

CLERK'S OFFICE

APPROVED

Date:

4-14-09

IMMEDIATE RECONSIDERATION

FAILED 4-14-09

Submitted by:

Chair of the Assembly at the Request  
of the Acting Mayor

Prepared by:

Employee Relations

For Reading:

April 6, 2009

ANCHORAGE, ALASKA

AR NO. 2009-85

1 A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE  
2 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF  
3 ANCHORAGE AND THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS,  
4 LOCAL 1264.

5  
6 WHEREAS, a collective bargaining agreement (CBA) between the Municipality of  
7 Anchorage (MOA) and the International Association of Fire Fighters, Local 1264  
8 (IAFF) was ratified by the Assembly on December 17, 2008 (AR 2008-306); and

9  
10 WHEREAS, since ratification of the CBA, the MOA identified a budget shortfall  
11 estimated at \$17 million; and

12  
13 WHEREAS, the MOA and IAFF prepared a Letter of Agreement, amending the CBA  
14 to provide for wage concessions; and

15  
16 WHEREAS, the proposed Letter of Agreement, approved by the IAFF membership, is  
17 attached hereto as Exhibit A; and

18  
19 WHEREAS, Anchorage Municipal Code section 3.70.130 requires Assembly  
20 ratification of amendments to a CBA; and

21  
22 WHEREAS, it is in the best interest of the public for this amendment to be subject to  
23 public review process, fostering good labor-management relationships; and

24  
25 WHEREAS, the Administration recommends ratification of the Letter of Agreement;  
26 now, therefore,

27  
28 THE ANCHORAGE MUNICIPAL ASSEMBLY RESOLVES:

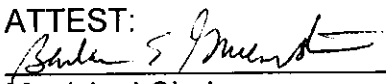
29  
30 **Section 1.** The Letter of Agreement, attached hereto as Exhibit A, amending to the  
31 IAFF collective bargaining agreement, is hereby ratified.

32  
33 **Section 2.** This resolution shall become effective immediately upon its passage  
34 and approval by the Assembly.

35  
36 PASSED AND APPROVED by the Anchorage Assembly this 14th day of  
37 April, 2009.

38  
39  
40  
41  
42  
43  
  
Chair

41 ATTEST:

42   
43 Municipal Clerk

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

AM Number: 2009-85

Title: A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1264.

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

| <b>REDUCTIONS 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>FY14</b> |
| <b>Operating Expenditures</b>                   |              |                 |               |               |              |             |
| 1000 Personal Services                          | \$972        | \$1,230         | \$865         | \$468         | \$482        | n/a         |
| 2000 Non-Labor                                  |              |                 |               |               |              |             |
| 3900 Contributions                              |              |                 |               |               |              |             |
| 4000 Debt Service                               |              |                 |               |               |              |             |
| <b>TOTAL DIRECT COSTS:</b>                      | <b>\$972</b> | <b>\$1,230</b>  | <b>\$865</b>  | <b>\$468</b>  | <b>\$482</b> | <b>n/a</b>  |
| Add: 6000 Charges from Others                   |              |                 |               |               |              |             |
| Less: 7000 Charges to Others                    |              |                 |               |               |              |             |
| <b>FUNCTION COST:</b>                           | <b>\$972</b> | <b>\$ 1,230</b> | <b>\$ 865</b> | <b>\$ 468</b> | <b>\$482</b> | <b>n/a</b>  |

**REVENUES:**

**CAPITAL:**

**POSITIONS: FT/PT and Temp**

**PUBLIC SECTOR ECONOMIC EFFECTS:**

The numbers above reflect a 3% increase for the first three months of 2009 only, 2.9% in 2010 from the 2008 base, 3.9% in 2011 and 2012, and 2.9% in 2013.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

None

Prepared by: Lisa Arnold, Acting Employee Relations Director Telephone: 343-4571

Validated by OMB: \_\_\_\_\_ Date: \_\_\_\_\_

Recommended by Sharon Weddleton, Chief Fiscal Officer

Approved by Acting Mayor Claman



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 191-2009

Meeting Date: April 6, 2009

**FROM: MAYOR**

**SUBJECT: A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1264.**

In response to an anticipated budget shortfall facing the Municipality of Anchorage (MOA), the MOA and the International Association of Fire Fighters, Local 1264 (IAFF) reached an agreement on wage concessions. A Letter of Agreement, attached as Exhibit A to the ordinance, becomes effective the first full pay period following Assembly approval. The Letter of Agreement has been ratified by the IAFF membership.

The IAFF bargaining unit has 364 MOA employees in the Anchorage Fire Department.

The key elements of the Letter of Agreement are:

- Prospective roll back of the negotiated 2009 wage increase of 3%. Any employee who retires prior to January 5, 2011 receives the three percent (3%) increase retroactively from the effective date, from the first full pay period after the assembly approves this agreement.
- Effective the first full pay period after the Assembly approves this Agreement, the negotiated rank separation pay adjustments for 2009 shall be eliminated prospectively:
  - 8% separation January 2009 (Engineers zero increase, Captains 1.93% increase, and Senior Captains 1.28% increase)
- Wage concessions payback:

- 2012: All employees receive a cost of living increase equal to the previous five year CPI-U average (min. of 2.9% and max. 4.5%) plus an additional one percent (1%).
- 2013: All employees receive a cost of living increase equal to the previous five year CPI-U average (min. of 2.9% and max. 4.5%) plus one percent (1%).
- One year contract extension with a wage reopener, 2014.
- The MOA, at its sole discretion, may elect not to provide the 5% Performance Incentive Pay (PIP) to 56-hour Fire, Rescue, and EMS employees pursuant to Article 23.5.
  - If the MOA exercises this option, 56-hour employees who are eligible to receive the Advance Cardiac Life Support Certification and/or ETT/EMT incentive pay continue to do so until January 1, 2011.
  - One year contract extension with a wage reopener, 2015.

**THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION RATIFYING A LETTER OF AGREEMENT, AMENDING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MUNICIPALITY OF ANCHORAGE AND THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1264.**

Prepared by: Employee Relations Department  
Approved by: Lisa Arnold, Acting Employee Relations Director  
Concur: Sharon Weddleton, CFO  
Concur: James N. Reeves, Municipal Attorney  
Concur: Mike Abbott, Municipal Manager  
Respectfully submitted, Matt Claman, Acting Mayor

**LETTER OF AGREEMENT**  
**by and between**  
**MUNICIPALITY OF ANCHORAGE (MOA)**  
**and the**  
**INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1264 (IAFF)**  
**Subject: Wages and Contract Extension**  
**Number: IAFF - 001**

The Municipality Of Anchorage has a significant budget shortfall for fiscal year 2009. The MOA and IAFF have worked collaboratively to assist in reducing the budget shortage and have agreed to the following changes to their collective bargaining agreement.

**A. 2009 Wage Concessions**

The following is new language:

**Article 27.2.2.1**

This wage schedule reflects a prospective roll back of the three percent (3%) increase contained in Article 27.2.2 effective the first full pay period after the Assembly approves this agreement.

Wage Plan for 40 hour work week:

| <b>Range</b> | <b>Step 1</b> | <b>Step 2</b> |
|--------------|---------------|---------------|
| 7            | \$13.34       | \$14.00       |
| 8            | \$19.68       | \$20.66       |
| 9            | \$21.70       | \$22.79       |
| 11           | \$23.94       | \$25.14       |
| 23           | \$28.25       | \$29.67       |
| 24           | \$31.16       | \$32.72       |
| 27           | \$33.32       | \$34.98       |
| 28           | \$36.73       | \$38.56       |
| 29           | \$35.74       | \$37.53       |
| 30           | \$40.49       |               |

Wage plan for 56 hour work week:

| <b>Range</b> | <b>Step 1</b> | <b>Step 2</b> | <b>Step 3</b> | <b>Step 4</b> |
|--------------|---------------|---------------|---------------|---------------|
| 25           | \$15.49       | \$17.07       | \$22.17       | \$23.25       |
| 27           | \$25.29       |               |               |               |
| 29           | \$26.80       |               |               |               |
| 31           | \$28.68       |               |               |               |
| 32           | \$30.58       |               |               |               |

**Exhibit A**

The following is *new* language:

Article 27.2.2.2

Any employee who retires prior to January 5, 2011 will receive the three percent (3%) increase retroactively from the effective date (from the first full pay period after the Assembly approves this agreement).

The following will replace Article 27.2.4 language:

Effective the first full pay period closest to January 1, 2011, all employees will receive a cost of living wage increase *equal to the* five (5) year average of the August 2010 Anchorage CPI-u, with a minimum of 2.9% and a maximum of 4.5% plus an additional one percent (1%).

The following will replace Article 27.2.5 language:

Effective the first full pay period closest to January 1, 2012, all employees will receive a cost of living increase *equal to the* five (5) year average of the August 2011 Anchorage CPI-u, with a minimum of 2.9% and a maximum of 4.5% plus an additional one percent (1%).

Article 27.3.1 language will be amended to read:

Effective January 1, 2009, there shall be a separation of eight percent (8%) between the ranks listed above. There shall be no reduction to current base wages. Effective the first full pay period after the Assembly approves this Agreement, the separation between the ranks put into effect with this paragraph shall be eliminated prospectively.

The following will replace Article 28.1 language:

Unless otherwise specified in this Agreement, each of its provisions shall be effective January 1, 2009 and each of its provisions shall remain in effect from their effective dates through *December 31, 2014*, and shall continue in effect thereafter from year-to-year.

The following will replace Article 28.2 language:

Either party shall give at least ninety (90) days written notice to the other prior to *December 31, 2014*, or any year thereafter, of its desire that the Agreement shall be renegotiated.

The following *new* language will be added as Article 28.7:

The Union shall have the option to require the contract be "opened" for the sole purpose of negotiating an increase in wages for the period January 1 to December 31, 2014. If the Union elects to exercise this option, it shall give at least ninety (90) days written notice to the Municipality prior to December 31, 2013.

B. Optional 2010 Wage Concessions

*The MOA may, at its sole discretion, elect not to provide the Performance Incentive Pay (PIP) to 56-hour employees pursuant to Article 23.5 only for the year 2010. Should the MOA elect not to provide the PIP to 56-hour employees, the MOA must give written notice to the IAFF no later than September 15, 2009. If the MOA exercises this option, the amendments to the following six (6) articles of the contract language will be adopted together; none shall be adopted on their own.*

- 1) The following language is to replace Article 23.2.1.C language:

Advanced Cardiac Life Support Certification shall receive one (1) percent. Effective *January 1, 2011*, 56-hour employees shall not be eligible to receive the ACLS pay incentive.

- 2) The following language is to amend Article 23.2.1.D language (excluding the EMS Incentive Table):

Emergency Medical Services (EMS) Incentive table. Effective *January 1, 2011*, 56-hour employees shall not be eligible to receive the ETT/EMT I pay incentive.

- 3) The following language is to replace Article 23.5.1 language:

Prequalification

56 hour employees must prequalify on an annual basis for the performance incentive pay, however, firefighters are eligible after four (4) years with AFD and completion of the AFD Journeyman Firefighter Certification. *There shall be no Performance Pay Incentive for 2010. The qualification period for 2011 shall be the 24-month period beginning January 1 of 2009. The qualification period for each year thereafter shall be the 12-month period beginning January 1 of each year.* During the qualification period, the employee must demonstrate positive performance to achieve the performance incentive pay. When the employee qualifies for the performance incentive pay, the employee shall be so placed for the one-year period commencing with the first day of the pay period closest to February 1 in the year following the qualification period.

- 4) The following language is to replace Article 28.1 language:

Unless otherwise specified in this Agreement, each of its provisions shall be effective January 1, 2009 and each of its provisions shall remain in effect from their effective dates through *December 31, 2015*, and shall continue in effect thereafter from year-to-year.

- 5) The following language is to replace Article 28.2 language:

Either party shall give at least ninety (90) days written notice to the other prior to *December 31, 2015*, or any year thereafter, of its desire that the Agreement shall be renegotiated.

6) The following language is *new* language to be added as Article 28.8:

The Union shall have the option to require the contract be "opened" for the sole purpose of negotiating an increase in wages for the period January 1 to December 31, 2015. If the Union elects to exercise this option, it shall give at least ninety (90) days written notice to the Municipality prior to December 31, 2014.

The parties agree this agreement is non-precedent setting.

The parties agree this agreement cannot be introduced nor have any evidentiary value in any grievance, ULP, hearing, or legal matter between the parties except to enforce its terms.

The parties agree this agreement modifies the collective bargaining agreement between the parties.

IN WITNESS WHEREOF, this Agreement is entered into freely and voluntarily, as evidenced by the signatures of the parties below.

SIGNED FOR THE IAFF

SIGNED FOR THE MOA

By \_\_\_\_\_  
Tom Wescott  
President IAFF

By \_\_\_\_\_  
Lisa Arnold  
Acting Employee Relations Director

Date \_\_\_\_\_

Date \_\_\_\_\_

IAFF Tentative Agreement: TW

MOA Tentative Agreement: LA Date: 4/3/09