

Submitted by: Request of the Mayor  
Prepared by: Employee Relations  
For Reading: August 23, 2005

CLERK'S OFFICE

APPROVED

Date: 9-13-05 ANCHORAGE, ALASKA  
AR 2005-220

**A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE AUTHORIZING THE ADMINISTRATION TO AMEND THE PARTICIPATION AGREEMENT WITH THE STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) TO EXEMPT CERTAIN POSITIONS FROM PARTICIPATION IN PERS.**

WHEREAS, the Municipality of Anchorage currently participates in the Public Employees' Retirement System (PERS); and

WHEREAS, the definition of active member contained in AS 39.35.680 includes Municipal employees; and

NOW, THEREFORE, the Anchorage Assembly hereby resolves:

Section 1. The Mayor is authorized to enter an amendment to Anchorage's current participation agreement with the State of Alaska Public Employees' Retirement System to exempt the following positions from participating in State of Alaska Public Employees' Retirement System:

- Port Director
- Planning Director
- Regulatory Administrator
- Construction Engineer

PASSED AND APPROVED this 13<sup>th</sup> day of September, 2005.

Anna L. Fairclough  
Chair

ATTEST:

[Signature]  
Municipal Clerk



## MUNICIPALITY OF ANCHORAGE

### ASSEMBLY MEMORANDUM

No. AM 595-2005

Meeting Date: August 23, 2005

From: **MAYOR**

Subject: **RESOLUTION TO AMEND THE PARTICIPATION AGREEMENT WITH THE STATE OF ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEMS (PERS) TO EXEMPT CERTAIN POSITIONS FROM PARTICIPATION IN PERS.**

Effective July 1, 2005, the passage of HB161 impacted the status of certain Municipal employees in key positions who had been hired out of PERS retirement as allowed by prior HB242 legislation. The retirement benefits of these individuals will cease December 31, 2006 under the new legislation, if they continue employment with the Municipality. Additionally, the legislation creates hiring policy and protocols that the Municipality will be required to have in place to hire PERS retirees after the effective date of the legislation. As allowed by State Statute and with Assembly approval, the Participation Agreement with PERS can be amended to exempt these positions from participation and therefore not impact the incumbents' status and benefits as retirees of the system. All of the incumbents bring expertise, historical knowledge and professional experience to the specific executive positions they occupy that is not easily replaced.

The positions that would be exempted are:

*Port Director* – The Port of Anchorage serves 80 percent of Alaska geographically and 90 percent of Alaska's residents. It is a vital port, designated by the U.S. Department of Defense as a strategic port and as a nationally significant port by the U.S. Department of Transportation. Port Director is a singular position requiring a broad knowledge about the shipping trade, construction, and commerce. Recruitment for a candidate with the necessary knowledge and experience to run this complex utility has proven difficult. The incumbent is essential to the successful completion of the Port of Anchorage expansion project. The Port expansion project is the largest construction project underway in our community. The multi-year project is estimated to be \$350 to \$400 million, and much of the funding for the expansion comes from federal funds. The current port director has played, and will continue to play, a key role in securing the funding necessary for the expansion. His history as a former Governor and his extensive business contacts are beneficial to the success of the Municipality's efforts in this important project.

*Planning Director* – The Planning Director is responsible for overall leadership of the Planning Department. Recruitment for planners, especially highly skilled and well-experienced planners, is challenging since the Municipality competes with the private sector to attract candidates in this field. The incumbent's government experience and his extensive knowledge of the Municipality of Anchorage are important assets as the Municipality works to rewrite Title 21, Anchorage's land use code. In turn, the Title 21 project is essential for the successful implementation of Anchorage's 2020 Plan for our city's future.

*Construction Engineer* – The Engineer Professional has been especially difficult to recruit for the past several years and competition with the private sector and other government entities is

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4 keen. Experienced leadership is essential to the many projects underway. The incumbent acts for  
5 the Municipal Engineer in his absence and brings a wealth of knowledge specific to the Municipal  
6 Project Management and Engineering area from his long time employment with the Municipality in  
7 this field.

8  
9 *Regulatory Administrative Assistant* – As regulatory and safety legislation becomes more  
10 and more complex, utilities are taxed with understanding and complying with the changes. This  
11 position advises the General Manager of Municipal Light and Power on a variety of federal, state  
12 and local regulatory and governance structures. Knowledge in this industry specific field is limited  
13 and difficult to recruit for. The incumbent in this position provides regulatory research and  
14 knowledge to the Municipal Light and Power Utility.

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16 **APPROVAL OF THIS AMENDMENT IS RECOMMENDED.**

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19 Prepared by: David K.F. Otto, Director Employee Relations  
20 Concur: Denis C. LeBlanc, Municipal Manager  
21 Respectfully submitted: Mark Begich, Mayor  
22

**Amendment 15**  
**Attachment A**

Employees in positions exempted from participation in the State of Alaska Public  
Employees' Retirement System:

William J. Sheffield  
Thomas P. Nelson  
Louis E. Agi  
Jerrold W. Hansen

**STATE OF ALASKA  
DEPARTMENT OF ADMINISTRATION  
DIVISION OF RETIREMENT AND BENEFITS  
P.O. Box 110203, Juneau, AK 99811-0203**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
PARTICIPATION AGREEMENT AMENDMENT NO. 15**

The Public Employees' Retirement System Participation Agreement entered into between the State of Alaska (hereafter referred to as the State) and the Municipality of Anchorage on September 16, 1975, and approved by the State on November 28, 1977, is amended by the addition of the following:

The Political Subdivision agrees for its part as follows:

3. The Political Subdivision agrees for its part as follows:

The Political Subdivision agrees that the employees specifically prohibited by statute or by another retirement plan to which the Political Subdivision makes contributions will not be allowed to participate in the Retirement System. A listing of the current employees who will cease to participate in the Retirement System is attached, (Attachment A).

- Port Director
- Planning Director
- Regulatory Administrative Assistant
- Construction Engineer

\_\_\_\_\_  
Denis C. LeBlanc  
Municipal Manager

\_\_\_\_\_  
Date

APPROVED:

\_\_\_\_\_  
Administrator

\_\_\_\_\_  
Date

**Content Information****Content ID :** 003180**Type:** AR\_AllOther - All Other Resolutions**Title:** RESOLUTION TO AMEND THE PARTICIPATION AGREEMENT  
WITH PERS TO EXEMPT CERTAIN POSITIONS FROM PERS**Author:** mooreka**Initiating Dept:** ER**Date Prepared:** 8/11/05 3:26 PM**Assembly Meeting**  
**Date MM/DD/YY:** 8/23/05**Public Hearing Date**  
**MM/DD/YY:** 9/13/05M.O.A.  
2005 AUG 16 AM 11:02  
CLERKS OFFICE**Workflow History**

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllOtherARWorkflow	8/11/05 3:34 PM	Checkin	mooreka	Public	003180
ER_SubWorkflow	8/11/05 3:39 PM	Approve	mooreka	Public	003180
AllOtherARWorkflow	8/11/05 4:23 PM	Reject	curtiscr2	Public	003180
AllOtherARWorkflow	8/11/05 4:32 PM	Checkin	mooreka	Public	003180
ER_SubWorkflow	8/11/05 4:33 PM	Approve	mooreka	Public	003180
MuniManager_SubWorkflow	8/12/05 12:58 PM	Approve	abbottmk	Public	003180
MuniMgrCoord_SubWorkflow	8/12/05 1:10 PM	Approve	curtiscr2	Public	003180