

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 673-2013

Meeting Date: November 19, 2013

**From: MAYOR**

**Subject: AN ORDINANCE APPROVING THE LETTER OF AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND PLUMBERS AND PIPEFITTERS LOCAL 367 REGARDING AN AMENDMENT TO THE COLLECTIVE BARGAINING AGREEMENT FOR THE 2014 BENEFIT PLAN AND WAIVING THE THIRTY (30) DAY COLLECTIVE BARGAINING AGREEMENT REVIEW REQUIREMENT.**

The Municipality of Anchorage (MOA) and Plumbers and Pipefitters Local 367 (P&PF) reached a tentative agreement on a Letter of Agreement (LOA) subject to ratification by the P&PF membership. The agreement contains language changes generally consistent with the MOA's policy toward standardization and simplification. It allows the P&PF to elect the model MOA benefit plan in the November 2013 open enrollment period or to select an outside plan that is equal to or less than the cost of the MOA monthly contribution. The following are key provisions of the agreement:

The LOA amends and supersedes Article 6 Benefits of the P&PF Collective Bargaining Agreement (CBA). Article designations will be incorporated into the final agreement.

P&PF shall receive the standard monthly Municipal contribution for participation in the Municipality's health benefit plan, including medical, dental, vision and audio coverage or up to the standard monthly contribution into a plan to be designated by P&PF for similar benefits. The option to an alternate plan may be exercised by P&PF by the beginning of each calendar year during the term of the CBA. If an alternate plan is exercised by P&PF, its' members will remain in other MOA benefit programs such as life and disability insurance, dependent life and savings plans.

Effective January 2014, with Assembly approval, the monthly MOA medical contribution to P&PF will go from \$1,809.06 to \$1,818.00.

In succeeding years during the term of the collective bargaining agreement, the MOA's medical plan contribution to P&PF members will adjust in accordance with the Anchorage Medical CPI-M for the preceding calendar year capped at 10%, rounded to the nearest dollar, unless the plan is overfunded and no increase is needed. This establishes a long term sustainable employee benefit program with an equitable cost sharing between employer and employee.

A Health Benefit Committee will be established consisting of Union, non

represented and executive members to advise, monitor and manage the plan design and program.

**THE ADMINISTRATION RECOMMENDS APPROVAL.**

Prepared by:	Herbert Wilden, Director Labor Relations
Approved by:	Nancy Usera, Director, Employee Relations
Concur:	Lucinda Mahoney, CFO
Concur:	Dennis A. Wheeler, Municipal Attorney
Concur:	George J. Vakalis, Municipal Manager
Respectfully submitted:	Daniel A. Sullivan, Mayor