

COLLECTIVE BARGAINING AGREEMENT

between the

STATE OF ALASKA



and the

**INLANDBOATMEN'S UNION of the PACIFIC
ALASKA REGION**

2004-2007

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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 that 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 that are negotiated during the life of this Agreement shall be in the form of a written amendment or addendum and shall become part of this Agreement.

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 - Labor Management Committee

Purpose. The purpose of labor-management committees, where established, is to facilitate communication between the parties and to promote a climate conducive to constructive Employer/employee relations.

Procedures

A joint labor-management committee may be established by written agreement at the executive level. Agreements establishing committees shall be entered into by the Division of Labor Relations and the Union.

Committees shall meet as agreed. Written agenda will be prepared and forwarded to the Division of Labor Relations and the Union in advance of all meetings.

Committees shall have no power to contravene any provision of this Agreement, to enter into any agreements binding the parties, or to

resolve issues or disputes surrounding the implementation or interpretation of the Agreement. Matters requiring a contract modification shall not be implemented until a written letter of agreement has been executed by the Union and the Employer.

No discussion or review of any matter by a committee shall forfeit or affect the time frames of any dispute resolution procedure contained in this Agreement. Issues that should be resolved through such procedures shall be referred to and handled pursuant to that procedure. Matters that have been submitted to any formal dispute procedure or that are in litigation shall not be discussed.

1.05 Commencing in calendar year 2005, the State of Alaska shall have the ability to contract for the passenger and vehicle service for the following ports: Angoon, Gustavus, Hoonah, Kake, Tenakee and Pelican and IBU jurisdiction shall not apply.

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 employer will notify the Union's Regional Office of each employee hired or separated within ten (10) working days of the action.

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.

3.04 The Union will provide the Employer with an Employee Contact Form which the Employer will include in all "new hire" and "orientation" packets for unlicensed vessel employees. The Employer will return the

contact form to the Union in a timely manner. Disputes arising under Rule 3.04 shall be processed only under the parties' complaint procedures.

RULE 4 - DEFINITIONS

4.01 - Employees

(A) Regularly Assigned Employee. An employee who has been awarded a specific position on board a given vessel in accordance with Rule 28 of this Agreement and who is working their Regularly Assigned Position.

(B) Relief Employee. An employee with a minimum of thirty (30) company seniority points who is working on an as-needed basis.

(C) Seasonal Employee. An employee who has less than thirty (30) company seniority points and who does not have a Regularly Assigned Position.

(D) Regularly Assigned Relief Employee (RARE) . An employee who has been awarded a bid job in a given classification to relieve Regularly Assigned Employees (RAEs) for vacation or sick leave, or to fill vacant bid positions in the given classification until the implementation of new bid awards.

Employees assigned as RAREs may be required to work irregular assignments without benefit of a scheduled week off.

(E) Displaced Regularly Assigned Employee (DRAE) . A Regularly Assigned Employee (RAE) who is displaced in the work force.

(F) Probationary Employee. An employee who has not completed 1,092 hours in work status in the southeast system or 1,456 hours in work status in the southwest system.

(G) Extra Employee. An employee who is dispatched for less than a full workweek and is in addition to the minimum number of positions authorized by AMHS for the full workweek on the weekly crew list.

(H) Inport Extra. An employee who works on board an AMHS vessel while the vessel is in revenue service and in port. The Inport Extra will not be considered part of the sailing crew.

(I) Reduction In Force. Reduction In Force (RIF) is defined as any time an AMHS vessel is taken out of revenue service for a scheduled yard or lay up period with a scheduled return to revenue service. During the

summer, emergency service or breakdown must be in excess of thirty (30) continuous days for this definition to apply.

(J) Deadheading is defined as transportation on vessels between regular ports of call in which the employee resides and the change port of the position to which assigned.

4.02 - Regularly Assigned Positions

Positions on board a given vessel and crew ("A" or "B") which are filled in accordance with Rule 28 of this Agreement.

4.03 - Vessels

(A) In Service. A vessel is in service when leaving overhaul, with sea watches set, and not conducting revenue operations.

(B) Revenue Service. An in service vessel is in revenue service when it is taking on paying passengers, vehicles or cargo.

RULE 5 - UNION MEMBERSHIP

5.01 Persons employed in the bargaining unit shall be notified by the Employer at the time of hire that they have fourteen (14) days to contact the appropriate Union office to be informed of the Union security provisions of this Rule. The employee shall contact the Union office on their own time and shall be introduced to the Inlandboatmen's Union of the Pacific, Alaska Region, (IBU) Ship's Delegate by the Purser.

5.02 All employees covered by this Agreement shall, within thirty (30) days after employment with the Employer, be or become members of the Union and shall thereafter as a condition of employment tender the dues and initiation fees or other fees as required by AS 23.40.220.

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

5.04 Upon notice by the Union that an employee has been employed for more than thirty (30) days and is not in compliance with the provisions of this Rule and demonstration by the Union that it has provided employee with the procedural protections required by law the Employer shall terminate the employee. Termination shall become effective within

thirty (30) days after receipt of the aforesaid notice to the Employer by the Union.

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

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 issued by the Coast Guard under which the vessel is licensed to operate.

7.02 The Employer and the Union agree that every effort will be made to crew the vessels of the Employer with the minimum crew required in Rule 7.01. 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 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 in the same department 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. Split wages will not be paid for any time employees are required to work overtime to perform the work of missing crew members.

7.03 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 transfers for classifications above the entry level by the temporary upgrade of employees per Rule 27.01(D) (Midweek Upgrades), whenever practical.

7.04 During lay-up, shipyard, drydocking or maintenance status of a vessel, security work will be performed by the crew of the vessel, whenever a Master is assigned to and living aboard the vessel.

(A) If security is required aboard any vessel belonging to the Alaska Marine Highway it will be provided by crew of the vessel, at no time will security be subcontracted out to any private security agency.

(B) By "crew" of the vessel the IBU-P considers members of the MM&P and MEBA units that are part of the operational crews of the vessels to be part of the crew. It is not the intent of this bargaining unit to displace any members of these other bargaining units when it comes to doing security work. If the need arises to have additional crew onboard or there is not sufficient members from the other units available it is expected IBU-P personnel will be used.

(C) When a vessel is "turned over" to a shipyard for a federally funded project it will be at the State's discretion whether or not crew will be assigned to the vessel while in the hands of the shipyard. If any other personnel, other than Project Engineers and a Master, are assigned to the vessel it is expected that crew, as defined above, will be used.

7.05 If the State of Alaska, Alaska Marine Highway System provides services onboard it's vessel, then IBU employees shall perform those

services, therefore not allowing AMHS to contract out any current service onboard it's vessels.

RULE 8 - HEALTH AND SAFETY

The health and safety of employees shall be reasonably protected.

8.02 The Employer agrees that on vessels where quarters are provided, that white sheets, pillow slips, mattresses, mattress covers, blankets and soap shall be furnished to insure sanitary and healthful conditions. Employees shall be responsible for and turn in soiled linen before being issued a clean supply. The mattresses and blankets of all crew members shall be cleaned as needed and replaced as required.

8.03 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. The Employer will provide at no cost or reimburse the employee for immunization against Hepatitis A, B, and C, where appropriate to the employee's regularly assigned duties. The parties will meet and confer to determine the positions for which any or all of these immunizations are appropriate.

8.04 The Employer will continue to provide advanced first aid training to selected unlicensed vessel personnel in the interest of passenger and crew safety. Safety devices and first aid equipment as may be needed for safety and proper emergency medical treatment will be available aboard ship.

8.05 There shall be safety meetings, called by the Master of the vessel, of the safety committee including the Union delegate and a representative of each department for the purpose of reviewing safety practices and programs at least once each month. Written recommendations will be responded to in writing by the Employer within thirty (30) days. The ship's delegate and the Union will receive a copy of the minutes and response.

8.06 It shall not be a violation of this Agreement nor grounds for dismissal if an employee refuses to work on an unsafe job provided the job is found to be unsafe by the Marine Inspection Division of the US Coast Guard (USCG). Interim disciplinary action may be taken until the USCG has made a finding on safety. Interim disciplinary action shall be restricted to full documentation of the circumstances.

8.07 - Safe Work Practice

(A) No lashing or unlashng of vehicles shall be done while the vessel is underway except for the safety of the vessel and its cargo.

(B) When unlicensed personnel are assigned to work inside the elevator or dumb-waiter shafts at least two (2) crew members shall be assigned.

(C) Crew members shall not work on portable ladders, staging or any other contrivance that elevates the employee above the deck when the vessel is underway except in case of an emergency.

(D) No work shall be required to be performed on the ship's funnel or stack while main engines are in operation except in emergency.

(E) There shall be no inside painting without proper ventilation.

(F) Any dust-producing work, especially sawing and equipment grinding of asbestos-containing materials or removal of lagging, shall be done with "NIOSH" approved safety equipment. Any work on asbestos containing materials shall be performed by certified asbestos workers.

8.08 - Safety Certifications

(A) All employees will be encouraged to obtain a US Coast Guard Proficiency in Survival Craft certificate and a STCW Certificate for the Proficiency in the use of survival craft within six months from the date of meeting the necessary Coast Guard sea time requirements. All employees shall be required to obtain the Proficiency in Survival Craft certificate and an STCW Certificate for the proficiency in the use of survival craft within one year after completing the necessary sea time requirements as a condition of continued employment with the Employer. The parties agree to meet and confer regarding the effect of new or revised safety regulations.

(B) Employees shall not be dispatched to positions listed on the Station Bill unless they possess the required qualifications.

8.09 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.

8.10 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 within six months of the examination. No more than one (1) such

reimbursement will be paid to an employee in any twelve (12) month period.

8.11 The Employer will maintain a record of an employee's training that meets US Coast Guard regulations. The Employer will provide the employees training record to the employee upon request.

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, the employee shall receive wages and benefits to the end of the work assignment. During the period of time that an employee is receiving unearned wages for a work related illness or injury, the employee may not receive additional income supplementation by claiming accrued annual leave or medical/sick leave.

9.02 - Transportation

In the event an employee becomes ill or is injured while in the service of the vessel, they will be furnished meals, lodging and transportation by AMHS vessel until returned to their change port. This provision shall apply only when the employee is not hospitalized and has notified the vessel department head or the Port Captain's Office of their medical status. If determined by the Medical Person in Charge (MPIC) that the employee has a serious illness and the employee cannot be returned to their change port by an AMHS vessel within twenty-four (24) hours the Employer will provide commercial transportation.

9.03 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 Master's certification has been issued. Upon release from the hospital, transportation to the employee's change port shall be provided upon request, provided said transportation is connected to an assignment.

9.04 Seniority shall accrue while the employee is paid Worker's Compensation benefits for the time absent from work providing the employee was eligible for dispatch based on their seniority.

9.05 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 In the event of shipwreck, stranding, sinking, burning, flooding or collision of the vessel, crew personnel will be reimbursed for loss of

personal effects, instruments, and equipment in the amount up to two thousand dollars (\$2,000). Each crewmember must provide the Employer with an itemized list of their losses including replacement values. Reimbursement may be made for items over \$2000 up to \$5000 if supported by receipts.

RULE 11- CASH ALLOWANCE 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 seventy dollars (\$70.00) per day between May 16 and September 15 and sixty dollars (\$60.00) per day between September 16 and May 15.

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 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 increased, the rate specified herein shall be increased by the same dollar amount.

RULE 12 - CHANGE PORTS AND TRAVEL BETWEEN ASSIGNMENTS

12.01 - Change Ports

Regularly assigned change ports shall be Juneau and Ketchikan. Each Regularly Assigned Position shall have a designated crew change port. Changes in these change ports shall be made only by the Labor/Management Relief Assignment Committee. All employees shall utilize only the designated change port for the position to which assigned, unless specifically exempted in writing by the Employer.

12.02 - Responsibility to Relieve

It shall be the employee's responsibility to relieve as scheduled. Failure to relieve as scheduled may be grounds for disciplinary action, including possible discharge, unless such failure to relieve has been approved at least twenty-four (24) hours in advance by the Juneau or Ketchikan personnel dispatcher. Exceptions will be made in cases of sudden illness or accident-related emergencies. Routine medical, dental or personal business appointments shall not be considered an emergency. When crew change occurs on weekends, prior notification of unavailability will be given to the dispatching personnel by the close of business on Friday. The Employer shall not be liable for travel and/or other expenses incurred by employees traveling to or from their assignments, except as specifically provided in this Agreement.

12.03 - Relief At Other Than A Regularly Assigned Change Port

When an employee is relieved or assigned at a port other than a regularly assigned change port, the employee is entitled to receipted necessary travel expenses or airfare equivalent, whichever is less, and travel pay based on air travel, to return to the regularly assigned change port in which the assignment began.

12.04 - Travel Between Assignments

(A) To Regular Assignments. If a Regularly Assigned Employee resides at a port other than the designated change port for their position, the employee shall be obligated to deadhead or travel at their 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 their 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.

(C) When an employee is entitled to necessary travel expenses (including air fare and ground transport) these expenses will be paid in accordance with the Alaska Administrative Manual. Employees choosing to travel at another time or using means other than that provided by the Employer will be reimbursed for receipted expenses up to the dollar amount of the travel that would have been provided by the Employer. All requests for reimbursement must be submitted within sixty (60) days from the employee's release from the vessel. Travel expenses will not be paid for the portion of travel provided by the Employer on its vessels.

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

Deadheading may be permitted at the commencement and termination of each assignment. Employees who are permitted to deadhead may take meals 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 an assignment. 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 Port within the Southeast System (or vice versa), reimbursements for actual moving expenses incurred shall be in accordance with the State travel regulations.

12.10 - Temporary Assignments Between Designated Change Ports

The parties agree to allow temporary assignment changes between designated change ports in order to eliminate deadheading and reduce travel expenses.

12.11 The Inport Extra Employee will be entitled to one (1) hour travel pay per assignment.

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 employees will be interrupted in their work without prior approval of the Vessel Master. When traveling aboard the Employer's vessels on official union business, Union representatives may take meals at no cost in the crew's mess and utilize staterooms on a space-available basis.

RULE 14 - SETTLEMENT OF DISPUTES

14.01 An aggrieved employee may first attempt to settle the complaint or grievance through discussion with the employee's immediate supervisor. The dispute must be brought to the attention of the Vessel Master within forty-eight (48) hours of the action or inaction. Failing resolution, the Vessel Master shall have ten (10) calendar days to respond in writing to the employee. Settlements reached at this step shall be consistent with the provisions of this contract and with policies and regulations of the Employer.

Such discussion is at the employee's option. Regardless of whether this option is exercised the time limits for filing a grievance or complaint shall be adhered to. This means that if the Vessel Master has not responded or if the employee is not satisfied with the Vessel Master's response, the Union must file a written grievance or complaint at Step One within the time limits set forth in the provisions of Rule 14.02 or 14.03.

14.02 - Grievance Procedure

A grievance shall be defined as any controversy or dispute involving the application or interpretation of the terms of this Agreement arising between the Union or an employee or the employees and the Employer. The Union or the aggrieved employee or employees shall use the following procedure as the sole means of settling grievances.

(A) To qualify for consideration under the grievance procedure set forth in this Rule, the grievance shall 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 inaction, or of the date the employee is made aware of the action or inaction, whichever is later. 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) calendar days of the date the employee is notified of the action.

(B) Written grievances at Steps One through Three 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 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 must be timely appealed in order to utilize this grievance procedure.

(C) STEPS IN THE GRIEVANCE PROCEDURE

STEP ONE: Within thirty (30) calendar days of the disputed action or inaction, or the date the employee is made aware of the action or inaction, whichever is later, the Union may submit a grievance in writing to the AMHS General Manager. The AMHS General Manager 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 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 General Manager is due or received, whichever is earlier. The Commissioner of Administration or designee shall respond in writing within twenty (20) working days after receipt of appeal.

STEP THREE: 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 thirty (30) calendar days after the date of the response from the Commissioner of Administration is due or received, whichever is earlier. Such request shall be made in writing to the Director of Labor Relations and shall specify which Rule or Rules are alleged to have been violated and the specific nature of that violation.

(D) Within ninety (90) 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 twenty-one (21) qualified arbitrators in the Pacific Northwest United States. From this list of arbitrators the Employer and the Union shall alternately strike from the list one name at a time until seven names remain on the list. 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.

(E) 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.

(F) 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.

14.03 - Complaint Procedure

A complaint is defined as: 1) any controversy, dispute or disagreement arising between the Union or an employee(s) and the Employer that does not concern the application or interpretation of the terms of this Agreement, or 2) is 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, whichever 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.

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

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

(F) STEPS IN THE COMPLAINT PROCEDURE

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

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

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

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

14.04 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 employee working under this Agreement shall be required to board any vessel of the Employer that is being picketed by any union in connection with a lawful primary strike sanctioned by the National President of the Inlandboatmen's Union of the Pacific.

14.05 An employee shall have the right to examine his/her own personnel file or files. Documents implementing penalties which are later reversed in the grievance-arbitration procedure shall be removed from the personnel file. The parties agree that this provision does not preclude the maintenance of such records in separate files, provided that such documents shall not be forwarded to potential employers within or outside State government.

RULE 15 - WORKING CONDITIONS

15.01 Employees shall perform all duties as assigned by their supervisors. Whenever possible and practical, the Employer will equalize the assignment of less desirable work.

15.02 One (1) employee from the deck department and one (1) from the engine department on an alternate basis, and one (1) employee from the steward's department will do sanitary work in their respective areas in the crew's head, showers and passageways in crew's quarters and will be allowed two (2) hours during their regular work hours to perform this work.

15.03 - Tie-Up and Let-Go

When tying up or letting go, no less than two (2) employees shall be assigned to each line as it is being handled.

15.04 Taking on ship's fuel oil, lube oil, fresh water, and the handling of shore-to-ship and ship-to-shore power cables shall be the duties of the Junior Engineer and Wiper, except on the M/V BARTLETT where it shall be the duty of the Junior Engineer or the Oiler .

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 their 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 may 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.

15.13 - Formal Training

(A) Employees undergoing employer-directed, instructor facilitated training will receive travel allowances in accordance with Rule 11 and

will be provided transportation in cash or in kind. "Employer directed training" for the purpose of this rule shall be a written, employee specific travel and training authorization.

(B) Employees residing within fifty (50) road miles of the training site will not be entitled to travel or transportation under this Rule.

(C) Minimum Guarantee shall not apply, except for recurring training required by the Employer that exceeds thirty-five (35) hours of instruction per week at intervals of thirty-six (36) months or less.

(D) Employees will be paid for actual training time. Regularly Assigned Employees will be paid at the straight-time rate of their bid job and all others will be paid at the rate of their last assignment.

(E) Employees may be reimbursed for tuition for other than Employer-directed training.

15.14 - Delivery of Training

The parties agree to establish a Labor-Management Committee to study and make recommendations to the General Manager regarding the delivery of computer based training required by regulation to employees. The Employer and Union will each appoint three representatives to the Committee. The purpose of this Committee is to recommend effective and efficient means and procedures for the delivery of required training to employees. The committee shall report its recommendations to the General Manager not later than August 1, 2000.

RULE 16 - SHIPYARD, MANNED LAY-UP, AND TERMINAL WORK

16.01 When vessels are tied up and watches are broken, such as at a shipyard, lay-up, or tie-up terminal, those crew members assigned to work on the vessel shall work a forty-two (42) hour workweek. The change in work schedules from ship's watch time to shipyard, lay-up, or tie-up time shall occur at the nearest noon or midnight after leaving service and at the nearest noon or midnight before entering service. During such periods employees shall be paid for the first forty-two (42) hours of work at the straight-time rate and Rule 25 shall apply.

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 of one and one-half (1-1/2) times the straight-time rate of pay. In computing weekly hours, the ship's watch time on the eighty-four (84) hour workweek schedule and shipyard, lay-up or tie-up time on the forty-two (42) hour week schedule shall not be combined. Upon leaving

shipyard, lay-up or tie-up status, overtime for sea time will commence after completion of the regular seven (7) day, eighty-four (84) hour workweek.

16.03 Any crew members assigned to vessels which are tied up at shipyards, lay-up or tie-up terminals who are working a forty-two (42) hour week performing repairs, maintenance work, maintaining heating and maintaining ship's security over weekends may be assigned to work periods of five (5) consecutive days on duty and two (2) consecutive days off duty and will not receive overtime penalty pay as such for working Saturday or Sunday. If called back on their assigned days off, they will be paid at the overtime rate with a minimum of eight (8) hours; employees shall be paid at the overtime for all such hours worked in excess of the eight (8) hour minimum. Assigned days off refer to two (2) consecutive days off duty only.

16.04

(A) On vessels with adequate or sufficient staterooms and numbers of crew quarters, all IBU crew members assigned to a vessel in shipyard or lay-up status will be assigned single occupancy quarters during the period.

(B) Crew members assigned to occupy passenger staterooms will, prior to moving back to assigned crew quarters, clean the stateroom used to the satisfaction of the Chief Mate, Chief Steward, and IBU's Ship Delegate. Use and cleaning of passenger staterooms so used shall be at no cost to the Employer. An employee occupying such quarters may be liable for any damages caused by the employee's occupancy, normal wear and tear excepted, and damage to quarters may be grounds for immediate relocation and disciplinary action.

(C) It is recognized that operational requirements will necessitate the movement of crew members from one (1) room to another during the shipyard or lay-up period. Also, it may be necessary to require crew members to double up in the event of major repairs or refurbishment. Should these events occur it is agreed that there will be no penalty against Management for taking these actions.

(D) All revenue spaces are to be vacated promptly upon notification by Management. This will normally be ten (10) days prior to returning the vessel to service.

16.05

(A) When crew members are quartered aboard ship, no ship hull grinding, chipping or otherwise excessive noise-producing work will be accomplished after 2000 and before 0800 or on Saturday and Sunday.

Normally, there will be no painting between the hours of 1700 and 0800 when crews are quartered aboard the vessel. A sanitary system including hot and cold water is to be available and in operation no later than four (4) hours after drydocking or 2000, whichever is later, unless mutually agreed to by the Union and the Employer.

(B) When the Vessel Master determines, after inspection, quarters are uninhabitable because of noise, fumes, or other environmental considerations the crew will be provided quarters ashore in kind or by payment of a lodging allowance. The Master's written determination will be given to the vessel IBU delegate or designee. Disputes will be resolved by the General Manager or designee whose decision will be final. After the fact determinations will not be made

16.06 There shall be no splitting of shifts for personnel while in shipyard or lay-up, provided that no additional costs or personnel are required.

16.07 During annual lay-up and yard 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 lay-up.

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

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 their 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 they relocate their principal place of abode in a manner which affects eligibility for COLD.

(A) Salaries for Alaska residents, effective July 1, 2004:

CLASSIFICATION	STRAIGHT-TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$23.79	\$35.69
Senior Assistant Purser	\$21.09	\$31.64
Junior Assistant Purser	\$18.07	\$27.11
A/B Bos'n	\$21.25	\$31.88
Able Seaman	\$19.44	\$29.16
Ordinary Seaman	\$18.22	\$27.33
Ordinary Seaman-Porter	\$18.22	\$27.33
Watchman-Porter	\$18.22	\$27.33
Junior Engineer	\$22.02	\$33.03
Oiler	\$20.20	\$30.30
Wiper	\$18.36	\$27.54
Chief Steward	\$23.79	\$35.69
Second Steward	\$21.09	\$31.64
Storekeeper	\$20.37	\$30.56
Chief Cook	\$21.67	\$32.51
Second Cook	\$19.06	\$28.59
Assistant Second Cook	\$18.07	\$27.11
Bartender	\$18.07	\$27.11
Headwaiter	\$18.07	\$27.11
Head Bedroom Steward	\$18.07	\$27.11
Mess Steward	\$18.00	\$27.00
Cashier/Gift Shop Operator	\$18.00	\$27.00
Officer's B/R	\$18.00	\$27.00
Waiter/Waitress	\$17.86	\$26.79
Steward	\$17.86	\$26.79

(B) Salary schedule for employees residing outside Alaska, effective July 1, 2004:

CLASSIFICATION	STRAIGHT-TIME HOURLY	OVERTIME HOURLY
Chief Purser	\$19.68	\$29.52
Senior Assistant Purser	\$17.23	\$25.85
Junior Assistant Purser	\$14.73	\$22.10
A/B Bos'n	\$17.36	\$26.04
Able Seaman	\$15.87	\$23.81
Ordinary Seaman	\$14.86	\$22.29
Ordinary Seaman-Porter	\$14.86	\$22.29
Watchman-Porter	\$14.86	\$22.29
Junior Engineer	\$17.99	\$26.99
Oiler	\$16.48	\$24.72
Wiper	\$14.99	\$22.49
Chief Steward	\$19.68	\$29.52
Second Steward	\$17.23	\$25.85
Storekeeper	\$16.66	\$24.99
Chief Cook	\$17.68	\$26.52
Second Cook	\$15.54	\$23.31
Assistant Second Cook	\$14.73	\$22.10
Bartender	\$14.73	\$22.10
Headwaiter	\$14.73	\$22.10
Head Bedroom Steward	\$14.73	\$22.10
Mess Steward	\$14.68	\$22.02
Cashier/Gift Shop Operator	\$14.68	\$22.02
Officer's B/R	\$14.68	\$22.02
Waiter/Waitress	\$14.61	\$21.92
Steward	\$14.61	\$21.92

Effective July 1, 2005, the straight time hourly rate of pay (in effect July 1, 2004) for all classifications shall increase by six percent (6%).

Effective July 1, 2006, the straight time hourly rate of pay (in effect July 1, 2005) for all classifications shall increase by six percent (6%).

17.02 Probationary employees who are working in one (1) of the Steward 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.

17.03

(A) Upon request, one (1) Sailor's draw may be granted to an employee of up to 50 percent gross straight-time wages earned at the time of the draw, not to exceed one thousand dollars (\$1,000.00).

(B) Upon request in shipyard, one (1) Sailor's draw per week may be granted to an employee of up to 50 percent gross straight-time wages earned at the time of the draw, not to exceed five hundred dollars (\$500.00).

(C) In an emergency situation, one (1) Sailor's draw per pay period of up to 50 percent gross straight-time wages earned at the time of the draw, not to exceed one thousand dollars (\$1,000.00) may be approved by Alaska Marine Highway System personnel staff with proper verification. An approved draw may be issued by a Purser on a vessel or by Juneau Central Office, Alaska Marine Highway System.

17.04 An employee's vacation and sick leave will be totaled on the employee's time sheet copy at least once every quarter.

17.05 Premium pay shall not be paid in addition to any premium pay (pyramiding of premium pay is prohibited).

17.06 An employee 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 that employee's straight-time hourly rate.

17.07 In the event that work performed places the employee in one (1) or more classifications when so directed by the Employer, the Employer agrees to pay such employee according to the highest-rated classification worked, provided that when the employee works more than one-half (1/2) of their regular workday at the higher-rated classification at the direction of the Employer, they shall be paid at the higher pay rate for the entire workday. When an employee is requested to work in a lower wage rate due to a temporary fluctuation in work, the employee's regular rate shall be paid for all such lower-rated work performed.

17.08 - Pay Problems

Any dispute by an employee alleging an error in their paycheck shall be brought to the attention of the Employer on employee "Notice of Pay Problem" forms within thirty (30) calendar days from the end of the pay period in which the dispute arises. 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 "Notice of Pay Problem."

The Employer shall respond within fifteen (15) working days from the Employer's receipt of the "Notice of Pay Problem." A copy of the response shall be sent to the Union. However, should the response not be satisfactory to the employee and the Union, a grievance may be entered at Step One under Rule 14.01 within fifteen (15) calendar days after the "Notice of Pay Problem" response is due or received, whichever is earlier.

17.09 - Lost Wages

If an employee is not dispatched in accordance with the seniority provisions of Rule 26 and the dispatch provisions of Rule 27, the employee is due the difference in wages of the higher classification and the wages the employee earned during that assignment, or if not dispatched the wages that would have been earned, except where lost wages are specifically excluded.

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 of 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.

18.03 Inport Extras may be used to do any additional on-board work in their classification as defined by the Employer while the vessel is in revenue service and is in port.

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, lay-up or tie-up time.

19.02 - Two Week Work Tours

The parties agree to allow employees the option of a two week on/two week off schedule subject to the following guidelines:

(A) Employees working opposite, on different crews, must mutually agree on the work schedule and receive approval from the General Manager of AMHS or designee.

(B) If one of the Regularly Assigned Employees is unable to meet the assignment agreement (vacation, sick leave, etc.) the most senior relief will be offered the position with a choice of either one or two week assignment.

(C) There shall be no additional cost to the State directly related to this option.

(D) Unearned wages, payable under Rule 9, will be limited to 84 hours.

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 crew change at change ports, such delay shall be termed a "Late Arrival." Scheduled time of crew change shall be determined by the port captain's memo listing scheduled crew change times and verified by dispatch's weekly crew change memos. The hours involved in such delays shall be determined by the Deck Log. Total hours shall be calculated from the scheduled crew change times. If at the time the Crew List is posted on Friday, a schedule change is implemented that calls for a longer workweek than originally scheduled, Late Arrival will not apply.

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.

(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.

21.03 – Early Crew Change

When circumstances, other than a schedule change or a change in change ports, necessitate an early crew change, and the change is made twelve (12) or less hours early the provisions of Rule 21.02 will apply. If the change is made more than twelve (12) hours early, Rule 22.02 will apply.

RULE 22 - OVERTIME

22.01 - Overtime

(A) When a crew member 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.

(B) When crew members are released from duty having completed their regular watch and are called back to work and are released before their next watch commences, the minimum overtime payment shall be two (2) hours.

Overtime payments in excess of the minimums provided for in this Agreement shall be computed as provided above.

(C) When crew members are on overtime and are released from duty with less than one (1) hour prior to going on watch at straight-time, time shall run continuously. If crew members are called back to duty and released within one hour of completing their regular watch, this will be considered a one hour hold-over.

(D) Off watch overtime shall commence when a crew member is called out and the crew member shall be called at least thirty (30) minutes before work commences. When the deck crew is called out for mooring of the vessel, the actual time crew is called shall be entered in the ship's log for use in compiling proper time sheet entries. Crew shall remain on call-out status until released by the Master after line stowage and secured for sea.

(E) There shall be no overtime payments for work of ten (10) minutes or less beyond minimum call-out time.

22.02 When a Regularly Assigned Employee has worked a regularly assigned week (seven [7] consecutive days) and is required to work during the assigned days off (seven [7] consecutive days) the employee 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 at the overtime rate for the day in which the employee reports to work. When an employee is required to work on their week off due to a schedule change or change in change ports, the twelve (12) hour minimum will not apply and the employee will receive the standard six (6) hours of pay at the overtime rate for the day in which the employee reports to work. When an employee is assigned to a permanent upgrade position, this Rule shall not apply for the first consecutive seven (7) day period.

22.03 - Work in Excess of Eighty-Four Hours Per Assignment

(A) Twelve (12) hours shall constitute a day's pay. Time worked in excess of twelve (12) shall be paid at one and one-half the employee's straight-time rate of pay.

(B) Eighty-four (84) hours shall constitute a normal assignment for all employees other than those dispatched as Extras or in accordance with Rule 25.01(D). All employees shall be paid for time worked in excess of eighty-four hours at one and one-half the employees straight-time rate of pay in fifteen (15) minute increments.

(C) A Regularly Assigned Employee's "normal" change day shall be the eighth calendar day after they are relieved. For example, if an employee was relieved on Friday, their change day would be the following Friday.

(D) If a Regularly Assigned Employee returns to work prior to their calendar change day as described in (C), above, the RAE will be paid at one and one-half the employee's straight-time rate of pay for six (6) hours on the day they report to work. The RAE will continue to be paid at one and one-half of the employee's straight-time rate of pay for actual time worked until their "normal" calendar crew change day. On that day, the RAE shall be paid for six (6) hours at one and one-half the employee's

straight-time rate of pay, and six (6) hours at the straight-time rate of pay.

(E) When an employee is on any crew bringing a vessel in or out of the yard, seetime will begin or end in accordance with Rule 16. Once the employee has completed eighty-four (84) hours of work in seetime status, they shall be paid at one and one-half their straight-time rate of pay for actual time worked, until relieved or seetime is broken.

(F) Employees working a two week on-two week off schedule shall receive overtime for any work in excess of one hundred and sixty-eight (168) hours.

22.04 - Computation and Assignment of Overtime

(A) There shall be no pyramiding of overtime.

(B) The employer agrees to attempt to equalize overtime between qualified employees within each department as operations permit.

RULE 23 - VACATION

23.01- Employees Hired On or After April 1, 1985

The vacation accrual and eligibility for accrual of employees hired on or after April 1, 1985, shall be in accordance with 23.01(A) and (B) below.

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

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

(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 the employee 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 the employee 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 Per 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 the employee 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 the employee does not receive vacation credit.

(C) Employees covered by this section who have vacation balances of at least one hundred and sixty eight (168) hours, shall be permitted to cash out one hundred and sixty eight (168) hours of vacation once per calendar year with the approval of the Director of the Division of Labor Relations . The employee's vacation balance shall be reduced by the number of hours for which payment is made.

23.03 - Use of Vacation

(A) Vacation shall be taken at a time that is mutually agreeable to the Employer and the crew member. All vacations and leaves of absence must be approved by the Employer in advance of their commencement. Such approval will not be unreasonably withheld.

(B) During periods of lay-up of vessels, crew members with greater amounts of vacation may be required, through joint agreement by the Labor/Management Relief Assignment Committee, to utilize this time in order to permit other members to remain working.

23.04 - Terminal Leave

In case of an employee terminating services at any time after the employee has established eligibility for vacation benefits, the employee shall receive cash payment for whatever vacation that employee has accrued.

23.05 - Vacation Pay Rate

Regularly Assigned Employees and RAREs 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 the employee's time was worked within the preceding year. Relief Employees shall receive the rate of the classification in which the majority of the employee's time was worked within the preceding twelve (12) months. Seasonal Employees shall be paid for vacation at the entry-level rate for the department in which the majority of the employee's time was worked within the preceding twelve (12) months. An employee who works and uses time off in the same month must use the same pay type (Southeast or Southwest) for time off. Employees may use annual leave or A-days for an entire month, but may only combine annual leave and A-days in any one month when their annual leave or A-day account is depleted.

23.06 - 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 an employee 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 employee's vacation balance. However, if circumstances cause the Employer to refuse an employee's timely request for vacation, the amount of vacation refused will be carried over.

23.07 - Union Business Leave

(A) Members shall have six (6) hours of vacation contributed to the Union Business Leave Bank on an annual basis. Contributions shall take place annually on or about August 1. 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 Regional Director. Requests for withdrawal from the Bank shall be made only by the Regional Director to the Director of the Division of Labor Relations on forms mutually agreed on by the parties and furnished by the Union. All vacation transferred to the Bank is final and not recoverable for recredit to an individual's vacation account. If the Union believes an improper contribution has been made to the business leave bank the Regional Director must request correction within thirty (30) days of the contribution or from becoming aware of the improper contribution.

Once the Bank has reached an accumulation of one hundred and ten thousand, five hundred dollars (\$110,500.00), contributions shall cease and will be reinstated only when the cash value in the Business Leave Bank drops below forty-two thousand, five hundred dollars (\$42,500.00). The Union shall be responsible for monitoring the balance in the Union Business Leave Bank and will notify the AMHS when the ceiling and floor dollar amounts are met.

(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 will fill out, date and sign a vacation request showing the amount of vacation to be donated.

(2) Each such vacation request will have written or typed along the bottom, "Vacation donation to Inlandboatmen's Union of the Pacific, Alaska Region, Union Business Leave Bank."