

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

3132 CHANNEL DRIVE
JUNEAU, ALASKA 99801-7898

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December 22, 2004

Darryl Tseu
3017 Clinton Drive Suite 201
Juneau, Alaska 99801

Ben Goldrich
229 Fourth Street
Juneau, Alaska 99801

Ron Leighton
2333 Third Avenue
Seattle, Washington 98121

Subject: Winter operations for the MV *Fairweather*

Dear Messrs. Tseu, Goldrich and Leighton:

As you know from our meeting of November 16, 2004 the Alaska Marine Highway System will reduce the service of M/V *Fairweather* and enter into winter operations.

Effective January 11th, 2005, we will be reducing the operating days from seven days a week, to four days a week. This reduction will be in place until May 1st, 2005, at which time it is our intent to return to the summer schedule of operating 7 days a week.

Effective with this reduced schedule, will be a reduction in manning requirements from two crews, to one crew.

We anticipate the following operational manning level will be required:

Master
Chief Mate
2nd Mate
Deck Rated AB (two)
Chief Engineer
Asst. Engineer
Passenger Service Worker In Charge

"Providing for the movement of people and goods and the delivery of state services."

Passenger Service Worker (two)

Night Crew requirements:

Chief Engineer
Asst. Engineer
2nd Mate
Passenger Service Workers (two)
Wiper

Security Mates

2nd Mate (Two)

The employees that are affected by this reduction in service will be considered "DRAE'S" and the rules of the Master Agreement will apply to this "RIF".

Please consider this notice to be our formal demand to bargain if you desire to bargain.

Thank you

Sincerely,



Mike Barton
Commissioner