

Submitted by: Chair of the Assembly at
the Request of the Mayor
Prepared by: Employee Relations
For Reading: March 25, 2008

CLERK'S OFFICE

ANCHORAGE, ALASKA

APPROVED

AR NO. 2008-56

Date: 4-15-08

**A RESOLUTION APPROVING AND RATIFYING A ONE YEAR WAGE AND
RETIREMENT BENEFIT OPENER FOR THE INTERNATIONAL UNION OF
OPERATING ENGINEERS, LOCAL 302.**

WHEREAS, the current collective bargaining agreement between the Municipality of Anchorage (hereinafter "MOA") and the International Union of Operating Engineers, Local 302 (hereinafter "L-302") provides for a 2008 wage and benefit opener; and

WHEREAS, L-302 and MOA entered into good faith negotiations resulting in ratification of the agreement by the membership of L-302; and

WHEREAS, Anchorage Municipal Code section 3.70.130 requires Assembly approval of any negotiated collective bargaining agreement and administrative letters; and

WHEREAS, it is in the best interest of the MOA and L-302 for this agreement to be subject to the public review and approval process in order to foster good labor-management relationships; and

WHEREAS, the Administration recommends the ratification and approval of the wage and benefit agreement; now, therefore,

THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:

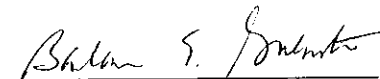
Section 1. The Collective Bargaining Agreement negotiated between the MOA and L-302, attached to and described in detail in the Assembly Memorandum submitted herewith, is hereby approved and ratified.

Section 2. This resolution shall become effective immediately upon its passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 15th day of April, 2008.


Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AM Number: 2008- 56

Title: A RESOLUTION APPROVING AND RATIFYING A ONE YEAR WAGE AND RETIREMENT BENEFIT OPENER FOR THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.

Sponsor: MAYOR
Preparing Agency: Employee Relations
Others Impacted: General government departments

CHANGES IN EXPENDITURES AND REVENUES:

(In Thousands of Dollars)

	FY08	FY09	FY10	FY11	FY12
Operating Expenditures					
1000 Personal Services	\$242	\$0	\$0	\$0	\$0
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$242	\$0	\$0	\$0	\$0
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$242	\$ -	\$ -	\$ -	\$0

REVENUES:**CAPITAL:****POSITIONS: FT/PT and Temp**

PUBLIC SECTOR ECONOMIC EFFECTS:

Employee costs represented here reflect General Government employees. The total increase to General Government is the funding for a one year wage and benefit increase. The increase is a 2.7% wage increase, the same as other bargaining units. Since L-302 employees have their own retirement program, they receive an increase of fifty cents an hour (\$0.50). This is the first MOA increase in three years for the L-302 retirement benefit. The retirement benefit increase and MOA contribution is less than what MOA PERS positions receive.

PRIVATE SECTOR ECONOMIC EFFECTS:

None.

Prepared by: David K. F. Otto, Employee Relations Director

Telephone: 343-4399

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AM Number: 2008- 56

Title: A RESOLUTION APPROVING AND RATIFYING A ONE YEAR WAGE AND RETIREMENT BENEFIT OPENER FOR THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.

Sponsor: MAYOR

Preparing Agency: Employee Relations

Others Impacted: Solid Waste Services, Port of Anchorage, Merrill Field Airport

CHANGES IN EXPENDITURES AND REVENUES:

(In Thousands of Dollars)

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Operating Expenditures					
1000 Personal Services	\$146	\$0	\$0	\$0	\$0
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$146	\$0	\$0	\$0	\$0
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$146	\$ -	\$ -	\$ -	\$0

REVENUES:

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

Employee costs represented here reflect Solid Waste Services, Port of Anchorage and Merrill Field Airport employees. The total increase to the Utilities is the funding for a one year wage and retirement benefit increase. The increase is a 2.7% wage increase, the same as other bargaining units. Since L-302 employees have their own retirement program, they receive an increase of fifty cents an hour (\$0.50). This is the first MOA increase in three years for the L-302 retirement benefit. The retirement benefit increase and MOA contribution is less than what MOA PERS positions received.

PRIVATE SECTOR ECONOMIC EFFECTS:

None.

Prepared by: David K. F. Otto, Employee Relations Director

Telephone: 343-4399



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 188 -2008

Meeting Date: March 25, 2008

FROM: MAYOR

**SUBJECT: A RESOLUTION APPROVING AND RATIFYING A
ONE YEAR WAGE AND BENEFIT OPENER FOR THE
INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 302.**

The Municipality of Anchorage (MOA) and the International Union of Operating Engineers, Local 302 (L-302) have mutually reached an agreement on a one (1) year wage and benefit increase as follows:

Article 5.1 Wage Rates.

Effective the first full pay period after Assembly approval, the hourly wage rates shall reflect an increase of two and seven-tenths percent (2.7%).

The wage rate increase is in compliance with AR 2007-84 and consistent with the Assembly approved Teamster Local 959 wage increase.

To reduce the administrative processes and costs of processing retroactive pay increases, in exchange for retroactively applying the wage increase back to the first full pay period on or after January 1, 2008, employees receive a lump sum of Twenty-Eight Dollars (\$28.00) per week, for each week the employee was in paid status after January 1, 2008, representing a wage increase until the wage increase goes into effect.

Article 6.3 Retirement.

Effective the first full pay period after January 1, 2008, the MOA shall increase the MOA's contribution to the Union Retirement Plan by \$0.50 per employee per hour for a total of \$4.00.

The retirement increase is less than what PERS positions receive.

The Collective Bargaining Agreement between the Municipality of Anchorage and the International Union of Operating Engineers, Local 302 expires on June 30, 2008.

**THE ADMINISTRATION RECOMMENDS APPROVAL OF THE
RESOLUTION APPROVING AND RATIFYING A ONE YEAR WAGE**

1 **AND BENEFIT OPENER FOR THE INTERNATIONAL UNION OF**
2 **OPERATING ENGINEERS, LOCAL 302.**

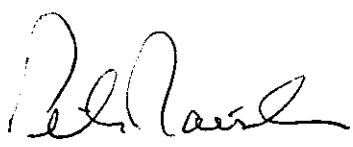
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4 Prepared by: Employee Relations Department
5 Approved by: David Otto, Employee Relations Director
6 Concur: James N. Reeves, Municipal Attorney
7 Concur: Mike Abbott, Municipal Manager
8 Respectfully submitted: Mark Begich, Mayor

Municipality of Anchorage

M E M O R A N D U M

DATE: March 24, 2008

TO: Members of the Assembly

FROM: Director, Internal Audit 

SUBJECT: Operating Engineers, Local 302 Contract Cost Validation

1107
2008 MAR 24 PM 3:21
BUSINESS OFFICE

Based on our review and analysis, the following table presents our estimated cost increase over 2007 resulting from the proposed contract with the Operating Engineers, Local 302. The Enterprise Activities affected include Solid Waste Services, Port and Merrill Field. See the attached schedules for detailed computations.

	<u>Proposed Increase</u>	<u>Street Maintenance</u>	<u>Enterprise Activities</u>
April 28 – December 31, 2008	2.70%	\$ 199,180	\$ 120,810
Lump Sum Payment per Week	\$28.00	<u>\$ 42,560</u>	<u>\$ 25,090</u>
Total		\$ 241,740	\$ 145,900

SUMMARY OF TOTAL ESTIMATED COST OF OPERATING ENGINEERS CONTRACT

General Government						
PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	RETIREMENT CONTRIBUTIONS & PAYROLL TAXES	CONTRACTUAL LUMP SUM PAYMENT	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2007)		5,733,370.17	1,024,175.74	-	6,757,545.91	
Effective 04/28/2008	2.70%	5,840,540.09 <i>1.87%</i>	1,116,187.12 <i>8.98%</i>	42,560.00	6,999,287.21 <i>3.58%</i>	241,741.30
Solid Wate, Port and Airport						
PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	RETIREMENT CONTRIBUTIONS & PAYROLL TAXES	CONTRACTUAL LUMP SUM PAYMENT	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2007)		3,420,434.14	625,561.43	-	4,045,995.57	
Effective 04/28/2008	2.70%	3,484,369.95 <i>1.87%</i>	682,436.98 <i>9.09%</i>	25,088.00	4,191,894.93 <i>3.61%</i>	145,899.36

TOTAL INCREASE IN EMPLOYER COST DUE TO TEAMSTERS CONTRACT	387,640.65
TOTAL PERCENT INCREASE IN EMPLOYER COST (2008 vs. base year 2007)	3.61%

TOTAL EARNINGS: Includes total wage cost based on actual 2008 data for all current active employees as of 03.03.2008, including:
Regular Earnings based on 2,088 hours for 1.0 FTE + Overtime Earnings based on Actual 2007 Overtime Earned

RETIREMENT PLAN CONTRIBUTIONS: Increase from \$3.50 to \$4.00 effective 01.07.2008
EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES: Appropriate for each individual employee based on current rates.

CONTRACTUAL LUMP SUM PAYMENT: Amount is \$28.00 per week per employee from 01.07.2008 until Assembly approval. Assumption that Assembly approval would not occur prior to April 15th. There are 16 weeks between 01.07.2008 and 04.28.2008 (assumed implementation date of 2.70% COLA increase).

- 95 General Government employees
- 56 Enterprises employees

Content ID: 006133**Revision:** 1**Type:** AR_AllOther - All Other Resolutions

A RESOLUTION APPROVING AND RATIFYING A ONE YEAR WAGE AND

Title: RETIREMENT BENEFIT OPENER FOR THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.**Author:** maglaquijp**Initiating
Dept:** ER**Review Depts:** Legal**Date
Prepared:** 3/13/08 6:04 PM**Assembly
Meeting Date:** 3/25/08**Public Hearing
Date:** 4/15/08

Workflow Name	Action Date	Action	User	Security Group	Content ID
ReproGraph_SubWorkflow	3/14/08 12:40 PM	Exit	Joy Maglaqui	Public	006133
AllOtherARWorkflow	3/14/08 12:40 PM	Checkin	Joy Maglaqui	Public	006133
Clerk_Admin_SubWorkflow	3/14/08 12:05 PM	Exit	Heather Handyside	Public	006133
MuniMgrCoord_SubWorkflow	3/14/08 12:05 PM	Approve	Heather Handyside	Public	006133
MuniManager_SubWorkflow	3/14/08 12:05 PM	Approve	Heather Handyside	Public	006133
Legal_SubWorkflow	3/14/08 11:07 AM	Approve	Rhonda Westover	Public	006133
ER_SubWorkflow	3/13/08 6:24 PM	Approve	David Otto	Public	006133
AllOtherARWorkflow	3/13/08 6:11 PM	Checkin	Misti Yeske	Public	006133

2008 MAR 17 PM 12:53
COUNCIL OFFICE
1100