

# STRATEGIC PLAN

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Photo by Stephen J. Brown, courtesy of Washington State Ferries

SIX YEAR PLAN — 2007-2013

WASHINGTON STATE  
MARINE EMPLOYEES' COMMISSION

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## VISION STATEMENT

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*—Working together for uninterrupted ferry operation—*

## MISSION STATEMENT

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*To encourage peaceful labor relations between Washington state ferry system management, state ferry employees, and their bargaining representatives, in order to provide continuous operation of the Washington state ferry system.*

## STATUTORY AUTHORITY

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**The Marine Employees' Commission was established by the Washington State Legislature in 1983. The Commission's enabling legislation is found in Chapter 47.64, Revised Code of Washington.**

## PRIORITIES OF GOVERNMENT

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### **Statewide Result**

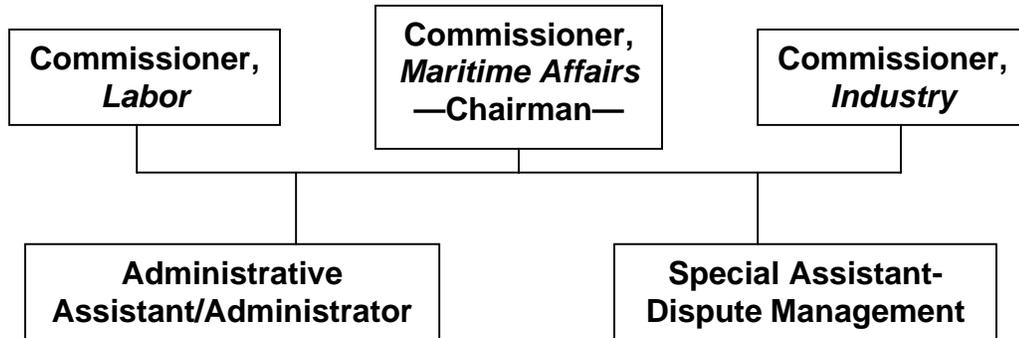
*Improve statewide mobility of people, goods, information, and energy.*

# OVERVIEW

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## ORGANIZATION

The Marine Employees' Commission (MEC) is composed of three Governor-appointed Commissioners representing labor, industry and maritime affairs. Staff consists of one administrative assistant who serves as the agency manager and one special assistant for dispute management.



## PROGRAM DESCRIPTION

The Washington State Ferry (WSF) System is the nation's largest ferry fleet, consisting of 29 vessels—24 passenger/vehicle and 5 passenger-only. WSF carries more than 25 million passengers each year, 11 million vehicles, and is very important to transportation, tourism, and the overall economy of the Puget Sound area.

The Washington State Legislature established the MEC in 1983 to protect the rights prescribed by Chapter 47.64 of the Revised Code of Washington (RCW): rights of the employer, employees, labor organizations, and the public. The MEC, by providing the specialized attention required to resolve the unique and complex labor relations questions that arise in the operation of the WSF system, ensures that the operation of the ferry system is not disrupted by labor disputes. The WSF system operates 24 hours a day, 7 days a week, so disputes need to be resolved quickly.

The MEC has had a long and successful history working with ferry employees. The MEC's **purpose** is to:

- ◆ Adjudicate all complaints, grievances and disputes between labor and management arising from ferry system operations
- ◆ Provide impasse mediation
- ◆ Investigate charges of unfair labor practices
- ◆ Determine bargaining units
- ◆ Conduct fact-finding studies and salary surveys
- ◆ Provide for the selection of impartial arbitrators
- ◆ Certify fair representation organizations

# GOAL, OBJECTIVES, RELATED STRATEGIES

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## GOAL

The MEC has just one goal: to resolve labor disputes between the Washington State Ferry System and state ferry employee union representatives in a timely way to avoid disruption of ferry service.

## OBJECTIVES AND RELATED STRATEGIES

### OBJECTIVE 1

**The MEC will assist the ferry system management and ferry employee unions to achieve fair and harmonious settlements in the unique and complex labor relations disputes between them.**

#### ***Strategy***

The MEC will regularly bring together state ferry system management, ferry employee union representatives and ferry employees in a neutral setting for the general discussion of disputes between them.

#### ***Strategy***

The MEC will efficiently manage cases filed before it by state ferry employees, their representative labor organizations and ferry system management. The MEC will achieve its efforts to promote peaceful labor relations, as well as avoid more costly adjudicatory proceedings, by encouraging the parties to use the statutory means available to negotiate settlements of disputes that arise between them.

#### ***Strategy***

When a dispute is filed, the matter will be promptly docketed and scheduled for a settlement conference and hearing as appropriate. The MEC will provide the assistance of a commissioner as a mediator in an effort to reduce the need for more elaborate and costly procedures.

# GOAL, OBJECTIVES, RELATED STRATEGIES

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## OBJECTIVE 2

**If the parties are unable to reach an informal settlement, the MEC will provide specialized attention to the efficient and timely resolution of a dispute.**

### ***Strategy***

A commission member will serve as an impartial arbitrator or hearing examiner at an adjudicatory hearing. After briefs have been submitted, the MEC will promptly issue a clearly written, well-reasoned decision which can be easily understood and implemented by the parties.

## OBJECTIVE 3

**The MEC will make every effort to foster strong collective bargaining relationships between the parties.**

### ***Strategy***

Commission and staff will meet with parties to collective bargaining agreements in eleven monthly public meetings per year to review the status of current cases on the MEC docket and monitor progress made toward resolution of contract negotiations.



## OBJECTIVE 4

**The MEC will continue on-going professional training of commission members and staff, to ensure Commissioners are up-to-date in the rapidly changing labor and arbitration field.**

### ***Strategy***

New commission members will attend the National Judicial College's fair hearings course, if needed. Commissioners are encouraged to attend an annual labor law conference and a public sector collective bargaining conference. Commissioners are also encouraged to seek out training opportunities in mediation and other means of collaborative bargaining.

# GOAL, OBJECTIVES, RELATED STRATEGIES

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## OBJECTIVE 5

**As required by RCW 47.64.220, the MEC conducts a biennial survey of generally prevailing levels of compensation, benefits and conditions of employment. The results of the survey are used by ferry system employee unions and management to generally guide, but not define or limit, collective bargaining for WSF labor contracts.**

### ***Strategy***

The MEC will report the results of the wage and benefit survey of comparable marine and shipyard operations in Alaska, British Columbia, Washington, Oregon and California to ferry system management and labor unions, the governor and the legislature prior to the start of contract negotiations.

## OBJECTIVE 6

**As required by Executive Order 02-03, the MEC established sustainability objectives and prepared a Sustainability Plan to modify its practices regarding resource consumption, vehicle use, purchase of goods and services, and facility construction, operation and maintenance.**

### ***Strategy***

The MEC established objectives in the areas of employee education and awareness, office environment, transportation (vehicle use), purchasing, health and safety, and energy efficiency in existing buildings.

### ***Strategy***

The MEC developed performance measures to describe how success will be measured and how data collection will occur.



# PERFORMANCE

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## MEASUREMENTS

### Major Activity: Resolving Labor Disputes

1. Percent of labor disputes resolved through Commissioner mediation
2. Percent of decisions issued 3 months or less after transcript receipt
3. Percent of decisions reversed by Superior Court or remanded to MEC

## ASSESSMENT

### **Performance Measure 1**—Percent of labor disputes resolved through Commissioner mediation

|               |       | Actual |
|---------------|-------|--------|
| '03-05 Target | → 75% | 65%    |
| '05-07 Target | 77%   |        |
| '07-09 Target | 78%   |        |
| '09-11 Target | 79%   |        |
| '11-13 Target | 80%   |        |

Pressure on the ferry system and its workers has been enormous, due to extremely tight budgets and resulting frustration. Mediation is critical to help the parties avoid real impasse.

### **Performance Measure 2**—Percent of decisions issued in 3 months

|               |       | Actual |
|---------------|-------|--------|
| '03-05 Target | → 90% | 100%   |
| '05-07 Target | 90%   |        |
| '07-09 Target | 91%   |        |
| '09-11 Target | 92%   |        |
| '11-13 Target | 92%   |        |

Timely decisions are vital, especially in termination cases and other cases involving employee livelihoods and health.

# PERFORMANCE

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## **Performance Measure 3**—Percent of appealed decisions reversed by Superior Court or remanded to MEC

|               |      | Actual   |
|---------------|------|--|
| '03-05 Target | → 2% | <span style="border: 1px solid black; padding: 2px;">0%</span> |
| '05-07 Target | 2%   |  |
| '07-09 Target | 2%   |  |
| '09-11 Target | 2%   |  |
| '11-13 Target | 2%   |  |

Labor relations law continues to increase in complexity. The quality of the decisions written by the Commission is reflected in the low number of reversed or remanded appealed decisions.

# EXTERNAL ENVIRONMENT APPRAISAL

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The Washington State Ferries Systems Plan for 1999-2018 (p.18) predicts ferry ridership will grow system wide by 70% between 1993 and 2015 and evening peak-period demand will increase by almost 90%. WSF's Plan states ten new passenger-only and four new car ferry vessels are planned during the next ten years. These would be replacing the 3 slower passenger only vessels, along with 2 smaller vehicle ferries, for a gain of 9 new vessels (p.7). Manning these vessels will require additional employees, which will likely increase the caseload for the MEC.

The MEC exists to serve the Washington state ferry system management; ferry employees and their labor unions, which include:

- ◆ **Inlandboatmen's Union of the Pacific (IBU):** 800 members
- ◆ **Masters, Mates & Pilots (MM&P):** 175 members
- ◆ **Dist. No. 1, Marine Engineers Beneficial Association (MEBA):** 200 licensed members, 200 unlicensed members
- ◆ **Puget Sound Metal Trades Council:** 100 members  
(Electrical Workers, Machinists, Carpenters, Sheet Metal Workers, Teamsters, Pipefitters, Boilermakers)
- ◆ **Ferry Agents, Supervisors & Project Administrators Association (FASPAA):** 40 members
- ◆ **Office and Professional Employees' International Union (OPEIU):** 60 members
- ◆ **Service Employees' International Union (SEIU):** 6 members

## EXTERNAL ENVIRONMENT APPRAISAL

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July 1, 2006, a number of changes become effective in the collective bargaining law that applies to ferry workers (RCW 47.64):

- 1) The negotiation process must begin before the adoption of the relevant biennial budget and requires review of the funding request and submission of approved requests in the Governor's budget.
- 2) The employer is now represented by the Governor or Governor's designee.
- 3) Impasse procedures must be implemented by April 15.
- 4) Funding requests must be submitted to the Director of Office of Financial Management by October 1 and the Director must certify the request.
- 5) The Legislature must approve or reject the request for funds as a whole for each agreement.

## CUSTOMER CHARACTERISTICS TRENDS

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The 1997-1999 collective bargaining unit contract between the IBU and WSF first designated the MEC as the arbitrator of contractual disputes between them.

This contract amendment significantly increased the number of cases filed with and heard by the MEC. The historical case average prior to this event was 19 cases per year. Since the MEC began serving as grievance arbitrator for IBU, the total average number of cases per year has increased to 53, **two and a half times** the former average. The MEC also serves as grievance arbitrators in matters between WSF and District No. 1 MEBA, in addition to hearing charges of unfair labor practice between the parties.

The MEC does not foresee other significant changes to the bargaining units or WSF that will impact MEC's workload, but other bargaining units and WSF may negotiate amendments to other contracts to include the MEC as arbitrators of contract disputes. Those decisions are made at the bargaining table, not by the MEC.



# INTERNAL CAPACITY AND FINANCIAL HEALTH ASSESSMENT

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- 1. Planned Shifts in Strategies**  
None are planned at this time.
- 2. Significant Effects of Civil Service Reform and Contracting Out**  
None are anticipated at this time.
- 3. Agency Staffing and Organizational Capacity Comparison with Tasks**  
Additional FTE and funds are necessary to keep up with increasing workload.
- 4. Need or Opportunity for Shift in Technology or Service Delivery Methods**  
None are planned at this time.

## **FTE**

The two non-public Commissioners are limited by statute<sup>1</sup> to a maximum of only 120 work days per year (10 days per month). The Chairman is also limited by statute<sup>1</sup> and can work only a maximum of 150 days per year. Staff time is currently limited by FTE and funding to a total of 1.4 FTE.

With caseloads expected to continue at high levels, the challenge is how to efficiently handle such a large workload with three Commissioners limited to working a maximum of 120 days per year and two part-time staff, as well as the FTE required to operate at this capacity.

One of the greatest challenges is that the Marine Employees' Commission is required to do all the things the large agencies are, but with only two part-time staff.

## **Funding**

New funds to cover rising costs of additional cases have been requested during the last two biennia. A small permanent increase of \$3,000 and a one-time increase of \$10,000 to help with court reporter costs was received during FY '03-'05, but additional funds are desperately needed.

Cost cutting measures have been taken (delaying merit increases, no travel or professional development) to help keep the budget balanced, but there are no other places to cut. Caseloads are expected to remain at high levels, but funds are not likely to increase. The MEC does not assess fees and has no means to bring in revenue.

<sup>1</sup> RCW 47.01.061

# INTERNAL CAPACITY AND FINANCIAL HEALTH ASSESSMENT

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## **Electronic Information**

Meeting notices and minutes are now distributed electronically and posted on the MEC's web site to save employee time, supplies, and postage costs. Decisions are posted on the agency web site as soon as they are served and MEC's digest of significant decisions is also now distributed electronically and posted on the agency web site. Other communication activities are regularly reviewed for potential cost savings through electronic distribution.



# CAPITAL AND TECHNOLOGY NEEDS

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Although the agency's caseloads have increased dramatically, current facilities and technology are sufficient to handle this caseload. No requests for additional capital or technology are planned at this time.

# CONCLUSION

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The Marine Employees' Commission may be one of the state's smallest agencies, but the results of its efforts help to keep those 29 ferries running and those 25 million passengers moving.



## Marine Employees' Commission

### 16 Year Financial Plan 2006-2021

|                    | <b>Biennium</b> | <b>Maintenance<br/>Level Carry<br/>Forward</b> | <b>Proposed<br/>Performance<br/>Package<br/>Requests</b> | <b>Inflation<br/>Packages</b> | <b>Estimated<br/>Total</b> |
|--------------------|-----------------|--|--|-------------------------------|----------------------------|
| <b>6<br/>year</b>  | <b>2005-07</b>  | \$372,000                                      | \$22,000   | \$1,000                       | \$395,000                  |
|                    | <b>2007-09</b>  | \$395,000                                      | \$36,000   | \$2,000                       | \$433,000                  |
|                    | <b>2009-11</b>  | \$433,000                                      | \$8,000  | \$3,000                       | \$444,000                  |
| <b>10<br/>year</b> | <b>2011-13</b>  | \$444,000                                      | \$26,000   | \$4,000                       | \$474,000                  |
|                    | <b>2013-15</b>  | \$474,000                                      | \$25,000   | \$5,000                       | \$504,000                  |
| <b>16<br/>year</b> | <b>2015-17</b>  | \$504,000                                      | \$28,000   | \$6,000                       | \$538,000                  |
|                    | <b>2017-19</b>  | \$538,000                                      | \$0  | \$7,000                       | \$545,000                  |
|                    | <b>2019-21</b>  | \$545,000                                      | \$28,000   | \$8,000                       | \$581,000                  |