

Submitted by:

Chair of the Assembly at
The Request of the Mayor
Employee Relations Dept
August 20, 2002

Prepared by:
For reading:

CLERK'S OFFICE

APPROVED

Date: 9-10-02

ANCHORAGE, ALASKA

AR NO. 2002- 272

**A RESOLUTION APPROVING AND RATIFYING A THREE YEAR EXTENSION
OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE
MUNICIPALITY OF ANCHORAGE D/B/A MUNICIPAL LIGHT & POWER AND
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
AFL/CIO LOCAL NO. 1547**

WHEREAS, the current collective bargaining agreement between the Municipality of Anchorage d/b/a Municipal Light and Power (hereinafter "ML&P") and the International Brotherhood of Electrical Workers, AFL/CIO Local No. 1547 (hereinafter "IBEW") expires on December 31, 2002; and

WHEREAS, the administration entered into negotiations with the IBEW that resulted in the transfer of 16 Development Services employees from representation by the Alaska Joint Crafts Council (hereinafter "AJCC") to representation by the IBEW under the ML&P/IBEW collective bargaining agreement; and

WHEREAS, ML&P and the IBEW entered into good faith negotiations that resulted in a Contract Extension Agreement which extends the current collective bargaining agreement through December 31, 2005 and establishes the wages and working conditions of the Development Services employees now covered by the ML&P/IBEW collective bargaining agreement; and

WHEREAS, the members of the IBEW have ratified and approved the Contract Extension Agreement, and Appendix 1 thereto, negotiated with the Municipality of Anchorage d/b/a Municipal Light & Power extending the principal collective bargaining agreement until December 31, 2005 and incorporating those 16 employees formerly represented by the AJCC; and

WHEREAS, Anchorage Municipal Code § 3.70.130 provides for Assembly approval of any negotiated collective bargaining agreement which has been ratified by the represented employees covered thereunder; and

WHEREAS, it is in the best interest of the Municipality of Anchorage and the public employees represented by the IBEW that all labor agreements be subject to the public review and approval processes in order to foster good labor-management relationships; and

1 **WHEREAS**, the Municipal Light & Power Commission has reviewed this
2 Contract Extension Agreement including all attachments and appendices thereto and
3 recommends that the Anchorage Municipal Assembly approve the Agreement; and
4

5 **WHEREAS**, the Administration recommends approval of this negotiated Contract
6 Extension Agreement as set forth in the Assembly Memorandum attached hereto;
7

8 **NOW, THEREFORE**, based on the foregoing recitals, the Anchorage Municipal
9 Assembly resolves as follows:
10

11 **Section 1.** The collective bargaining agreement between the Municipality of
12 Anchorage d/b/a Municipal Light & Power and the International Brotherhood of Electrical
13 Workers AFL/CIO Local No. 1547, attached and described in the Assembly Memorandum
14 submitted herewith, is hereby approved and ratified.
15

16 **Section 2.** This ordinance shall become effective immediately upon its passage and
17 approval by the Assembly.
18

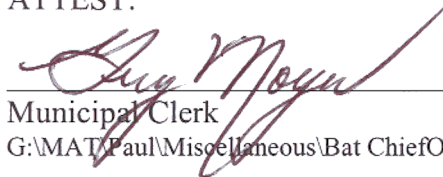
19 PASSED AND APPROVED by the Anchorage Assembly this 10th day of September,
20 2002.
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Chair of the Assembly

ATTEST:


Municipal Clerk
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MUNICIPALITY OF ANCHORAGE

Summary of Economic Effects -- General Government

AO Number: 2002-272 Title: AN ORDINANCE APPROVING A THREE YEAR COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL/CIO LOCAL NO. 1547

Sponsor: Mayor/Employee Relations

Preparing Agency: Employee Relations

Others Impacted: None

CHANGES IN EXPENDITURES AND REVENUES.		(In Thousands of Dollars)			
	FY02	FY03	FY04	FY05	FY06
Operating Expenditures					
1000 Personal Services	\$	\$ 431	\$ 552	\$ 784	\$
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$	\$ 431	\$ 552	\$ 784	\$
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$	\$ 431	\$ 552	\$ 784	\$
REVENUES:					
CAPITAL:					
POSITIONS: FT/PT and Temp					

PUBLIC SECTOR ECONOMIC EFFECTS:

2005 Costs calculated through expiration date of Contract, December 31, 2005
The cost of this portion of the contract over its life is \$1,766,235
The total cost of this contract (General Government + Utilities) is \$5,629,321

This portion of the IBEW Contract extension is for the current 26 IBEW in General Government plus an additional 16 former AJCC/IBEW General Government employees. The Salary increase represents a graduated scale of increases over three years to bring the 16 up to journey level IBEW wages. Please note the assumptions (1-4) below.

1. Wages: No General Wage Increase, except for the 16 former AJCC personnel
2. Cash Payment: \$2,000 to every employee on the books on July 1, 2003 grossed up 27% for taxes.
3. Longevity: This provision is identical to the longevity continuation included in the AMEA collective bargaining agreement. It phases-in employees with 15 years of service on January 1, 2003, those with 15 and 10 years of service on January 1, 2004 and those with 10, 15 and 20 years of service on January 1, 2005. The additional labor cost is calculated based on the number of employees affected each year and their hourly wage.
4. Health Care Premiums: This agreement resets the employer paid portion of the health care premium amount under the current labor agreement from \$575.00 to \$936.00. All future increases will be shared by the employer/employee as follows: 2003 – 50/50; 2004 – 60/40; and 2005 and beyond – 70/30. The additional known cost in 2003 is \$181.00 per employee per month. This sum would be paid every other pay period beginning in 2003. There are 26 pay periods in a year. The financial impact is calculated by multiplying \$181.00 by 13 pay periods and by the average number of employees – 42. Also, effective January 1, 2003, the current health care premium of \$936 should increase by 18.22% or \$85 per month for the MOA portion. The total known and measurable cost at this time is \$145,236 for year 03. It is assumed that the health care premium will escalate by a similar amount in 2004 and 2005. The numbers for FY 2004 and FY 2005 include this impact.

PRIVATE SECTOR ECONOMIC EFFECTS: NONE

Prepared by: David K.F. Otto

DKFO

Telephone: 343-4399

Validated by OMB:

Cheryl Frasca

Date:

8/20/02

Approved by:

David K.F. Otto
(Director, Preparing Agency)

Date:

8/20/02

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AM Number: 2002-272 Title: Approval and Ratification of a Three Year Extension of the Collective Bargaining Agreement Between the Municipality of Anchorage d/b/a
 Sponsor: Employee Relations Dept. Municipal Light & Power and the International Brotherhood of Electrical
 Preparing Agency: Employee Relations Workers AFL/CIO Local No. 1547

Others Impacted: ML&P Customers and ML&P's Employees Represented by the IBEW Local No. 1547

CHANGES IN EXPENDITURES AND REVENUES:					
(In Thousands of Dollars)					
	FY02	FY03	FY04	FY05	FY06
Operating Expenditures:					
1000 Personal Services		\$ 1,008	\$ 1,147	\$ 1,709	
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COSTS		\$ 1,008	\$ 1,147	\$ 1,709	
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:		\$ 1,008	\$ 1,147	\$ 1,709	
REVENUES:					
CAPITAL:					
POSITIONS: FT/PT and TEMP		0	0	0	
PUBLIC SECTOR ECONOMIC EFFECTS:					

This proposed ordinance will have no impact on general government costs as this is a public enterprise.

PRIVATE SECTOR ECONOMIC EFFECTS:

2005 Costs calculated through expiration date of Contract, December 31, 2005

The total cost of this three (3) year extension is \$3,863,086

The total cost of this Contract (General Govt. + Utilities) is \$5,629,321

The economic impact of the changes to wages and benefits to ML&P's represented employees over the next three years will not directly impact ML&P's retail electric customers at this time. ML&P is currently requesting rate relief in Docket No. U-99-139, based on a 2001 test year, which the Assembly has approved. These changes will not be implemented until 2003. The rate relief requested does not include the costs associated with these changes. These costs will not impact ML&P's retail electric customers until the next general rate increase at which time these costs will be included in the test year and rate year upon which ML&P's revenue requirement is based. These costs will, however, have a direct impact on ML&P's net income which, on an annual basis, will be decreased by the corresponding increase in labor costs. Please note the assumptions (1-4) below.

Assumptions:

1. **Wages:** No General Wage Increase

2. **Cash Payment:** \$2,000 to every employee on the books on July 1, 2003 grossed up 27% for taxes.

3. **Longevity:** This provision is identical to the longevity continuation included in the AMEA collective bargaining agreement. It phases-in employees with 15 years of service on January 1, 2003, those with 15 and 10 years of service on January 1, 2004 and those with 10, 15 and 20 years of service on January 1, 2005. The additional labor cost is calculated based on the number of employees affected each year and their hourly wage.

4. **Health Care Premiums:** This agreement resets the employer paid portion of the health care premium amount under the current labor agreement from \$575.00 to \$936.00 in 2003. All future increases will be shared by the employer/employee as follows: 2003 – 50/50; 2004 – 60/40; and 2005 and beyond – 70/30. The additional known cost to ML&P in 2003 is \$181.00 per employee per month. This sum would be paid every other pay period beginning in 2003. There are 26 pay periods every year. The financial impact is calculated by multiplying \$181.00 by 13 pay periods and by the average number of employees – 157. 2003 also includes the known increase in health care premiums of 18.22% that is shared equally with the represented employees. It is assumed that the health care premium will escalate by a similar amount in 2004 and 2005. The numbers for FY 2004 and FY 2005 include this impact.

Prepared by: Brent A. Johnson, ML&P Labor Relations Manager

Telephone: 263-5825

Validated by OMB:

Cheryl Frasca

Date: 8/20/02

Approved by:

David K.F. Otto
David K.F. Otto, Employee Relations Director

Date: 8/20/02



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 759-2002

Meeting Date: August 20, 2002

FROM: Mayor

SUBJECT: Approval and Ratification of a Three Year Extension of the Collective Bargaining Agreement Between the Municipality of Anchorage d/b/a Municipal Light & Power and the International Brotherhood of Electrical Workers AFL/CIO Local No. 1547

On May 23, 2002, the Administration, Municipal Light & Power, and the IBEW Local No. 1547 agreed to a three year extension of their Collective Bargaining Agreement that is due to expire on December 31, 2002¹. On June 13, 2002, the Union members covered by the collective bargaining agreement ratified this negotiated extension of their labor agreement.

On June 25, 2002, the Municipal Light & Power Commission approved the extension agreement. All parties recommend approval of this Agreement. Attached is an executed copy of the Contract Extension Agreement including all appendices thereto.

Anchorage Municipal Code § 3.70.130 provides for Assembly approval of all negotiated labor agreements in the same manner as Municipal Ordinances.

A resolution for Assembly action to meet this requirement is attached.

This extension agreement builds upon the parties' principal collective bargaining agreement including all prior extensions thereof. This three-year extension agreement furthers this Administration's goals of holding the line on wages while attempting to bring other terms and conditions of employment in line with public and private utilities within the Railbelt area. This Agreement promotes long-term labor stability, enables ML&P to attract the most qualified employees and should result in increased productivity and efficient operation of ML&P.

The costs associated with the Contract Extension Agreement, over the life of such extension are described on Summary of Economic Impacts attached hereto.

This Contract Extension Agreement also includes the incorporation of 16 employees formerly represented by the Alaska Joint Crafts Council (AJCC). These employees, while not employed by ML&P, will be covered by the terms and conditions of the ML&P/IBEW Collective Bargaining Agreement as amended by the current extension of that Agreement. The costs associated with the incorporation of these employees under this Agreement are not an increase in ML&P expense and, therefore, the impact of this action is not included in the numbers set forth above. Rather, the financial impact of this action is included in the summary of financial impacts to general government as a result of this change and changes to all other labor agreements.

¹ On April 1, 2002, the Administration and the IBEW agreed, effective January 1, 2003, to incorporate 16 employees from the Public Works Department whose collective bargaining agreement with the Alaska Joint Crafts Council is due to expire on December 31, 2002. Attachment A and Appendix 1 to this Contract Extension Agreement effectuates the incorporation of these employees under the ML&P/IBEW labor contract.

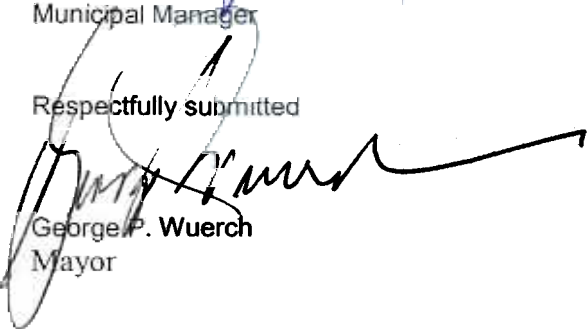
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2 Other issues addressed in this Contract Extension Agreement include housekeeping measures to improve the
3 language of the principal contract and other provisions suggested by the Union that do not have any financial
4 impact on the operations of ML&P or the Municipality of Anchorage.
5

6 The Administration recommends approval of this Contract Extension Agreement. Your consideration and
7 approval is requested.
8

9 Concur:

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14 Harry Kielling
15 Municipal Manager
16

17
18 Respectfully submitted

19
20 
21
22 George P. Wuerch
23 Mayor

Prepared by


David K. F. Otto
Employee Relations Director

CONTRACT EXTENSION AGREEMENT

**Between
Municipality of Anchorage/
Anchorage Municipal Light and Power
And
International Brotherhood of Electrical Workers, L. U. 1547**

THIS AGREEMENT is made by and between the Municipality of Anchorage (hereinafter referred to as "MOA") and the International Brotherhood of Electrical Workers Local Union 1547 (IBEW) representing eligible employees of Municipal Light and Power, Traffic Engineering, Paint & Sign, and those IBEW represented employees previously covered by the AJCC Collective Bargaining Agreement, (hereinafter referred to as the "Union").

RECITALS

WHEREAS, the IBEW recognizes and acknowledges ML&P's efforts to remain a low cost energy provider for the benefit of the citizens of Anchorage while providing its employees with competitive wages, benefits and other terms and conditions of employment;

WHEREAS, the current collective bargaining agreement between ML&P, Traffic Engineering and the IBEW expires on December 31, 2002;

WHEREAS, the parties wish to extend their current collective bargaining agreement for a period of three (3) years;

WHEREAS, the parties incorporate by reference the Agreement dated April 1, 2002 by and between the Municipality of Anchorage and the IBEW recognizing the IBEW as the bargaining agent those employees identified in that Agreement subject to approval by the MOA Employee Relations Board and the Anchorage Municipal Assembly;

WHEREAS, upon approval of the Employee Relations Board and the Anchorage Municipal Assembly, those Employee Classifications identified in Attachment "A" to the Agreement dated April 1, 2002 will, effective January 1, 2003, be incorporated into the current ML&P/IBEW collective bargaining agreement under the terms of that agreement and as otherwise addressed in Appendix 1.

NOW, THEREFORE, based on the mutual promises and covenants contained herein the parties agree as follows:

AGREEMENT

- 1 Incorporation By Reference. ML&P and the IBEW agree that the terms and conditions of the Collective Bargaining Agreement ("CBA") between the parties effective January 1, 1995 to December 31, 1998, and extended by mutual agreement of the parties on May 8, 1998 through December 31, 2002 including, but not limited to, all Letters of Agreement and Grievance Resolutions appended thereto, shall continue in full force and effect until December 31, 2005, except where modified, added to or changed by this Contract Extension Agreement;
2. Adjustment to Wages, Benefits and Other Terms and Conditions of Employment:
 - a. There shall be no general wage increase in 2003 and 2004.
 - b. At the end of the first pay period after July 1, 2003, the Municipality of Anchorage will pay by separate check to each regular employee or regular employee in a temporary position, in lieu of any general increase in overall wages or benefits, the sum of Two Thousand Dollars (\$2,000.00) grossed-up¹ for any taxes due. Additionally, probationary employees that become regular after July 1, 2003 shall also be paid the bonus on the first payroll period following the completion of probation.
 - c. Effective January 1, 2005, the IBEW has the right to exercise a wage re-opener by providing notice to ML&P and/or the MOA Director of Employee Relations no later than December 31, 2004. Any changes to wages and or benefits shall become effective January 1, 2005, unless the parties mutually agree otherwise. In the event the MOA determines to sell or sells the utility prior to January 1, 2005, or the parties are unable to agree upon wages and benefits through negotiations undertaken pursuant to the wage opener prior to the effective date of the sale of the Utility, the parties agree to resolve the issue by the use of binding arbitration.
 - d. Effective January 1, 2003, Article 4.1.1.1 of the CBA is modified as follows:

Paid annual leave for all regular employees hired prior to 5/1/91 shall accrue as follows:

1 st Five Years	Annual Leave -- 9.0 hours per pay period
6 th through 10 th Years	Annual Leave -- 9.92 hours per pay period
11 th through subsequent Years	Annual Leave -- 10.85 hours per pay period

¹ This payment will be "grossed-up" by adding 27% to the sum paid to mitigate the tax effects of such payment to the covered and eligible employees qualifying for this payment. This pay reflects an average wage increase of 2.36% for all eligible and covered employees effective July 1, 2003.

Paid annual leave for all regular and temporary employees hired after 5/1/91 shall accrue as follows:

0 – 2 Years' Service	Annual Leave – 6.15 hours per pay period
3 to 5 Years' Service	Annual Leave – 6.77 hours per pay period
6 to 10 Years' Service	Annual Leave – 7.38 hours per pay period
11+ Years' Service Years	Annual Leave – 9.23 hours per pay period

e. Article 4.1.2 is modified as follows:

Effective January 1, 2003 all bargaining unit employees covered under this Agreement shall have their annual leave increased by one and one-half (1.5) hours per pay period, to combine sick leave with annual leave pursuant to Article 4.1.1 of the CBA as modified above. Articles 4.1.2, 4.1.2.1 and 4.1.2.2 of the CBA shall remain in effect for sick leave usage but not accrual, for employees on the payroll as of December 31, 2002, until such time as the sick leave on the books at that time is exhausted, or the MOA and the Union determine a mutually agreed upon method to cash out the sick leave.

f. Article 4.1.6 is modified as follows:

Effective January 1, 2003, Martin Luther King Jr. Day (third Monday in January) of each year shall be recognized as a holiday with pay. Delete Seward's Day .

New Year's Day

*Martin Luther King Jr. Day (third Monday in January)

Washington's Birthday (third Monday in February)

Memorial Day (last Monday in May)

Independence Day

Labor Day (first Monday in September)

Veterans Day

Thanksgiving Day (fourth Thursday in November)

Day After Thanksgiving (fourth Friday in November)

Christmas Day

One Personal Holiday (scheduled with Supervisor's approval)

(see letter dated December 31, 1992)

g. Effective January 1, 2003, Article 5.4 shall be modified as follows:

All employees hired before July 1, 1982 and covered by this Agreement shall be eligible and receive continuous credit service benefits with the following schedule:

After 1 Year	1%	After 8 Years	8%
After 2 Years	2%	After 9 Years	9%
After 3 Years	3%	After 10 Years	10%
After 4 Years	4%	After 15 Years	12.5%

After 5 Years	5%	After 20 Years	15%
After 6 Years	6%	After 25 Years	17.5%
After 7 Years	7%	After 30 Years	20%

h. Effective January 1, 2003, Article 5.4.1 shall be modified as follows:

5.4.1 Longevity Continuation. Notwithstanding the above, longevity pay shall be paid to any employees hired, rehired, or re-employed after July 1, 1982 as provided herein. Regular represented employees hired on or after July 1, 1982, shall be eligible to receive Longevity pay and shall continue to be eligible unless they resign, are laid off for longer than one year without re-employment, or are discharged for cause. After July 1, 1982 longevity pay will be paid according to the following schedule based on years of service:

1/1/2003 – 103.5% of base pay for 15 years of continuous service.

1/1/2004 – 103.5% of base pay after 10 years of continuous service.
107.5% of base pay after 15 years of continuous service.

1/1/2005 – 103.5% of base pay after 10 years of continuous service.
107.5% of base pay after 15 years of continuous service.
110.5% of base pay after 20 years of continuous service.

i. Articles 6.1.1 and 6.1.2 of the CBA are modified as follows:

Article 6.1.1 is amended by changing Five Hundred Seventy-Five Dollars (\$575.00) to Nine Hundred Thirty-Six Dollars (\$936.00) effective January 1, 2003. The purpose of which is to reestablish the base premium for health care coverage that is allocated 75% to the Employer and 25% to the Employee, i.e. \$755.00 is now paid by the Employer and \$181.00 is now paid by the Employee. Effective January 1, 2003, the entire \$936.00 will be paid by the Employer. Any increases in this base amount will be allocated in future years as provided in Article 6.1.2.

j. Article 6.1.2 is amended to read as follows:

Any increase in the premium amount in effect on January 1, 2003 above the amount stated in Article 6.1.1 of Nine Hundred Thirty-Six Dollars (\$936.00) shall be borne by the Employer funding 50 percent and the individual employee funding 50 percent. Any increase effective January 1, 2004 shall be borne by the Employer funding 60 percent and the individual employee funding 40 percent. Any increase effective January 1, 2005 shall be borne by the Employer funding 70 percent and the individual employee funding 30 percent.

3. A new Article 6.1.2.3 is added to the CBA which shall read as follows:

Movement of Monies. During the period of this Extension Agreement, there shall be allowed a one time annual movement of monies from wages to the defined benefit plan and/or the defined contribution plan of the Alaska Electrical Pension Fund (AEPF) with stipulations that any such movement must require a simple majority vote of the affected employees covered by this Agreement by secret ballot conducted by the IBEW and provided, further, such transfer will not reduce the defined benefits contribution rate below the \$3.67 per compensable hour under Article 6.3, below.

4. A new Article 6.7 is added to the CBA which shall read as follows:

Hardship and Benevolent Fund. If a majority of the Bargaining Unit Employees working under the ML&P/IBEW CBA elect to participate in the IBEW Hardship and Benevolent Fund (IHBF), the MOA shall, beginning the first full pay period following the notice of election, deduct and forward five (\$.05) cents per hour for each hour of compensation of each employee within the bargaining unit to the IHBF. Such funds shall be forwarded in the same manner and form as other contributions herein.

5. A new Article 6.8 is added to the CBA which shall read as follows:

Political Action Committee Fund. Following thirty (30) calendar days of employment, an employee may voluntarily elect to participate in the IBEW Political Action Fund by signing an authorization form (supplied by the IBEW and acceptable to the Employer) and submitting it to the Employer. The Employer agrees to deduct the amount indicated on the authorization form per pay period from the employee's wages to be submitted to the IBEW Local Union No. 1547, Political Action Fund. This money will be paid monthly with the dues withheld from each employee's payroll consistent with Article 2.9.3 of the CBA.

In accordance with the requirements of Alaska State law, the IBEW agrees that Political Action Committee funds shall not be used for political activity against the Utility. This authority shall be revocable once per year by the employee by notice in writing delivered by mail, or in person, to the ML&P Human Resources Manager and the Financial Secretary of the IBEW.

6. As used in Articles 2.9.3 and 7.3.3.1 of the current effective collective bargaining agreement "Director, Human Resources" shall mean ML&P's Human Resources Manager or his or her designee.

7. In Article 7.1.2 of the current effective collective bargaining agreement, "calendar days" shall be changed to "working days" to make it consistent with Article 7.3 of the agreement.

8. Article 3.5.5.2 of the ML&P/IBEW Collective Bargaining Agreement shall be modified to read as follows:

If the second bid committee cannot reach a majority decision, the Utility Manager and Chief Shop Steward will meet and confer in an attempt to resolve the issue of job award. If they are unable to reach a decision on this issue then the matter will be referred to the Union Business Manager, or his/her designee, and the Mayor of the Municipality of Anchorage, or his/her designee, who will decide the issue within five (5) working days. If not resolved at this level, either party may appeal the issue to an arbitrator mutually selected by the striking method who will render a decision within five working days of selection. Such decision shall be final and binding upon the parties.

9. Article 2.9.6 of the ML&P/IBEW Collective Bargaining Agreement shall be modified to read as follows:

2.9.6 Access to Employees. Representatives employed by the Union shall be granted access to Municipal property during normal business hours, for the purpose of conducting such Union business as would affect the Employer, its employees in their capacity as such, or any other aspect of the employer-employee relationship. The Union agrees to notify the appropriate department head or designated employer representative prior to such visits. *(See Letter of Agreement dated November 30, 1993, resolving Grievances Nos. 93-02, 93-03, 93-05, and 93-10.)*

10. Article 2.14.2 of the ML&P/IBEW Collective Bargaining Agreement shall be modified to read as follows:

2.14.2 The right to contract or subcontract shall not be used for the purpose or intention of undermining the Union or to discriminate against any of its members. The parties agree this means the Employer shall not subcontract work traditionally performed within the job classifications covered under this Agreement, except when regular employees cannot meet the Employer's maintenance and new construction needs or when in-house personnel do not possess the expertise and skills to adequately perform the work within time constraints or Utility needs of service or any emergencies. The Employer shall not intentionally schedule work to create time constraints. For purposes of this section, traditional bargaining unit work includes all new construction and maintenance. Nothing herein shall be construed as a restriction on the Employer's right to contract or subcontract for professional services not covered

by job classifications defined in this Agreement, including staff support for contractors or subcontractors providing such services. New work in dispute between the parties shall be referred for resolution to the Classification Committee established elsewhere in the Agreement. In each case in which the Employer hires a contractor or subcontractor to perform bargaining unit work, the nature of which is within the jurisdiction of this Agreement and which may be performed by employees in job classifications covered by this Agreement, the Employer will require as a condition of that contract or subcontract that the contractor or subcontractor have a current collective bargaining agreement or letter of assent with the IBEW Local Union 1547. IBEW shall be permitted to review contracting and subcontracting proposals to verify compliance herewith, and the IBEW shall be included on the bidders' list of all RFP's. The parties shall meet every three (3) months during the life of this Agreement to discuss any problems arising from the interpretation of this provision.

- 11 A new subsection, Section 2.14.3, shall be added to the ML&P/IBEW Collective Bargaining Agreement to read as follows:

2.14.3 In all circumstances where a contractor acquires work under this Section 2.14 and its subsections, the Employer shall operate as a Construction Industry Employer as that term is used in the National Labor Relations Act.

EXECUTION

MUNICIPALITY OF ANCHORAGE

IBEW, LOCAL UNION 1547

Michael J. Scott, General Manager

Cleo Durr, Chief Shop Steward

David K. F. Otto
Employee Relations Director

Gary Brooks, Business Manager

George P. Wuerch
Mayor, Municipality of Anchorage

Appendix #1

Until December 31, 2002, all provisions of the AJCC Collective Bargaining Agreement shall apply to the following referenced employees. Thereafter, except as modified herein, all provisions of the ML&P Collective Bargaining Agreement (Agreement) shall apply.

Classification Titles/Specifications

Effective January 1, 2003, Appendix "1" Classification and Wage Rates" of the Agreement shall be modified to include the following class specifications and titles for the MOA employees transferred from the AJCC pursuant to an agreement dated April 1, 2002 between the Municipality of Anchorage (MOA) and the IBEW. Additionally, the incumbent employees of those positions shall preserve their seniority dates and blend seamlessly into all provisions of the Agreement except as altered herein.

<u>Old Classification</u>	<u>New Classification</u>
Journeyman Craftsman	Journeyman Wireman
Journeyman Craftsman Foreman ¹	Journeyman Wireman Foreman
Electrical Inspector	Electrical Inspector
Building Inspector Working Foreman	Electrical Inspector Foreman

Rates of Pay

The referenced new classifications shall be paid the following percentages of the journeyman lineman rate of pay on the following dates. Until January 1, 2003, the employees shall continue to earn raises and be paid at the rates specified under the AJCC Agreement which expired on December 31, 2001.

<u>Classification</u>	<u>1/1/2003</u>	<u>7/1/2003</u>	<u>1/1/2004</u>	<u>7/1/2004</u>	<u>1/1/2005</u>	<u>7/1/2005</u>	<u>12/31/05²</u>
Journeyman Wireman	75.00%	82.00%	85.00%	90.00%	93.50%	97.50%	100.00%
Journeyman Wireman Foreman	83.50%	87.50%	92.50%	95.00%	98.50%	102.50%	105.00%
Electrical Inspector	85.00%	90.00%	92.50%	95.00%	98.50%	102.50%	105.00%
Electrical Inspector Foreman	95.00%	100.00%	102.50%	102.50%	107.50%	110.00%	112.50%

Pension Benefits

Effective on January 1, 2003, and upon selection by each of the individual referenced employees, the employee may elect, on a one-time irrevocable basis, to become covered under the Alaska Electrical Defined Benefit Pension Plan at the rate specified in the Agreement or to remain under the Alaska Public Employee Retirement System as provided for in the expired AJCC Agreement.

Work Rules

Until January 1, 2003, all Agreement employees employed in the Facilities Maintenance & Development Services Divisions of the MOA Public Works Department shall fall under the work rules specified in Article 8.5 of the Agreement and the following work rules. When these rules are inconsistent with the Agreement work rules, these shall apply.

Safety Rules.

- (A) The MOA and the Union will cooperate in designing and carrying out a safety program affecting all employees.

¹ This position, upon termination of the incumbent, may not be an IBEW represented position.

² Effective the last pay period of 2005.

May 10, 2002

- (B) The regulations concerning safety and equipment standards shall be governed by local, state and federal government rules, which shall be followed by the MOA, the Council, all Affiliated Unions and all employees.
- (C) Employees shall be required to turn in equipment condition reports as prescribed by the appropriate department.
- (D) All equipment which is unsafe shall be reported to the appropriate supervisor or his designee, who shall take immediate steps to correct the items reported. No employee shall be disciplined for refusing to operate unsafe equipment.
- (E) Employees must submit accident and injury reports prior to leaving the work place at the end of the work day if practical. Employees must use any and all safety equipment paid for or furnished by the Employer. Failure of employees to use such safety equipment will subject the employee to appropriate administrative or disciplinary action.
- (F) The Employer shall furnish such safety equipment as is required for the safety of employees. Safety devices and first aid equipment as may be required for safety and proper emergency medical treatment shall be provided and be available for all employees working under adverse conditions. The Employer shall furnish seat belts for all passenger cars, pick-up trucks, and buses and employees shall utilize seat belts at all times while operating any equipment with seat belts.
- (G) The Municipality shall establish regular safety meetings for each department on a monthly basis during working hours and all employees will be required to attend without loss of pay.

II Protection of Municipal Property.

Employees are required to use their best efforts to protect municipal property. Employees may be subject to appropriate disciplinary action for violation of this Article.

III Handtools And Tool Allowance³.

Employees may be required to provide common tools of the trade in which they are employed. If an employee is required to provide the common tools of the trade, the employee will be paid a tool allowance of \$45.00 per month. The current replacement practice remains in effect.

IV Lockers.

The MOA will furnish lockers where they are necessary, as determined by the MOA. Any such lockers shall remain the property of the MOA and the MOA shall have free access to all such lockers.

V Uniforms And Special Clothing.

The MOA will furnish, clean and maintain uniforms and special clothing only where such uniforms and special clothing are required by the MOA or applicable OSHA or other applicable safety regulations. Any such uniforms or special clothing provided by the MOA shall be returned to the MOA upon termination of the employee's employment.

VI Revocation of License.

In the event an employee shall suffer a revocation of his license because of a violation or violations by the MOA of any federal, state or local law, the MOA shall provide suitable and continued employment for such employee at not less than the employee's standard rate of

³ This section modified to reflect that ranges are no longer applicable and that only the rate paid at range 17 is applied to these employees.

May 10, 2002

pay at the time of revocation of the license. The employee shall be reinstated to the position he held prior to revocation of his license after his license is restored. The employee shall lose no pay, benefits, or seniority upon the event of revocation of his license because of a violation of federal, state or local law by the MOA. The MOA shall pay any expenses and/or judgments rendered against the employee in case of revocation of the employee's license because of a violation or violations by the MOA of any federal, state or local law.

Stewards

There shall be two additional stewards allowed under the Agreement. Their responsibilities duties shall be as described in Section 2.9.5.1 of the Agreement on Shop Stewards. One steward shall be from the employees of the Building Maintenance group and one steward will be from within the employees from the Building Electrical Inspectors group.

EXECUTION

MUNICIPALITY OF ANCHORAGE

IBEW, LOCAL UNION 1547

Michael J. Scott, General Manager

Cleo Durr, Chief Shop Steward

David K. Otto
Employee Relations Director

Gary Brooks, Business Manager

George P. Wuerch
Mayor, Municipality of Anchorage

Municipality of Anchorage
MUNICIPAL CLERK'S OFFICE
Agenda Document Control Sheet

AK 2002-272

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

1	SUBJECT OF AGENDA DOCUMENT Collective Bargaining Agreement - MOA (ML&P) with IBEW (Local 1547) Government Operating Budget	DATE PREPARED Aug 9, 2002
		Indicate Documents Attached <input checked="" type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> AM <input type="checkbox"/> AIM
2	DEPARTMENT NAME Employee Relations	DIRECTOR'S NAME Dr. David K. F. Otto
3	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Dr. Otto	HIS/HER PHONE NUMBER 343-4399
4	COORDINATED WITH AND REVIEWED BY	INITIALS DATE
X	Mayor	<i>AW</i> 8/19/02
	Heritage Land Bank	
	Merrill Field Airport	
	Municipal Light & Power	
	Port of Anchorage	
	Solid Waste Services	
	Water & Wastewater Utility	
X	Municipal Manager	<i>M</i> 8/19
	Cultural & Recreational Services	
X	Employee Relations	<i>D/KFO</i> 8/19/02
	Finance, Chief Fiscal Officer	
	Fire	
	Health & Human Services	
X	Office of Management and Budget	<i>CF</i> 8/13/02
	Management Information Services	
	Police	
	Planning, Development & Public Works	
	Development Services	
	Facility Management	
	Planning	
	Project Management & Engineering	
	Street Maintenance	
	Traffic	
	Public Transportation Department	
	Purchasing	
X	Municipal Attorney 1348	<i>WOS</i> 8/14/02
	Municipal Clerk	
	Other	
5	Special Instructions/Comments	
6	ASSEMBLY HEARING DATE REQUESTED August 20, 2002	7 PUBLIC HEARING DATE REQUESTED September 10, 2002

2002 AUG 13 PM 1:04
 CLERK'S OFFICE
 N.O.A.