

**WHATCOM COUNTY
CONTRACT NO.**

200701035

COLLECTIVE BARGAINING AGREEMENT

By and Between

WHATCOM COUNTY

AND

**INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS
Pacific Maritime Region**

AND

INLANDBOATMEN'S UNION OF THE PACIFIC

January 1, 2008 - December 31, 2010

**AGREEMENT
BY AND BETWEEN
WHATCOM COUNTY
AND
INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS
Pacific Maritime Region
AND
INLANDBOATMEN'S UNION OF THE PACIFIC**

The rules contained herein constitute an Agreement BETWEEN WHATCOM COUNTY, hereinafter referred to as the EMPLOYER, and the INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS, Pacific Maritime Region, and the INLANDBOATMEN'S UNION OF THE PACIFIC, Puget Sound Region, hereinafter referred to as the UNIONS, governing wages, hours and other conditions of employment for employees as classified. The parties to this Agreement will consider the effects of ferry scheduling upon the traveling public, the employees, and the County.

RULE 1 - RECOGNITION:

1.01 Recognition. The EMPLOYER recognizes the UNIONS as the representatives of all employees as classified herein and the sole collective bargaining agency for the purpose of acting for the employees in negotiating and interpreting agreements and adjusting disputes.

RULE 2 - PREFERENTIAL HIRING:

2.01 Industry Experience Preferred. In hiring employees for work in classifications covered by this Agreement, the EMPLOYER shall prefer applicants who have been previously employed in the industry; provided any such applicant is continuously available for employment.

2.02 Applicant Selection. In the filling of vacancies in entry level positions with applicants who are not then employees of the system, the EMPLOYER may reject any applicant who is deemed unsatisfactory. Employees hired into one of the nine (9) full-time positions shall be subject to a six (6) month probation period. Probationary periods can be extended for up to six (6) months with mutual agreement by the UNION and the EMPLOYER.

2.03 Notice of New Employees. The EMPLOYER agrees to furnish the UNIONS, in writing, the names, addresses, and telephone numbers of all new employees within twenty-one (21) days of commencement of work by such employees, exclusive of weekends and holidays.

RULE 3 - SENIORITY:

3.01 Establishing Seniority. Any employee who has completed six (6) consecutive months with 120 hours or more in a calendar month of employment shall have established seniority, and the EMPLOYER agrees to maintain and provide the UNIONS in November

and at their request with updated seniority rosters showing all employees, their classifications, and their seniority dates.

3.02 Application of Seniority. Except as hereinafter limited, seniority shall be strictly and absolutely applied in the filling of vacancies, lay-offs and rehiring, promotions and demotions, and mutually agreed leaves of absence.

3.03 Promotions. In all cases of promotions, except as provided in 3.04, whenever any vacancies exist, the EMPLOYER shall offer the available position to its most senior employee; provided that such employee possesses the appropriate coast guard certification for the position and meets or exceeds the qualifications and special requirements as outlined in the appropriate job description. In the event the senior employee declines the appointment, said position shall be offered to the next most senior employee who possesses the appropriate coast guard certification and meets or exceeds the qualifications and special requirements as outlined in the appropriate job description, and so on, until the position has been accepted by one (1) or rejected by all employees as outlined above. If no crew member possesses the required certificate and qualifications outlined herein or if all qualified members have rejected the position, the position may be open to the general public.

3.04 Senior Master Vacancy. When a vacancy occurs in the position of Senior Master, the EMPLOYER will first consider filling the position from within the bargaining unit, provided that such employee possesses the appropriate Coast Guard certification for the position and meets or exceeds the qualifications and special requirements as outlined in the appropriate job description. The EMPLOYER will fill the position with an outside candidate only after considering the qualifications of all interested persons from within the bargaining unit. However, the EMPLOYER retains discretion to determine an applicant's qualification because of the unique nature of the position. If the position is not filled from within the bargaining unit, the EMPLOYER shall meet at the request of an affected employee to discuss the hiring decision.

3.05 Promotional Probation Period. The first six (6) calendar months that a newly promoted employee serves in a position to which he has been promoted shall constitute a probation period. At any time during such a probation period, the EMPLOYER shall have the right to rescind the promotion and return the newly promoted employee to the position that he held prior to the promotion. Probationary periods can be extended for up to six (6) months with mutual agreement by the UNION and the EMPLOYER.

3.06 Rescinded Promotion. In the event that the EMPLOYER rescinds a promotion, the position in question shall immediately be offered to the next most senior qualified employee in the employ of the EMPLOYER, who shall serve a similar six-month probationary period.

RULE 4 - MANNING:

4.01 Manning. In filling vacancies, the EMPLOYER may reject any employee who is unsatisfactory. If the UNIONS feel that any rejection has been unjust and has worked a hardship on the employee involved, the dispute shall be referred to and adjudicated under the provisions of RULE 11, of this Agreement.

RULE 5 - UNION SECURITY:

5.01 Union Membership. The employees covered by this Agreement shall be or become within thirty-one (31) days after the execution of this Agreement, members of the UNION and shall thereafter as a condition of employment, tender dues and initiation fees uniformly required as a condition of membership.

5.02 Conditions of Employment. It shall be a condition of employment that all employees of EMPLOYER covered by this Agreement who are members of the UNIONS in good standing on the effective date of this Agreement shall remain members in good standing in the UNIONS. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall on the thirty-first (31) day following the beginning of such employment become and remain members in good standing in the UNION, provided that if a public employee is a member of a church or religious body whose bona fide religious tenets or teaching forbid said employee to become a member of a labor union such public employee shall pay an amount of money equivalent to the regular union dues and initiation fee of the UNIONS to a non-religious charity or to another charitable organization mutually agreed upon by the employee and the UNIONS. The employee shall furnish written proof to the UNIONS that such payment has been made. If the employee and the UNIONS do not reach an agreement on the non-religious charity to whom the Union dues and initiation fee are to be paid, the Washington State Department of Labor and Industries shall designate the charitable organization.

5.03 Payroll Deductions. For individuals who certify in writing that they authorize such deductions, Union initiation fees and monthly dues shall be deducted from the employee's payroll and remitted to the UNIONS. Accompanying said monies shall be a list of employees, their Social Security Numbers and amounts to be credited to their account.

5.04 Union Dues. The UNIONS and each employee authorizing the assignment of wages for payment of union dues hereby agrees that the EMPLOYER shall not be a party in any dispute BETWEEN the UNIONS and an employee arising out of the EMPLOYER'S deduction of monies for union dues; provided that the EMPLOYER has forwarded said monies to the respective union. The UNIONS and the employees involved in any such dispute agree to indemnify and hold the EMPLOYER harmless from all claims, demands, suits, or other forms of liability that may arise against the EMPLOYER as a result of the EMPLOYER deducting and forwarding to the UNIONS the sums authorized to be deducted.

RULE 6 - DISCRIMINATION:

6.01 Non-Discrimination. No employee shall be discharged, suspended or discriminated against for upholding UNION principles and any employee working under instruction of the UNION or who serves on a committee may do so without losing their position for such activity. There shall be no discrimination against any individual employee of the EMPLOYER or member of the labor organization with whom the EMPLOYER has a bona fide collective bargaining agreement with respect to the hire, tenure, compensation or other terms and conditions of employment because of union membership or as required by state or federal law or regulations, except where such constitute a bona fide occupational qualification.

6.02 Gender Reference. Where the masculine or feminine gender has been used in any job classification or in any provision in this agreement, it is used solely for the purpose of illustration and shall not in any way be used to designate the sex of the employee, and all references herein to the male gender will also include the female gender.

RULE 7 - SCOPE:

7.01 Scope of Agreement. This Agreement shall apply to all vessels of the EMPLOYER engaged in the transportation of passengers, automobiles, and freight on Puget Sound and adjacent inland waters. This Agreement shall apply to the employees in the deck, engine room and stewards department on such vessels. In the event other Whatcom County employees are required to sell or take fare tickets at the ferry docks, the parties hereto shall enter into negotiations for hours, wages and benefits for those employees.

7.02 Regular Employees. For purposes of this Agreement, a regular employee is defined as one (1) of nine (9) full-time employees presently employed on the Lummi Island ferry run. Regular relief employees over and above the nine (9) regular employee complement are considered part-time but are subject to all contract provisions with the exception of Rules 13.04 and 14.03. On-call employees are not covered by the provisions of this agreement with the exception of Rules 13.01, 13.03, 13.06, 13.08, 13.09, 20, 21.02, 21.04 and 22.01.

RULE 8 - CREW REQUIREMENTS:

8.01 Staffing Requirements. Each and every vessel shall be manned according to the inspection certificate under which the vessel is licensed.

8.02 Adding or Changing Vessels. In the event vessels owned, planned or chartered by the EMPLOYER are added to the existing fleet, or if present units are re-engined, the EMPLOYER and the UNIONS shall immediately meet to negotiate minimum wages, a manning scale and working schedule for each such unit.

8.03 Out-of-Classification Work. Any employee assigned to work out of classification for the standard work day shall be paid at the rate of the assigned position for all hours worked in that shift.

8.04 License Fees. The EMPLOYER shall reimburse employees for the cost of Coast Guard and Federal Communications Commission license fees required in the performance of their duties.

RULE 9 - VISITATION:

9.01 Union Visits. Authorized representatives of the UNIONS shall be allowed to go on the EMPLOYER'S property and on board vessels covered by this Agreement at reasonable times while at the dock or enroute. The UNIONS agree that the EMPLOYER is absolved from all claims resulting from any accident involving such representative while on the property or on board vessels of the EMPLOYER.

RULE 10 - DISCHARGE OR SUSPENSION:

10.01 Discharge and Suspension. No regular employee will be discharged or suspended except for just cause, and prior to any action taken against such employee, except in emergency situations (such as drunkenness on the job, assault of another person while on the job and dishonesty or other gross misconduct), the EMPLOYER will first notify the UNIONS in writing, affording them an opportunity to resolve the issue. Notification of all discharge and/or suspensions shall be in writing with a copy sent to the UNION.

10.02 Disputes Over Discharge or Suspension. Any dispute arising out of a discharge or suspension case may be referred by either party to the arbitrator under the provisions of RULE 11.01.

RULE 11 - DISPUTES:

11.01 Grievances. Grievance as used herein shall mean any dispute or controversy which might arise as to the interpretation of application of this Agreement.

11.01 (a) Initial Filing. Employees must file a grievance as herein defined with their immediate supervisor within thirty (30) calendar days of knowledge of its occurrence or it shall be deemed null and void. Every effort shall be made to settle the complaint at this level. If it is not resolved within seven (7) working days after its submission, the matter may proceed to step b. If the UNION Representative or EMPLOYER wishes to file a grievance, either may do so at step b below.

11.01 (b) Grievance Written Down. Within the employee's next five (5) working days after the written responses from the EMPLOYER in step "a", the employee shall reduce the grievance to writing and present it personally or through his or her UNION representative to the Human Resources Manager or designee. If not resolved at this level within the next ten (10) working days the matter may proceed to step c.

11.01 (c) Arbitration. Any grievance submitted and processed in accordance with the grievance procedure provided above may be taken to arbitration by the EMPLOYER or the UNIONS as herein provided. However, prior to arbitration, the County Executive shall be advised of the dispute.

Any party may, within seven (7) working days after failure to adjust the grievance in subsection "b", serve upon the other party written demand for arbitration. The parties shall select an impartial arbitrator within ten (10) working days after service of demand for arbitration. If the parties fail to agree within this period upon an arbitrator who is able and willing to serve, either party may, within seven (7) working days thereafter, request the Federal Mediation and Conciliation Service to submit a list of eleven (11) disinterested persons living in the Northwest who are qualified and willing to act as an impartial arbitrator. From this list the EMPLOYER will strike two names, then the UNIONS two names until the single name remaining is appointed as the arbitrator.

11.01 (d) Hearing Commencement. The arbitrator shall commence the hearing within a reasonable time period after his selection and shall render his award in writing thirty (30) calendar days after the close of the arbitration hearing.

The award of the arbitrator shall be rendered in writing together with his findings and conclusions and shall be final and binding upon the parties to this Agreement and upon the complaining employee and employees, if any.

11.01 (e) Arbitrator's Fees. The arbitrator's fees and expenses, the cost of any hearing room and the cost of the shorthand reporter and of the original transcript, if requested by the arbitrator, shall be borne equally by the EMPLOYER and the UNIONS. All other expenses and costs shall be borne by the parties incurring them.

11.01 (f) Time Limitations. The EMPLOYER and the UNIONS agree to comply with the time limitations set forth above and either party shall have the right to insist that the time limitations be complied with; provided, however, said time limitations may be waived by mutual agreement but in no event shall failure to comply with the time limitation set forth above deprive the arbitrator of authority to decide the grievance.

11.01 (g) No Work Stoppage, Slowdown, Boycott, or Lockout. All grievances as herein defined shall be settled in accordance with the procedures outlined above. There shall be no work stoppage, slow down, boycott, or lockout for any reason regardless of whether the action of either party may be reasonably concluded as violation of this Agreement or any state or federal law during the life of this Agreement.

11.01 (h) Arbitration Venue. Venue for all grievance arbitrations shall be Whatcom County unless otherwise mutually agreed.

11.02 Union Stewards. The UNIONS may elect or designate Union Stewards, who shall be recognized by the EMPLOYER. The Union Steward 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 the Union Steward and work for the resolution of such matters. A Union Steward who has participated in step "a" of this procedure will be allowed to attend grievance meetings, without loss of wages and benefits, scheduled by the EMPLOYER.

11.03 Grievance Investigation. Union Stewards will be allowed to investigate grievances during their normal working day provided no necessary and required work is interrupted by the Steward's absence and the Steward's supervisor has given him prior approval to engage in such activity.

RULE 12 - EMERGENCY SERVICE:

12.01 Emergency Service. Emergency service, including collision, breakdown, stranding, rendering aid to another vessel, person or persons in distress, life saving and delay due to terminal damage shall not be considered overtime. The additional hours shall be paid for only at the straight time rate of pay. This provision shall relate only to the crew on watch at the time of the emergency.

RULE 13 - WAGE AND OVERTIME RATES:

13.01(a) Wage Rates. Effective January 1st, 2008, the following rates shall apply for all employees on the payroll at the time of ratification or upon hire:

CLASS	1-1-07 RATE	1-1-08 RATE	1-1-09 RATE	1-1-10 RATE
Senior Master (MMP)	29.62	30.51	31.43	32.37
Master or Master/Engineer (MMP)	27.20	28.02	28.86	29.73
Deckhand (IBU)	20.56	21.28	21.82	22.47
Regular Relief Employee (IBU)				
First six months	15.37	15.83	16.30	16.79
Second six months	17.20	17.72	18.25	18.80
Thereafter	20.56	21.28	21.82	22.47
On Call Employee (IBU)	14.70	15.14	15.59	16.06

13.01(a) Effective January 1, 2007, the above rates include clothing allowances for clothing required in Rule 21.

13.01(b) Effective upon the discontinuance of Purser duties, the Deckhand and Regular Relief Thereafter classifications shall be increased by 97¢ per hour.

13.02 Regular Relief Employees.

13.02(a) Applicable Terms. Regular relief employees as defined in RULE 7.02 are covered by the terms of this contract, with the exception of the section(s) mentioned in that paragraph, provided that schedules for part-time workers must be reasonable.

13.02(b) Hourly Rate. On-call employees who are selected to fill a Regular Relief position shall be allowed credit for all hours worked under the collective bargaining agreement as an on-call employee in establishing their beginning Regular Relief Employee hourly rate, but not higher than the second six month rate.

13.03 Overtime Rate. The overtime rate shall be computed by multiplying the hourly rate by 1.5. Overtime must be approved in advance by the Master.

13.04 Longevity Pay. Beginning with the employee's seventh (7th) year of employment, the employee shall receive in addition to the regular rate of pay the sum of thirty-five dollars (\$35.00) per month. Thereafter, on January 1st of each year, the employee shall receive five dollars (\$5.00) per month for each year of service to a maximum of twenty-five (25) years or one hundred and twenty-five dollars (\$125.00) per month. Only regular employees shall receive longevity pay.

13.05 Compensatory Time Maximum. By mutual agreement, employees may accumulate up to a maximum of one hundred twenty-six (126) hours of compensatory time in lieu of paid overtime. If it is mutually agreed that compensatory time is to be accrued in lieu of paid overtime, it is the employee's responsibility to indicate when submitting overtime claims that the time is to be accrued as compensatory time rather than to be paid at the overtime rate. An employee desiring to use accumulated compensatory time off must submit a written request to the EMPLOYER in advance indicating the number of compensatory days off requested. Requests for time off will be granted subject to approval by the Senior Master.

13.06 Stand-by for Emergency Call Out. The wage rates in 13.01(a) include pay to compensate employees' stand-by for emergency call-out and pager pay.

13.07 Senior Master Pay. The Senior Master pay includes compensation for performing duties required over and above operating the vessel.

13.08 Work on Holidays. All employees required to work on holidays shall be paid at the straight time rate of pay with one (1) additional hour's pay for each hour worked for the first nine (9) hours during the period from midnight to midnight of the holiday.

13.09 Work Beyond Nine Hours on Holidays. Any hours worked in excess of nine (9) hours on a holiday will be paid at three (3) times the regular rate.

13.10 Fare-related Supplies and Ticket Books. The EMPLOYER will make a good faith effort to deliver ticket books, receipt books and other supplies to the work site of bargaining unit employees. However, employees who are authorized in advance to pick up ticket books at the Courthouse shall be compensated at the overtime rate of pay for the actual time spent in this activity.

13.11 Electronic Funds Transfer. All regular employees shall authorize paycheck deposit by electronic funds transfer (EFT) within thirty (30) days of employment and employees not otherwise on EFT shall authorize EFT by January 1, 2008. Institution changes require four (4) weeks notice. Employees providing documentation of their inability to open a checking and/or savings account may have this requirement waived. Employees may stop EFT in emergency situations with at least seven (7) days notice before a scheduled payday. Employees must restart the EFT within three (3) months.

RULE 14 - HOURS OF WORK:

14.01 Month's Work. One hundred eighty (180) hours shall constitute a month's work for full-time employees.

14.02 Day's Work. All work performed in excess of ten (10) hours in any twenty-four (24) hour period shall be paid for at the overtime rate with a minimum of one half (1/2) hour and in periods of one half (1/2) hour thereafter.

14.02(a) Hours Beyond Eight Comp Time Election. Employees may elect to take the ninth and tenth hour of the shift as compensatory time per department policy. Employees working out-of-class electing compensatory time per this section, shall receive eight hours of regular pay, two hours added to compensatory time bank and ten hours of out-of-class pay differential.

14.02(b) Lunch. The employee shall be entitled to a one-half (1/2) hour lunch period during the daily work schedule, to be taken on the boat or on the dock.

14.03 Normal Work Schedule. All employees shall have a minimum of three (3) consecutive days off per month. The normal work schedule for Masters shall be seven (7) day shifts, seven (7) night shifts, followed by seven (7) days off. The normal work schedule for Purser/Deckhands or designated Deckhands shall be six (6) day shifts, six (6) night

shifts, followed by six (6) days off. The normal work schedule for Deckhands shall be five (5) day shifts, five (5) night shifts, followed by five (5) days off. Deckhand preference for a six (6) day rotation shall, when all else is equal, be by seniority for available billets. The EMPLOYER will notify the UNIONS and upon request will meet and discuss any revisions to these work schedules before such changes are implemented.

14.04 Call In Prior to Shift. Employees may be called up to two (2) hours prior to commencing their regular shift with a minimum of two (2) hours overtime. (The equivalent of three (3) hours straight time pay rate.)

14.05 Call Back After Shift. Employees called back after completing a regular shift shall receive three (3) hours overtime (the equivalent of 4.5 hours at straight time rate) and in periods of one (1) hour thereafter.

14.06 Mileage Reimbursement. Employees using their private cars in performance of required duties shall be paid mileage in accordance with County regulations.

14.07 Call Back on Days Off. Employees called back to work on their regular assigned days off shall receive a minimum of four (4) hours overtime (the equivalent of six (6) hours at straight time rate) and in periods of one (1) hour thereafter.

14.08 Split Shifts. There shall be no split shifts.

14.09 Operation Changes. In the event of an economic problem or fuel shortage which affects operations of the ferry, the parties agree to meet and consider alternatives to reduce costs to the EMPLOYER or schedule changes which could include reduced hours of operations, split shifts, or other measures necessary to insure continued operation commensurate with the existing conditions.

14.10 Shift Trades. Members of the UNIONS may arrange to trade shifts with other members, provided that the substitute member is qualified to perform the same duties required of the requesting member, under the following conditions: a shift trade does not occur on a regular basis; the Senior Master be notified at least one week in advance; such trading is in no way intended to compromise management's right to set schedules as provided for in the agreement; the person who will be off work be responsible to insure that the shift is covered; and the shift change does not result in additional overtime or other such costs to the County.

RULE 15 - VACATIONS:

15.01 Accrual. Employees shall receive vacation leave on the following basis:

<u>Months of Service</u>	<u>Monthly Accrual</u>
0 - 12	3.75 hours
13 - 48	7.50 hours
49 - 108	13.50 hours
109 - 132	15.75 hours
133 - 156	16.50 hours
157 - 168	17.25 hours
169+	18.75 hours

15.02 Accrual Dates. Each employee's anniversary date shall be twelve (12) months after entering the service of the EMPLOYER. The regular relief employees shall receive vacation credits on a pro rata basis, based upon total hours worked monthly.

15.03 Loss of Vacation. No employee shall lose any vacation benefits by reason of illness or mutually agreed leave of absence, and if any of these occur, he shall be paid for his accumulated vacation benefits on a pro rata basis.

15.04 Termination Cashout. Each employee who has completed a minimum of twelve (12) months of service and who is discharged for cause, or who terminates his employment, shall receive his accumulated vacation benefits.

15.05 Scheduling. Each employee entitled to vacation leave shall take his vacation at a time mutually agreed to BETWEEN the EMPLOYER and employee unless he is discharged for cause, or terminates his employment, in which event he shall receive the cash equivalent of his accumulated vacation benefits.

15.06 Holidays During Vacation. One (1) additional day's straight time shall be paid for each instance where a holiday falls during an employee's vacation.

15.07 Maximum Accrual. The maximum vacation time an employee may carry forward is thirty (30) days (270 hours) on December 31 of any year.

15.07(a) Maximum If On Payroll on 6/17/97. The new vacation accrual limit of 30 days (270 hours) is not applicable to current employees on the payroll on June 17, 1997 who remain subject to a maximum accrual of 40-days vacation (360 hours).

15.08 Computation. Vacation pay shall be computed on the basis of the straight time rate in effect at the time the vacation is taken.

RULE 16 - HEALTH AND WELFARE:

16.01 Health and Welfare. The EMPLOYER agrees to contribute to the cost of the Plans listed below which are offered to any employee who has completed three (3) months of employment and is compensated one hundred and twenty (120) hours or more in a calendar month, the purpose of which is to provide hospital, medical, dental, vision care, and life insurance benefits for employees of the EMPLOYER, and their dependents and beneficiaries.

16.02 Health & Welfare. The EMPLOYER agrees to make monthly contributions for employees, their spouses and dependents towards the following plans:

- a) **Medical** – Whatcom County Self-Insured Plan or any successor plan.
- b) **Dental** – WCIF Washington Dental – Option 3 or any successor plan.
- c) **Vision** – Washington Counties Insurance Fund Standard Vision Plan or any successor plan.

16.03 Life and Accidental Death and Dismemberment. The EMPLOYER agrees to pay the entire premium for group life and accidental death and dismemberment

insurance in an amount equivalent to one-year's base salary to a maximum of \$50,000 for eligible employees, through a carrier selected by the County.

16.04 Premium Payments.

16.04(a) Medical. The EMPLOYER agrees to pay the appropriate monthly family premium amounts necessary to provide the medical benefits listed in Rule 16.02 up to \$805 in 2008; up to \$886 in 2009; up to \$975 in 2010. A successor Cap plan may be required to have benefit modifications in order that coverage can be provided within the County's contribution.

16.04(b) Dental, Vision and Life Insurance. The EMPLOYER agrees to pay the appropriate monthly premium amounts and such increases as required to maintain the dental, vision and life benefits listed above.

16.05 Change or Modification. The EMPLOYER and the Unions agree that carriers may be changed, or benefits modified upon mutual agreement.

16.06 MMP Health and Welfare.

16.06(a) MMP Plan Premiums. The EMPLOYER will pay to MMP a premium for each eligible employee subject to the MMP Plan in the amount it pays for medical, dental, and vision benefits for employees represented by the IBU. If the premium or cost of providing benefits under the MMP plan exceeds the cost of medical, dental, and vision benefits for employees represented by the IBU, each affected employee will pay directly to MMP the remainder of any premium or charges due. The EMPLOYER will have no obligations to collect or pay any premiums in excess of the premium it will contribute to MMP for benefits.

16.06(b) MMP Liable For Plan. The EMPLOYER'S responsibility is limited to the payment to MMP of the premium described in 16.06(a) paragraph 4 above to enable MMP to purchase medical, dental, vision, and death benefits for its bargaining unit members covered under the collective bargaining agreement. The EMPLOYER has no liability for the failure or refusal of the MMP plan to honor an employee's claim or to pay benefits, and no such refusal or action on the part of the MMP plan shall be attributed to the EMPLOYER or constitute a breach of the collective bargaining agreement. Under no circumstances shall the EMPLOYER be responsible for paying any medical, dental, vision, or death benefit costs incurred by an employee in the MMP bargaining unit on or after the effective date of the MMP plan.

16.06(c) COBRA. The EMPLOYER shall have no obligation to administer in any way, shape, or manner the MMP plan or to provide COBRA notice or benefits to MMP members following the effective date of the MMP plan.

16.06(d) Return to EMPLOYER Health & Welfare Plans. The terms and conditions upon which MMP bargaining unit members could be eligible to return to participation in the benefit plans described in Rule 16.02, and 16.03 and 16.04 are subject to negotiations.

16.06 Flex 125 Plan. All eligible bargaining unit employees may enroll in the EMPLOYER'S Flexible Spending Account Plan ("Flex 125 Plan").

16.07 Eligibility. To be eligible for the group insurance benefits provided under this Rule 16, eligible employees must have completed three (3) months of at least one hundred and twenty (120) or more compensated hours per calendar month of employment and must receive compensation for work performed, vacation, holiday, and/or paid leave, which must equal or exceed payment for one hundred and twenty (120) hours in a calendar month.

16.08 Medical Coverage Disputes. Any dispute over a denial of coverage under the Whatcom County Self Insured Medical Plan may be appealed through Human Resources to the County Executive for final resolution.

16.09 New Employees' Self-Pay Option. If permitted by the plan, new employees may elect to be covered under the Whatcom Self-Insured Medical Plan effective the first of the month following one hundred and twenty (120) compensated hours in a calendar month by paying the full cost of such coverage for themselves and their dependents at the applicable rates through payroll deduction.

16.10 Medical Advisory Committee. If the County establishes a medical advisory committee of County employees for the specific purpose of reviewing, modifying or substituting a medical plan provided in Rule 16.02 above, the UNIONS shall be given advance notice of such committee formation and shall be afforded an opportunity to designate one (1) representative to attend and participate in such advisory committee meetings that could impact members of the bargaining unit.

RULE 17 - SICK LEAVE:

17.01 Eligibility Criteria & Accrual Rate. Cumulative sick leave shall accrue to each employee covered by this Agreement who has completed three months of at least one hundred and twenty (120) compensated hours per calendar month of employment in the amount of one (1) day for each month of employment to a maximum of one hundred twenty (120) days. In general one (1) day of sick leave is accrued each month even if an employee has accrued the maximum sick leave permitted under the contract.

17.02 Proof of Illness. Upon request of the EMPLOYER, the employee will provide proof of illness.

17.03 Accrual During Leave or Layoff. Sick leave shall continue to accrue during periods of approved sick leave or absence with pay only, and during periods of illness. If an employee is on layoff, sick leave shall not accrue during such layoff, however, upon return to work the sick leave accrual at time of layoff shall be made available to the employee and additional days shall accrue from the first month the employee returns to work.

17.04 Cashout. An employee with three (3) or more years of employment with the EMPLOYER shall be entitled to cash termination in the amount of twenty-five (25%) of their sick leave bank which has been accrued, provided that such employee has given at least thirty (30) days notice prior to termination and provided further, that this section shall not apply to any employee terminated for cause. The total amount of accumulated sick leave

accrued and unused by the employee shall be subject to the cash-out provisions of this RULE, regardless of when accrued.

RULE 18 - BEREAVEMENT LEAVE:

18.01 Bereavement Leave. If an employee suffers a death in the immediate family, the employee shall be allowed not more than four (4) days (not to exceed 40 hours) off without loss in pay for the death of a spouse, child or parent of either the employee or the employee's spouse including step-parents and step-children; three (3) days off without loss in pay for the death of other immediate family members; and two (2) additional days off without pay upon approval of the EMPLOYER as personal holiday, vacation, comp time, or unpaid leave, to make necessary arrangements regarding the death and/or to attend the funeral. Other immediate family is defined to be: registered spousal equivalent, brothers, sisters, grandchildren or grandparents of either the employee or the employee's spouse. Employees must register their spousal equivalent with Administrative Services – Human Resources on the appropriate form before being able to utilize bereavement leave.

RULE 19 - HOLIDAYS:

19.01 Holiday Schedule. The following shall be paid holidays:

New Year's Day	Veteran's Day
M.L. King's Birthday	Thanksgiving Day
President's Day	Day after Thanksgiving
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	Personal Holiday

19.02 Personal Holiday. Each employee shall receive one (1) personal holiday each calendar year which may be taken by the employee after the employee has notified the department head one (1) week in advance of the holiday. The personal holiday must be taken during the year and cannot be cashed out upon separation. No employee shall be eligible to receive a personal day until after completion of three months of employment.

19.03 Holiday Pay. Regular employees not scheduled to work on a paid holiday shall be paid for nine (9) hours at the straight time rate of pay. Regular relief employees shall be paid on a pro-rated basis.

RULE 20 - MAINTENANCE AND CURE:

20.01 Maintenance Rate. When a crew member is entitled to daily maintenance, it shall be at the rate of seventy-five dollars (\$75.00) per day. For payments made, \$37.50 shall be deemed maintenance and \$37.50 shall be deemed wage substitute. If an employee elects to utilize sick leave for the same period in which maintenance and cure is received, the combined rate for maintenance and cure and sick leave shall not exceed the employee's regular pay. Should any lawsuit arise concerning this issue, the settlement will be reduced by the amount of wage substitute money already received under this Rule. Transportation to or from a hospital if needed shall be furnished by the EMPLOYER if the employee becomes ill or is injured on duty.

20.02 No Pay Withheld. Wages and maintenance and cure shall not be withheld merely because an employee claimant has also filed a claim for damages or has filed suit therefore, or has taken steps toward that end, regardless of the EMPLOYER'S arrangement with the insurance company.

20.03 Reimbursement for Lost Personal Items. Crew personnel will be reimbursed for the loss of personal effects, equipment or instruments resulting from shipwreck, stranding, sinking, burning or collision of the vessel in an amount not to exceed three hundred dollars (\$300.00). Each employee must provide the EMPLOYER with an itemized list including replacement value.

RULE 21 - STANDARD DRESS:

21.01 Ferry Dress Code. All personnel covered by this Agreement shall be required to wear standard dress in accordance with Whatcom County's Ferry Dress Code. This shall consist of navy blue trousers and light blue shirts for Masters, navy blue trousers and shirts for deckhands, and a navy blue jacket as required during the seasons, and black oxford-style shoes and a regulation steamboat cap having a black top or approved ball caps and displaying the Whatcom County Ferry insignia. During inclement weather, employees will be permitted to wear foul weather gear, including a watch cap.

RULE 22 - EXPENSE ALLOWANCE:

22.01 Actual Expenses. Crew members required to remain away from home over twenty-four (24) hours shall be paid for actual expenses incurred for quarters and subsistence.

RULE 23 - FERRY PASSAGE:

23.01 Employee Passage. Employees and members of their immediate family who reside with them shall be allowed free passage on the Whatcom County Ferry.

23.02 Retiree Passage. Retired members and their spouses of the Whatcom County Ferry crew receiving state retirement benefits and residing on Lummi Island shall be allowed free passage.

RULE 24 - JURY DUTY LEAVE:

24.01 Jury Duty Leave. When a regular employee covered by this Agreement is called upon for jury service in any municipal, county, state or federal court, the employee shall advise the department head upon receipt of such call and if taken from work for such service, shall be reimbursed as provided herein for any loss in wages while performing such services; PROVIDED, that there shall be deducted from the wages of such employee an amount equal to the amount such employee received from jury duty.

RULE 25 - BENEFIT ELIGIBILITY:

25.01 Paid Leave Eligibility. To be eligible to accrue vacation leave, sick leave, or holiday benefits under RULES 15, 17 and 19, employees must receive compensation for work performed, vacation, holiday, and/or paid leave must equal or exceed payment for

one hundred twenty (120) hours in a calendar month. Income resulting from an industrial injury to a maximum of twelve (12) months from the date of the injury shall also be credited as compensation.

RULE 26 - TERM OF AGREEMENT:

26.01 Duration. This Agreement shall be in force and in effect from January 1, 2008 until December 31, 2010, and shall continue in full force and effect thereafter during negotiations for a subsequent Agreement, unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

26.02 Notice of Continuation & Intent to Bargain. It is further provided that where no cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to January 1, 2011 advising that such party desires to continue this Agreement but also desires to revise or change the terms or conditions of such Agreement.

26.03 Effective Date for Revisions. Revisions agreed upon shall be effective January 1st, 2008, unless otherwise specified.

RULE 27 - SEPARABILITY AND SAVINGS:

27.01 Separability & Savings. If an Article or Section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, the balance of this Agreement shall continue in full force and effect. The Article or Section held invalid shall be modified as required by law or the tribunal of competent jurisdiction, or shall be renegotiated for purpose of an adequate replacement.

RULE 28 - MANAGEMENT RIGHTS:

28.01 Management Rights. Subject to strict and absolute compliance with all terms and conditions of this Agreement including past practices, the EMPLOYER retains the right and duty to manage its business, including the right to adopt regulations governing the appearance, dress, conduct, discipline and work procedures of its employees, which regulations are in no way contrary to the terms and provisions of this Agreement and in accordance with past practices and which are reasonably required to maintain safety, efficiency, quality of service and the confidence of the traveling public. Rights not specifically abrogated by this Agreement or past practice are reserved to the EMPLOYER. The UNION reserves the right to intercede on behalf of any employee who feels aggrieved because of any exercise of rights by the EMPLOYER in accordance with the conditions set out in RULE 11.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed this 16th day of January, 2007.

INLANDBOATMEN'S UNION
OF THE PACIFIC

WHATCOM COUNTY, WASHINGTON

By: Dennis Conklin
Dennis Conklin

By: Pete Kremen
Pete Kremen
Whatcom County Executive

INTERNATIONAL ORGANIZATION
OF MASTERS, MATES & PILOTS
Pacific Maritime Region

By: Michael Murray
Michael Murray

APPROVED AS TO FORM:

Daniel L. Gibson
Assistant Chief Civil Deputy Prosecuting Attorney

DATE COUNCIL APPROVED:

1/16/07

**LETTER OF UNDERSTANDING
BY AND BETWEEN
WHATCOM COUNTY, WASHINGTON,
THE INLANDBOATMEN'S UNION OF THE PACIFIC
AND
THE INTERNATIONAL ORGANIZATION OF MASTERS, MATES AND PILOTS**

This Letter of Understanding is in consideration of the January 1, 2008- December 31, 2010, collective bargaining agreement BETWEEN the Inlandboatmen's Union of the Pacific (IBU), the International Organization of Masters, Mates and Pilots Union (MMP), and Whatcom County.

1. Until the purser duties are discontinued, the rates for the three (3) current Purser/Deckhands and anyone appointed to this classification during the term of this agreement will be:

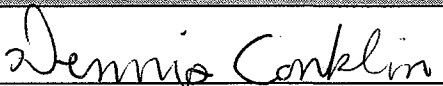
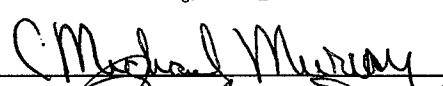

Position	1-1-07	1-1-08	1-1-09	1-1-10
Purser/Deckhand	24.06	24.78	25.52	26.29

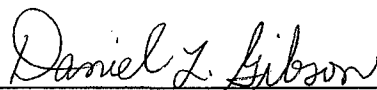
2. Effective with the discontinuation of the purser duties, the rates for those in the Purser/Deckhand classification at that time shall become a Grandfathered-Deckhand classification:

Position	1-1-07	1-1-08	1-1-09	1-1-10
Grandfathered-Deckhand	24.06	24.78	25.52	26.29

3. Employees who because of their shift assignment must make bank deposits outside their regular work hours shall be compensated at the rate of ten dollars (\$10.00) for each shift worked as a purser. It is understood and agreed that this compensation constitutes full payment for all job-related off-duty time spent in this activity.

Effective with the discontinuation of the purser duties, \$.42 per hour will be added to the Grandfathered-Deckhand rate above.

NAME	SIGNATURE	DATE
Dennis Conklin, IBU		02-02-07
Michael Murray, MMP		01-03-07
Pete Kremen, County Executive		1-22-07

Approved as to Form:  January 4, 2007
 Daniel L. Gibson Date
 Assistant Chief Civil Deputy Prosecuting Attorney