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FILE

STATE OF ALASKA
Contract Negotiations

GOALS AND OBJECTIVES

The State of Alaska has the following goals and objectives for labor contract negotiations:

Goals

1. Maximize the quality, cost effectiveness, and productivity of government services to the public.
2. Enhance management flexibility to respond effectively to changes in economic conditions and operational needs.
3. Realign the cost of wages and benefits to:
 - a. bring the State's compensation package back into appropriate standards;
 - b. reflect the current and foreseeable economic environment; and
 - c. prioritize benefits and funding to meet labor and management's common interest in providing for employees' greatest benefit needs.
4. Modify the contract to provide opportunities for improving productivity, accountability, consistency, and efficiency of State government operations.

Bargaining Unit Summary of Negotiations

Unit	Size	Expires	Status
1. Labor, Trades and Crafts (LTC)	1,600	12/31/94	FY 94 funding approved. Negotiations begin in October 1994 for successor. FY95: Additional \$24 per month for health insurance required.
2. Correspondence Teachers (ACSEA)	24	12/31/95	FY 94 funding approved. FY 95 Funding approval required for COLA
3. Confidential (K)	200	12/31/92	Tentative agreement reached for two year agreement. Awaiting ratification.
4. Masters, Mates & Pilots (MM&P)	61	03/31/94	Bargaining scheduled to begin in February 1994.
5. Mt. Edgecumbe Teachers	15	06/30/93	Contract expired. Bargaining ongoing.
6. Marine Engineers (MEBA)	75	10/31/96	New contract; monetary terms not yet approved by the legislature. Funding required FY 95 COLA
7. Supervisory (SU)	1,060	06/30/94	New contract effective 07/01/93. No changes in monetary terms. Tentative agreement reached for successor.
8. General Government (GGU)			
Class 1 (can not strike)	2,000	04/30/93	Contract expired. Bargaining in process.
Class 2 & 3 (can strike)	6,400	12/31/92	Contract expired. Bargaining in process.
9. Public Safety (PSEA)	430	12/31/91	Arbitrator's award received. Monetary terms submitted to the legislature. Terms retroactive to 01/01/92, expire 12/31/94.
10. Inlandboatmen (IBU)	625	03/31/93	Contract expired. Tentative agreement reached, rejected by membership. Bargaining resumed in February 1994.
11. Alaska Vocational Technical Center (AVTEC)	36	06/30/96	New contract; monetary terms not yet approved by the legislature.

Note: Negotiations generally commence 90-120 days prior to contract expiration and may extend beyond termination date. Interest arbitration is possible if impasse is reached with the GGU.

BARGAINING UNIT SUMMARY

February 23, 1994

	Size	Average Monthly Salary	Average Yearly Salary	Average Monthly Employer Benefits	Average Yearly Employer Benefits	Average Years of Service
GGU Class 1(GC)	729	3,705	44,460	891	10,696	7.25
Class 1(GY)	134	3,389	40,667	823	9,874	6.20
Class 2 & 3	6804	3,149	37,785	792	9,503	7.42
SU	1,011	4,814	57,762	1,006	12,074	13.01
LTC	1,381	3,526	42,317	956	11,471	9.18
CEA	149	2,912	34,943	761	9,136	7.29
PSEA AA	350	4,309	51,703	974	11,688	11.55
AP	79	4,254	51,051	967	11,599	10.53
IBU	600	2,817	33,814	1,134	13,610	8.90
MEBA	75	6,071	72,856	2,153	25,834	15.71
MM&P	68	5,925	71,110	1,903	22,833	14.97
AVTECA	36	4,069	48,822	988	11,852	8.73
TEAME	16	4,249	50,986	1,014	12,171	5.27
ACSEA	20	4,206	50,473	1,008	12,036	7.8

STATE OF ALASKA BARGAINING UNITS

ALASKA VOCATIONAL TECHNICAL CENTER TEACHERS (AVTEC)

Description: Exempt, non supervisory, teachers in the Department of Education, employed by the Alaska Vocational Technical Center.

Size: 36 employees, as of December 31, 1993

Exclusive Representation: Alaska Vocational Technical Teachers Association (AVTECA)
President - Ben Ikerd

Affiliation: National Education Association - Alaska (NEA). NEA has an advisory role.

Established: By mutual recognition of AVTECA under AS 23.40 (PERA) on September 19, 1991.

First Agreement Effective: Under PERA, July 1, 1993.

Prior Agreement Expired: June 30, 1992 (negotiated with Board of Education, DOE)

Average Monthly Salary (as of December 31, 1993): \$4,068.54

Average Yearly Salary (as of December 31, 1993): \$48,822.48

Note: Employees normally work 10 1/2 months in each calendar year.

Total Overtime for BU (for year ended December 31, 1993): \$2,878.91

Average Monthly Employer Benefits (as of December 31,): \$987.64

Average Yearly Employer Benefits (as of December 31, 1993): \$11,851.68

Average Years of Service (as of December 31, 1993): 8.73

Notes: **Size:** Number of employees is based on permanent, probationary and provisional full time employees as of 12/31/93.

Avg. Mo. Salary Source: Avg. Semi-monthly pay for last pay run of the Quarter. 1/31/93. Includes only Permanent, Probationary, and provisional full time employees. Salary includes Regular compensation, Leave, Differential, Standby, Hazard and Leadman Pay. Overtime is not included in the monthly or yearly averages.

Avg. Employer Benefits Source: Payroll calculation sheet/ effective 1/1/94. Includes only Health Ins, Retirement, and SBS. Workers Comp, leave cash-in, Medicare and Unemployment insurance are excluded.

Yearly OT by BU Source: RH092592 Calendar YTD Pay types by BU as of 12/31/93. Includes total overtime pay for the calendar year for the entire bargaining unit without regard to employee status.

AVTECTA AGREEMENT
JULY 1993-JUNE 1996

Management Goals:

- * Increase management flexibility to respond effectively to the changing economic conditions of the State while maximizing the quality of government services to the public.
 1. Management Rights - Added management rights clause to contract.
 2. Layoff - Clarified layoff procedure specific to facility.
 3. Sabbaticals - Added, at employer discretion, after seven years continuous service.

- * Improve productivity, accountability, consistency, and efficiency of State government operations.
 1. Leave - FY95 annual leave cashed out and eliminated.
 2. Dispute Resclution - Added complaint procedure for disputes other than interpretation of contract.

- * Realign the cost of personal services, moderating the State's relative position as a provider of wages and benefits so as to reflect the current and foreseeable economic environment.
 1. Education based Wage Rates - FY95 additional credits must be job-related.
 2. Wages - FY94 and FY95 no COLA. FY95 schedule changes result in some increases. FY96 COLA up to 2%. Eliminated automatic 3% longevity increments.
 3. Health Insurance - FY94-95 on employer sponsored plan. FY96 may convert to trust at \$450.

LICENSED ALASKA MARINE HIGHWAY ENGINE ROOM EMPLOYEES (MEBA)

Description: Exempt, licensed engineers responsible for mechanical and electrical functions on ferries, supervise unlicensed engine room personnel.

Size: 75 employees, as of February 15, 1994.

Exclusive Representation: District No. 1 – Pacific Coast District, MEBA.
Business Agent: Mark Austin - Seattle

Affiliation: AFL-CIO

Established: 1962.

First Agreement Effective: November 30, 1962.

Prior Agreement Expired: March 31, 1993.

Average Monthly Salary (as of 6/30/93): \$6,071.33

Average Yearly Salary (as of 6/30/93): \$72,856

Total Overtime for BU (for year ended December 31, 1993): \$431,338.49

Average Monthly Employer Benefits (as of 6/30/93): \$2,152.83

Average Yearly Employer Benefits (as of 6/30/93): \$25,834

Average Years of Service (as of December 31, 1993): 15.92

Notes: Averages and employee counts provided by AMHS.

Size: Actual active employee count as of 2/15/94. Includes both full time and part time employees.

Avg. Salary: For FY-93. Total wages excluding employer benefits. Includes Overtime, uniform allowances, leave used, regular wages etc.

Avg. Employer Benefits: For FY-93. Includes all employer benefits (Work. Comp, SBS, Health Ins, Pension Plans, Unempl. Ins., Terminal Leave etc.)

MEBA
1993-1996

Management Goals

- Increase management flexibility to respond effectively to the changing economic conditions of the State while maximizing the quality of government services to the public.
 1. Conditions Not Specifically Covered: Eliminated management's obligation to negotiate on permissive subjects of bargaining.
 2. Free Passage: Negotiated a provision that allows management to charge AMHS employees traveling on annual passes for transporting oversized vehicles.
- Improve productivity, accountability, consistency, and efficiency of State government operations.
 1. Port Engineers Supplement: Reduced paid holidays from 12 to 11, eliminated penalty pay for early call back from vacation status, and limited overtime to preapproved hours only.
 2. Discipline: Negotiated firm discharge language for employees violating the Employer's drug testing policy.
 3. Maintenance & Cure: Negotiated a maintenance rate of \$45.00 per day.
 4. Personal Leave: Negotiated leave reopener in the fall of 1994.
- Realign the cost of personal services, moderating the State's relative position as a provider of wages and benefits so as to reflect the current and foreseeable economic environment.
 1. Health Insurance: Negotiated bargaining unit inclusion in the Employer provided plan or a Union provided trust. Health Insurance reopener in the fall of 1994.
 2. Wages: 2.9 % Cost of Living adjustment effective 9/1/94 (based on Anchorage CPI). Wage reopener in the fall of 1994 with wage rates effective 9/1/95.
 3. Southwest Supplements: Reduced compensation costs for Southwest System employees while assigned to the shipyard.
 4. Port Engineers Supplement: Reduced monthly wages and Cost of Living Differential payments.

**SUMMARY OF CHANGES
MEBA 1993 -1996 AGREEMENT**

PROVISION	90 - 93 AGREEMENT	93 - 96 AGREEMENT	MARKET STANDARD
RULE 9 - Maintenance & Cure	Standard Worker's Comp provisions.	Jones Act Maintenance Rate: \$45.00 per day.	Washington State maintenance rate \$30.00 per day.
RULE 12 - Moving Expenses:	State obligated to pay employee's moving expenses at any point he or she relocates to Alaska.	State obligated to pay employee's moving expenses within one year of hire if he or she relocates to Alaska.	N/A
RULE 17 - Pay Plan	COLA increase 4/1/90 of 3.3%. COLA increase 4/1/91 of 5.51% and a COLA increase 4/1/92 of 3.6%.	COLA up to 5% effective 9/1/94. Wage reopener in the fall of 1994 with negotiated changes effective 9/1/95.	AMHS non-resident wages slightly higher than comparable wages in the Washington State and British Columbia Ferry Systems.
RULE 27 - Health Insurance	\$423.50 per month per employee.	Employer provided HI plan with option to go to a Union provided HI trust @ \$450.00 per month per employee	Washington State info not available, British Columbia participates in Canadian system.
RULE 30 - Standard Dress	\$300.00 per annum for each employee. \$400.00 per annum for those employees wearing dress uniforms.	\$400.00 per annum for each employee. \$600.00 per annum for those employees wearing dress uniforms.	Washington State and British Columbia Ferry Systems provide uniforms.
SOUTHWEST AGREEMENT - M/V TUSTEMENA	Employees remain on Southwest pay schedule (guarantee of 56 hrs per week) while the ship is in the yard.	Employees transfer to Southeast pay schedule (guarantee of 42 hours per week) while the ship is in the yard.	N/A
SOUTHWEST AGREEMENT -M/V BARTLETT	Employees remain on Southwest pay schedule (guarantee of 84 hrs per week) while the ship is in the yard.	Employees transfer to Southeast pay schedule (guarantee of 42 hours per week) while the ship is in the yard.	N/A

HOUSE COMMITTEE REPORT

(11)

Date Referred: February 9, 1994

FURTHER REFERRALS:

Date of Committee Action: 2/24/94

The FINANCE Committee considered:

HB 456

HOUSE BILL NO. 456

APPROP: COST OF CERTAIN LABOR AGREEMENTS

"An Act making appropriations to satisfy the agreed-upon monetary terms of certain collective bargaining agreements for certain public employees; and providing for an effective date."

RECOMMENDATIONS: the same title
 be replaced with _____ a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
		<i>MacLean</i>			
<i>Ben ...</i>	x	<i>Eileen ...</i>		✓	
<i>Mike ...</i>	✓	<i>Ronald ...</i>		x	
<i>Tom ...</i>	-	<i>Mark ...</i>		x	
<i>Richard ...</i>	x	<i>Tom ...</i>		x	
<i>Richard ...</i>	x	<i>John ...</i>		x	
<i>Richard ...</i>	x	<i>Tom ...</i>		x	
		<i>Therriault</i>			

Ronald ...
 CHAIRMAN'S SIGNATURE

WALTER J. HICKEL
GOVERNOR



P. O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 9, 1934

The Honorable Ramona L. Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Barnes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making appropriations to satisfy the monetary terms of collective bargaining agreements for certain public employees.

This bill, if enacted into law, would make a total appropriation of \$368,630 to satisfy the monetary terms of collective bargaining agreements with the Alaska Vocational Technical Center Teachers' Association and the Marine Engineers' Beneficial Association. The appropriations are necessary to satisfy agreed-upon obligations under those agreements.

I urge your prompt consideration and passage of the bill.

Sincerely,

A handwritten signature in cursive script that reads "Walter J. Hickel".

Walter J. Hickel
Governor

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2496

January 13, 1994

The Honorable Ramona Barnes
Speaker of the House
Alaska State Representative
State Capitol, Room #208
Juneau, Alaska 99801-1182

RECEIVED

JAN 14 1994

Ans'd.....

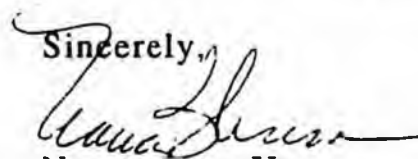
Dear Madam Speaker:

Pursuant to Alaska Statute (AS) 23.40.215, I am submitting the monetary terms of the collective bargaining agreement between the State of Alaska and the Marine Engineers Beneficial Association

The enclosed memorandum from me to Mr. Stastny identifies the specific monetary terms applicable to this unit. Funding for these terms will be formally requested by the Office of Management and Budget. The monetary terms of a collective bargaining agreement are subject to funding by appropriation by the legislature; if funding is not appropriated, the terms are considered disapproved and the parties to that agreement may resume negotiations or explore other options.

We respectfully request that the legislature advise the parties by concurrent resolution of its approval or disapproval of this submission within sixty (60) legislative days of receipt. This is in accordance with the procedure outlined in AS 23.40.215(b).

Sincerely,



Nancy Bear Usera
Commissioner

Enclosure

- straight time rate for all hours in attendance on the Vacation Scheduling Committee. The previous contract limited payment to a maximum of 84 hours per person.

D. **Health Insurance** FY 95: With sixty days notice to the Employer, and subject to legislative funding, the Union may elect to participate in a Union provided health trust effective July 1, 1994. The State agrees to contribute \$450.00 per month per eligible employee. In the alternative, the Union may elect to remain on the Employer provided plan.

FY 96: With sixty days notice to the Employer, and subject to legislative funding, the Union may elect to participate in a Union provided health trust effective July 1, 1995. The State agrees to contribute \$450.00 per month per eligible employee. In the alternative, the Union may elect to remain on the Employer provided plan.

E. **Health Insurance: Temporary Reliefs** FY 94: In lieu of the health insurance coverage provided to permanent Engineers, effective November 1, 1993, the daily contribution rate for Temporary Relief Engineers is increased from \$19.00 per day to \$25.00 per day worked.

FY 95: In lieu of the health insurance coverage provided to permanent Engineers, effective July 1, 1994, the daily contribution rate for Temporary Relief Engineers is increased from \$25.00 per day worked to \$27.50 per day worked.

F. **Uniform Allowance** FY 94: Effective the date of signing, the per annum allowance for standard uniforms was increased from \$300.00 to \$400.00. The per annum allowance for use of the standard usual navy blue uniform was increased from \$400.00 to \$600.00.

G. **Nonwatch Pay** FY 94: Effective the date of signing the nonwatch pay for the Chief Engineers on the M/V Tustumena in the Southwest System will be increased by \$100.00 per pay period. This provision does not apply to the M/V Bartlett in the Southwest System.

H. **Overtime** FY 94: Port Engineers will no longer be paid overtime up to two weeks if recalled to work during a scheduled vacation.

- The employee will be paid at the appropriate rate of pay and reimbursed only for expenses incurred as a result of the interruption.

2. State Revenue

FY 94: The new agreement requires employees who are traveling on a pass on the State ferries to pay the difference for vehicles which extend beyond a standard length vehicle.

3. Productive Work Hours

Holidays FY 94: In the master agreement, MEBA traded Lincoln's Birthday for Martin Luther King, Jr. holiday. Thus, they remain at eleven paid holidays. Lincoln's Birthday was eliminated as a paid holiday for the Port Engineers. This brings their total to eleven paid holidays.

4. OTHER TERMS

- A. FY 94: Effective on the date of signing Engineer Officers who normally work the Southwest system will be paid at the Southeast payrate while working on vessels in the shipyard.
- B. The Employer is no longer required to negotiate on permissive subjects of bargaining when changes in the operations of the AMHS takes place.
- C. FY 94: Language requiring the Employer to pay for all moving expenses when an Engineer Officer elects to move to Alaska has limited the State's obligation to move an Engineer Officer to within one year of the employee's hire date.
- D. The arbitrator's authority under the grievance procedure has been limited to modifying a management action only if a specific contract violation is found.
- E. New contract language provides for the termination of any Engineer Officer who tests positive for illegal drugs.
- F. New contract language governs the annual requirement of Engineer Officers to report their eligibility for the Cost of Living Differential (COLD) payments.

- G. Health and Welfare (Rule 27), Leave (Rule 23) and Wages (Rule 17) will be reopened for negotiations in the third year of the agreement. Monetary terms will be reported as appropriate..
- H. Language strengthening the Employer's right to determine the number and schedule of Vacation and Temporary Relief Engineers has been added.
- I. FY 94: The individual and bargaining unit caps for leave use have been removed.
- J. FY 94: Engineer Officers will receive overtime for work in excess of 84 hours of work. This clarifies that Engineer Officers will not receive overtime if they have not been in work status the entire 84 hours.
- K. Engineer Officers will be authorized to have two personally owned vehicles registered to travel on a pass. Previously, an employee was provided a pass for only one vehicle.
- L. FY 94: The Senior Port Engineer's monthly payrate, hourly rate and COLD rates have been reduced accordingly:

	Monthly	Straight Time Rate	COLD
Previous Rates	\$5287.00	\$29.05	\$502.00/pay per.
New Rates	\$5108.74	\$28.07	\$485.35/pay per.

Conclusion

Funding for certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Section for any assistance desired.

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2496

January 13, 1994

RECEIVED

JAN 14 1994

Ans'd.....

The Honorable Ramona Barnes
Speaker of the House
Alaska State Representative
State Capitol Room 208
Juneau, Alaska 99801-1182

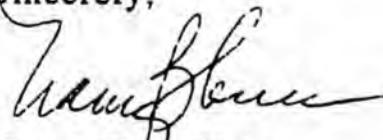
Dear Madam Speaker:

Pursuant to Alaska Statute (AS) 23.40.215, I am submitting the monetary terms of the collective bargaining agreement between the State of Alaska and the Alaska Vocational Technical Center Teachers Association.

The enclosed memorandum from me to Mr. Stastny identifies the specific monetary terms applicable to this unit. Funding for these terms will be formally requested by the Office of Management and Budget. The monetary terms of a collective bargaining agreement are subject to funding by appropriation by the legislature; if funding is not appropriated, the terms are considered disapproved and the parties to that agreement may resume negotiations or explore other options.

We respectfully request that the legislature advise the parties by concurrent resolution of its approval or disapproval of this submission within sixty (60) legislative days of receipt. This is in accordance with the procedure outlined in AS 23.40.215(b).

Sincerely,



Nancy Bear Usera
Commissioner

Enclosure

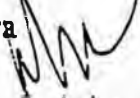
MEMORANDUM

STATE OF ALASKA

Department of Administration
Office of the Commissioner

To: Shelby Stastny
Director
Office of Management and Budget
Office of the Governor

Date: January 13, 1994

From: Nancy Bear Usera 
Commissioner
Department of Administration

Re: Monetary Terms of
Alaska Vocational
Technical Center
Teachers Association

The State of Alaska has concluded negotiations with Alaska Vocational Technical Center Teachers' Association (AVTECTA) and the union membership has ratified the agreement which became effective July 1, 1993 except for those monetary terms reported below. I am also providing the legislature with the monetary terms as required by AS 23.40.215(b).

Monetary Terms

Monetary terms of an agreement are defined in AS 23.40.250(4) as changes that will require an appropriation for their implementation, changes that will result in a change in revenues, or changes that will result in a change in productive work hours for state employees.

1. Require Appropriation:
A. Wages

FY94: The agreement became effective July 1, 1993. The salary schedule remained unchanged and no additional appropriation was required.

FY95: Effective August 16, 1994 the salary schedule is revised which results in the rearrangement of step placements for teachers. This results in movement for some teachers. The Department of Education calculates this cost to be \$92.0 for FY 95.

FY96: The agreement also provides a COLA of up to 2%, in FY96 or a lump sum payment equal to the COLA increase if the individual employee's pay has been frozen, to be effective August 16, 1995. There will be no further increases in the wage schedule for the life of this agreement, which expires June 30, 1996.

B. Health Insurance

FY94: Effective July 1, 1993, the monthly contribution to health insurance for members of the AVTECTA unit continued at \$423.50. The members were placed on the Employer Sponsored Health Insurance Plan for non-covered employees.

FY95: The Association has the opportunity to convert to a health trust on or after July 1, 1994 with a contribution rate of \$450.00 per month. The contractual deadline for a notice of intent to convert was November 1, 1993. None has been received; consequently, the unit shall remain on the Employer Sponsored Plan throughout FY95.

FY96: The Association may convert to a health trust on or after July 1, 1995 with a contribution rate of \$450.00 per month. The contractual deadline for a notice of intent to convert is November 1, 1994.

2. Productive Work Hours

A. Leave

FY94: No change.

FY95: Annual leave will continue to accrue and be available for use through August 15, 1994. ~~Leave balances on that date will be~~ cashed out to be paid from the terminal leave account. Effective August 16, 1994 there shall be no accrual or usage of annual leave for the remainder of the life of the agreement. This change eliminates the amount of annual leave accrued and available to use, resulting in less time away from work.

Other Terms

There are other terms of the collective bargaining agreement which will not require an appropriation but may have a budgetary impact.

A. Family leave provisions have been added to conform with Alaska Family Leave Act (AS 23.10.500-AS 23.10.550).

- B. Teacher sabbatical provisions have been added to the contract allowing a sabbatical absence for a AVTEC teacher with at least seven years continuous service to gain additional education in their specialty area. Sabbaticals will be granted at the Employers sole discretion.

Conclusion:

Funding for certain monetary terms will be required. Please prepare and forward to the legislature the necessary documents. Please feel free to call on the staff of the Labor Relations Section for any assistance desired.