



Alaskans Working For Alaska!

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November 3, 2017

Via email: leslie.ridle@alaska.gov; doa.dop.employeerelations@alaska.gov

Leslie Ridle, Commissioner (Acting)
Department of Administration
STATE OF ALASKA
P.O. Box 110200
Anchorage, AK 99811-0200

Re: ASEA & SOA, A2017-G-088
(ITMO: Article 13 – Contracting out)

Commissioner Ridle:

This grievance is advanced on behalf of Thomas Benjamin, William Kulash, Thomas Hughes, Alan Skinner, and all similarly situated Department of Transportation and Public Facilities - Design GGU bargaining unit members for the Employer's violation of Letter of Grievance Resolution 17-G-128.¹

The employer represented, in LGR 17-G-128, that, based on existing staffing, DOT had the resources necessary to complete anticipated projects without shifting additional engineering work to outside contractors.² The employer represented that up to 55% of the design function was outsourced to private consultants as of January 27, 2017.³ Any additional contracting for FY 18 and FY 19 was to be subjected to a feasibility study as required by Article 13.⁴ As of this date, the Grievants are unaware of any feasibility study regarding the FY 2018 design contracts; nor has the State accounted for new design contracts signed after January 27, 2017.

By letter dated August 4, 2017,⁵ Executive Director Jim Duncan requested the Employer provide information surrounding contracts with private firms since January 27, 2017. Information requested included the number and dollar value of contracts with private firms on January 27, 2017 and the number and dollar value of new contracts entered into since January 27, 2017. Additionally, the same information was sought for new design projects in FY 2018 with the appropriate percentage of DOT design function that would be outsourced to private consultants during FY 2018.⁶

In Deputy Commissioner Hatter's response of September 20, 2017,⁷ he provided a list of active design contracts as of January 27, 2017. Included was a list of 28 new design contracts awarded after January

¹ Attachment A.

² Att. A., p. 1, ¶1.

³ Att. A., p.2, ¶6.

⁴ Att. A., p. 1, ¶1. The State was to submit a budget request for FY 2018 and FY 2019 to reflect the feasibility process required by the bargaining agreement.

⁵ Attachment B.

⁶ Att. B, p. 2 and Att. A, p.2, ¶6.

⁷ Attachment C.

27, 2017, including 16 new design projects in FY 18.⁸ Dep. Com. Hatter further stated that 65% of the new design contracts were being designed by consultants.⁹ During negotiations that gave rise to the LGR, DOT&PF represented that private design consultant usage was only 55%, a material misrepresentation.

The Union notes that while private design consultant contracts are on the rise according to Dep. Com. Hatter, the State declines to fill any design positions of the 66 FT design staff authorized for DOT&PF.¹⁰ This increase of work should be assigned to GGU members. If the Employer has the funds to contract out design functions then it obviously has sufficient money appropriated to hire permanent design staff.¹¹

On September 27, 2017, Executive Director Duncan requested clarification of several items mentioned in the Hatter letter including a list of new design contracts initiated/awarded after January 27, 2017.¹² Ex. Dir. Duncan requested documents verifying signing dates and RFP issuance dates and whether the design function for the sixteen new projects was being performed by current state employees or if the design was being done by outside consultants.¹³ He further asked that the Employer explain the significant and material difference in what the Department represented in the LGR and what Dep. Com. Hatter's September 20th response stated.¹⁴ A third point not responded to by the employer was issuance date for the RFP for each of the 28 Design Contracts that were awarded after January 27, 2017.¹⁵

On October 12, 2017, Dep. Com. Hatter provided a list of sixteen projects set for bid after July 1, 2017.¹⁶ The letter's attached listing included as well contracts awarded after January 27, 2017. More than \$10,000,000 is being channeled off to private consultants, a continuing violation of the CBA and now the LGR. Apparently, the RFPs have already been sent to interested third-party bidders.¹⁷ No feasibility studies have been noticed to the Union, none were submitted with Dep. Com. Hatter's October 12th response.¹⁸ Therefore, Grievants conclude that no such studies have occurred.

After reviewing the list, but not having an opportunity to review the history of the contracts signed since January 27, 2017, and having never seen a feasibility study, the Union believes that these contracts have been entered into in violation of the LGR and Article 13. The Union requests an audit of these new design projects to determine whether the signing of these projects violated the LGR and/or Article 13.01.C. If a feasibility study was prepared, the Union requests copies of each such study and the back-up data relied on in the preparation of same.

REMEDY: Cease issuing any contracts listed for bid after FY18. Provide an audit in consultation with the Union for the contracts identified in the Attachment E listings. Make Grievants including the Union

⁸ Att. C, Tables, p. 8.

⁹ Att. C, p. 2.

¹⁰ In the LGR the Employer acknowledges that it removed 76 positions from the FY18 budget proposal. Although 62 were currently vacant and another 4 represent retiring or moving employees and 10 interns, the failure or refusal to recruit for and fill any of those 66 vacancies is a manipulation by the Employer to reduce the strength of the design workforce.

¹¹ See Att. C., p. 2, Methodology ¶.

¹² Attachment D.

¹³ Att. D, p.1, first bullet point.

¹⁴ Att. D., pp. 1-2, third bullet point.

¹⁵ Att. D, p.1, second bullet point.

¹⁶ Attachment E.

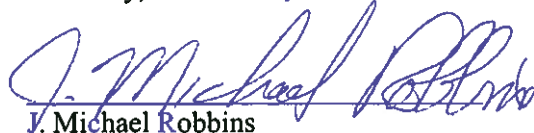
¹⁷ See Att. E, pp. 3-4.

¹⁸ See Att. E.

Leslie Ridle, Commissioner (Acting)
ASEA & SOA, A2017-G-088
November 3, 2017
Page 3

whole for lost benefits and dues. Employ an adequate workforce of design staff in accordance with the authorized positions.

Sincerely,


J. Michael Robbins
Business Agent

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