirements

Crewing requirements for the vessel shall be in accordance with the safe operation of the vessel as required by the United States Coast Guard. MEBA shall have jurisdiction for all work related to the operation and maintenance of machinery on the M/V Fairweather.

Rule 8- Health and Safety

There are no quarters aboard the M/V Fairweather. When an Engineer Officer not holding a bid position aboard the M/V Fairweather is assigned to work on the M/V Fairweather, the provisions of Rule 12 shall apply.

Rule 9 - Occupational Injury and Illness

NS

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

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

Rule 11 - Cash Allowance for Subsistence and Quarters

11.01 When a crewmember is in work status, and remains away from the assigned change port overnight or nights, they shall be entitled to a quarters allowance of sixty-five dollars (\$65.00) 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 a crewmembers is in work status, and is away from the assigned change port for two (2) hours or more outside normal duty hours, they shall be entitled to meal per diem in accordance with this rule until the employee is returned to the assigned change port or the employee is assigned to a vessel upon which meals and quarters are provided, whichever comes first.

Per diem for meal allowance shall be forty-two dollars (\$42.00) 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 15 - Working Conditions

15.04 Engineers on watch shall not be required to perform duties away from the assigned work station. The Chief Engineer is assigned to a bridge watch station. The Assistant Engineer is assigned to make round of the engine and passenger spaces, relieve the Chief Engineer as requested and elsewhere as directed by the Chief Engineer while the vessel is underway. Whenever possible, repair and maintenance work will be done overnight, by the night maintenance engineering officers.

15.06 When the permanent shore maintenance facility is constructed it will include a washer and dryer.

NS

Rule 16 – Shipyard and Terminal Work

For any yard or maintenance period scheduled to be three (3) weeks or less in duration, which may be extended by mutual agreement, the working hours, crew, and all other terms and conditions of the Master Agreement shall apply as if the vessel is in underway status and twelve (12) consecutive hours shall constitute a days work. During this status, the provisions of Rule 16.01, 16.02, 16.03 and 16.04 shall not apply.

If the yard or maintenance period is scheduled for longer than three (3) weeks in duration, or as extended by mutual agreement, the provisions of Rule 16 of the Master Agreement shall apply.

When the vessel is in lay-up status, the Employer shall determine crew requirements, and the appropriate time periods and terms and conditions as described above shall apply.

Rule 17 – Pay Plan

Rule 17.01 (A)

Effective July 1, 2004, the base wage effect shall increase 7%. Upon signing of the supplemental agreement the wages for the Fairweather Engineers Officers shall be as follows:

Job Classification	Hourly Rate	Hourly Overtime Rate
Chief Engineer	\$35.09	\$57.10
Assistant Engineer	\$30.23	\$45.35

Effective July 1, 2005, the base wage in effect shall increase by 6% and effective July 1, 2006, the base wage in effect shall increase by 6%.

The provisions of Rule 17.01(B) shall apply.

Rule 18- Hours—Vessel on the Run

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

Rule 21 – Late Arrival

Does not apply.

Rule 23 – Leave

NS

Application of Rule 23 shall apply retroactively to July 1, 2004. Leave accrued from July 1, 2004 to the effective date of this agreement will be used for leave purposes only and may not be cashed out.

23.03 (F) Leave normally shall be taken during time of winter operations when the vessel is in a reduced service capacity. Engineer Officers of the M/V Fairweather may be granted up to two weeks of vacation during the period of May through September. Requests for additional leave during summer operations will be considered on a case-by-case basis.

Rule 24 - Holidays

The application of the provisions under this Rule shall be applied retroactively to July 1, 2004, upon legislative approval of monetary terms.

Rule 26 - Seniority

The Assistant Engineer shall be regarded as a First Engineer. First Assistant Engineers assigned to the M/V Fairweather shall accrue time in grade seniority based upon the license which they hold, up to First Assistant Engineer.

Rule 37 - Education

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

Probationary Crewmember: All crewmembers shall be considered probationary during type and craft rating on the M/V Fairweather. If a crewmember accepting a bid position aboard the M/V Fairweather and holding permanent status in another position fails to satisfactorily complete the training, they will be returned to their former position if vacant. If the former position is filled, they may exercise seniority to bid a position elsewhere in the fleet. This probationary language does not apply to crewmembers attending training aboard the M/V Fairweather that do not have bid positions on the M/V Fairweather.

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Winter Operations

It is anticipated that reduced service will be provided for seven months of the year. Reduced Service: Any reduction in service that requires the vessel to be operational less than seven days per week.

Overtime for work on assigned days off: When an Engineer Officer assigned to the M/V Fairweather has worked a regularly assigned workweek and is required to work on his/her three days off, he/she shall be paid at the overtime rate of time and one-half for the time worked.

Overtime for work in excess of 42 hours per work week: When an Engineer Officer assigned to the M/V Fairweather has worked in excess of 42 hours per work week, he/she shall be paid at the overtime rate of time and one-half for the time worked.

Rule 19 of the master agreement shall be modified as follows: One crew will work and be paid for four days on, followed by three unpaid days off. Crewmembers of the Fairweather will have a forty-two (42) hour workweek. Daily schedules will be determined by operational schedule.

The Employer will make every attempt to give thirty-day notice to the Union of the commencement and completion of winter operations. The Employer shall give at least ten (10) working days written notice.

Any renumbering of Master Agreement Rules does not negate any provisions agreed to in this Supplemental.

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Nancy Suleh

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