

Submitted by: Chair of the Assembly
At the Request of the Mayor
Prepared by: Employee Relations
For reading: September 27, 2005

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4 *Respassed indefinitely 11/1/05*
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6

7 ANCHORAGE, ALASKA
8 No. AO 2005-135
9

10
11 AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTERS 3.30 AND
12 3.70 REGARDING REPRESENTED AND NON-REPRESENTED EMPLOYEE ELIGIBILITY
13 FOR SERVICE RECOGNITION PAY.
14

15 THE ANCHORAGE ASSEMBLY ORDAINS:

16
17 **Section 1.** Anchorage Municipal Code section 3.30.127 is hereby amended to read as follows
18 *(the remainder of the section is not affected and therefore not set out):*
19

20 **3.30.127** **Length of Service.**

21 * * * * *
22 * * * * *

23 E. *Service recognition.*

- 24
25 1. Service recognition pay is for length of continuous service. Regular non-
26 represented employees, except executive employees, hired on or after
27 January 1, 1981 who were continuously employed by the Municipality, and
28 who established their eligibility and began receiving service recognition pay
29 on or before December 31, 2005 shall remain eligible to receive this benefit.
30 [SHALL BE ELIGIBLE TO RECEIVE SERVICE RECOGNITION PAY
31 AND SHALL CONTINUE TO BE ELIGIBLE UNLESS THEY RESIGN,
32 ARE LAID OFF FOR LONGER THAN ONE YEAR WITHOUT RE-
33 EMPLOYMENT, OR ARE DISCHARGED FOR CAUSE. SERVICE
34 RECOGNITION PAY SHALL BE IMPLEMENTED AS FOLLOWS:
35 1. EFFECTIVE JANUARY 1, 2003--103.5 PERCENT OF BASE
36 PAY AFTER 15 YEARS' CONTINUOUS SERVICE.
37 2. EFFECTIVE JANUARY 1, 2004--103.5 PERCENT OF BASE
38 PAY AFTER 10 YEARS' CONTINUOUS SERVICE AND 107
39 PERCENT OF BASE PAY AFTER 15 YEARS' CONTINUOUS
40 SERVICE.
41 3. EFFECTIVE JANUARY 1, 2005--103.5 PERCENT OF BASE
42 PAY AFTER 10 YEARS' CONTINUOUS SERVICE, 107
43 PERCENT OF BASE PAY AFTER 15 YEARS' CONTINUOUS
44 SERVICE AND 110.5 PERCENT OF BASE PAY AFTER 20
45 YEARS' CONTINUOUS SERVICE.]

- 46
47 2. No employee may establish eligibility or begin to receive service
48 recognition pay after December 31, 2005.
49

1 3. No employee shall receive service recognition pay at a rate higher than the
2 employee received on December 31, 2005.

3
4 4. After January 1, 2005, the benefit for eligible employees shall be 103.5
5 percent of base pay after ten (10) years of continuous service, 107 percent
6 of base pay after fifteen (15) years of continuous service, and 110.5 percent
7 of base pay after twenty (20) years of continuous service.

8
9 (AO No. 79-195; AO No. 86-207(S-1); AO No. 2003-43, § 1, 1-1-03)

10
11 **Section 2.** Anchorage Municipal Code section 3.70.010 is hereby amended to read as follows
12 *(the remainder of the section is not affected and therefore not set out):*

13
14 **3.70.010 Definitions.**

15
16 *Collective bargaining* means the performance of the mutual obligations of the municipality
17 and the employee organization to meet at reasonable times and negotiate in good faith with
18 respect to wages, hours and other terms and conditions of employment not excluded from
19 collective bargaining pursuant to this chapter, and the execution of a written contract
20 incorporating an agreement reached. These obligations do not compel either party to agree
21 to a proposal or require the making of a concession.

22 *** *** ***

23 (AO No. 69-75; AO No. 88-76; AO No. 77-376; AO No. 84-221(S); AO No. 88-131(S);
24 AO No. 89-46(S-1))

25
26 **Section 3.** Anchorage Municipal Code section 3.70.020 is hereby amended to read as follows
27 *(the remainder of the section is not affected and therefore not set out):*

28
29 **3.70.020 Declaration of policy.**

30
31 A. *Generally.* While retaining the management rights enumerated at section 3.70.040,
32 the municipality declares that it is its policy to promote harmonious and
33 cooperative relations between the municipality and its employees and to protect the
34 public by ensuring orderly and effective operations of government. These policies
35 are to be effectuated by good faith discussions between the municipality and
36 employee organizations recognizing the right of employees to organize for the
37 purpose of collective bargaining; by negotiating with and entering into written
38 agreements with employee organizations on matters of wages, hours and other
39 terms and conditions of employment not excluded from collective bargaining
40 pursuant to this chapter; by using mediation as a means to resolve disputes in
41 accordance with the provisions of this chapter or whenever both parties choose to
42 do so; and by maintaining merit system principles among municipal employees.

43
44 B. *Communications policy.* It is also the policy of the municipality that continuing
45 communications shall be promoted between the municipality and employee
46 representatives and that no collective bargaining agreement will be ratified by the
47 assembly unless it contains, as a part of the agreement, the following: "The parties
48 agree that they will meet and confer in good faith at reasonable times and places

1 concerning this agreement, and its interpretation or any other matter of mutual
2 concern to employee representatives and the municipality, not excluded from
3 collective bargaining pursuant to this chapter. The parties further agree that either
4 party may request, in a writing delivered to the other, that the parties confer within
5 14 days after the date of delivery of the request, which request shall specify the
6 matter to be discussed. An unexcusable refusal to meet and confer in response to
7 such request shall be a violation of this agreement. There shall be no obligation on
8 the part of either party to reopen, modify, amend or otherwise alter the terminology
9 or interpretation of this agreement or to make any other agreement as a result of
10 any such conferences nor shall the requirement for such conferences alter the rights
11 or obligations of the parties under this agreement."

12 *** **

13 (AO No. 69-75; AO No. 88-131(S); AO No. 88-148; AO No. 89-46(S-1))

14
15 **Section 4.** Anchorage Municipal Code section 3.70.090 is hereby amended to read as follows
16 *(the remainder of the section is not affected and therefore not set out):*

17
18 **3.70.090** **Collective bargaining.**

19
20 A. After determination of the appropriate bargaining unit and bargaining
21 representative in accordance with the provisions of this chapter and subject to the
22 other provisions of this chapter, the mayor or his authorized representative shall
23 enter into negotiations with the bargaining representative of the employee unit in a
24 timely fashion, not to exceed 30 days after certification by the board, concerning
25 the wages, hours and other terms and conditions of employment.

26
27 1. Notwithstanding anything to the contrary contained in this title, the
28 following subjects shall not be subject to collective bargaining:

29
30 a. Substance abuse testing and all issues and other matters related to or
31 affecting such testing shall not be subject to collective bargaining
32 under this chapter, provided however, nothing in this subsection
33 shall prohibit employee grievance and arbitration of discipline
34 and/or discharge pursuant to substance abuse testing policy and
35 procedures.

36
37 b. Service recognition pay, or changes in the rate of service recognition
38 pay for any employee receiving service recognition pay, pursuant to
39 a collective bargaining agreement negotiated after September 1,
40 2005.

41 *** **

42
43 (AO No. 69-75; AO No. 88-131(S); AO No. 88-148; AO No. 89-46(S-1); AO No. 98-5(S),
44 § 1, 2-10-98)

45
46 **Section 5.** Anchorage Municipal Code section 3.70.110 is hereby amended to read as follows:
47 *(the remainder of the section is not affected and therefore not set out):*

48

3.70.110 **Impasse Resolutions.**

*** *** ***

C. *Submission of issues to arbitration.*

*** *** ***

7. *Scope of arbitrator's authority.* The arbitrator shall be limited in his authority to selection on a subject-by-subject basis from each of the parties' last best offer, except the arbitrator shall not select provisions containing issues excluded from collective bargaining by this chapter. On each subject, the arbitrator shall select one party's proposal in its entirety. The arbitrator shall not have the authority to select or prepare his own offer nor select or combine portions of either parties' last best offers on a given subject. In exercising his or her discretion to select between competing proposals by subject, the arbitrator shall base his or her decisions solely on the facts determined in accordance with subsection[S] 3.70.100B. and applicable law.

*** *** ***

(AO No. 69-75; AO No. 81-70; AO No. 88-131(S); AO No. 88-148; AO No. 89-46(S-1); AO No. 90-159; AO No. 91-29; AO No. 91-43(S-2); AO No. 91-173(S); AO No. 97-143(S-1), § 1, 12-9-97)

Section 6. Anchorage Municipal Code section 3.70.130 is hereby amended to read as follows
(*the remainder of the section is not affected and therefore not set out*):

3.70.130 **Agreements.**

A. *Contracts and amendments.* Upon completion of negotiations between the municipality and the bargaining representative, all of the terms and conditions shall be reduced to writing in a single agreement. The agreement shall then be presented to the appropriate employee unit for ratification and to the assembly for ratification in the same manner as a municipal ordinance. No contract may contain a provision prohibited by a municipal charter or ordinance, or state or federal law except contracts may abrogate portions of the municipal personnel rules by reference or by inference. [NO PROVISION OF A CONTRACT MAY VIOLATE A MUNICIPAL ORDINANCE OR THE CHARTER OR STATE OR FEDERAL LAW EXCEPT AS AUTHORIZED IN SECTION 3.70.170.]

*** *** ***

(AO No. 69-75; AO No. 84-221(S); AO No. 89-46(S-1))

Section 7. Anchorage Municipal Code section 3.70.140 is hereby amended to read as follows
(*the remainder of the section is not affected and therefore not set out*):

3.70.140 **Unfair labor practices.**

A. *Prohibited acts by municipality.* The municipality or its agents may not:

*** *** ***

5. Refuse to bargain collectively in good faith over wages, hours and other terms and conditions of employment with an organization which is the

1 exclusive representative of employees in an appropriate unit, including but
2 not limited to the discussion of grievances with the exclusive representative.
3 However, refusing to meet or discuss a subject excluded from collective
4 bargaining by this chapter shall not be considered a refusal to bargain in
5 good faith.
6

7 B. *Prohibited acts by employees and employee representatives.* An employee
8 organization or bargaining representative or its agents or employees may not:
9

10 *** **

11 7. Attempt to bargain to impasse regarding a subject excluded from collective
12 bargaining by this chapter.

13 *** **

14 E. *Board order.* If, upon completion of the formal hearing of a complaint of unfair
15 labor practice, a majority of the board determines that the person or party named in
16 the written complaint has engaged in a prohibited practice, the board shall issue and
17 serve on the person an order or decision requiring that party to cease and desist
18 from the prohibited practice and to take affirmative actions which will carry out the
19 provisions of this chapter. If the board finds that the complaint is not supported,
20 the board shall state its findings of fact and issue an order dismissing the complaint
21 or accusation. The board shall not order a party to engage in collective bargaining
22 regarding a subject excluded from collective bargaining by this chapter.
23

24 *** **

25 (AO No. 69-75; AO No. 88-131(S); AO No. 88-148; AO No. 89-46(S-1))
26

27 **Section 8.** This ordinance shall become effective immediately upon its passage and approval
28 by the Assembly.
29

30 PASSED AND APPROVED by the Anchorage Assembly this ____ day of _____,
31 2005.
32
33
34
35

36 _____
Chair of the Assembly

37 ATTEST:

38 _____
39
40
41
42 Municipal Clerk
43

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2005- 135

Title: An Ordinance Amending Anchorage Municipal Code Section 3.30.127, Length of Service, Regarding Service Recognition Pay and Section 3.70 removing Length of Service as a Subject of Bargaining..

Sponsor: Employee Relations
 Preparing Agency: Employee Relations
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES: (In Thousands of Dollars)

	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>
Operating Expenditures					
<i>Non-represented</i>					
1000 Personal Services	\$ (116)	\$ (187)	\$ (280)	\$ (393)	\$ (523)
<i>Represented</i>					
1000 Personal Services	\$ (92)	\$ (163)	\$ (285)	\$ (398)	\$ (560)
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ (208)	\$ (350)	\$ (565)	\$ (791)	\$ (1,083)
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ (208)	\$ (350)	\$ (565)	\$ (791)	\$ (1,083)

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

The figures above reflect the projected savings of freezing current and rescinding future Length of Service for non-represented and represented employees. The computation is based on the formula set forth in the ordinance that stops Service Recognition effective 12-31-2005, allowing no new entrants into the program and freezing participants at their current rate.

PRIVATE SECTOR ECONOMIC EFFECTS:

M.O.A
 2005 SEP 23 AM 9:45
 CLERKS OFFICE

Prepared by: Karen Moore, Deputy Director Employee Relations Telephone: 343-4514

Validated by OMB: _____ Date: _____

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2005- 135

Title: An Ordinance Amending Anchorage Municipal Code Section 3.30.127,
 Length of Service, Regarding Service Recognition Pay and Section 3.70
 removing Length of Service as a Subject of Bargaining..

Sponsor: Employee Relations
 Preparing Agency: Employee Relations
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:		(In Thousands of Dollars)				
	FY06	FY07	FY08	FY09	FY10	
Operating Expenditures						
<i>Non-represented</i>						
1000 Personal Services	\$ (43)	\$ (62)	\$ (81)	\$ (98)	\$ (126)	
<i>Represented</i>						
1000 Personal Services	\$ (19)	\$ (26)	\$ (53)	\$ (88)	\$ (105)	
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
TOTAL DIRECT COSTS:	\$ (62)	\$ (88)	\$ (134)	\$ (186)	\$ (231)	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
FUNCTION COST:	\$ (62)	\$ (88)	\$ (134)	\$ (186)	\$ (231)	
REVENUES:						
CAPITAL:						
POSITIONS: FT/PT and Temp						

PUBLIC SECTOR ECONOMIC EFFECTS:

The figures above reflect the projected savings of freezing current and rescinding future Length of Service for non-represented and represented employees. The computation is based on the formula set forth in the ordinance that stops Service Recognition effective 12-31-2005, allowing no new entrants into the program and freezing participants at their current rate.

PRIVATE SECTOR ECONOMIC EFFECTS:

M.O.A
 2005 SEP 23 AM 9:16
 CLERKS OFFICE

Prepared by: Karen Moore, Deputy Director Employee Relations Telephone: 343-4514

Validated by OMB: _____ Date: _____



MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 691 -2005

Meeting Date: September 27, 2005

1 From: MAYOR

2
3 Subject: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE
4 CHAPTERS 3.30 AND 3.70 REGARDING REPRESENTED AND NON-
5 REPRESENTED EMPLOYEE ELIGIBILITY FOR SERVICE
6 RECOGNITION PAY.
7

8 The ordinance amends and clarifies specific language of Anchorage Municipal Code
9 chapter 3.30, Personnel Rules, and chapter 3.70, Employee Relations.
10

11 Background

12
13 The ordinance brings an end to the service recognition pay program, both for non-represented
14 and represented employees. To effectuate this change, title 3 amendments are necessary.
15

16 For non-represented employees under chapter 3.30, those employees currently eligible, or
17 becoming eligible, for service recognition pay on or before December 31, 2005 continue to
18 receive service recognition pay, but only at the level attained by December 31, 2005.
19

20 For represented employees under chapter 3.70, service recognition pay is excluded as a subject
21 of collective bargaining, without otherwise limiting the MOA's responsibility to bargain
22 collectively "...on matters of wages, hours and other terms and conditions of employment..."
23 (MOA declared policy, section 3.70.020A.)
24

25 The proposed amendments are as follows:
26

- 27 • **Section 3.30.127 Length of Service.**
28 This amendment sets December 31, 2005 as the deadline for eligibility for the
29 service recognition pay program and sets a rate for employees eligible as of
30 December 31, 2005, depending upon years of continuous service.
31
- 32 • **Section 3.70.010 Definitions -- Collective Bargaining.**
33 This amendment confirms the obligation to bargain does not include the
34 obligation to bargain over subjects specifically excluded by this chapter.
35
- 36 • **Section 3.70.020 Declaration of Policy.**
37 This amendment also confirms the obligation to bargain does not include the
38 obligation to bargain over subjects specifically excluded by this chapter.
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- **Section 3.70.090A. Collective Bargaining.**
This section already addresses one subject excluded from collective bargaining; i.e., substance abuse. The amendment adds service recognition pay as another subject excluded from collective bargaining.

- **Section 3.70.110 Impasse Resolutions.**
This amendment specifically prohibits an interest arbitrator from selecting a provision otherwise excluded from collective bargaining by this chapter during interest arbitration.

- **Section 3.70.130 Agreements.**
This amendment prohibits a collective bargaining agreement (CBA) from including a provision excluded from collective.

- **Section 3.70.140 Unfair labor practices.**

Subsection 3.70.140A.5. This amendment emphasizes, by refusing to bargain over a subject prohibited by chapter 3.70, the municipality is not committing an unfair labor practice by the municipality.

Subsection 3.70.140B.7. This amendment clarifies that an attempt by employees and employee representatives to bargain to impasse over a subject excluded by collective bargaining under chapter 3.70 constitutes an unfair labor practice.

Subsection 3.70.140E. This amendment prohibits the Employee Relations Board from ordering a party to bargain over a subject excluded from collective bargaining.

THE ADMINISTRATION RECOMMENDS APPROVAL OF AMENDMENTS TO ANCHORAGE MUNICIPAL CODE CHAPTERS 3.30 AND 3.70 REGARDING REPRESENTED AND NON-REPRESENTED EMPLOYEE ELIGIBILITY FOR SERVICE RECOGNITION.

Prepared by: Dept. of Law
Approved by: David K. F. Otto, Employee Relations Director
Concur: Denis C. LeBlanc, Municipal Manager
Respectfully submitted: Mark Begich, Mayor

Content Information

Content ID : 003295
Type: Ordinance-InvolvingFunds - AO
Title: Service Recognition 3.30 and 3.70
Author: yeskemi

Initiating Dept: ER

Description: Amendment of municipal code chapters 3.30 and 3.70 regarding represented and non-represented employee eligibility for service recognition pay.

Date Prepared: 9/16/05 10:14 AM

Director Name: David K. F. Otto

Assembly Meeting Date MM/DD/YY: 9/27/05

Public Hearing Date MM/DD/YY: 10/11/05

M.O.A.
 2005 SEP 19 AM 11:50
 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>
AllFundOrdinanceWorkflow	9/16/05 10:41 AM	Checkin	yeskemi	Public	003295
ER_SubWorkflow	9/16/05 10:47 AM	Approve	ottodk	Public	003295
OMB_SubWorkflow	9/16/05 11:54 AM	Approve	mitsonjl	Public	003295
CFO_SubWorkflow	9/16/05 3:12 PM	Approve	sinzje	Public	003295
Legal_SubWorkflow	9/16/05 3:35 PM	Approve	fehlenrl	Public	003295
MuniManager_SubWorkflow	9/18/05 5:08 PM	Approve	abbottmk	Public	003295
MuniMgrCoord_SubWorkflow	9/18/05 5:08 PM	Approve	abbottmk	Public	003295