

MEMORANDUM

State of Alaska

Department of Transportation & Public Facilities
Office of the Commissioner

TO: Alaska Marine Highway
Operations Board

DATE: 5/23/24

TELEPHONE NO: 907-465-3900

FROM: Commissioner Ryan Anderson

^{DS}
YCA

RECOMMENDATIONS FROM THE
SUBJECT: March 5, 2024 Board
Meeting

In regard to the recommendations provided by the Alaska Marine Highways Operations Board on March 5, 2024, I offer the following response:

Recommendation #1: *The Alaska Marine Highways Operations Board recommends DOT&PF supports incentives for Mates to receive Pilotage.*

Response:

DOT&PF/AMHS supports a Letter of Agreement to incentivize mates to use their personal time to ride specific routes and gain the required pilotage to be eligible for promotional opportunities. Mates currently gain pilotage experience during unpaid off-hours, allowed in the AMHS Pilot Observer Program (P&P 06.01.013).

The LOA with the Masters Mates and Pilots Union is intended to offer a training wage for personal time riding the ferries to gain Federal Pilotage. If this program was fully utilized, 25 mates would ride for an additional 20 days at a cost of \$112,000 (\$33.28/hour at an 8.4 hour day). Existing allocations from the Marine Vessel Operations Fund would be managed to cover the costs in FY2025.

This Letter of Agreement is currently with Labor Relations for drafting.

Recommendation #2: *The Alaska Marine Highway Operations Board supports investigating paying for in-state travel for in-state employees and applicants to get to work. (LOA)*

Response:

Currently, in state employees choose their dispatch port but cover their travel costs from their chosen residence to that location. Providing reimbursement for in state travel expenses is in line with industry standards, and would provide increased job opportunities for Alaskan residents, and an increase in qualified applicants. Currently out of state residents make up between 40% and 50% of the AMHS workforce.

Reimbursable expenses would include commercial carrier fares, taxi fares, and bus fares. The time traveling would not be considered in travel status, would not be eligible for any travel pay,

or other travel related benefits (per diem, lodging, w/c, etc.). AMHS Marine Director would make final decision on other essential transportation expenses that may qualify. Reimbursements would be handled by AMHS administrative staff and would be taxable.

If this LOA is approved, we anticipate the program being fully utilized (with full crewing of 7 vessels) would cost approximately \$950,000 annually. These costs would be somewhat offset by reductions in hold over overtime and increased productivity and retention. Existing allocations from the Marine Vessel Operations Fund would be managed to cover the costs in FY2025. The draft LOA is at the Division of Personnel and Labor Relations for review.

Recommendation #3: Investigate the option of providing a procurement position at AMHS in Ketchikan.

Response:

We recognize the procurement needs at AMHS. Procurement resources across the State have been challenged with the increases in Federal funding for infrastructure. Through position management, we are repurposing several positions within DOT&PF to build procurement resources that can be dedicated to AMHS. We anticipate additional resources being available during the second half of the summer. In the meantime, we will continue to leverage resources across the State to ensure projects are adequately resourced.

Recommendation #4: Push to fill empty tribal seat on AMHOB.

Response:

DOT&PF supports filling the board seat consisting of a representative of an Alaska Native organization or tribe who is from a community served by the Alaska Marine Highway System. As with all board seats, applications require routing through Boards and Commissions, and are subsequently appointed by the Governor.