

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Employee Relations  
For Reading: September 9, 2008

**CLERK'S OFFICE**

**APPROVED**

Date: 10/14/2008

ANCHORAGE, ALASKA  
AR NO. 2008-186

**A RESOLUTION RATIFYING A FIVE YEAR COLLECTIVE BARGAINING  
AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND 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") expired June 30, 2008; and

**WHEREAS**, L-302 and MOA entered into good faith negotiations that resulted in ratification of the collective bargaining agreement by the membership of L-302 through June 30, 2013; and

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

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

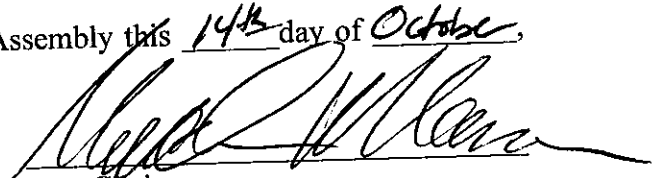
**WHEREAS**, the Administration recommends the ratification and approval of this negotiated contract by the Assembly, as set forth in the Assembly Memorandum attached hereto; now, therefore,

**THE ANCHORAGE ASSEMBLY RESOLVES:**

**Section 1.** The collective bargaining agreement between the Municipality of Anchorage and the International Union of Operating Engineers, Local 302, attached hereto and described in the Assembly Memorandum submitted herewith, is ratified by the Assembly.

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

PASSED AND APPROVED by the Anchorage Assembly this 14th day of October, 2008.

  
Chair

ATTEST:

  
Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- General Government**

AR 2008-186

Title: A RESOLUTION RATIFYING A FIVE YEAR COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.

Sponsor: Mayor  
Preparing Agency: Employee Relations  
Others Impacted:

Others Impacted:		(In Thousands of Dollars)				
<b>CHANGES IN EXPENDITURES AND REVENUES:</b>						
	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	
<b>Operating Expenditures</b>						
1000 Personal Services	\$305	\$614	\$883	\$883	\$883	
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
<b>TOTAL DIRECT COSTS:</b>	<b>\$305</b>	<b>\$614</b>	<b>\$883</b>	<b>\$883</b>	<b>\$883</b>	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
<b>FUNCTION COST:</b>	<b>\$305</b>	<b>\$ 614</b>	<b>\$ 883</b>	<b>\$ 883</b>	<b>\$883</b>	
<b>REVENUES:</b>						
<b>CAPITAL:</b>						
<b>POSITIONS: FT/PT and Temp</b>						
<b>PUBLIC SECTOR ECONOMIC EFFECTS:</b>						

The numbers above reflect the patterned collective bargaining agreements: 3% in 2009; CPI-U in 2010 & 2011 with a minimum of 2.5% and not to exceed 3.9%; wage reopeners are open for 2012 & 2013. For the CPI-U in 2010 & 2011, the numbers above reflect the minimum of 2.5%; if the CPI-U increase for 2010 & 2011 was 3.9% then the increase would be \$704 and \$1,068 instead of the \$614 and \$883.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

None

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

Telephone: 343-4399

# MUNICIPALITY OF ANCHORAGE

## Summary of Economic Effects -- Enterprise Activities

AR 2008-186      Title: A RESOLUTION RATIFYING A FIVE YEAR COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.

Sponsor: Mayor  
 Preparing Agency: Employee Relations  
 Others Impacted:

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>		<b>(In Thousands of Dollars)</b>				
	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	
<b>Operating Expenditures</b>						
1000 Personal Services	\$205	\$405	\$579	\$579	\$579	
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
<b>TOTAL DIRECT COSTS:</b>	<b>\$205</b>	<b>\$405</b>	<b>\$579</b>	<b>\$579</b>	<b>\$579</b>	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
<b>FUNCTION COST:</b>	<b>\$205</b>	<b>\$ 405</b>	<b>\$ 579</b>	<b>\$ 579</b>	<b>\$579</b>	
<b>REVENUES:</b>						
<b>CAPITAL:</b>						
<b>POSITIONS: FT/PT and Temp</b>						
<b>PUBLIC SECTOR ECONOMIC EFFECTS:</b>						

The numbers above reflect the patterned collective bargaining agreements: 3% in 2009; CPI-U in 2010 & 2011 with a minimum of 2.5% and not to exceed 3.9%; wage reopeners are open for 2012 & 2013. For the CPI-U in 2010 & 2011, the numbers above reflect the minimum of 2.5%; if the CPI-U increase for 2010 & 2011 was 3.9% then the increase would be \$464 and \$701 instead of the \$405 and \$579.

### PRIVATE SECTOR ECONOMIC EFFECTS:

None

Prepared by: David K. F. Otto, Employee Relations Director      Telephone: 343-4399



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 563-2008

Meeting Date: September 9, 2008

**FROM: MAYOR**

**SUBJECT: A RESOLUTION RATIFYING A FIVE YEAR COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.**

The Municipality of Anchorage (MOA) and the International Union of Operating Engineers, Local 302 (L-302) recently reached agreement on a five year collective bargaining agreement (CBA). The agreement would extend until June 30, 2013. The previous contract expired June 30, 2008. The CBA has been ratified by the L-302 membership.

This bargaining unit contains approximately 155 MOA employees in Street Maintenance, Solid Waste Services, Port of Anchorage, and Merrill Field.

This CBA successfully addresses each of the challenges identified in AR-2007-84. These Assembly directives were very helpful in setting appropriate expectations for both negotiating teams. Key elements of this agreement and examples of compliance of this CBA with AR 2007-84 are:

- Freezes the Service Recognition Program (SRP) for those employees currently receiving SRP and introduces a performance pay alternative. This action will eliminate SRP through attrition.
- Requires employees to share in increases in health benefits over the life of the contract.
- Eliminates the MOA's supplemental Injury Leave compensation.
- Wage increases:
  - 2.7% in 2008
  - 3.0% in 2009
  - previous year CPI-U (minimum of 2.5% and maximum of 3.9%) in 2010
  - previous year CPI-U (minimum of 2.5% and maximum of 3.9%) in 2011
  - Wage re-openers for 2012 and 2013
- Numerous changes to reduce administrative costs (e.g., elimination of injury leave, freezes to non-cashable annual leave accounts and combining non-cash and

- 1 annual leave into one account; recognition of MOA's right to collect  
2 overpayments; elimination of voting time, and reduction in show up guarantee).  
3 • Numerous changes providing for additional management rights (e.g., simplifying  
4 major factors for promotions; brings blood donation leave and court leave in  
5 compliance with MOA policy and procedures; clarification of accrued vs. earned  
6 leave; reduces recall rights from 2 years to 12 months, provides management's  
7 rights to ensure crew integrity).

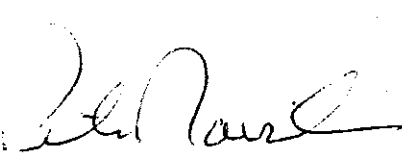
8  
9 This CBA follows the pattern of the recently approved Teamster, Local 959 CBA and  
10 Public Employees, Local 71 CBA.

11  
12 Adoption of a five (5) year CBA enables these employees and these departments to enjoy  
13 the benefits of a stable labor environment for the foreseeable future.

14  
15 **THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION**  
16 **RATIFYING A FIVE YEAR MONTH COLLECTIVE BARGAINING**  
17 **AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE**  
18 **INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.**

19  
20  
21 Prepared by: Employee Relations Department  
22 Approved by: David K.F. Otto, Employee Relations Director  
23 Concur: James N. Reeves, Municipal Attorney  
24 Concur: Michael K. Abbott, Municipal Manager  
25 Respectfully submitted: Mark P. Begich, Mayor

**Municipality of Anchorage**  
**MEMORANDUM**

**DATE:** August 29, 2008  
**TO:** Members of the Assembly  
**FROM:** Director, Internal Audit   
**SUBJECT:** Operating Engineers, Local 302 Contract Cost Validation

M.O.A.  
2008 SEP -2 AM 8:25  
CLERK'S OFFICE

Based on our review and analysis, the following table presents our estimated cost increase over 2008 resulting from the proposed contract with the Operating Engineers, Local 302. Two cost scenarios are presented for the range of wage increases in 2010 and 2011. No increase is presented for 2012 and 2013 since they provide a wage re-opener. 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>
2009	3 %	\$304,620	\$204,980
2010	2.5%	\$614,320	\$404,960
2011	2.5%	\$883,200	\$578,740
2012	0	\$883,200	\$578,740
2013	0	<u>\$883,200</u>	<u>\$578,740</u>
TOTAL		\$3,568,540	\$2,346,160
2009	3 %	\$ 304,620	\$204,980
2010	3.9%	\$ 703,680	\$464,340
2011	3.9%	\$1,067,640	\$701,300
2012	0	\$1,067,640	\$701,300
2013	0	<u>\$1,067,640</u>	<u>\$701,300</u>
TOTAL		\$4,211,220	\$2,773,220

# SUMMARY OF TOTAL ESTIMATED COST OF OPERATING ENGINEERS CONTRACT CHANGES

Estimate Uses 2.50% Increase in 2010 and 2011 - Street Maintenance

PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	PAYROLL TAXES	PENSION CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS TO HEALTH PLAN	PENSION FOR SEASONAL EMPLOYEES	APPRENTICESHIP AND TRAINING PROGRAM	FOOTWEAR ALLOWANCE	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2008)		5,756,705.40	440,387.96	766,666.00	1,071,144.00	0.00	45,240.00	7,612.50	8,087,755.86	
Effective 01/01/2009	3.00%	5,929,406.56	453,599.60	825,130.00	1,118,124.00	3,132.00	54,288.00	8,700.00	8,392,380.16	304,624.30
Effective 01/01/2010	2.50%	6,077,641.73	464,939.59	928,271.25	1,165,104.00	3,132.00	54,288.00	8,700.00	8,702,076.56	614,320.70
Effective 01/01/2011	2.50%	6,229,582.77	476,563.08	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	8,970,957.35	883,201.49
Effective 01/01/2012	-	6,229,582.77	476,563.08	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	8,970,957.35	883,201.49
Effective 01/01/2013	-	6,229,582.77	476,563.08	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	8,970,957.35	883,201.49

TOTAL INCREASE IN EMPLOYER COSTS (with 2.50% in 2010 and 2011)	3,566,549.47
TOTAL PERCENT INCREASE IN EMPLOYER COST (2013 vs. base year 2008) with 2.50% in 2010 and 2011	10.92%

TOTAL EARNINGS: Includes total wage cost based on actual 2008 data for all current active employees as of 08.13.2008, including:  
Regular Earnings based on 2,088 hours for 1.0 FTE + Overtime Earnings based on first 13 pay periods of the year multiplied by two.  
For 2010 and 2011 contract language provides a 2.50% to 3.90% increase, priced out at 2.50%. Wage reopeners in 2012 and 2013 priced out at 0%.

EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES: Appropriate for each individual employee based on current rates.

PENSION PLAN CONTRIBUTIONS: For 2008, Compensible Hours Worked was used to compute the contribution amount. For 2009 through 2013, Compensible Hours was used.

Year	MOA Contribution
2008	4.00
2009	4.00
2010	4.50
2011	5.00
2012	5.00
2013	5.00

HEALTH PLAN CONTRIBUTIONS: Based on 87 Regular employees

Year	MOA Contribution	Total MOA Cost
01.01.2008 - 12.31.2008	1,026.00	1,071,144.00
01.01.2009 - 06.30.2009	1,026.00	535,572.00
07.01.2009 - 06.30.2010	1,116.00	1,165,104.00
07.01.2010 - 06.30.2011	reopener	-
07.01.2011 - 06.30.2012	reopener	-
07.01.2012 - 06.30.2013	reopener	-

PENSION PLAN CONTRIBUTIONS FOR SEASONAL EMPLOYEES: Provide pension contributions at \$0.75 per hour for seasonal employees.  
Assumption: Seasonal employees (4) are employed for approximately 6 months per year. (2,088 hours / 2 = 1,044 hours)  
4 employees x 1,044 hours x \$0.75= \$3,132.00

APPRENTICESHIP AND TRAINING PROGRAM CONTRIBUTIONS: 2008 based on 40 hours per week times 52 weeks per year. 2,080 hours for all regular employees (87). As of 01.01.2009, contribution will increase \$0.05 per hour from \$0.25 to \$0.30.

FOOTWEAR ALLOWANCE: Increase from \$175.00 every 24 months to \$200.00 every 24 months in 2009 and 2010.

As of 2011, footwear allowance will be provided annually at an amount of \$125.00.

Assumptions: Half of the regular employees receive a reimbursement in the amount of \$175.00 each year. 2008 = \$175.00 x 43.5 employees  
In 2009, the other half of the employees will receive reimbursements at \$200.00. In 2010, the employees that received reimbursements in 2008 would receive reimbursements in the amount of \$200.00. In 2011, all employees will receive an allowance equal to \$125.00.

# SUMMARY OF TOTAL ESTIMATED COST OF OPERATING ENGINEERS CONTRACT CHANGES

Estimate Uses 3.90% Increase in 2010 and 2011 - Street Maintenance

PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	PAYROLL TAXES	PENSION CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS TO HEALTH PLAN	PENSION FOR SEASONAL EMPLOYEES	APPRENTICESHIP AND TRAINING PROGRAM	FOOTWEAR ALLOWANCE	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2008)		5,756,705.40	440,387.96	766,666.00	1,071,144.00	0.00	45,240.00	7,612.50	8,087,755.86	
Effective 01/01/2009	3.00%	5,929,406.56	453,599.60	825,130.00	1,118,124.00	3,132.00	54,288.00	8,700.00	8,392,380.16	304,624.30
Effective 01/01/2010	3.90%	6,160,653.42	471,289.98	928,271.25	1,165,104.00	3,132.00	54,288.00	8,700.00	8,791,438.65	703,682.79
Effective 01/01/2011	3.90%	6,400,918.90	489,670.29	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	9,155,400.69	1,067,644.83
Effective 01/01/2012	-	6,400,918.90	489,670.29	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	9,155,400.69	1,067,644.83
Effective 01/01/2013	-	6,400,918.90	489,670.29	1,031,412.50	1,165,104.00	3,132.00	54,288.00	10,875.00	9,155,400.69	1,067,644.83

TOTAL INCREASE IN EMPLOYER COSTS (with 3.90% in 2010 and 2011)	4,211,241.59
TOTAL PERCENT INCREASE IN EMPLOYER COST (2013 vs. base year 2008) with 3.90% in 2010 and 2011	13.20%

TOTAL EARNINGS: Includes total wage cost based on actual 2008 data for all current active employees as of 08.13.2008, including:  
Regular Earnings based on 2,088 hours for 1.0 FTE + Overtime Earnings based on first 13 pay periods of the year multiplied by two.  
For 2010 and 2011 contract language provides a 2.50% to 3.90% increase, priced out at 3.90%. Wage reopeners in 2012 and 2013 priced out at 0%.

EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES: Appropriate for each individual employee based on current rates.

PENSION PLAN CONTRIBUTIONS: For 2008, Compensable Hours Worked was used to compute the contribution amount. For 2009 through 2013, Compensable Hours was used.

Year	MOA Contribution
2008	4.00
2009	4.00
2010	4.50
2011	5.00
2012	5.00
2013	5.00

HEALTH PLAN CONTRIBUTIONS: Based on 87 Regular employees

Year	MOA Contribution	Total MOA Cost
01.01.2008 - 12.31.2008	1,026.00	1,071,144.00
01.01.2009 - 06.30.2009	1,026.00	535,572.00
07.01.2009 - 06.30.2010	1,116.00	1,165,104.00
07.01.2010 - 06.30.2011	reopener	-
07.01.2011 - 06.30.2012	reopener	-
07.01.2012 - 06.30.2013	reopener	-

PENSION PLAN CONTRIBUTIONS FOR SEASONAL EMPLOYEES: Provide pension contributions at \$0.75 per hour for seasonal employees.  
Assumption: Seasonal employees (4) are employed for approximately 6 months per year. (2,088 hours / 2 = 1,044 hours)  
4 employees x 1,044 hours x \$0.75= \$3,132.00

APPRENTICESHIP AND TRAINING PROGRAM CONTRIBUTIONS: 2008 based on 40 hours per week times 52 weeks per year. 2,080 hours for all regular employees (87). As of 01.01.2009, contribution will increase \$0.05 per hour from \$0.25 to \$0.30.

FOOTWEAR ALLOWANCE: Increase from \$175.00 every 24 months to \$200.00 every 24 months in 2009 and 2010.

As of 2011, footwear allowance will be provided annually at an amount of \$125.00.

Assumptions: Half of the regular employees receive a reimbursement in the amount of \$175.00 each year. 2008 = \$175.00 x 43.5 employees  
In 2009, the other half of the employees will receive reimbursements at \$200.00. In 2010, the employees that received reimbursements in 2008 would receive reimbursements in the amount of \$200.00. In 2011, all employees will receive an allowance equal to \$125.00.



## SUMMARY OF TOTAL ESTIMATED COST OF OPERATING ENGINEERS CONTRACT CHANGES

Estimate Uses 2.50% Increase in 2010 and 2011 - Enterprise Activities

PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	PAYROLL TAXES	PENSION CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS TO HEALTH PLAN	PENSION FOR SEASONAL EMPLOYEES	APPRENTICESHIP AND TRAINING PROGRAM	FOOTWEAR ALLOWANCE	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2008)		3,825,358.26	292,639.91	471,928.00	689,472.00	0.00	29,120.00	4,900.00	5,313,418.17	
Effective 01/01/2009	3.00%	3,940,119.01	301,419.11	509,560.00	719,712.00	7,047.00	34,944.00	5,600.00	5,518,401.12	204,982.95
Effective 01/01/2010	2.50%	4,038,621.98	308,954.58	573,255.00	749,952.00	7,047.00	34,944.00	5,600.00	5,718,374.57	404,956.40
Effective 01/01/2011	2.50%	4,139,587.53	316,678.45	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	5,892,158.98	578,740.81
Effective 01/01/2012	-	4,139,587.53	316,678.45	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	5,892,158.98	578,740.81
Effective 01/01/2013	-	4,139,587.53	316,678.45	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	5,892,158.98	578,740.81

TOTAL INCREASE IN EMPLOYER COSTS (with 2.50% in 2010 and 2011)	2,346,161.78
TOTAL PERCENT INCREASE IN EMPLOYER COST (2013 vs. base year 2008) with 2.50% in 2010 and 2011	10.89%

**TOTAL EARNINGS:** Includes total wage cost based on actual 2008 data for all current active employees as of 08.13.2008, including:  
Regular Earnings based on 2,088 hours for 1.0 FTE + Overtime Earnings based on first 13 pay periods of the year multiplied by two.  
For 2010 and 2011 contract language provides a 2.50% to 3.90% increase, priced out at 2.50%. Wage reopeners in 2012 and 2013 priced out at 0%.

**EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES:** Appropriate for each individual employee based on current rates.

**PENSION PLAN CONTRIBUTIONS:** For 2008, Compensable Hours Worked was used to compute the contribution amount. For 2009 through 2013, Compensable Hours was used.

Year	MOA Contribution
2008	4.00
2009	4.00
2010	4.50
2011	5.00
2012	5.00
2013	5.00

**HEALTH PLAN CONTRIBUTIONS:** Based on 56 Regular employees

Year	MOA Contribution	Total MOA Cost
01.01.2008 - 12.31.2008	1,026.00	689,472.00
01.01.2009 - 06.30.2009	1,026.00	344,736.00
07.01.2009 - 06.30.2010	1,116.00	749,952.00
07.01.2010 - 06.30.2011	reopener	-
07.01.2011 - 06.30.2012	reopener	-
07.01.2012 - 06.30.2013	reopener	-

**PENSION PLAN CONTRIBUTIONS FOR SEASONAL EMPLOYEES:** Provide pension contributions at \$0.75 per hour for seasonal employees.  
Assumption: Seasonal employees (9) are employed for approximately 6 months per year. (2,088 hours / 2 = 1,044 hours)  
9 employees x 1,044 hours x \$0.75 = \$7,047.00

**APPRENTICESHIP AND TRAINING PROGRAM CONTRIBUTIONS:** 2008 based on 40 hours per week times 52 weeks per year. 2,080 hours for all regular employees (56). As of 01.01.2009, contribution will increase \$0.05 per hour from \$0.25 to \$0.30.

**FOOTWEAR ALLOWANCE:** Increase from \$175.00 every 24 months to \$200.00 every 24 months in 2009 and 2010.  
As of 2011, footwear allowance will be provided annually at an amount of \$125.00.

Assumptions: Half of the regular employees receive a reimbursement in the amount of \$175.00 each year. 2008 = \$175.00 x 28 employees  
In 2009, the other half of the employees will receive reimbursements at \$200.00. In 2010, the employees that received reimbursements in 2008 would receive reimbursements in the amount of \$200.00. In 2011, all employees will receive an allowance equal to \$125.00.

# SUMMARY OF TOTAL ESTIMATED COST OF OPERATING ENGINEERS CONTRACT CHANGES

Estimate Uses 3.90% Increase in 2010 and 2011 - Enterprise Activities

PERIOD	PROPOSED PERCENT INCREASE	TOTAL EARNINGS (REGULAR & OVERTIME)*	PAYROLL TAXES	PENSION CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS TO HEALTH PLAN	PENSION FOR SEASONAL EMPLOYEES	APPRENTICESHIP AND TRAINING PROGRAM	FOOTWEAR ALLOWANCE	TOTAL EMPLOYER COST	INCREASE OVER BASE PERIOD
Base Year (2008)		3,825,358.26	292,639.91	471,928.00	689,472.00	0.00	29,120.00	4,900.00	5,313,418.17	
Effective 01/01/2009	3.00%	3,940,119.01	301,419.11	509,560.00	719,712.00	7,047.00	34,944.00	5,600.00	5,518,401.12	204,982.95
Effective 01/01/2010	3.90%	4,093,783.65	313,174.45	573,255.00	749,952.00	7,047.00	34,944.00	5,600.00	5,777,756.10	464,337.93
Effective 01/01/2011	3.90%	4,253,441.21	325,388.26	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	6,014,722.47	701,304.30
Effective 01/01/2012	-	4,253,441.21	325,388.26	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	6,014,722.47	701,304.30
Effective 01/01/2013	-	4,253,441.21	325,388.26	636,950.00	749,952.00	7,047.00	34,944.00	7,000.00	6,014,722.47	701,304.30

TOTAL INCREASE IN EMPLOYER COSTS (with 3.90% in 2010 and 2011)	2,773,233.77
TOTAL PERCENT INCREASE IN EMPLOYER COST (2013 vs. base year 2008) with 3.90% in 2010 and 2011	13.20%

TOTAL EARNINGS: Includes total wage cost based on actual 2008 data for all current active employees as of 08.13.2008, including:  
Regular Earnings based on 2,088 hours for 1.0 FTE + Overtime Earnings based on first 13 pay periods of the year multiplied by two.  
For 2010 and 2011 contract language provides a 2.50% to 3.90% increase, priced out at 3.90%. Wage reopeners in 2012 and 2013 priced out at 0%.

EMPLOYER SOCIAL SECURITY AND MEDICARE TAXES: Appropriate for each individual employee based on current rates.

PENSION PLAN CONTRIBUTIONS: For 2008, Compensable Hours Worked was used to compute the contribution amount. For 2009 through 2013, Compensable Hours was used.

Year	MOA Contribution
2008	4.00
2009	4.00
2010	4.50
2011	5.00
2012	5.00
2013	5.00

HEALTH PLAN CONTRIBUTIONS: Based on 56 Regular employees

Year	MOA Contribution	Total MOA Cost
01.01.2008 - 12.31.2008	1,026.00	689,472.00
01.01.2009 - 06.30.2009	1,026.00	344,736.00
07.01.2009 - 06.30.2010	1,116.00	749,952.00
07.01.2010 - 06.30.2011	reopener	-
07.01.2011 - 06.30.2012	reopener	-
07.01.2012 - 06.30.2013	reopener	-

PENSION PLAN CONTRIBUTIONS FOR SEASONAL EMPLOYEES: Provide pension contributions at \$0.75 per hour for seasonal employees.  
Assumption: Seasonal employees (9) are employed for approximately 6 months per year. (2,088 hours / 2 = 1,044 hours)  
9 employees x 1,044 hours x \$0.75 = \$7,047.00

APPRENTICESHIP AND TRAINING PROGRAM CONTRIBUTIONS: 2008 based on 40 hours per week times 52 weeks per year. 2,080 hours for all regular employees (56). As of 01.01.2009, contribution will increase \$0.05 per hour from \$0.25 to \$0.30.

FOOTWEAR ALLOWANCE: Increase from \$175.00 every 24 months to \$200.00 every 24 months in 2009 and 2010.  
As of 2011, footwear allowance will be provided annually at an amount of \$125.00  
Assumptions: Half of the regular employees receive a reimbursement in the amount of \$175.00 each year. 2008 = \$175.00 x 28 employees  
In 2009, the other half of the employees will receive reimbursements at \$200.00. In 2010, the employees that received reimbursements in 2008 would receive reimbursements in the amount of \$200.00. In 2011, all employees will receive an allowance equal to \$125.00.

**Content ID:** 006751**Type:** AR\_AllOther - All Other Resolutions

A RESOLUTION RATIFYING A FIVE YEAR COLLECTIVE BARGAINING

**Title:** AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 302.**Author:** yeskemi**Initiating Dept:** ER**Review Depts:** Legal**Date Prepared:** 8/28/08 5:09 PM**Director Name:** David K.F. Otto**Assembly Meeting Date:** 9/9/08**Public Hearing Date:** 9/30/08

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	8/29/08 1:53 PM	Exit	Heather Handyside	Public	006751
MuniMgrCoord_SubWorkflow	8/29/08 1:53 PM	Approve	Heather Handyside	Public	006751
MuniManager_SubWorkflow	8/29/08 1:47 PM	Approve	Michael Abbott	Public	006751
Legal_SubWorkflow	8/28/08 6:18 PM	Approve	Dean Gates	Public	006751
ER_SubWorkflow	8/28/08 5:39 PM	Approve	David Otto	Public	006751
AllOtherARWorkflow	8/28/08 5:35 PM	Checkin	Misti Yeske	Public	006751