

LETTER OF AGREEMENT

by and between

MUNICIPALITY OF ANCHORAGE (MOA)

and the

GENERAL TEAMSTERS, LOCAL UNION NO 959 (TMS)

Subject: Wages and Contract Extension

Number: TMS - 001

The Municipality of Anchorage has a significant budget shortfall for fiscal year 2009. The MOA and TMS have worked collaboratively to assist in reducing the budget shortage and have agreed to the following wage concessions and changes to their collective bargaining agreement.

The following is new language:

Article 5.1.C.1.

Effective the first full pay period after the Assembly approves this agreement the 2009 hourly wage rates shall reflect a prospective roll back of three percent (3%) as specified in Article 13.4.

Article 13.4 Wage Rates.

This wage scale reflects a prospective roll back of the three percent (3%) increase contained in Article 5.1.C effective the first full pay period after the Assembly approves this agreement.

Grade	Step			
	1	2	3	4
09	15.57	16.34	17.16	18.01
10	16.34	17.16	18.01	18.91
17	22.98	24.14	25.35	26.61
18	24.14	25.35	26.61	27.94
19	25.35	26.61	27.94	29.36
20	26.61	27.94	29.36	30.81
13	19.86	20.83	21.89	22.98
13T	18.88			

Exhibit A

The following is new language:

5.1.Wage Rates

E. Effective the first full pay period on or after January 1, 2011, the hourly wage rates in Article 13.3 shall be increased by the previous five (5) year average CPI-U, with a minimum of two and one-half percent (2.5%) increase and a maximum of four percent (4.0%) increase plus an additional one percent (1%).

F. Effective the first full pay period on or after January 1, 2012, the hourly wage rates in Article 13.3 shall be increased by the previous five (5) year average CPI-U, with a minimum of two and one-half percent (2.5%) increase and a maximum of four percent (4.0%) increase plus an additional one percent (1%).

G. The Union shall have the option to require the contract be "opened" for the sole purpose of negotiating an increase in wages for the period January 1 to December 31, 2013. If the Union elects to exercise this option, it shall give at least ninety (90) days written notice to the Municipality prior to December 31, 2012.

The following will replace Article 5.6.6 Successful completion of the following shall be deemed as having met the criteria to advance (4.):

4. Upon successful completion of eight (8) quarters, an employee shall be eligible to receive performance step pay (PSP) in the amount of six and one-half percent (6.5%) of the base rate of pay. Employees whose Service Recognition Pay (SRP) was frozen on August 31, 2008 at seven percent (7%) or ten and one-half percent (10.5%) respectively, shall be eligible to obtain a maximum of thirteen percent (13%) after the completion of eight successful quarters in the PSP. Employees who have not achieved the thirteen (13%) are eligible to enter into the second step of the PSP.

The following will replace Article 14.1:

This Agreement shall remain in effect through December 31, 2013.

