

MEMORANDUM OF UNDERSTANDING
THE STATE OF WASHINGTON
AND
INTERNATIONAL ORGANIZATION OF
MASTERS, MATES AND PILOTS
MARINE OPERATIONS WATCH SUPERVISORS

JULY 1, 2012 THROUGH JUNE 30, 2013

PREAMBLE

The Rules contained herein constitute a Memorandum of Understanding between the State of Washington, hereinafter referred to as the "Employer", and the International Organization of Masters, Mates, and Pilots, Pacific Maritime Region, United Inland Group, hereinafter referred to as the "Union", governing wages, hours and other conditions of employment of employees as classified.

All of the following Rules shall apply to the entire Memorandum of Understanding uniformly.

RULE 1 – DEFINITIONS

SPECIFIC DEFINITION

Unless the context of a particular Section of this Memorandum of Understanding clearly dictates otherwise, the following terms shall have the following meanings:

1.01 MEMORANDUM OF UNDERSTANDING

The term "memorandum of understanding" shall refer to the present document, of which this Rule is a part, as it presently exists between the Employer and the Union.

1.02 EMPLOYEE

The term "Employee" includes all persons in the service of the Employer classified in this Memorandum of Understanding.

1.03 EMPLOYER

The term "Employer" means the State of Washington.

1.04 UNION

The term "Union" means the International Organization of Masters, Mates, and Pilots, Pacific Maritime Region, United Inland Group.

1.05 PARTIES

The term "Parties" means the Employer and the Union.

1.06 SPOUSE

The term "Spouse" means all persons such as a wife, husband or registered domestic partner as established by RCW 26.60.030.

1.07 TERMINATION

The term "termination" shall be the ending of an employee's employment with the Employer.

1.08 WATCH SUPERVISOR

The term "Watch Supervisor" or "Supervisors" refers to all employees employed under the terms of this Memorandum of Understanding forth in Rule 8.

1.09 YEAR AROUND POSITIONS

The term "year around positions" or "year round assignments" is forty (40) hours of scheduled straight timework within a one (1) work period.

1.10 ON CALL POSITION

The term "on call employee" shall be an employee who may or may not be working on a year around basis and who is not guaranteed eighty (80) hours of straight time pay per two week work period.

1.11 YEAR AROUND EMPLOYEE

The term "year around employee" is any employee who is assigned to a year around position.

All regular full time employees in year around employment shall be guaranteed eighty (80) hours of work in a two (2) week work cycle at the Operations Center.

1.12 WORK WEEK

The term "work week" shall be seven (7) consecutive days, Sunday through Saturday.

1.13 PAY PERIOD

The term "pay period" denotes compensation earned during the first day through the 15th day of each calendar month, or compensation earned during the 16th day through the last day of each calendar month. There shall be twenty-four (24) pay periods in each calendar year.

1.14 CONTINUOUS EMPLOYMENT

"Continuous employment" shall be broken by resignation, discharge, termination, or written notice of layoff of six months or more.

1.15 YEARS OF SERVICE OR YEARS OF EMPLOYMENT

"Years of service or years of employment" are total employment time with WSF unless otherwise defined.

1.16 ABBREVIATIONS

The following abbreviations or acronyms are used throughout the Memorandum of Understanding, Appendices, and any letter(s) or memorandum(a) of understanding between the parties, for the sake of brevity: **IOMMP:** International Organization of Masters, Mates, and Pilots, United Inland Group; **WSF:** Washington State Ferries; **OPS:** WSF Operations Center; **DOT:** Washington State Department of Transportation; **MEC:** Washington State Marine Employees Commission; **EOC:** Washington State Ferries

Emergency Operations Center; **SMS:** Washington State Ferries Safety Management System.

OTHER DEFINITIONS AND TERMS

Unless the context of a particular Section in question indicates otherwise, all other words and terms used in this Memorandum of Understanding shall be given their common and ordinary meaning.

RULE 2 – RECOGNITION AND UNION SECURITY

2.01 The Employer recognizes the Union as the representative of all employees as classified herein and the sole collective bargaining agency for the purpose of acting for the employees in negotiating and interpreting the Memorandum of Understanding and adjusting disputes.

2.02 Except as provided in RCW 47.64, each employee covered by this Memorandum of Understanding shall make application to join the Union within thirty-one (31) days following either the employee's date of employment or the signing of this Memorandum of Understanding, whichever shall last occur; and each such employee shall maintain membership in the Union for the life of this Memorandum of Understanding.

2.03 The Union agrees to indemnify and hold harmless the Employer for any and all liability resulting from such deductions.

2.04 VISITATION

All authorized representatives of the Union shall be allowed to enter, at all reasonable times, upon the Employer's property where bargaining unit members as specified by this Memorandum of Understanding are employed. The Employer shall issue to any such duly authorized representative, a pass permitting such visitation provided however, that the Employer shall not be liable for any claim resulting from an accident involving any such representative so engaged.

2.05 DISCRIMINATION

The Employer shall not discriminate in any manner against any bargaining unit employee because of the employee's activities on behalf of or membership in the Union.

RULE 3 – SCOPE

3.01 SCOPE OF THE MEMORANDUM OF UNDERSTANDING

The terms and provisions of this Memorandum of Understanding shall govern the Union, the Employer and all employees classified as Watch Supervisor.

3.02 INTENT OF THE PARTIES

The terms and provisions herein contained constitute an entire Memorandum of Understanding which is fully integrated with respect to each of its terms and provisions.

3.03 The parties agree that the provisions of this Memorandum of Understanding constitute the complete Memorandum of Understanding between the parties, provided that, any prior understanding executed by the parties and contained in a letter or memorandum of understanding will be continued during the duration of the Memorandum of Understanding unless the subject matter contained in the letter or memorandum of understanding has been subsequently amended, modified, changed or altered in any way by a term or provision of the Memorandum of Understanding. Also, it is expressly understood and agreed upon that no term or provision of this Memorandum of Understanding may be amended, modified, changed, or altered except by a written agreement executed by the parties. This clause does not constitute a waiver by either party of its duty to bargain pursuant to RCW 47.64.

3.04 DUES CHECK-OFF

The Employer shall deduct dues from wages of those employees who so authorize it by a written assignment or authorization signed and dated by the employee in a form as specified below. The Employer shall, pursuant to such authorization, remit to the Union the regular monthly dues as specified by the Union, along with any initiation fees, as authorized by the employee. The monies so deducted shall be payable to the National Headquarters of the International Organization of Masters, Mates & Pilots (MM&P) with a list indicating the employee's name, social security number, and dues deduction amount, no later than the fifteenth (15th) day of the following month.

Dues Check-off Authorization Card

I _____, hereby authorize my Employer, the WSDOT Ferries Division, to deduct from my wages regular monthly union dues as well as any amount that I specify for initiation fees. I understand that my Employer shall remit such monies to MM&P Headquarters no later than the fifteenth (15th) day following the month that the dues and fees are deducted. This authorization is irrevocable for a period of one year from the date that I sign it but may be revoked for a period of (10 days) following each anniversary of my signing this authorization.

3.05 CHECK-OFF WAIVER

The Employer shall be relieved from making check-off deductions upon an employee's (a) termination of employment, or (b) transfer to a job outside the unit, upon the request of the employee, or (c) layoff from work, or (d) an authorized leave of absence. Upon the return of an employee to work from any of the foregoing enumerated absences, the Employer shall immediately resume the obligation of making such deductions consistent with Rule 3.04, Dues Check-off.

3.06 EMPLOYER INDEMNIFICATION

The Employer assumes no obligation, financial or otherwise, arising out of the provisions of this Rule 3.04, and the Union shall indemnify and hold the Employer harmless from any and all claims, grievances, arbitrations, award, suits, attachments, or other proceedings arising out of or by reason of any action taken by the Union for the purpose

of complying with any of the provisions of this Rule. If an error had been made in the amount of dues remitted to the Association under Section 3.04 of this Rule, upon notification from the Union of such error, the Employer will expeditiously rectify the error.

RULE 4 – MANAGEMENT RIGHTS

- 4.01** Subject to the terms and conditions of this Memorandum of Understanding, the Employer retains the right and duty to manage its business, including the following: the right to adopt regulations regarding appearance, dress, conduct of its employees, and to direct the workforce consistent with work procedures as are necessary to maintain safety, efficiency, quality of service and the confidence of the traveling public that are not contrary to the terms and conditions of this Memorandum of Understanding.
- 4.02** The Union reserves the right to intercede on behalf of any Watch Supervisor who feels aggrieved and the right to process a grievance on behalf of any such Watch Supervisor pursuant to the provisions of the Memorandum of Understanding relating to disputes Section.
- 4.03** The Employer and the Union are committed to ending illegal discrimination and harassment in any and all forms. To this end, neither the Employer nor the Union shall discriminate against any employee in any manner prohibited by law. When the Employer is presented with circumstance which may require reasonable accommodation of a disability, which accommodation might result in a violation of this Memorandum of Understanding, the Employer and the Union will meet to discuss the proposed accommodation and possible conflicts between this Memorandum of Understanding and the proposed accommodation. By agreeing to discuss the requested accommodation, the Union does not waive any position or argument, including, but not limited to the following: that the accommodations not violate this Memorandum of Understanding are available and appropriate; that the law neither requires nor permits accommodations that violates this Memorandum of Understanding

RULE 5 – STRIKES, WORK STOPPAGES AND LOCKOUTS

- 5.01** Pursuant to RCW 47.64, there shall be no strike, lockouts or work stoppages at any time. Rather, any dispute arising between the parties will be resolved according to the provisions contained within the Memorandum of Understanding and/or RCW 47.64.

RULE 6 – UNION NEGOTIATING COMMITTEE

- 6.01** The Employer recognizes the establishment of the Union's Negotiating Committee to be comprised of one (1) Watch Supervisor and one (1) alternate Watch Supervisor. When requested by the Union, the Employer will provide relief to allow members of the Negotiating Committee to perform the duties of the Committee. The Employer will not be required to pay any wages to any member of the Committee during those times that the members are performing their duties of the Negotiating Committee.

RULE 7 – LABOR-MANAGEMENT COMMITTEE

- 7.01** Labor/Management Committee (LMC) shall be formed. The LMC for the Union shall consist of one (1) union member appointed by the Union and one (1) member from WSF Operations Management, and a representative of WSF Labor Relations Department may serve as ad hoc members if so required.
- 7.02** The intent of the establishment of such a committee is to provide a venue for internal communication, information and problem solving. The issues of a grievance(s), unfair labor practice(s) and contract negotiations shall not be a subject of any discussion.
- 7.03** The LMC will be scheduled to meet once every six (6) months provided either Party submits an agreed upon agenda in advance of the meeting. Additional meetings may be held by mutual agreement by the Parties.
- 7.04** A notice of the meeting will be given to the bargaining unit employees. Meeting notes will not be officially recorded. Individual meeting notes may be taken. Any documents presented will made available to both Parties.
- 7.05** The watch delegate and employees required to attend a LMC meeting will be compensated at their regular straight time rate unless otherwise controlled by other contractual provisions.

RULE 8 – CLASSIFICATION OF WATCH SUPERVISORS

- 8.01** A Watch Supervisor is a regular full-time employee who has completed the probationary period and who is regularly scheduled to work forty (40) hours per workweek. As a regular full time employee, the employee receives all fringe benefits. If, for some reason or assignment, a Watch Supervisor works at a location other than the Operations Center, then the employee shall qualify for travel time and mileage on days so assigned.
- 8.02** A relief Watch Supervisor is a regular full-time employee who has completed the probationary period and who regularly is scheduled to work forty (40) hours per workweek. They will be scheduled to fill all hours that are requested for leave. If there are no hours or leave scheduled, the relief Watch Supervisor will be assigned hours for administrative purposes. If there is no leave scheduled, the Relief Watch Supervisor may be assigned hours to assist Department Managers with administrative functions, which could include Operations Center personnel scheduling, strategic planning and execution of fleet resources, as well as other oversight functions that may be assigned.
- 8.03** An on-call Watch Supervisor is an employee who has completed the probationary period and who is not guaranteed eighty (80) hours of straight time pay per two (2) week work period. They will be used after the relief Watch Supervisor has been scheduled. To keep an on-call Watch Supervisor ready to cover a watch, they will be scheduled for forty (40) hours refresher training every one hundred twenty (120) days.

RULE 9 – SELECTION AND PROBATIONARY PERIOD

- 9.01** Notwithstanding any other provision of this Memorandum of Understanding, the selection and hiring of Watch Supervisors shall remain the responsibility of the Employer. A Watch Supervisor shall be included in the hiring process for the final selection of applicants.
- 9.02** Newly hired employees shall have a one thousand forty (1040) work hour probationary period commencing with employee's first watch. A newly hired employee terminated during the probationary period or at the end of the probationary period shall not have recourse to the grievance procedure. An employee's probationary period may be extended by mutual agreement between the WSF and the Union.
- 9.03** Newly hired Watch Supervisors shall be paid eighty percent (80%) of the top wage for a Regular Watch Supervisor, noted in Rule 11.01, while in training.
- 9.04** Watch Supervisors that have completed training shall be paid ninety percent (90%) of the top wage for a Regular Watch Supervisor, noted in Rule 11.01, during the one thousand forty (1040) work hour probationary period.

RULE 10 – TRAINING

- 10.01** Fleet Familiarization or re-familiarization may be granted to the Watch Supervisor who requests it in order to garner specific awareness of an aspect or aspects of WSF fleet operations and may involve visitation to WSF vessels and facilities. Grouping of multiple location visitations while in travel or pay status will be accomplished to the extent possible. A written log or report documenting what was observed or knowledge gained or reinforced may be required by the Operations Manager following completion of granted familiarization trips and shared with the other Watch Supervisors. The Watch Supervisor shall be compensated at the straight-time—rate of pay for time spent completing a log or report, which will not be counted towards the yearly training total.
- 10.02** Off-Site Visitation Training may be approved for a Watch Supervisor who requests visitation of non-WSF sites, facilities and agencies for the purpose of enhancement or comprehension of the interaction between WSF operations or WSF as an agency existing between the Employer and the site or personnel visited. A written log or report following completion of visitation may be required by the Operations Manager as stated in Rule 10.01 above.

RULE 11 – CLASSIFICATIONS AND RATES OF PAY

- 11.01** Effective July 1, 2012, the basic wage rate for all Watch Supervisors includes a six percent (6%) wage reduction, and will remain in effect until June 29, 2013. The six percent (6%) wage reduction will not apply to compensation an employee receives for the cash out of sick leave, vacation leave or compensatory time.

Effective July 1, 2012, the basic wage rate for all Watch Supervisors is twenty-six dollars and fourteen cents (\$26.14) per hour.

Effective June 30, 2013, the basic wage rate for all Watch Supervisors is twenty-seven dollars and eighty-one cents (\$27.81) per hour.

11.02 Shift premiums will be as follows:

Effective July 1, 2008, the basic shift premium will be increased to sixty-five (\$0.65) cents per hour.

RULE 12 – HOURS OF EMPLOYMENT

12.01 The work hours and length of shifts shall be determined by the Employer. The Employer will post work schedules and relief assignments on a monthly basis for “Year Around Positions” or “Year Around Assignments”. Should there be a change to work schedules, the Parties will meet and confer prior to such change. Any changes to “Year Around Assignments” will be posted at least fourteen (14) calendar days prior to implementation.

12.02 The principle of the forty (40) hour workweek is hereby established. No work schedule shall have less than eight (8) hours off between scheduled shifts. A work period may be as follows:

- A. Five (5) consecutive eight (8) hour days followed by two (2) consecutive days off or,
- B. Four (4) consecutive ten (10) hour days followed by three (3) consecutive days off or,
- C. Any other work scheduled as established by the Employer.

12.03 If a new schedule for any “Year Around Assignment” is changed and it effects scheduled days off, it shall be cause for a re-bid. The affected employee will have the right to exercise his/her seniority rights and may bump a less senior employee. Such a re-bid shall take place ten (10) working days after such a change and be effective fifteen (15) working days after the completion of the re-bid process.

12.04 The Employer may utilize “on call employees” in filling open assignments or shifts. The term “on call employee” shall mean an employee who may or may not be working on a year around basis and who is not guaranteed eighty (80) hours of straight time pay per two (2) week work period.

12.05 All watches shall be re-bid in December of each calendar year and become effective with the winter sailing schedule.

RULE 13 – OVERTIME

- 13.01** The overtime rate of pay for employees shall be at the rate of one and one-half (1 ½) times the straight-time rate in each classification. Actual time will be reported but overtime will be paid in the following 6 minute increments based on the following increments, (6 minutes, 12 minutes, 18 minutes, 24 minutes, 36 minutes, and 48 minutes) for the first hour. For time worked in excess of one (1) hour, overtime will be paid at one and one half (1 ½) times the employee's straight time rate of pay, in one (1) hour increments. In the application of this rule, there shall not be any pyramiding of the listed pay rates to equal more than two and half (2 ½) times the straight time rate in any circumstances.
- 13.02** An employee is required to work overtime when the overtime work is a result of an extended service run requirement, no other qualified replacement is available, or a bona fide emergency exists that requires said employee to work overtime.
- 13.03** Employees called back to work after completing a scheduled shift shall be paid at the overtime rate, with a minimum of four (4) hours.
- 13.04** Employees called in to work on their scheduled assigned days off, will receive a minimum of eight (8) hours pay at the overtime rate.
- 13.05** Overtime shall be paid to each employee required to work an extended workday as a result of a time changeover from Pacific Daylight Savings Time to Pacific Standard Time.
- 13.06** **OVERTIME PYRAMIDING PROHIBITED**
Whenever two (2) or more overtime or premium rates may appear applicable to the same hours worked by an employee, there shall be no pyramiding or adding together of such overtime or premium rates, and only the highest applicable rate shall apply.
- 13.07** Employees being called by the Director of Operations, Operations Manager on their normal non-work time or on vacation shall be paid initially a minimum increment of fifteen (15) minutes or actual time on the phone or whichever is greater. This shall not apply to compensation issues of the employee such as time sheets or other compensation. If overtime payment is applicable, it shall be paid or taken as compensatory time and, at the employee's option, vacation may be re-credited in equivalency of straight time increments equal to the time paid by the applicable Rule.

RULE 14 – SENIORITY

- 14.01** The Employer recognizes the principle of seniority in the administration of the applicable seniority related provisions of the Memorandum of Understanding. For the purposes of layoff and recall and other seniority related provisions contained in this Memorandum of Understanding, except as noted below, an employee of the Marine Operations Center

unit's seniority date shall be the employee's appointment date to the Marine Operations Center.

14.02 For the purpose of layoff and recall, an employee of the Marine Operations Center, employed as of October 8, 2004, the employee's seniority date shall be the same as the employee's established anniversary date. For the purpose of vacation accrual, the employee's established anniversary shall be used to calculate vacation eligibility.

14.03 Should an employee have an established and recognized service date as a State of Washington employee that date shall be used in calculation of retirement benefits.

14.04 Except as otherwise provided in this Memorandum of Understanding, an employee's seniority shall terminate when the employee retires or is retired; resigns; terminated for cause; terminated for job abandonment (absent from work without leave for three [3] consecutive days); fails to report to work upon recall from layoff within thirty (30) calendar days of notice, or who is on continuous layoff for more than three hundred and sixty-five (365) days.

14.05 A seniority roster will be maintained by the Employer and available to the Union upon request.

14.06 Any Watch Supervisor who has established seniority and is elected or appointed to any full-time office in the Union or who is transferred to a non-represented position in management shall retain seniority status throughout either term or terms in office or for the duration of employment with management, and may thereafter exercise their seniority by "bumping" to the Regular or Relief Watch Supervisor classification.

RULE 15 – STATUS OF EMPLOYEES ON LEAVES (PAID OR UNPAID)

15.01 EMPLOYMENT STATUS

An employee retains employment rights when working, when the employee is on a contract provided leave, Family Medical Leave or when the employee is on a Leave of Absence (paid or unpaid). Leaves of absence requests must be submitted in writing for approval prior to taking the leave. Employees on unpaid leave of absence are not entitled to employer paid medical benefits unless on leave per FMLA. An employee taking non-approved leave of absence is absent without leave and subject to disciplinary action up to and including termination of employment.

15.02 TERMINATION OF EMPLOYMENT

An employee absent from work for three (3) consecutive days who is not on an approved leave of absence may be terminated from employment with WSF forfeiting employments and seniority rights. Should this need to occur, the employee shall be informed via a Loudermill meeting notice and will be provided the appropriate hearing protocol. Notice by registered letter to the employee's address on record in Human Resources shall deem adequate, whether or not the employee signs the letter. It is the employee's responsibility to maintain a current address with the WSF Human Resources Department.

15.03 AUTHORIZATIONS FOR ALL LEAVES

All requests for leave of absence, the employee shall indicate a starting and ending date for the leave. The terms of the leave of absence shall be in writing. Employees must obtain written management approved extensions before the end of the leave date, except in the case of an emergency. Extensions must be applied for a minimum of seven (7) calendar days before the end date. Extensions of leave beyond the maximum time allowed will be non-precedent setting and will be at the discretion of the Employer.

15.04 DOCUMENTATION OF EXTENDED LEAVES

For all extended leaves, including medical leave, the employee shall obtain written managerial approval in advance of taking the leave. Appropriate forms will be provided by WSF. Absences intended to extend beyond thirty (30) days must be requested on the appropriate WSF form. In addition, for medical leaves extended over thirty (30) days, the employee must also provide medical verification of the extension request.

15.05 RETURN FROM LEAVE

Employee on an approved leave shall return to work on the end date. An employee on Leave of Absence (paid or unpaid) who fails to report to work at the end date, or fails to obtain a written extension before the leave end date, is absent without leave and subject to disciplinary action. Any excuse related to medical conditions shall be verified by an attending medical provider.

15.06 RETURN FROM MEDICAL LEAVE – FIT FOR DUTY

When an employee is absent from work for a period of ten (10) days for medical reasons, WSF requires a fit-for-duty slip from the employees' medical provider supporting the employees' fitness to return to full duty. Employees absent for thirty (30) days or more shall submit their fit-for-duty slip to the Human Resources Department and it must be received and processed by WSF's Human Resource Department before the employee may return to work.

15.07 TIMELY RETURN FROM LAYOFF

An employee will lose the employees' seniority if the employee has been laid off and is recalled to work but fails to report to work five (5) working days from the date of receiving notice of such recall by registered mail at the employee's address of record with WSF. It is the employees' responsibility to keep the WSF Human Resource Department informed of the employees' current address and phone number on forms provided by WSF.

15.08 NON-OCCUPATIONAL MEDICAL CONDITION

An employee, who has completed one (1) year of continuous employment, may request a leave of absence due to a non-occupational medical condition that prevents the employee from performing the essential job functions. Such leave shall be granted to the employee upon presentation of a certificate on the appropriate WSF form from the employees' licensed medical provider confirming the employee's continued inability to perform the

essential job functions. An employee absent for more than twelve (12) consecutive months may be subject to termination.

15.09 OCCUPATIONAL INJURY/ILLNESS

An employee, who suffers an occupational injury/illness, may request a leave of absence for the period of incapacitation for which the employee is receiving Worker's Compensation benefits. Such leave shall continue to be granted only upon the employee's presentation of a certification from a licensed physician, on the appropriate WSF form, confirming the employee's inability to work. Such leave of absence shall not exceed one (1) year. Employees absent for more than twelve (12) consecutive months may be subject to termination.

15.10 FIT FOR DUTY

WSF reserves the right to require any employee to be assessed by a physician of WSF's choice regarding the employee's ability to perform essential job functions of the employee's job classification.

15.11 LEAVE WITHOUT PAY

Any pre-approved leave and sick leave shall be taken and shall be compensated as originally approved and not converted to leave without pay for payroll purposes without management approval.

15.12 MILITARY LEAVE

Any employee who is a reserve member of one of the Reserve components of the United States Armed Forces will be granted leave and compensated for such leave in accordance with State and Federal law.

15.13 WITNESS LEAVE

The Employer will make an employee whole for time loss when the employee is required by the Employer or by subpoena to attend hearings or investigations concerning WSF, conducted by the US Coast Guard, a court of law or government agency, by payment of the employees' straight time wages less any fees received by the employee. This provision shall not be applicable where the employee and/or Union have a beneficial interest in the outcome of the proceedings.

RULE 16 – HOLIDAYS

(Note: It is the intent for no change to the holiday conditions that are currently in effect)

16.01 The following days shall be paid holidays for all regular full-time employees covered by this Memorandum of Understanding:

New Year's Day	January 1
Martin Luther King Jr.'s Birthday	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Day	December 25
2 Optional Days	Employee eligible after six (6) months of employment. Will be observed as mutually agreed upon between Employer and employee. These holidays shall be observed on an annual basis.

16.02 Employees working on the actual holiday of the dates listed in Section 16.01 (except Optional Days) shall be compensated at the rate of time and one-half (1½) for hours actually worked plus holiday pay for their regularly scheduled hours on the holiday.

16.03 Employees not scheduled to work on the actual holiday of the dates listed in Section 16.01 (except Optional Days) shall have their holiday scheduled by management to employee's previous or next scheduled work day. These employees shall be compensated at the rate of time and one-half (1½) for hours actually worked plus holiday pay for their regularly scheduled hours.

RULE 17 – VACATIONS

17.01 Each employee with a minimum of six (6) continuous months' employment shall receive one (1) working day of vacation leave with full pay for each month of completed employment up to and including twelve (12) months. Vacation leave shall not be used until the employee has completed six (6) months of service.

17.02 Vacation leave will be credited on the following basis: (1) the employee must be active at work for one hundred twenty (120) hours during the month; (2) any paid leave will count toward the one hundred twenty (120) hours eligibility requirement; (3) any leave without pay will not be counted toward the one hundred twenty (120) hours eligibility requirement; (4) holidays for which the employee might otherwise be eligible will count

towards eligibility; (5) a work day is based on an employee's scheduled work day. For employees hired prior to June 30, 2011, the Vacation Leave Accrual Rate Schedule shall be as follows:

<u>Years of Service</u>	<u>Vacation Hours</u>
0-1	96
1-2	104
3-4	112
5-7	120
8-10	128
11	136
12	144
13	152
14	160
15	168
16-19	176
20	186
21	192

For employees hired on or after June 30, 2012, the Vacation Leave Accrual Rate Schedule shall be as follows:

Continuous Service	Vacation Credit
6 months	52 hours
7 months	59 hours
8 months	67 hours
9 months	74 hours
10 months	81 hours
11 months	89 hours
12 months	96 hours
2 years	104 hours
3 years	120 hours
4 years	136 hours
5 years	160 hours
15 years	168 hours
16 years and over	176 hours

Vacation Scheduling Process: All vacation leave must be mutually agreed upon between the Manager and the Employee. Where two (2) or more employees have requested the

same period of time off, the employee with the most in-unit seniority shall have preference.

- 17.03** Vacation leave is accumulated to a total of two hundred and forty (240) hours. Employees may voluntarily exceed this limit; provided that, they exhaust the vacation leave in excess of two hundred and forty (240) hours prior to their anniversary date. If leave in excess of two hundred and forty (240) hours is not used prior to the employee's anniversary date, then such leave will automatically be lost. However, this provision may be modified through mutual agreement between an individual and the Employer for a specified period of time.
- 17.04** Each employee's anniversary date shall be twelve (12) months after entering service of the Employer.
- 17.05** Vacation leave is not available to the employee unless the employee has served six (6) continuous months of employment.
- 17.06** A re-employed or reinstated employee must again serve six (6) months of continuous employment before the employee is entitled to use vacation leave.
- 17.07** Leave credits accumulated are canceled automatically on separation after periods of service of less than six (6) months.
- 17.08** All accumulated annual vacation leave is allowed when an employee leaves the Employer's employment for any reason.
- 17.09** Vacation pay shall be computed on the basis of the straight time rate of the employee's regular classification.
- 17.10** Vacation credits as set out in Section 17.01 shall be pro-rated and credited on a monthly basis.

RULE 18 – SICK LEAVE

- 18.01** Each full time employee who has completed six (6) months of continuous employment shall receive one (1) day (eight [8] hours) of sick leave credit for each completed month of service commencing with the employee's date of employment. Sick leave accruals for part-time and/or temporary employees shall be computed on an hourly basis, based on the ratio of hours worked to normal straight time hours worked by regular full time employees during those periods.
- 18.02** An employee may, at the employee's option, use vacation leave in lieu of sick leave but may not use sick leave in lieu of vacation leave.
- 18.03** Through the Employer, sick leave may be claimed from the accumulated days of credit for any employee for the following reasons:

- A. For illness or injury, which incapacitates employees to the extent that they are unable to perform their work;
- B. For preventive health care, provided employees notify their supervisor in advance of such appointment;
- C. For the period of time that an employee is sick or temporarily disabled because of the state of pregnancy or childbirth, in accordance with terms set forth in this Rule.

18.04 Sick leave up to five (5) days in any one instance may be claimed and taken for a death in the immediate family, or to attend the funeral of a member of the employee's family, which shall include the following relatives: Any relative living in the employee's household, as well as the employee's wife, husband, parent, grandparent, brother, sister, children of the employee, grandchild, aunt, uncle, father-in-law, son-in-law, daughter-in-law, mother-in-law, brother-in-law, sister-in-law, and step children. The Employer may extend such sick leave upon reasonable request.

18.05 Whenever an employee is injured or contracts a contagious or infectious disease in the line of duty, the employee's wages shall be extended by the Employer with no negative impact on the employee's accumulated sick leave.

18.06 Sick leave up to three (3) days in any one instance may be claimed by an employee after notifying the employee's supervisor when a member of the employee's immediate family, as defined in Section 18.04, is ill or injured, and the employee's presence is required. Additional sick leave may be claimed if said employees' presence is requested, in writing, by a doctor. Provided that such leave shall be recorded as and charged to the employee's FMLA leave.

18.07 The Employer may request, at its option, a verifying statement from the employee's doctor to support claims of five (5) working days or less.

18.08 No sick leave claims shall be honored for time loss for which the employee is receiving State of Washington Industrial Insurance time loss payments (Workers Compensation), wage loss benefits under a health and welfare benefit trust.

18.09 All accumulated sick leave credits shall follow any employee who is transferred to another department of the State of Washington.

18.10 Each employee's sick leave credit days are canceled automatically upon the employee's termination of service. Terminating employees do not receive sick leave credit for the month in which they terminate unless they work at least eighty-four (84) hours in the month.

- 18.11** All accumulated sick leave may be restored when a previously separated employee is re-employed on a permanent basis.
- 18.12** Sick leave may be extended by the State Director of Transportation after all accumulated sick leave is used when an employee is injured in the line of duty (except when covered by industrial insurance) or contracts a contagious or infectious disease through exposure to such disease in the line of duty.
- 18.13** In the event that further legislation is enacted providing additional remuneration of general government employees of the State of Washington (covered by RCW Chapter 41.06 State Civil Service Law) for unused sick leave, this collective bargaining Memorandum of Understanding shall automatically be reopened for the purposes of negotiating similar changes in provisions for remuneration of employees covered by this Memorandum of Understanding.
- 18.14** Sick leave buy-out upon death or retirement shall be allowed in accordance with applicable statutes.

RULE 19 – MISCELLANEOUS LEAVE (JURY, SUBPOENA, RESERVED ARMED SERVICES)

- 19.01** An employee called for jury duty shall be paid the difference between the fee for such service and the amount of straight-time earnings lost due to such service. When an employee is called back for jury duty, the employee shall not be required to report for work at Washington State Ferries (1) on any day when the employee is required to report for or serve upon jury duty, or (2) on any day in a calendar week when the employee will otherwise have worked or served on jury duty for five (5) days or (3) on the employee's regularly scheduled days off. In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing date and time served and the amount of jury pay received.
- 19.02** The Employer will make an employee whole for work time loss when the employee is required by the Employer or by subpoena to attend hearings, trials, or investigations concerning Washington State Ferries conducted by the United States Coast Guard, a court of law or a governmental agency, by payment of the employee's straight time wages less any fees received by the employee. This provision shall not be applicable where the employee and/or the Union (when acting in a representative role for members covered under this Memorandum of Understanding only) have a beneficial interest in the outcome of the proceedings.
- 19.03** Any employee who is a member of one of the Reserve components of the United States Armed Services will be granted leave of absence when called for Reserve. During such absence the employee will be paid in accordance with federal and state law.
- 19.04** Leaves of absence will not be granted to employees to work in other industries, training or educational institutions unless mutually agreed to between the Employer and the

Union. All requests for leaves of absence shall be approved in writing in advance by the Union and Employer.

RULE 20 – WORK RULES

20.01 The Employer shall furnish meals and lodging, in compliance with per diem guidelines (WSDOT), when staff, essential to manning and supporting operations and the EOC, is required to remain on duty or called back to duty.

This rule is applicable to emergency or unplanned situations and is not applicable to regular work schedules in support of WSF operations.

20.02 Only qualified personnel shall constitute a proper relief for any Watch Supervisor. The Watch Supervisor standing a watch shall remain on watch until properly relieved. Qualified watch standing personnel are defined as: Port Captain, Operations Manger and any other Watch Supervisor.

20.03 All Supervisors recognize the need to have tasks or duties performed by them in pursuit of resolution to emergent situations. Such assignment may stem from management or personnel not in the Watch Supervisor's chain of command, WSF Department or structure. However, no task, duty, or responsibility will be assigned as a regular part of the Watch Supervisor's job functions or become an obligation to perform such action on an ongoing basis, without the Operations Manger's approval and direction. Any employee who feels aggrieved by the newly acquired and assigned item or task shall have recourse through the grievance procedure.

20.04 When scheduling Supervisor shift hours, there shall be a minimum of thirty (30) minutes overlap of Supervisor's shifts both at the beginning and at the conclusion of each watch, in order to ensure that complete briefing/debriefing and continuity is achieved prior to the handover of the watch from the departing Supervisor to the oncoming Supervisor.

20.05 When post-accident, trauma, or other incident occurs in the fleet that counseling or other mitigation of impact is offered to those involved on-scene, the same shall be offered to the Watch Supervisor(s) present on duty during the occurrence or aftermath without a negative connotation attached to the employee or the employee's job performance as a result of the acceptance of such service, therapy and counseling.

20.06 In all cases of mobility impaired Watch Supervisor (and any Supervisor who requests in writing), shall be escorted to and from designated parking and the Operations Center.

20.07 All Watch Supervisors may assist Department Managers with administrative functions which could include Watch Center personnel scheduling, strategic planning and execution of the deployment of fleet resources, and other oversight functions that may be assigned. These functions will not be part of the primary responsibility of watch standing, but will be accomplished during watch handover (exclusive of Rule 20.04) and by the Relief Watch Supervisor while performing administrative duties. It is understood

that the performance of these administrative functions shall not be work covered by the terms and conditions of this Memorandum of Understanding. Additionally, Watch

Supervisors will review the OPS Log for information and data accuracy. Any subsequent OPS Log changes will be noted to the original Watch Supervisor that made the entry for correction.

RULE 21 – HEALTH AND SAFETY

21.01 The health and safety of employees shall be reasonably protected.

RULE 22 – TRAVEL/MILEAGE/MEAL DISCOUNTS/PARKING/LODGING

22.01 Employees who are required by WSF to use their personal vehicle for business related travel other than travel from their place of residence to their assigned place of work or otherwise incur per diem expenses by the direction of WSF, shall be reimbursed for such expenses per Chapter Ten WSDOT Travel Rules and Procedures.

RULE 23 – PASSES

23.01 The Employer shall, upon application, issue, to any employee continuously employed for at least six (6) months, annual passes authorizing free passage for the employee and the employee's spouse and dependents, as well as for the employee's motor vehicle and tow on all vessels of the Employer.

23.02 The Employer shall, upon application, issue to any employee continuously employed for at least two (2) years an additional vehicle pass authorizing free vehicle passage for the employee's spouse on all vessels of the Employer. Note: All Watch Supervisors employed at the conclusion of negotiations shall fall under the provisions of Rule 23.

23.03 Any employee who leaves the service of the Employer shall immediately surrender to the Employer all passes held by the employee or dependents, except as otherwise provided in this Rule.

23.04 Every employee who is retired under the provisions of the State Employees Retirement System or who is disabled shall be issued annual passes authorizing free passage for such employee, spouse, and dependent members of their family, together with their motor vehicle, on all vessels of the Employer.

23.05 EXCEPTIONS TO USE OF PASS

No passes of any kind shall be used for the purpose of commuting to or from employment other than employment with the WSF. Vehicle passes shall be used only on a space available basis, and shall not be used between Anacortes and Sidney from June 15 to September 10. However, any exceptions to the pass privileges on the Anacortes to Sidney route between June 15 and September 10 will be in accordance with Agency

policy. Nothing contained in Rule 23 shall be construed as applying to any Watch Supervisor engaged in traveling to or from work with the Employer.

23.06 VEHICLE PASSES

Vehicle ferry passes are intended to be used for vehicles that the employee and/or spouse have registered, leased or rented. The vehicle registration or lease/rental agreement shall be required to be shown when using passes if requested.

Vehicle passes will not be used to evade a ferry fare. A vehicle not registered, leased or rented by an employee and/or spouse shall be subject to verification by terminal staff. Any pass holder, who is uncooperative in the verification process, shall be subject to WSF code of conduct.

23.07 All Supervisors employed at the time of this Memorandum of Understanding and listed on the Seniority List are considered to have met the criteria as set forth in Sections 23.01 and 23.02 to receive dependent and spousal passes.

RULE 24 – RESOLUTION OF DISPUTES

24.01 It is understood and agreed that all disputes which may arise with regard to the interpretation or application of the terms and provisions of this Memorandum of Understanding shall be adjudicated in the manner herein provided. Unless the requirements of this Section are waived or modified with regard to a specific grievance by the parties, the failure to process a grievance or a defense to a grievance shall be considered as an abandonment of the grievance or the right to defend against the grievance.

24.02 The Union and the Employer agree that it is in the best interest of all parties to resolve disputes at the earliest opportunity and at the lowest level. The Union and the Employer encourage problem resolution between employees and management and are committed to assisting in resolution of disputes as soon as possible. In the event a dispute is not resolved in an informal manner, this Rule provides a formal process for problem resolution.

24.03 TERMS AND REQUIREMENTS

A. Grievance Definition

A grievance is an allegation by an employee or a group of employees that there has been a violation, misapplication, or misinterpretation of this Memorandum of Understanding, which occurred during the term of this Memorandum of Understanding. The term “grievant” as used in this Rule includes the term “grievants.”

B. Filing a Grievance

Grievances may be filed by the Union on behalf of an employee or on behalf of a group of employees. If the Union does so, it will set forth the name of the employee or a description of the group of employees.

C. Computation of Time

The Parties acknowledge that time limits are important to judicious processing and resolution of grievances. Days are calendar days, and will be counted by excluding the first day and including the last day of timelines. When the last day falls on a Saturday, Sunday or holiday, the last day will be the next day which is not a Saturday, Sunday or holiday. Transmittal of grievances, appeals and responses will be in writing,

D. Failure to Meet Timelines

Failure by the Union to comply with the initial thirty (30) day deadline contained in Section 25.04 A, below, will result in automatic withdrawal of the grievance. Failure by the Union to comply with other timelines contained in this Grievance Procedure may be submitted to the arbitrator for his or her determination. Failure by the Employer to comply with the timelines will entitle the Union to move the grievance to the next step of the procedure.

E. Contents

The written grievance should include the following information:

1. A statement of the pertinent facts surrounding the nature of the grievance;
2. The date the incident occurred;
3. The specific Rule and/or section of the Memorandum of Understanding violated;
4. The specific remedy requested;
5. The name of the grievant or description of the group; and
6. The name and signature of the Union representative.

F. Modifications

No newly alleged violations and/or remedies may be made after the initial written grievance is filed, except by written mutual agreement.

G. Resolution

If the Employer provides the requested remedy or a mutually agreed-upon alternative, the grievance will be considered resolved and may not be moved to the next step.

H. Withdrawal

A grievance may be withdrawn at any time.

- I. Resubmission
If terminated, resolved or withdrawn, the same grievance cannot be resubmitted.
- J. Consolidation
The Employer or the Union may consolidate grievances arising out of the same set of facts.
- K. Bypass
Any of the steps in this procedure may be bypassed with mutual written consent of the parties involved at the time the bypass is sought.
- L. Discipline
Disciplinary grievances will be initiated at the level at which the disputed action was taken.
- M. Alternative Resolution Methods
At any time during the grievance process, by mutual consent, the parties may use alternative methods to resolve a non-disciplinary grievance. If the parties agree to use alternative methods, the time frames in this Rule are suspended. If the selected alternative method does not result in a resolution, the Union may return to the grievance process and the time frames resume. Any expenses and fees of alternative methods will be shared equally by the parties.

24.04 FILING AND PROCESSING

- A. Filing
A grievance must be filed within thirty (30) days of the occurrence giving rise to the grievance or the date the grievant knew or should reasonably have known of the occurrence. This thirty (30) day period may be used to attempt to informally resolve the dispute.
- B. Processing
Step 1 – Director of Operations or Designee:
If the issue is not resolved informally, the Union may present a written grievance to the Director of Operations or designee with a copy to the WSF Labor Relations Office within the thirty (30) day period described above. The Director of Operations or designee will meet or confer by telephone with a union steward and/or staff representative and the grievant within fifteen (15) days of receipt of the grievance, and will respond in writing to the Union within ten (10) days after the meeting.

Step 2 – Ferries Division Assistant Secretary or Designee:
If the grievance is not resolved at Step 1, the Union may request a Step 2 meeting by filing it with the Ferries Division Assistant Secretary or designee, with a copy to the WSF Labor Relations Office, within fifteen (15) days of the Union's receipt of the Step 1 decision. The Ferries Division Assistant Secretary or designee will meet or confer by telephone with a union steward and/or staff representative and

the grievant within fifteen (15) days of receipt of the appeal, and will respond in writing to the Union within ten (10) days after the meeting.

Step 3 – Union Delegate Committee Adjudication:

If the grievance is not resolved at step 2 the grievant or grievants may request in writing a hearing before the Union Delegate Committee within fifteen (15) days of receipt of the step 2 decision. Such hearing shall be held promptly in accordance with the rules of the Union Delegate Committee. Authorized Employer representatives will be given notice of and entitled to attend such hearing. A written opinion will be sent to all parties involved in the grievance.

Step 4 – Pre-Arbitration Review Meetings:

If the grievance is not resolved at Step 3, the Union may request a pre-arbitration review meeting by filing the written grievance including a copy of all previous responses and supporting documentation with the OFM Labor Relations Office (OFM/LRO) representative with a copy to the agency's Human Resource Office within fifteen (15) days of the Step 3 decision. Within fifteen (15) days of the receipt of all the required information, the OFM/LRO representative or designee will discuss with the Union:

1. If a pre-arbitration review meeting is scheduled with the OFM/LRO representative or designee, an agency representative, and the Union's staff representative to review and attempt to settle the dispute.
2. If the parties are unable to reach agreement to conduct a meeting, the OFM/LRO representative or designee will notify the Union in writing that no pre-arbitration review meeting will be scheduled.

Within fifteen (15) days of receipt of the request, a pre-arbitration review meeting will be scheduled. The meeting will be conducted at a mutually agreeable time. The OFM/LRO will notify the Union, in writing, of the results within ten (10) days of the conclusion of the pre-arbitration review meeting.

Step 5 – Arbitration

If the grievance is not resolved at Step 4, or the OFM/LRO representative or designee notifies the Union in writing that no pre-arbitration review meeting will be scheduled, the Union may file a request for arbitration. The demand to arbitrate the dispute must be filed with the Federal Mediation and Conciliation Service (FMCS) within fifteen (15) days of the Union's receipt of the written notification of results of the pre-arbitration review meeting or receipt of the notice no pre-arbitration review meeting will be scheduled. However, by mutual agreement the parties may instead refer the dispute to the Marine Employees Commission for final resolution.

C. Selecting an Arbitrator

The parties will select an arbitrator by mutual agreement or by alternately striking names supplied by the FMCS.

D. Authority of the Arbitrator

1. The arbitrator will:
 - a. Have no authority to rule contrary to, add to, subtract from, or modify any of the provisions of this Memorandum of Understanding;
 - b. Be limited in his or her decision to the grievance issue(s) set forth in the original written grievance unless the parties agree to modify it;
 - c. Not have the authority to order the Employer to modify his or her staffing levels, unless the arbitrator finds that the Employer has violated the staffing levels required by this Memorandum of Understanding.
2. The arbitrator will hear evidence and arguments on and decide issues of arbitrability before the first day of arbitration at a time convenient for the parties, immediately prior to hearing the case on its merits, or as part of the entire hearing and decision-making process, at the discretion of the arbitrator. If the issue of arbitrability is argued prior to the first day of arbitration, it may be argued in writing or by telephone, at the discretion of the arbitrator. Although the decision may be made orally, it will be put in writing and provided to the parties.
3. The decision of the arbitrator will be final and binding upon the Union, the Employer and the grievant (s).

E. Arbitration Costs

1. The expenses and fees of the arbitrator, and the cost (if any) of the hearing room, will be shared equally by the parties.
2. If the arbitration hearing is postponed or canceled at the request of one party, that party will bear the cost of the postponement or cancellation. The costs of any mutually agreed upon postponements or cancellations will be shared equally by the parties.
3. If either party desires a record of the arbitration, a court reporter may be used. If that party purchases a transcript, a copy will be provided to the arbitrator free of charge. If the other party desires a copy of the transcript, it will pay for half of the costs of the fee for the court reporter, the original transcript and a copy.
4. Each party is responsible for the costs of its representatives, attorneys, and all other costs related to the development and presentation of their case.

Every effort will be made to avoid the presentation of repetitive witnesses. The Union is responsible for paying any travel or per diem expenses for its witnesses, the grievant and the Union representative.

24.05 WATCH DELEGATES

The Union may elect or designate a Watch Delegate or Alternate Watch Delegate by classification (who shall be recognized by the Employer). The Watch Delegate or Alternate is recognized as an authorized representative of the Union for settling grievances and disputes. Representatives of Management with authority to settle such matters will meet with the Watch Delegate and work for the resolution of such matters. A Watch Delegate will be allowed to attend grievance meetings, without loss of wages or benefits, scheduled by the Employer. Watch Delegates will be allowed to investigate grievances during their normal work day provided no necessary and required work is interrupted by the Delegate's absence and the Delegate's supervisor has given the Delegate prior approval to engage in such activity. The contract grievance procedures of this Memorandum of Understanding shall be the exclusive remedy with respect to disputes arising between the Union and Employer, and no other remedies may be utilized by any grievant or the Union with respect to any dispute involving this Memorandum of Understanding until the grievance procedures herein have been exhausted. If a grievance is being processed pursuant to this Rule and an employee or the Union pursues the same grievance through any other channel or method, then the Union and the employee agree that the grievance shall be considered to have been abandoned.

RULE 25 – SAVINGS

25.01 If any Rule of this Memorandum of Understanding or any addendum thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Rule should be restrained by such tribunal, the remainder of this Memorandum of Understanding and addenda shall not be affected thereby, and the parties shall enter in immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement of such Rule or addendum.

The parties acknowledge that they were not able to reach agreement on a collective bargaining agreement for the 11-13 biennium. The governor did not submit nor did the legislature approve the funds necessary to implement a collective bargaining agreement. Therefore, the parties agree that this agreement is not binding on the legislature. However, the parties are entering into this Memorandum of Understanding consistent with the provisions of ESHB 2190, Section 503, as passed by the legislature and approved by the governor.

This Memorandum of Understanding is for the period July 1, 2012 through June 30, 2013.

Dated: June 29, 2012

For the Employer

For the Union

_____/s/
Tina Peterson

_____/s/
Tim Saffle,