ALASKA LEGISLATURE COMMITTEE FILES 1983 - 1984 8672

2609 SLC SB 154 (FILE 2) 2609

Municipal Utilities System

WASTEWATER TREATMENT FACILITY
4747 Peger Road
Fairbanks, Alaska 99701

MEMORANDUM

TO: David Geis

FROM: Caleb S. Pomeroy CSP

SUBJECT: Your grievance dated 2-8-82

DATE: 2-10-82

As you know, Dave, I do not have the authority to give you a raise in pay.

Your greivance will have to be carried to the "Second Step", or Department Head.

CSP/msr

February 16, 1981

BILL CULLEPPER

According to the "Personnel Ordinance of the City of Fairbanks, Alaska" (Ord. No. 3786) under Rule VIII Grievance Procedure:

(2) Definition
"A grievance is defined as any dispute involving the interpretation, application or alleged violation of any provision of these rules and regulations..."

It has recently come to my attention that the City of Fairbanks has violated the rules and intent of the Personnel Ordinance. The city has accomplished this by granting a pay raise to the Utility Worker I classification employees of the F.U.S. Steam and Water Dept. and not granting a similar wage increase to myself and fellow Utility Worker I employees of the F.U.S. Wastewater Treatment Facility.

The rules and intent of the Personnel Ordinance on which this grievance is based can be found under Rule II classification plan, and under Sec. 2.503 "Declaration of Personnel Policy."

I therefore have no alternative but to file this grievance and request my rightful and just compensation equal to $20.55 per hour base pay, with my accrued longevity added to that amount, which together will determine my dollar per hour wage or monthly salary basis.

Your prompt attention and hopeful settlement of this grievance would be appreciated.

Sincerely,

David J. Geis

TO: BILL PERRY, MUS GENERAL MANAGER

FROM: BILL J. CULPEPPER, PERSONNEL DIRECTOR

DATE: FEBRUARY 23, 1982

REF: STEP III GRIEVANCE - DAVID J. GEIS vs MUS/WWTP - PAY RAISE

CHAIN OF EVENTS

1. David J. Geis - is employed at the MUS/Wastewater Treatment Plant as a Utility Maintenance Worker I.

2. Step I of the grievance procedure was denied by Mr. Caleb S. Pomeroy, Utility Maintenance Supervisor.

3. Step II of the grievance procedure was denied by Mr. John Miko, MUS/Wastewater Treatment Plant Supervisor.

4. Step III of the grievance procedure was filed by Mr. David J. Geis with the City of Fairbanks, Personnel Office on February 17, 1982.

FACTS

1. All employees working for the City of Fairbanks are classified under the personnel ordinance as either an exempt or classified employee. An exempt employee is one covered under contract, (i.e. Teamster, IBEW, 302) and employees not covered by contract are classified employees. ARTICLE V, SECTION 2.503, 12 & 22.

2. ARTICLE V, SECTION 2.507, Classification Plan, a and b defines the classification plan and clarifys that this section shall apply to employees of exempt service as well as classified service.

3. ARTICLE V, SECTION 2.508, Pay Plan, clarifys that the foregoing provisions of this section shall apply to all city employees except those in the exempt service covered by contracts.

4. The MUS/Wastewater Treatment Plant employees are classified under the Personnel Ordinance as classified employees and they shall be paid in accordance to SECTION 2.509, Pay Ranges.

CONCLUSIONS

1. Mr. Geis is a classified employee, classified as a Utility Maintenance Worker I, at the MUS/Wastewater Treatment Plant.

2. Utility Maintenance Worker I at the MUS/Water & Steam Plant are exempt employees.

RECOMMENDATION

Mr. David J. Geis remain as a Utility Maintenance Worker I, Range 19, Step F.

BJC/map

ATTACHMENTS: Step I
Step II
Step III
ARTICLE V, SECTION 2.502
ARTICLE V, SECTION 2.503
ARTICLE V, SECTION 2.507
ARTICLE V, SECTION 2.508
ARTICLE V, SECTION 2.523
Utility Maintenance Worker I, Job Description

Municipal Utilities System

MEMORANDUM

TO: David J. Geis

FROM: William R. Perry, General Manager WRP

SUBJECT: David J. Geis, Grievance Step III - Pay Raise

DATE: March 2, 1982

I agree with the conclusions of the Personnel Officer, Mr. Culpepper. As a worker of the MUS/Wastewater Treatment Plant you are a classified employee. The workers at the MUS/Water and Steam Plant are exempt employees. There is no authorization for a pay increase for classified employees based solely on comparison to exempt employees.

pah

Introduced by: City Manager
First Reading: November 22, 1982

ORDINANCE NO. 4179

AN ORDINANCE TO AMEND FGC CHAPTER 2, LEGISLATIVE, ADMINISTRATIVE AND BOARDS, ARTICLE V, PERSONNEL SYSTEM, SECTION 2.523 PERSONNEL RULES AND REGULATIONS AND SETTING AN EFFECTIVE DATE.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. That FGC Chapter 2, Legislative, Administrative and Boards, Article V, Personnel System, Section 2.523, Personnel Rules and Regulations is hereby amended by adding (K) Rule XI, Special Provisions to read as follows:

"(K) Rule XI. Special Provisions.

Police Department.

(1) Commissioned officers, possessing an Alaska Police Standards Council intermediate certificate may have two percent (2%) added to their base pay. Commissioned officers possessing an Alaska Police Standards Council advanced certificate may have four percent (4%) added to their base pay.

(2) Commissioned officers who are continuing their education by attending college on their off-duty time where they major in criminal justice, and/or administration of justice, may be reimbursed by the City for tuition and books upon successful completion of such course and upon presentation of a documented expense account. Successful completion of such course shall mean the conclusion of any quarterly or semester course in the subject directly related to the obtaining of the degree in the major in criminal justice and/or administration of justice.

designated by the Police Chief, may receive a cleaning expense allowance. Commissioned officers may receive a cleaning expense allowance in the amount of fifty dollars ($50.00); other designated employees may receive a cleaning expense allowance of thirty-five dollars ($35.00) per month.

(4) Employees required to work the "swing" shift may receive an additional three percent (3%) on their base pay. Employees required to work the "graveyard" shift may receive an additional six percent (6%) on their base pay.

(5) Applicability. The foregoing provisions of Rule XI apply to employees of the Police Department only.

SECTION 2. The provisions of Rule XI above shall take effect on January 1, 1983.

SECTION 3. That the effective date of this ordinance shall be the 17th day of December, 1982.

BILL WALLEY, Mayor

ADOPTED: December 13, 1982

ATTEST:

CARLA B. ROBERSON, City Clerk

M E M O R A N D U M

TO: LANE THOMPSON, P.W. SUPERINTENDENT

FROM: FRED KONECZNY, P.W. TRADES SPECIALIST FMK

SUBJECT: RECLASSIFICATION

DATE: MARCH 17, 1983

I wish to be reclassified from the general classification of Trade Specialist to Electric Service Installer. The follwoing are the reasons why.

A. I am a journeymen electrician and am trained well in that field.
B. I was hired by the City of Fairbanks as a journeymen electrician specialised in electricial work.
C. I was placed under the Trades Specialist classification as a grouping for administrative convenance. By doing this I don't receive the proper pay for my journeymen electrician rating.

I feel I should be paid the Electric Service Installer rate. I have the same qualification as the journeymen electrician now working at M.U.S. The journeymen electrician at M.U.S. has a pay range of 29. The parity on wage compensation should be the same.

Under the general classification as Trades Specialist it should be more specific to what trade we are specialised in as trained journeymen in our field and paid in the proper pay range for that trade.

Under the present condition I am not being properly compensated as a journeymen electrician.

FK/mb

M E M O R A N D U M

TO: Lane S. Thompson, Public Works Superintendent

FROM: Fred M. Koneczny, Trades Specialist

SUBJECT: Classification Change Request

DATE: March 18, 1983

I understand your reply; but I would like to talk with Mr. Droz about this matter.

Could I schedule an appointment with him?

Fred M Koneczny

Fred Koneczny
Trades Specialist

M E M O R A N D U M

TO: Lane S. Thompson, Public Works Superintendent

FROM: Fred M. Koneczny, Trades Specialist

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Fred Koneczny
Trades Specialist

M E M O R A N D U M

TO: FRED KONECZNY, P.W. TRADES SPECIALIST

FROM: LANE THOMPSON, P.W. SUPERINTENDENT

SUBJECT: REQUEST FO[illegible]NG WITH CITY MANAGER

DATE: MAY 18, 198[illegible]

I received your memo of this date requesting a meeting with W.C. Droz, City Manager.

By copy of this memo I am forwarding your request to him for disposition.

LST/mb

cc: W. C. Droz, City Manager

M E M O R A N D U M

TO: FRED KONECZNY, P.W. TRADES SPECIALIST

FROM: LANE THOMPSON, P.W. SUPERINTENDENT

SUBJECT: REQUEST FOR RECLASSIFICATION

DATE: MARCH 18, 1983

I have received your memo of March 17, 1983. I do not have the authority to reclassify you.

By copy of this memo I am forwarding your request to Mr. Wallis Droz, City Manager and Acting Personnel Director, for his review and disposition.

LST/mb

cc: W.C. Droz, City Manager

TO: JOHN MIKO, SUPERINTENDENT WASTEWATER TREATMENT PLANT

FROM: JEFF MABIE, LABORATORY TECHNICIAN

SUBJECT: PAY RANGE

DATE: MARCH 21, 1983

MUS IBEW COUNTERPART UNION CONTRACT (WATER CHEMIST) W/NO EXPERIENCE $19.50 per/HR START

MUS - NON CONTRACT TWICE RESPONSIBILITY LAB TECHNICIAN X 8 + WORK 4 YRS COLLEGE 11.83 PER HR 19 MOS

For six months, or more, I have discussed with you the situation in which everyone working for the wastewater plant, except me, is paid in accordance with the City of Fairbanks Personnel Ordinance.

The Ordinance does allow a department head to start a new hire at a step or two below the Range established in the ordinance for the position. After the six months probationary period, the employee is then moved to the range called for in the Ordinance. The issue here is, I've been the Lab. Tech. for 14 months, well beyond the probationary period, am still being paid seven (7) ranges below what the Personnel Ordinance calls for --- I'm range 13 and the ordinance stipulates that the Lab. Tech. position is Range 20. The current status is not because my work is less than satisfactory. Quite the contary. You have told me several times that you are extremely pleased with my work and that I was the best lab. technician that the plant has ever had. Since my work is satisfactory and I am well beyond the probationary period, it is only reasonable and fair to expect that you would put through a payroll change and start paying me at the range called for in the Personnel Ordinance. This, then, would also result in me being treated the same as all the rest of the people working for the wastewater plant, i.e., paid according to the Ordinance.

$2051/mo. (MUS NON CONTRACT)

$2545/mo. (MUS NON CONTRACT)

You said that the Council would have to approve this. It is my understanding that the Council requested any merit increase exceeding one step be approved by them. I doubt that it was their intention to approve placing an employee on the pay schedule called for in the Personnel Ordinance, especially since the Council only a couple years ago established the pay scale after a thorough study of the qualifications and responsibilities for each job title. However, whether the Council does, or does not, have to approve my placement at Range 20, no one can do anything until you initiate the payroll change. Section 2.509 of the Personnel Ordinance says: "Schedule I contains a set of pay ranges which SHALL BE EMPLOYED IN THE PAY PLAN. This is a request that you submit a payroll change in accord with this section.

Jeff Mabie

3-22-83

SENATOR ELIASON!

This is By NO MEANS A FULL LIST OF ITEMS FOR YOUR INFORMATION, HOWEVER, IT will GIVE YOU SOME IDEA AS to WHAT IS HAPPENING.

IF YOU WOULD like ANY THINGS else please DON't HESITATE to GET in touch WITH ME.

SINCERELY,
TERRY LORD

structures will be restored as nearly as possible to the conditions in which they were found and all holes and ditches will be refilled and compacted by said inspecting party at the expense of the City of Fairbanks. Where such inspection, however, reveals hazards to be removed or repairs or deficiencies to be corrected, holes and ditches may be left uncovered and structures may be left removed, dismantled or unrepaired, provided the property owner or person having the duty to make such repairs gives his written consent thereto.

(c) Any refusal by the owner, tenant, person in charge of property or occupant to allow entry for purposes of inspection to the health officer or his duly authorized agent, any interference with the inspection being conducted, or any refusal to furnish to such inspecting party any construction plans which may be available to said owner, tenant, person in charge of property or occupant, shall incur a civil penalty, not to exceed one hundred dollars ($100.00) for each violation thereunder, and each refusal to allow entry or furnish plans, each day that refusal of entry is continued, and each interference shall be considered separate violations. Said civil penalties shall be administered by the court, sitting without a jury on finding that any violation or violations have been committed. (Ord. No. 3643, § 1, 11-21-77)

ARTICLE V. PERSONNEL SYSTEM*

Sec. 2.501. Short title.

This article shall be known and may be cited as the "Personnel Ordinance of the City of Fairbanks, Alaska." (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.502. Definitions.

For the purpose of this article, the following terms, phrases, words and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

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*Editor's note – Section 1 of Ord. No. 3786, adopted June 13, 1979, rescinded former Art. V, §§ 2.501–2.524, relative to the personnel system for the city, and enacted in lieu thereof Art. V, §§ 2.501–2.518 and 2.520–2.523, as herein set forth. Said former article was derived from the following ordinances:

Ord. No.	Section	Date
1315	1	12- 6-65
1398	1	1-24-66
1634	1	10-17-66
1675	1, 2	5-22-67
1677	1	5-22-67
1796	1	11-11-68
1797	1–3	11-11-68
1836	1	5-19-69
1873	1	12- 8-69
1886	1	11-10-69
1905	1	12- 8-69
2061	1	11- 9-70
2065	1	12-21-70
3001	1	7-12-71
3080	1	5-25-72
3091	1	6-19-72
3095	1	7-24-72
3155	1	3- 5-73
3168	1	5-21-73
3193	1	5-21-73
3202	1	9-24-73
3216	1	11- 5-73
3251	1	4- 8-74
3264	1, 3–5	5-28-74
3279	1, 3	9- 9-74
3416	1–6	8-25-75
3476	1	3- 8-76
3490	1	4-19-76
3521	1	10-11-76
3558	1–4	12-20-76
3562	2	8-22-77
3583	1	5-23-77
3584		5- 9-77
3607	1	8-22-77
3656	1	1- 9-78
3657	1	1-13-78
3669	1	2-27-78
3671	1	3-13-78
3723	1	9-11-78
3743	1	12-12-78
3759	1	1-22-79

(1) "Allocation" shall mean the assignment of a position to its appropriate class in relation to duties performed.

(2) "Appeal" shall mean an application for review of an alleged grievance submitted or instituted by an employee to higher authority.

(3) "Applicant" is an individual who has completed and submitted an application for employment with the city.

(4) "Appointment" is the offer to and acceptance by a person of a position either on a regular or temporary basis.

(5) "City" is the City of Fairbanks.

(6) "City manager" is the city manager of the City of Fairbanks.

(7) "Class" is a group of positions which is sufficiently alike in general duties and responsibilities to warrant the use of the same title, class specification and pay range.

(8) "Class series" is a number of classes of positions which are substantially similar as to the types of work involved and differ only in rank as determined by the importance of the duties and degree of responsibility involved and the amount of training and experience required. Such classes constitute a series.

(9) "Class specification" is a written description of a class consisting of a class title, a general statement of the level of work and of the distinguishing features of work, examples of duties, and the desirable qualifications for the class.

(10) "Classification" is the act of grouping positions in classes with regard to:

(i) duties and responsibilities;

(ii) requirements as to education, knowledge, experience and ability;

(iii) tests of fitness; and

(iv) ranges of pay.

(11) "Classification plan" shall be the official or approved system of grouping positions into appropriate classes consisting of:

(i) an index to the position classification;

(ii) the position classifications; and

(iii) rules for administering the classification plan.

(12) "Classified service" shall mean all offices and positions in the service of the city as described in this article.

(13) "Compensation plan" shall be the official schedule of pay approved by the city council assigning one or more rates of pay to each position title.

(14) "Compensation" shall be the standard rates of pay which have been established for the respective classes of work, as set forth in the compensation plan.

(15) "Confidential employee" is an individual who assists and acts in a confidential capacity to persons who formulate, determine and effectuate management policies in the field of labor relations, or who is privy to confidential communications concerning labor relations between employer and employee, and who, in the normal performance of his duties may obtain advance information of management's position with regard to contract

negotiations, disposition of grievances, or other labor relations matters.

(16) "Demotion" shall be the assignment of an employee from one class to another which has a lower maximum rate of pay.

(17) "Department" is the primary organizational unit which is under the immediate charge of a department head.

(18) "Dismissal" is the separation from city employment for cause.

(19) "Eligible" is a person who has successfully met required qualifications for a particular class.

(20) "Employee" is an individual who is legally employed by the city and is compensated through the city payroll for his or her services. Individuals or groups compensated on a fee basis are not included. Said term is synonymous with "incumbent."

(21) "Examination" is the process of testing, evaluating or investigating the fitness and qualifications of applicants and employees.

(22) "Exempt service" shall be those positions not included in the classified service as defined in this article.

(23) "Layoff" is the involuntary nondisciplinary separation of any employee from a position.

(24) "Leave" shall be the approved type of absence from work as provided for by these rules.

(25) "Merit pay increase" is the increase in compensation established in the compensation plan which may be granted to an employee for meritorious service and completion of minimum prescribed periods of employment in the class.

(26) "Overtime" is the authorized time worked by an employee in excess of his total normal working hours per day or week.

(27) "Overtime pay" is the compensation paid to an employee for overtime work performed in accordance with these rules.

(28) "Pay period" is one (1) of the two (2) monthly pay periods of the city including the time periods from the first day of each calendar month through and including the fifteenth day of the month; or the sixteenth day through the last day of each calendar month, for a total of twenty-four (24) pay periods each year.

(29) "Pay range" shall mean one (1) or more, but commonly seven (7), specific pay rates having a percentage relationship to one another, assigned to a class of positions as the compensation for that class.

(30) "Pay rate" is the specific dollar amount, expressed as either an annual rate, a monthly rate, a semimonthly rate, a biweekly rate or an hourly rate, as shown in the pay plan of the city.

(31) "Position" is the office or employment whether occupied or vacant, full time or part-time, consisting of duties and responsibilities assigned to one individual by competent authority.

(32) "Probationary period" is the working test or trial period of employment beginning with the date of an employee's first appointment to the classified service.

(33) "Promotion" shall be the assignment of an employee from one class to another which has a higher maximum rate of pay.

(34) "Provisional employee" is an individual employed for a specific time or to fill a position of an employee on a leave of absence for reason, such as special training, prolonged illness or the like.

(35) "Regular appointment" shall be an appointment without time limitation, or special restrictions as to continued employment.

(36) "Regular employee" is an individual receiving a regular appointment in either the classified or exempt service.

(37) "Removal" is the separation of any employee on probation or for failure to meet legal requirements of employment.

(38) "Suspension" is the enforced leave of absence for disciplinary purposes or pending investigation of charges made against an employee.

(39) "Transfer" is the assignment of an employee from one position to another position. Transfers can take place within a department, between departments, between positions of the same pay range, between positions of the same class or between positions of different classes.

(40) "Workday" is the scheduled number of hours an employee is required to work per day. (Ord. No. 3786, § 1, 6-13-79; (Ord. No. 3833, § 1, 9-24-79)

Editor's note – Section 1 of Ord. No. 3833, adopted Sept. 24, 1979, added provisions to the Code designated § 2.502(40), which provisions have been redesignated § 2.502(28) and the remaining paragraphs renumbered by the editor in order to maintain the alphabetical sequence of the terms defined.

Sec. 2.503. Declaration of personnel policy.

Under the authority granted to the city council by the city charter the following principles and policies are established:

(1) Employment in the city government shall be based on merit and be free of personal and political considerations;

(2) Just and equitable incentives and conditions of employment shall be established and maintained to promote efficiency and economy in operation of the municipal government;

(3) Positions having similar duties and responsibilities shall be classified and compensated for on a uniform basis;

(4) Every effort shall be made to stimulate high morale by fair administration of this article and by every consideration of the rights and interests of employees, consistent with the best interests of the public and the city; and

(5) Continuity of employment covered by this article shall be subject to good behavior, satisfactory performance of work, necessity for the performance of work, and availability of funds. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.504. Coverage.

All offices and positions of the city shall be and are hereby allocated to either the classified service or the exempt service. The exempt service shall include all elected officials and members of citizen boards and commissions, employees covered by contracts, part-time employees, temporary full-time employees and all other persons appointed to serve without compensation. The classified city service consists of those employees which are not specifically

placed in the exempt service by this article. Unless specifically designated otherwise, personnel policies and rules shall apply only to employees of the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.505. Organization; city manager.

The city manager shall have the basic responsibility for the personnel program as set forth in this article. He specifically shall:

(1) Be responsible for effective personnel administration.

(2) Appoint, remove, suspend and discipline all officers and employees of the city subject to the policies set forth in this article, provisions of the charter, and those in state law; or he may, at his discretion, authorize the head of the department or office responsible to him for operations and/or internal administration to appoint and remove subordinates in such departments and offices.

(3) Fix and establish the number of employees in the various city departments and offices and determine the duties and compensation in accordance with the policies set forth in this article and subject to the approval of the city council and budget limitations.

(4) Have the authority to negotiate with representatives of employee organizations representing city employees and employees of the municipal utilities system for the purpose of arriving at collective bargaining agreements as to wages, hours and terms or conditions of employment. Any such agreements as may be negotiated between the city, including the municipal utilities system, shall not be effective unless and until approved by ordinance of the city council. In negotiating contracts, the city manager will use provisions of this personnel program, unless directed otherwise, as guidelines to be achieved. The basic goal will be to treat city employees in a similar manner as much as appropriate, and to pay similar wages for similar work.

(5) Perform such other duties and exercise such other powers in personnel administration as may be prescribed by law and this article. (Ord. No. 3786 § 1, 6-13-79)

Sec. 2.506. Appointments.

(a) The personnel rules and regulations shall provide procedures for employment of persons on the basis of merit and fitness in conformity with this article and section 13.7 of the city charter. Such procedure shall include, but not be limited to, the following:

(1) An orderly and systematic method of recruitment to insure that all those employed will be hired on the basis of merit and fitness. Each appointment for employment shall be accompanied by a background investigation with a full set of fingerprints and a recent photograph. Said fingerprints shall thereupon be forwarded to the appropriate federal or state agency, for search and comparison purposes.

(2) During the period of suspension of an employee or pending final action of proceedings to review the suspension, demotion or dismissal of an employee, the vacancy created may be filled by the employing authority only by a provisional appointment.

(3) Before appointment each applicant may take such tests of his qualifications and

such medical examinations as the city manager may consider appropriate. A medical examination by a physician shall be a prerequisite for appointment to the position of fireman or patrolman in the police and fire departments and to all other positions where freedom from disabling defects is necessary for the safety of the employee, fellow workers and the public.

(4) The city shall not hire or employ the spouse of any elected official, department head, city manager, deputy city manager, city clerk or city attorney, nor shall the city hire or retain in employment the spouse of any employee where one of such employees would be in a supervisory position over the other. The provisions of this paragraph may be waived at the discretion of the city manager in the hiring of temporary employees.

(5) In order to prevent stoppage of public business, the curtailment of essential services, or serious inconvenience to the public, appointment of employees on a temporary basis and/or the subcontracting of such essential services to other than city employees may be authorized by the city manager, or his designee.

(b) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.507. Classification plan.

(a) The position classification plan shall set forth for each class or position a class title, a statement of duties, authority and responsibilities thereof, and the qualifications that are necessary or desirable for the satisfactory performance of the duties of the position. A separate manual of these job descriptions shall be prepared by the city manager.

(b) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.508. Pay plan.

(a) The city manager shall develop a uniform and equitable pay plan consisting of minimum, intermediate and maximum rates of pay for each class of position. Salary ranges for each class shall be coordinated with the position classification plan and shall be based on the range of pay for other classes, requisite qualifications, general rates of pay for comparable work in other public and private employment in the area, cost-of-living data, suggestions from department heads and employees, maintenance or other benefits received by employees, the financial policy of the city and other economic considerations. Nothing contained herein nor past practices or customs shall prevent or deter the city from effecting reductions in force, layoffs, promotions, demotions, reclassifications and discharges for good and sufficient reason, or to otherwise manage and direct the operation of the city government and its employees, as the city council may, in its sole discretion, deem necessary and proper.

(b) The foregoing provisions of this section shall apply to all city employees except those in the exempt service covered by contracts. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.509. Pay ranges.

Schedule I contains a set of pay ranges which shall be employed in the pay plan. The pay plan provides a series of salary ranges of seven (7) increments or steps. Each step in a range represents an increase averaging approximately four (4) percent of the preceding step. Each

range or salary level in the series of salary ranges is one step above the preceding range, so that, in effect, there is as much difference between the first and second step of a particular range as there is between the first step of that range and the first step of the next higher range. The system of pay ranges is intended to provide employee incentive as well as administrative flexibility in recognizing differences among employees whose positions are allocated to the same class and in meeting conditions requiring salary adjustments. The use of a series of salary ranges has an advantage in that it permits the adjustment of pay scales in the municipal service to meet changing conditions affecting the level of compensation without disturbing the basic salary structure and the relationship between classes. For example: If significant changes in the cost-of-living index, the financial conditions of the city, recruiting experience or other employment factors indicate the need for a four (4) or eight (8) percent adjustment in the salary plan, it will be possible to adjust the entire pay to meet these conditions simply by moving the rates of pay of all classes upward or downward one or two (2) steps without materially disturbing the relationships that exist among the classes.

Schedule II presents the ranges or rates of pay for each of the classes of positions proposed for the municipal service.

Several aspects of the interpretation of these pay proposals should be emphasized as follows:

(1) The ranges of pay are intended to be gross compensation for regular full-time service in the several classes and do not include annual or sick leave and paid holiday benefits currently in effect.

(2) The pay ranges do not include reimbursement for travel expenses incurred in connection with official city business.

(3) "Full-time service" may be defined as work for that number of hours which regularly constitute the scheduled weekly or monthly period of service for a class, exclusive of vacation, holidays or sick leave with pay.

(4) Where it is necessary to compensate for work on an hourly basis, the hourly rate shall be determined by dividing the annual salary by two thousand eighty (2,080) hours. The hourly rate for the fire-fighting force shall be determined by dividing the annual salary by two thousand nine hundred twelve (2,912).

(5) In the case of part-time service the formula set forth in item (4) above shall be employed in determining the hourly rate. The part-time employee should be compensated at that rate only for the number of hours worked unless special circumstances, such as the need for part-time service on a continuing basis, require some upward revision of this rate. Where necessary, the city manager or his designee may authorize temporary work at twelve (12) percent above the recommended entrance rate, since all rates are computed to include annual leave and paid holiday benefits currently in effect in the city service. Part-time employees shall not be entitled to sick leave, annual leave or holiday pay. All part-time or temporary employees shall be compensated on an hourly basis for actual work performed at the rate established in accordance with this paragraph.

(6) The minimum rate of each range shall be the normal entering rate. Deviations from this may be permitted, if necessary, to fill a vacancy, or for recognition of unusual qualifications; however, if there

is difficulty for an extended period of recruiting at the minimum rate for a class, the range for the class may be adjusted.

(7) The city manager, or his designee, may authorize the hire of an employee at a rate lower than the minimum rate for a period of ninety (90) days; in addition, this period may be extended during the probationary period of any employee. This provision is made in order that positions may be filed by on-the-job trainees. It is recognized that during the period of training, the individual will not be fully performing in the position for which the minimum rate was established.

SCHEDULE I

Pay Range	A	B	C	D	E	F	G	Hourly Rate	Annual Rate
1	1233	1282	1333	1386	1441	1499	1559	7.113	14,796
2	1282	1333	1386	1441	1499	1559	1621	7.396	15,384
3	1333	1386	1441	1499	1559	1621	1686	7.690	15,996
4	1386	1441	1499	1559	1621	1686	1753	7.996	16,632
5	1441	1499	1559	1621	1686	1753	1823	8.313	17,292
6	1499	1559	1621	1686	1753	1823	1896	8.648	17,988
7	1559	1621	1686	1753	1823	1896	1972	8.994	18,708
8	1621	1686	1753	1823	1896	1972	2051	9.352	19,452
9	1686	1753	1823	1896	1972	2051	2133	9.726	20,232
10	1753	1823	1896	1972	2051	2133	2218	10.113	21,036
11	1823	1896	1972	2051	2133	2218	2307	10.517	21,876
12	1896	1972	2051	2133	2218	2307	2399	10.938	22,752
13	1972	2051	2133	2218	2307	2399	2495	11.376	23,664
14	2051	2133	2218	2307	2399	2495	2595	11.832	24,612
15	2133	2218	2307	2399	2495	2595	2699	12.305	25,596
16	2218	2307	2399	2495	2595	2699	2807	12.796	26,616
17	2307	2399	2495	2595	2699	2807	2919	13.309	27,684
18	2399	2495	2595	2699	2807	2919	3035	13.840	28,788
19	2495	2595	2699	2807	2919	3035	3156	14.394	29,940
20	2595	2699	2807	2919	3035	3156	3282	14.971	31,140
21	2699	2807	2919	3035	3156	3282	3413	15.571	32,388
22	2807	2919	3035	3156	3282	3413	3549	16.194	33,684
23	2919	3035	3156	3282	3413	3549	3690	16.840	35,028
24	3035	3156	3282	3413	3549	3690	3837	17.509	36,420
25	3156	3282	3413	3549	3690	3837	3990	18.207	37,872
26	3282	3413	3549	3690	3837	3990	4149	18.934	39,384
27	3413	3549	3690	3837	3990	4149	4314	19.690	40,956
28	3549	3690	3837	3990	4149	4314	4486	20.475	42,588
29	3690	3837	3990	4149	4314	4486	4665	21.288	44,280
30	3837	3990	4149	4314	4486	4665	4851	22.136	46,044

Pay Range	A	B	C	D	E	F	G	Hourly Rate	Annual Rate
31	3990	4149	4314	4486	4665	4851	5045	23.019	47,880
32	4149	4314	4486	4665	4851	5045	5246	23.936	49,788
33	4314	4486	4665	4851	5045	5246	5455	24.888	51,768
34	4486	4665	4851	5045	5246	5455	5673	25.880	53,832
35	4665	4851	5045	5246	5455	5673	5899	26.913	55,980
36	4851	5045	5246	5455	5673	5899	6134	27.986	58,212
37	5045	5246	5455	5673	5899	6134	6379	29.105	60,540

56 HOUR RATES

Pay Range	A	B	C	D	E	F	G	Hourly Rate	Annual Rate
16	2218	2307	2399	2495	2595	2699	2807	9.140	26,616
17	2307	2399	2495	2595	2699	2807	2919	9.506	27,684
18	2399	2495	2595	2699	2807	2919	3035	9.886	28,788
19	2495	2595	2699	2807	2919	3035	3156	10.281	29,940
20	2595	2699	2807	2919	3035	3156	3282	10.693	31,140
21	2699	2807	2919	3035	3156	3282	3413	11.122	32,388
22	2807	2919	3035	3156	3282	3413	3549	11.567	33,684
23	2919	3035	3156	3282	3413	3549	3690	12.028	35,028
24	3035	3156	3282	3413	3549	3690	3837	12.506	36,420
25	3156	3282	3413	3549	3690	3837	3990	13.005	37,872
26	3282	3413	3549	3690	3837	3990	4149	13.524	39,384
27	3413	3549	3590	3837	3990	4149	4314	14.064	40,956
28	3549	3590	3837	3990	4149	4314	4486	14.625	42,588
29	3590	3837	3990	4149	4314	4486	4665	15.206	44,280
30	3837	3990	4149	4314	4486	4665	4851	15.811	46,044

SCHEDULE II

Classification Number	Classification	Range
10044	City Manager	43
10055	Deputy City Manager	36
10066	Personnel Director	32
10077	General Manager/MUS	43
1102	Department Assistant Supervisor	17
1103	Department Assistant 1	8
1104	Department Assistant 2	11
1105	Department Assistant 3	14
11066	City Clerk	28
11077	Deputy City Clerk 2	25
11088	Deputy City Clerk 1	20
1109	Secretary to City Manager	18
1110	Secretary to General Manager/MUS	18
1111	Personnel Technician	17
12000	Administrative Service Director/MUS	35
12011	Accountant	27
1203	Utility Meter Reader	25
1204	Accounting Specialist	11
1205	Accounting Technician	16
12066	Deputy Finance Director	30
12077	Finance Director	34
12088	Utility Accounting Manager	30
12099	Utility Controller	34
1302	Legal Secretary	17
1303	Legal Intern	22
13044	Assistant City Attorney	30
13066	Deputy City Attorney	35
13077	City Attorney	43
1403	Data Entry Operator	11
1404	Computer Operator	18
1405	Programmer Analyst	27
14066	Data Processing System Manager	30
14077	Computer Programmer Coordinator	23
1503	Warehouse Worker 1	20
1504	Warehouse Worker 2	24
15055	Utility Warehouse Superintendent	30
15065	Deputy Purchasing Agent	29
15077	Purchasing Agent	31
2002	Paramedic/Coordinator Firefighter	29
2003	Fire Inspector	30
20044	Fire Marshal	32
20055	Fire Training Officer	32
2006	Fire Fighter	24
2007	Fire Lieutenant	29
2008	Fire Captain	32
2009	Paramedic Fire Fighter	26
20100	Assistant Fire Chief	33
20111	Fire Chief	35
2102	Police Desk or Records Clerk	11
2103	Public Safety Dispatcher	11
2104	Parking Enforcement Officer	14
2105	Police Staff Assistant	16
2106	Police Planning Officer	23
2107	Police Training Officer	29
2108	Police Officer	25
2109	Police Sergeant	28
2110	Detective	27
2111	Detective Sergeant	28
2112	Police Lieutenant	30
21133	Police Captain	33
21144	Police Chief	35
3002	Plan Check Officer	27
3003	Codes Compliance Inspector	25
30055	Building Official	34
4003	Engineering Aide	20
4004	Engineering Technician 1	21

Classification Number	Classification	Range
4005	Engineering Technician 2	22
40056	Right-of-Way Agent	27
4007	Traffic Engineer	29
4008	City Surveyor	29
4009	Engineer 1	27
4010	Engineer 2	29
4011	Engineer 3	31
40122	City Engineer	34
40133	Utility Engineer/Planning Manager	34
4014	Draftsman -- Trainee	1
4103	Janitor	20
4104	Public Works Maintenance Worker	21
4105	Maintenance Specialist	25
4106	Trades Specialist	25
4107	Equipment Operator	25
4108	Equipment Mechanic	25
4109	Equipment Repair Supervisor	28
4110	Assistant Public Works Maintenance Supervisor	28
41122	Public Works Maintenance Superindentent	33
41133	Public Works Maintenance Assistant Superintendent	31
4114	Facilities Maintenance Worker	20
4115	Facilities Maintenance Supervisor	28
41166	Pioneer Park Superintendent	30
50022	Utilities Public Service Director	35
5003	Water Treatment Plant Operator	25
50044	Water Treatment Plant Superintendent	31
5006	Laboratory Technician	20
5008	Waste Water Treatment Plant Operator	25
5009	Waste Water Treatment Plant Supervisor	28
50100	Waste Water Treatment Plant Superintendent	31
5104	Power Plant Operator 1	23
5105	Power Plant Operator 2	26
5106	Power Plant Operator 3	28
51007	Power Plant Engineer	32
51088	Power Plant Superintendent	34
5203	Electric Service Installer	29
5204	Electrical Distribution Installer	28
5205	Electrical Distribution Supervisor	31
5207	Utility Maintenance Worker	25
5209	Utility Maintenance Supervisor	28
52100	Utilities Maintenance and Distribution Superintendent	31
5211	Instrument Technician	27
5214	Plant Maintenance Mechanic	27
53022	Traffic Superintendent/ Engineer	31
5303	Directory Assistance Operator	16
5304	Directory Assistance Supervisor	20
5305	Customer Service Representative	11
53066	Customer Service Manager	30
5307	Commercial Marketing Representative	28
53088	Commercial Marketing Manager	30
5309	Line Assigner	28
5310	Telephone Testboard Operator	28
5311	Wire Chief	30
5312	Central Office Installer/ Repairer	28
5313	Central Officer Supervisor	30

Classification Number	Classification	Range
53144	Plant Service Manager	33
5315	Telephone Instrument Repairer	29
53166	Central Office Superintendent/Engineer	31
5317	Telephone Line Installer/ Repairer	29
53188	Installation/Maintenance Superintendent	31
5319	Straightline Installer/ Repairer	28
5320	Straightline Installation/ Repair Supervisor	30
5321	PBX/PABX Installer/ Repairer	28
5322	PBX/PABX Installation/ Repair Supervisor	30
5323	Cable Splicer	28
53244	Outside Plant Engineering/ Construction Manager	33
53255	Installation and Maintenance Manager	33
5326	Telephone Engineer 1	27
5327	Telephone Engineer 2	29
53288	Outside Plant Engineering Superintendent	31
53299	Telecommunication Director	35

(Ord. No. 2786, § 1, 6-13-79; Ord. No. 3839, § 1, 9-24-79; Ord. No. 3865, §§ 1, 2, 12-26-79; Ord. No. 3893, § 1, 5-19-80; Ord. No. 3954, § 1, 3-9-81; Ord. No. 4095, § 1, 5-10-82; Ord. No. 4142, § 1, 1982)

Sec. 2.510. Initial effect of pay plan.

On July 1, 1979, regular employees receiving less than the minimum rate for their classification or their new classification, or their new range, may be increased to the minimum rate of the salary range. This shall not be automatic. Employees receiving more than the maximum rate of their new classification, or their new range, may continue to receive the same rate. Employees whose salary rate falls within any step in their range for their classification, or their new classification, or their new range, may continue at their same rate. The city manager shall review each employee's classification, range and step to determine what changes may be necessary or desirable to align this article after receiving such recommendation from the respective department heads on established payroll change forms. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.511. Retroactive pay from one fiscal year to a previous fiscal year.

It shall be the policy of the city not to pay retroactive pay from one (1) fiscal year to a previous fiscal year. In the event the city is negotiating a contract with an employee group which would call for retroactive pay, and negotiations will not be completed in the fiscal year in which they were begun, and it appears approval of the contract will be achieved so that it would require payment of retroactive pay to a previous fiscal year, the parties to the negotiations will negotiate a separate agreement on retroactive pay in time to submit that agreement to the city council at a regular meeting prior to the end of the fiscal year in which negotiations were begun. In the event the council does not approve retroactive pay before the end of the fiscal year, no retroactive pay will be paid for that fiscal year. (Ord. No. 3911, § 1, 8-11-80)

Editor's note – Ord. No. 3786, § 1, adopted June 13, 1979, amended the Code by adding § 2.511 concerning retroactive pay. According to the preamble of Ord. No. 3910, said section was repealed by implication with the enactment of Ord. No. 3875, concerning retroactive pay for the International Brotherhood of Electrical Workers. Since implied repeal does not materially affect the appearance of the Code page, said Ord. No. 3910 specifically repealed former § 2.511. Ord. No. 3911, also enacted Aug. 11, 1980, established a new § 2.511, as set out above.

Sec. 2.512. Probationary period.

(a) The rules and regulations shall provide that all original and promotional appointments shall be for a probationary period of six (6) months for all employees, except that the

probationary period for employees of the police and fire departments shall be twelve (12) months and the probationary period for employees covered by union contracts (other than fire or police department employees) shall be ninety (90) days. During this probationary period an employee may be dismissed at any time without right of appeal or hearing in any manner. The employee dismissed during the probationary period from a position to which he has been promoted may be reinstated to the position from which he had been promoted unless charges are filed and he is discharged as provided in this article and the rules.

(b) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.513. Suspensions, demotions, dismissals.

(a) The city manager, or his designee, may suspend an employee without pay for disciplinary purposes. No employee shall be suspended for more than thirty (30) days in any calendar year except that extensions may be made pending any investigation and hearing. The city manager, or his designee, may demote an employee whose work is unsatisfactory. Written notice of the action shall be served upon the employee affected before it shall become effective.

(b) Willful disobedience by any regular city employee of a directive of the city council, whether such directive takes the form of an ordinance, resolution or other official action of the council, shall be grounds for immediate dismissal of such employee by the city manager. Determination of whether such willful disobedience has occurred shall be made by resolution duly adopted by the city council.

(c) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.514. Appeals.

(a) Any regular employee who is suspended, demoted or dismissed may appeal to the commission on ethics and employee appeals within thirty (30) days after such action is taken. The personnel rules and regulations shall establish an appeal procedure.

(b) The foregoing provisions of this section shall apply to all city employees except those in the exempt service covered by contracts. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.515. Political, religious, race, sex and marital status discrimination.

No person in the municipal service, or seeking admission thereto, shall be employed, promoted, demoted or discharged, or in any way favored or discriminated against because of political opinions or affiliations or because of race, religious belief, sex or marital status. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.516. Official travel outside city.

(a) Per Diem Rates. Employees' time spent at official conferences, meetings or training sessions shall be considered time worked on the usual daily time basis. Per diem allowance shall be reimbursed to the elected or appointed official and employee as outlined in the following schedule:

Per Diem Rates

Employees, per calendar day	$ 80.00
City officials appointed by the city council, per calendar day	80.00
Elected officials, per calendar day ..	100.00

(b) Calculation of Reimbursement. In those cases where the elected or appointed official or employee is away on authorized business for less than a 24-hour day not involving overnight lodging, such elected or appointed official or employee shall be reimbursed at one half the authorized per diem rate. An employee's per diem allowance in excess of seven (7) calendar days shall be reimbursed at one-half the rate of the aforegoing rate commencing with the first calendar day thereafter, and shall constitute full reimbursement for all costs incurred, unless there are special or unusual costs, in which case the city manager may authorize higher reimbursement, proven by receipts. No employee shall receive per diem when either the city or another agency, government or private, pays for all meals and lodging for the employee.

(c) City Approval Prerequisite In Case of Elected Official. In case of official travel by an elected official, to qualify for per diem allowance and any other expenses of such travel at city expense, such travel must first be approved by the mayor or a majority of the city council.

(d) Applicability. The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79; Ord. No. 3823, §§ 1, 2, 9-10-79)

Sec. 2.517. Solicitation of contribution.

(a) No officer, agent, clerk or employee under the government of the city shall, in connection with the performance of his duties with the City of Fairbanks, directly or indirectly, solicit or receive, or be in any manner concerned in soliciting or receiving any assessment, subscription, contribution or political service whether voluntary or involuntary, for any political purpose whatever, from anyone holding any position under the provisions of this article.

(b) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.518. Reserved.

Editor's note – Ord. No. 3985, § 1, enacted May 18, 1981, repealed § 2.518, dealing with the commission on ethics and employee appeals, derived from Ord. No. 3736, § 1, enacted June 13, 1979.

Sec. 2.519. Guidelines for collective bargaining.

(a) In order to provide reasonable opportunities for the council to review, assist, and communicate with city representatives in the course of labor negotiations, city representatives shall:

(1) Present to the council copies of the last contract between the city and the employee bargaining unit prior to the commencement of negotiations with said unit. Upon review of the contract by members of the council, the city negotiator shall request an executive session with the council to request its written guidance, and negotiation will not begin until such written guidance is received.

(2) Present to the council and the city attorney, prior to final agreement, copies of the proposed contract with comparative annotations indicating (i) changes from the last existing contract with the employee bargaining unit, and (ii) an estimate of the cost of the proposed contract.

(b) Nothing in this section shall be construed to (i) confer a special right upon individual employees, unions or employee group representatives, or (ii) limit the city negotiator in communicating with and reporting his progress to the council throughout the negotiation

period, or (iii) restrict the council from altering its written direction as, in its judgment, negotiations require. (Ord. No. 4079, § 1, 2-22-82)

Sec. 2.520. Annual physical examination.

(a) A yearly physical examination is offered to employees of the city, beginning during their second year of employment, and subject to approval of specific application for such physical examination to the city manager. The examination shall include eyes, ears, nose, throat, heart, lungs, abdomen and genitalia, including pap smear for female employees. Laboratory studies which, at the election of the examining physician, may be included in such examination are serologic test for syphilis, chest X-ray, EKG for employees over the age of forty (40) or for specific cause under the age of forty (40), urinalysis and stool examination for blood. When, in the opinion of the city, there arises specific question as to the physical ability of an employee to perform his normal work assignment, a physical examination may be ordered by the city. If such examination demonstrates, in the opinion of the examining physician, that the employee is physically incapable of performing his normal work assignment, the employee shall be allowed to seek a second opinion from a local licensed physician of his choice. If the results of these two (2) examinations are not in agreement, then a third opinion shall be solicited from a physician mutually agreeable to the city and the employee. The results of this third examination shall be the final and binding one, subject only to appeal processes described elsewhere in city ordinances. The employer shall pay for all physical examinations and connected expenses involved with this section.

(b) The foregoing provisions of this section shall apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.521. Health and medical programs.

(a) The city manager shall submit to the city council a health and medical program for the city employees. Such a program shall be adopted by resolution of the council. The city manager will review the health and medical program each year and submit his recommendations to the city council.

(b) Negotiated contracts shall contain a provision indicating whether employees covered by the contract shall be members of the city health and medical program or another program. In the event employees covered by a contract are members of a health and medical program other than the city program, the city's contribution to that program for each covered member shall not exceed the comparable contributions for employees covered by the city program. (Ord. No. 3786, § 1, 6-13-79)

Sec. 2.522. Retirement plan.

(a) Coverage Mandatory; Eligibility. The city is a participating employer in the Public Employees' Retirement System and as such, coverage shall be mandatory for all employees with contributions deducted as a condition of employment. Eligible employees include all regular full-time employees, exclusive of casual or part-time workers and those employees working under the IBEW union contract with the municipal utilities system. An elected official may be included in the system and considered an employee for all purposes thereunder if, within sixty (60) days after taking office, he directs his employer in writing to make the necessary deductions from his salary and to pay into the system the contributions required.

(b) City's Contribution. The contribution of the city for the account of an employee in the exempt service who participates in a retirement plan other than the Public Employees' Retirement System shall not exceed the amount the city would be required to contribute for the same employee if he were participating in the Public Employees' Retirement System. (Ord. No. 3786, § 1, 6-13-79; Ord. No. 3926, § 1, 11-10-80)

Sec. 2.523. Personnel rules and regulations.

(A) Rule I. General Provisions.

(1) Purpose. In accordance with this article creating and establishing a personnel system, it is the purpose of these rules to establish normal procedure which will serve as a guide to administrative action concerning the various personnel activities and transactions. They are intended to indicate the customary and the most reasonable methods whereby the aims of the personnel program, as defined by this article, may be carried out.

(2) Employees Covered. These rules (I through X, inclusive) and regulations shall cover all employees in the classified service.

(3) Administration. These rules shall be administered by the city manager and in conformity with this article establishing a personnel system. All amendments to the personnel rules and regulations shall be made only by amending this article.

(B) Rule II. Classification Plan.

(1) Purpose. The classification plan shall provide a complete inventory of all positions in the city service and accurate descriptions and specifications for each class of employment. The plan standardizes titles, each of which is indicative of a definite range of duties and responsibilities and has the same meaning throughout the service.

(2) Composition of the Classification Plan. The classification plan shall consist of:

(a) a grouping in classes of positions which are approximately equal in difficulty and responsibility, which call for the same general qualifications, and which can be equitably compensated within the same range of pay under similar working conditions;

(b) class titles, descriptive of the work of the class, which identify the class;

(c) written specifications for each class of positions.

(3) Use of Class Titles. Class titles are to be used in all personnel, accounting, budget, appropriation and financial records. No person shall be appointed to or employed in a position in the classified

service under a title not included in the classification plan.

(4) Use of Class Specifications. Specifications are to be interpreted in their entirety and in relation to others in the classification plan. Particular phrases or examples are not to be isolated and treated as a full definition of the class. Specifications are deemed to be descriptive and explanatory of the kind of work performed and not necessarily inclusive of all duties performed.

(5) Use of Classification Plan. The classification plan is to be used:

(a) as a guide in recruiting and examining candidates for employment;

(b) in determining lines of promotion and in developing employee training programs;

(c) in determining the salary to be paid for various types of work;

(d) in determining personnel service items in departmental budgets; and

(e) in providing uniform job terminology understandable by all city officers and employees and by the general public.

(6) Administration of the Classification Plan. The city manager is charged with maintenance of the classification plan so that it will reflect the duties performed by each employee in the classified and exempt service and the class to which each position is allocated. It is his duty to examine the nature of the positions as they are created and to allocate them to the existing class or to create new classes in conformity with paragraph (7) of this rule; to make such changes in the classification plans as are necessary by changes in the duties and responsibilities of existing positions; and periodically to review the entire classification plan and recommend appropriate changes in allocations or in the classification plan.

(7) Allocation of Positions. Whenever a new position is established, or duties of an old position change, department heads shall submit in writing a comprehensive job description describing in detail the duties of such a position. The city manager shall thereupon investigate the actual or suggested duties and shall take whatever action is necessary to approve or disapprove such recommendation.

(8) Requests for Reclassification. Any regular employee who considers his position improperly classified shall first submit his request in writing to his supervisor who shall review such request with the department head as to its justification. If the department head finds that there is merit in the request, he shall immediately transmit his recommendation to the city manager. If the department head finds the request not justified, he shall so advise the employee of his decision and also the employee's right of appeal under the grievance procedure in Rule VIII.

(9) Status of Employees Under Reclassification. Upon the reclassification of a position from one class to another class of the same level, a lower level or a higher level, the method of filling the position shall be determined in accordance with the rules regarding transfers, demotions or promotions as may be appropriate. However, when an employee, through diligent and intelligent application of his work, develops his position by the assumption of more difficult additional responsibilities and

duties so that it warrants a higher classification, the department head may recommend to the city manager that the employee be given status in such higher classification without examination. In such case the department head's recommendation shall be submitted to the city manager for his concurrence. The city manager shall decide if the employee will be promoted.

(10) Applicability. The foregoing provisions of Rule II shall apply to employees in the exempt service as well as employees in the classified service.

(C) Rule III. Pay Plan.

(1) Composition. The compensation plan includes the basic salary schedule as adopted by the city council and subsequent amendments thereto, and the schedule of salary ranges consisting of minimum and maximum rates of pay and intermediate steps for all classes of positions included in the classification plan.

(2) Maintenance of the Compensation Plan. The compensation plan is intended to provide fair compensation for all classes in the classification plan with regard to range pay for other classes, general rates of pay for similar employment in private establishments and other public employment in the area, cost-of-living data, the ability of the city to pay and other factors. To this end, the city manager will from time to time make comprehensive studies of all factors affecting the level of salary ranges and will recommend to the council such changes in salary ranges as appear to be pertinent. Such adjustments shall be made by increasing or decreasing the salary ranges and appropriate number of steps as provided in the basic salary schedule, and the rate of pay for each employee will be adjusted an appropriate number of steps in conformance with the adjustment of salary range for that class as approved by the city council.

(3) Use of Salary Ranges. Salary ranges are intended to furnish administrative flexibility in recognizing individual differences among positions allocated to the same class, in providing employee incentive, and in rewarding employees for meritorious service. The following general provisions shall govern the granting of within-the-range increases:

(a) The minimum rate established for the class is the normal hiring rate, except in those cases where unusual circumstances appear to warrant appointment of an employee at a higher rate. Appointments above the minimum step rate may be made when the city manager determines that it is necessary in the best interests of the city. Approval will be based on qualifications of the applicant being in excess of the requirements for the class, that there is a shortage of qualified applicants available at the minimum step, and that qualified applicants decline employment at the minimum step.

(b) On the initial anniversary date, which shall be the anniversary of the first day of hire, department heads shall consider various factors affecting the performance of employees and may recommend advancement to the second step. The same procedure will be considered on the employee's second anniversary for advancement to the third step. The third step is considered to be the normal rate for the class adequate to compensate for satisfactory service.

(c) The fourth through seventh steps are reserved to reward employees for meritorious service, for loyalty and long years of service. On each succeeding anniversary of completion of the probation period, the city manager shall require department heads to consider the eligibility of the employee to advance to such a step and to recommend either such advancement or retention at the same rate. Department heads are to consider all factors affecting employee performance and will submit their recommendations in writing, giving the reasons therefor, whether to advance or retain the employee at the same rate. All such advancements and retentions must be approved by the city manager.

(d) Longevity pay: All regular employees will receive longevity pay on the basis of two (2) percent of the employee's basic wage rate after two (2) years of continuous service, and an additional one (1) percent for each year's continuous service thereafter up to a maximum of ten (10) percent.

(e) Anniversary date: The initial anniversary date shall be the first of the month nearest the date of hire. In the case of any advancement to a higher pay step or range, a new anniversary date shall be established.

(4) Total remuneration. The salary rate established for a position shall represent the total remuneration for the employees, not including reimbursement for official travel. Except as otherwise provided in these rules, no employee shall receive pay from the city in addition to the salary authorized under the schedules provided in the pay plan for services rendered by him either in the discharge of his ordinary duties or any additional duties which may be imposed upon him or her or which they may undertake or volunteer to perform. No reward, gift or other form of remuneration in addition to regular compensation shall be received from any other source by employees for performance of their duties. If a reward, gift or other form of remuneration is made available to any employee, it shall be turned into the city for disposition.

(5) Pay rates on promotion, demotion or transfer. When an employee is promoted, demoted or transferred, his rate of pay in the new position shall be established in accordance with the following:

(a) When an employee is promoted his salary shall only be advanced to the step in the new pay range which would provide at least the equivalent of the next merit increase in the range from which he was promoted.

(b) When a regular employee is demoted to a position for which he is qualified, his salary shall be set at the step rate in the lower pay range which provides the smallest decrease in pay if the action is not for cause, or any appropriate step rate in the lower range that is less than the existing salary if the action is for cause.

(c) When a temporary employee is demoted his salary shall be set up at the entrance rate of the lower pay range.

(d) When the employee is transferred from the position of one class to the position of another class of the same level he should continue to be paid at the same step rate.

(6) Hourly Rates. Certain employees will be paid on a hourly basis. Such employees shall be paid only for the time actually worked.

(7) Overtime. All overtime shall be authorized by the city manager, or his designee. All employees having a four-digit classification number shall be paid one and one-half (1½) times their regular rate of pay for authorized overtime hours worked in excess of the established workday prescribed herein. In the event of emergency, department heads may authorize overtime work, but immediately thereafter must obtain concurrence of the city manager or his designee. Employee shall be paid double their regular rate of pay for work authorized and performed on recognized holidays. The provision of this subsection shall not apply to Saturday, Sunday and holiday work performed as a part of regular work schedules. Those employees having five-digit classification numbers are considered to hold executive positions with adequate compensation so no additional pay shall be authorized. In the discretion of the city manager, or his designee, however, such employees may be granted short periods of time off for personal or civic matters without reduction to accrued annual leave.

(8) Applicability. The foregoing provisions of Rule III shall apply to employees in the exempt service, except those covered by contracts, as well as employees in the classified service.

(D) Rule IV. Recruitment and Employment.

(1) Eligibility. Individuals shall be recruited from a geographic area as wide as is necessary to assure obtaining well-qualified candidates for the various types of positions. Employment, therefore, shall not necessarily be limited to residents of Fairbanks; however, in cases where residents and nonresidents are equally qualified for particular vacant positions, the residents shall receive first consideration in filling such vacancies.

(2) Notification. The city manager may have prepared recruiting notices to publicize vacancies and to provide candidates for vacant positions.

(3) Applicability. The foregoing provisions of Rule IV shall apply to employees in the exempt service, except those covered by contracts, as well as employees in the classified service.

(E) Rule V. Appointments, Transfers, Demotions, Reinstatements.

(1) Types of Appointments. The following types of appointments may be made to the city service in conformity with the rule established:

(a) Permanent employees: A permanent employee works full time and on a continuing basis. He is subject to all rules and regulations and receives all benefits and rights as provided by this article.

(b) Seasonal employees: Seasonal employees are appointed in the same manner and are subject to the same procedure as permanent employees except that they will be laid off at the close of the season for which they have been appointed. This type of employee is not entitled to benefits and rights as provided by this article.

(c) Student appointments: Student appointments have the purpose of affording

students of public administration and other professional areas an opportunity to gain actual work experience. Such appointments are for a definite period of time, not to exceed twelve (12) months. No benefits or rights afforded.

(d) Emergency appointments: In order to prevent stoppage of public business, or loss or serious inconvenience to the public, appointment of employees on a temporary basis may be authorized by the city manager in accordance with this rule. No benefits or rights afforded.

(e) Part-time employees: Part time employees are employees who work less than the normal workweek, but on a regular basis. No benefits or rights afforded.

(f) Limited-term appointments: Limited-term appointments are made when a special project requires the addition of employees for a specific time, or to fill a position of an employee on a leave of absence. No benefits or rights afforded.

(2) Transfers. Any employee who has successfully completed his probationary period may be transferred to the same or a similar position in a different department without being subject to a probationary period.

(3) Demotions. Any employee may be demoted to a position of lower grade for which he is qualified for any of the following reasons:

(a) when an employee would otherwise be laid off because his position is being abolished, his position is being reclassified to a higher grade; lack of work; lack of funds; or because of the return to work from authorized leave of another employee to such a position in accordance with the rules on leave;

(b) when an employee does not possess the necessary qualifications to render satisfactory service in the position he holds, or when removed during probation; and

(c) when an employee voluntarily requests such demotion.

(4) Reinstatements. An employee who has resigned with a good record may be rehired, if a vacancy exists.

(5) Applicability. The foregoing provisions of Rule V shall apply to employees in the exempt service as well as employees in the classified service.

(F) Rule VI. Probation.

(1) Object. The probationary or working test period is an integral part of the examination process. It shall be utilized to observe closely the employee's work, to secure the most effective adjustment of a new or promoted employee to his position, and to reject any employee whose performance does not meet required work standards.

(2) Duration. The probationary period shall be ninety (90) days for all employees covered by union contracts, excepting employees of the fire and police departments, six (6) months for all other employees; except that the probationary period for employees of the fire and police departments, whether covered by union contracts or not, shall be twelve (12) months.

(3) Dismissal. During the probationary period the department head may remove an employee who is unable or unwilling

to perform the duties of the position satisfactorily or whose habits and dependability do not merit his continuance in the service. Any employee removed during the probationary period does not have the appeal rights outlined in Rule VII.

(4) Applicability. The foregoing provisions of Rule VI shall apply to employees in the exempt service as well as employees in the classified service.

(G) Rule VII. Separation and Disciplinary Action.

(1) Types of Separation. All separations of employees shall be designated as one of the following types and shall be accomplished in the manner indicated: resignation, layoff, disability, death, retirement and dismissal.

(2) City Equipment. At the time of separation and prior to final payment, all records, assets and other items of city property in the employee's custody shall be delivered to the department head. Any amount due because of storage in the above shall be withheld from the employee's final compensation or collected through other appropriate action.

(3) Right of Employees. Permanent employees who separate shall receive payment for all earned salary and annual leave, subject to the deductions for any indebtedness pursuant to paragraph (2) of this rule.

(4) Resignation. An employee may resign by submitting in writing the reasons therefor and the effective date to his department head as far in advance as possible, but a minimum of two (2) weeks is desired. Failure to comply with this requirement may be cause for denying future employment with the city.

(5) Layoff. The department head, upon approval of the city manager or his designee, may lay off an employee when he deems it necessary by reason of shortage of funds or work, the abolition of the position, or other material changes in the duties or organization, or for related reasons which are outside the employee's control and which do not reflect discredit upon the service of the employee. The duties performed by any employee laid off may be reassigned to other employees already working. A layoff of less than twelve (12) months, after which the employee returns to work at the first available opportunity, shall not be considered a separation. Longevity credits for purposes of completing probation, pay anniversary date and accumulation of leave benefits shall be suspended during the period of layoff.

(6) Disability. An employee may be separated for disability when he cannot perform the required duties because of a physical or mental impairment.

(7) Death. Separation shall be effective as of the date of death. All compensation due in accordance with paragraph (3) of this rule shall be paid as provided by law.

(8) Disciplinary Action. Whenever employee performance, attitude, work habits or personal conduct at any time falls to a level unsatisfactory to his supervisor, the supervisor shall inform the employee promptly and specifically of such lapses and give counsel and guidance. If appropriate and justified, a reasonable period of time for improvement may be allowed before initiating disciplinary action. In

some instances a specific incident may justify severe disciplinary action in and of itself; however, the action to be taken depends on the seriousness of the incident and the whole pattern of the employee's past performance and conduct.

(a) Reprimand: In situations where an oral warning has not resulted in the expected improvement, or where more severe initial action is warranted, written reprimand may be sent to the employee, and a copy shall be placed in the employee's file.

(b) Suspension: An employee may be suspended without pay by his department head with approval of the city manager, or his designee, for reasons of misconduct, negligence, inefficiency, insubordination, disloyalty, unauthorized absence, or other justifiable reasons when alternate personnel actions are not appropriate. Employees shall be furnished an advance written notice at least twenty-four (24) hours prior to the effective date containing the nature of the proposed action.

(c) Employee appeal: An employee may appeal the suspension pursuant to the grievance procedure as set forth under Rule VIII of this section. If the employee fails to appeal the suspension, the action shall become effective on the date specified.

(9) Dismissal. The city manager, or his designee, may dismiss any employee for the good of the service. Reasons for dismissal may include but shall not be limited to:

(a) failure to meet prescribed standards of work, morality and ethics to an extent that makes an employee unsuitable for any kind of employment in the city service;

(b) theft or destruction of city property;

(c) incompetency, inefficiency or negligence in the performance of duty;

(d) insubordination;

(e) conviction of a felony or a misdemeanor involving moral turpitude;

(f) notoriously disgraceful personal conduct;

(g) unauthorized absences or abuse of leave privileges;

(h) acceptance of any valuable consideration which was given with the expectation of influencing the employee in the performance of his duties; and

(i) falsification of records or use of official position for personal advantage.

The employee shall be furnished in advance written notice containing the nature of the proposed action, the reasons therefor and his right to answer the charges, orally or in writing. This notice shall be furnished at least one calendar week prior to the proposed action. After receiving notice, but prior to the proposed effective date of dismissal, the employee may be retained in duty status, placed on leave, or suspended with or without pay at the discretion of the city manager, or his designee. If the employee fails to respond to the advance notice, the proposed action of the city manager, or his designee, shall be effective on the date specified with no need for further action.

An employee may appeal the dismissal pursuant to the grievance procedure as set forth under Rule VIII of this section.

(10) Applicability. The foregoing provisions of Rule VII shall apply to employees in the exempt service as well as employees in the classified service.

(H) Rule VIII. Grievance Procedure – Arbitration.

(1) Policy. It is the mutual desire of the city to provide for the prompt adjustment of grievances in a fair and reasonable manner, with a minimum amount of interruption of the work schedules. Every reasonable effort shall be made to effect the resolution of grievances at the earliest step possible. In the furtherance of this objective, the city shall adopt the following procedure.

(2) Definition. A grievance is defined as any dispute involving the interpretation, application or alleged violation of any provision of these rules and regulations and/or bargaining agreements. However, any dispute involving the commencement date or termination of bargaining agreements shall not be considered a grievance, and shall not be submitted to the grievance-arbitration procedure set forth herein, but any such questions concerning commencement or termination of bargaining agreements shall be specifically reserved for judicial review.

(3) First Step. When an employee has a grievance, the employee shall verbally discuss the matter with his immediate supervisor and attempt to resolve the problem. The grievance must be brought to the attention of the immediate supervisor within thirty (30) calendar days after its occurrence or within thirty (30) calendar days of the employee having, through the exercise of reasonable diligence, gained knowledge that a grievance exists. If the grievance cannot be resolved through verbal discussion, the grievance shall be reduced to writing, signed by the employee, and presented to his immediate supervisor through the shop steward, if applicable. The immediate supervisor shall investigate the grievance and shall indicate thereon, in writing, his response to the grievance

within three (3) working days following the day on which the written grievance was presented. The written grievance containing the response of the immediate supervisor shall then be delivered to the employee, or Union, who filed it, or through the shop steward, if applicable, for further handling at the next step of this procedure within three (3) working days.

(4) Second Step. Grievances not settled in the first step shall be delivered to the appropriate department head, who shall attempt to settle or have settled the grievance within three (3) working days after the submission of the grievance to him. If the written answer of the department head is not satisfactory, then the employee shall have five (5) working days to decide if he wishes to appeal the grievance to the third step of the procedure.

(5) Third Step. If the dispute is not settled to the satisfaction of all concerned parties, then the grievance shall be submitted by the employee, or union business agent, if applicable, to the personnel director, who shall investigate and report his findings and recommendations, in writing, to the city manager within five (5) working days after the matter has been submitted to him. The city manager shall attempt to settle the grievance, but if he is not successful in this effort, the city manager shall have five (5)working days after the grievance has been submitted to him by the personnel director to answer. If the answer of the city manager is not satisfactory and before going to arbitration as provided below, those matters which are unresolved shall be discussed at a meeting between the parties (the employee involved, the union business agent, if applicable, the city manager, the department head and such other persons as may be mutually agreeable to the parties) during which time all pertinent facts and information will be reviewed in an effort to resolve the matter through conciliation. If necessary, an employer grievance will be filed with the union business agent at the third step. If appropriate and necessary, a union grievance will be filed by the union business agent at the second step.

(6) Arbitration. If efforts to resolve the dispute through conciliation at the end of the third step are unsuccessful and if the answer of the city manager as given in the third step of the grievance procedure is not satisfactory, then the employee, or the union, if applicable, shall notify the city in writing within fourteen (14) calendar days after the answer of the city manager, that the grievance is to be submitted to binding arbitration. Such notice shall include the nature of the matter to be arbitrated and the code or contract provision allegedly violated. When a grievance is submitted to binding arbitration, the employee or the union, if applicable, shall notify the city as to the name of the arbitrator he or it has chosen, and the city shall notify the employee, or the union as to the name of its arbitrator within five (5) working days after the notice to the city of the desire of the employee, or the union, to arbitrate the matter. The two (2) arbitrators so named shall then meet at a date and time mutually agreeable within fourteen (14) calendar days to select a third arbitrator. Upon the failure of the two (2) arbitrators to agree upon a third arbitrator, both parties agree to request the Federal Mediation and Conciliation Service or the American Arbitration Association to submit a list

of seven (7) names of persons who are available for services as arbitrators. Within five (5) working days of receipt of the list, the city and the employee, or union, representatives shall alternately strike one (1) name from the list until one name remains. The side to strike the first name shall be chosen by lot. The person whose name has been chosen shall become the third member and shall serve as chairman of the arbitration committee. The arbitration committee shall meet as promptly as possible, and unless mutually agreed otherwise, arbitration shall commence within thirty (30) days after the first notification that the grievance is to be submitted to binding arbitration.

The arbitrators shall hear the case within twenty (20) working days after the third arbitrator has been selected. The arbitrators shall make a written report of their findings to the employee, or the union if applicable; and the city within fifteen (15) working days after the hearing is concluded. Said arbitrators will be governed by Voluntary Labor Arbitration Rules of the American Arbitration Association as amended and in effect January 1, 1979. The decision of the majority of the arbitrators shall be final and binding on both parties to the dispute. The final decision of the arbitrators shall be implemented as soon as possible, but not later than thirty (30) days after the final decision is rendered.

The authority of the arbitrators shall be limited to the application and interpretation of this code or the union agreement covering the particular employee, if applicable. They shall have no authority to amend, alter, modify or otherwise change the terms or scope of the code or applicable union agreement. However, by mutual agreement of the city and a union, the grievance procedure set forth above may be used in other matters.

(7) Each grievance or dispute will be submitted to a separately convened arbitration proceeding, except where the city and a union mutually agree to have more than one grievance or dispute submitted to the same arbitrators.

(8) The city and a union shall bear the expense of their respective arbitrators and witnesses and shall share equally the other expenses involved in such arbitration proceeding, including those of the neutral arbitrator and stenographic expenses. In the case of a classified employee, the city shall bear the entire expense of the arbitration proceedings.

(9) Any city employee called as a witness by either side will continue to receive his regular rate of pay while attending such hearing, not to exceed regular working hours. Should such meetings be scheduled outside of regular working hours, or extended beyond such regular working hours, no compensation shall be paid by the city for time outside such hours.

(10) When any matter in dispute has been referred to the grievance procedure set forth above, the conditions and provisions prevailing prior to the time and dispute arose shall, insofar as it is possible and consistent with normal operations, not be changed until the decision is rendered. When the subject matter warrants, the decision shall be made retroactive to the time the dispute began. In cases where it is determined an employee has been discharged unjustly

and without cause, the arbitration committee shall order the city to return the employee to his position without loss of seniority or pay.

(11) In the event that the city fails to answer a grievance within the time required at any step of the grievance procedure, or the employee, or a union, fails to appeal the answer given to the next step of the grievance procedure within the time allowed, then the grievance will be considered settled against the side which has defaulted. However, any of the time limits in the grievance-arbitration procedure may be extended by mutual agreement. Grievances settled by default cannot be the basis of establishing precedent for the settlement of any other grievances.

(12) Any grievance that originates from a level above the first step of the grievance procedure shall be submitted directly to the step or level from which it originates.

(13) The foregoing provisions of Rule VIII shall apply to employees in the exempt service as well as employees in the classified service.

(I) Rule IX. Leaves of Absence.

(1) General Policy. The following types of leaves, and no other, are officially established: holiday, sick leave, annual, military leave, civil leave and leave without pay. All leaves may be granted by the department head in conformance with rules established for each type of leave and shall be forwarded to the finance department before the employee starts his leave.

(2) Holidays With Pay. The following and such other days as the city council, by resolution, may fix are holidays for all employees except emergency employees of the city:

New Year's Day – January 1st

Washington's Birthday – 3rd Monday in February

Memorial Day – Last Monday in May

Independence Day – July 4th

Labor Day – 1st Monday in September

Alaska Day – October 18th

Veterans' Day – November 11th

Thanksgiving Day – 4th Thursday in November

Christmas Day – December 25th

One (1) personal holiday

(a) Regular full-time employees: It shall be the policy of the city to insure that all permanent employees enjoy the same number of holidays each year. The standard shall be the number of holidays in a particular year which shall be celebrated by permanent employees working a 40-hour week, Monday through Friday. For this group when a holiday falls on Saturday, it shall be observed on the preceding Friday; when a holiday falls on Sunday, the following Monday shall be observed as a holiday. For permanent employees on a workweek other than Monday through Friday and city manager shall designate the workday that shall be observed.

(b) Holiday on scheduled workday: Employees who are required to work on their observed holiday shall be granted either a workday of leave or shall be paid for the time worked with prior approval of the city manager. A holiday occurring on Saturday or Sunday shall not be treated differently than a holiday occurring on a weekday. Neither shall the day of holiday observance by general employees have any bearing on the method of determining holiday pay for fire and police department shift personnel covered by this interpretation. This rule interpretation applies only to employees whose tours of duty require their presence regardless of the occurrence of a holiday. By this interpretation personnel concerned shall be compensated for each of nine (9) paid holidays a calendar year, as follows:

(1) eleven and five-tenths (11.5) hours' holiday pay for each holiday for 56-hour-shift personnel;

(2) eight (8) hours' holiday pay for each holiday for 40-hour-shift personnel.

(c) Holidays for part-time employees: Part-time employees shall not be paid for holidays.

(d) Eligibility for holiday pay: In order to receive pay for an observed holiday an employee must not have been absent without leave either on the workday before or after the holiday. Employees shall not be paid for holidays occurring while they are on unpaid but approved leave of absence.

(e) Personal holiday: The one (1) personal holiday (eleven and five-tenths (11.5) hours for 56-hour employees) is a holiday with pay, which may be taken at any time during a calendar year, subject to any rules relating to prior notice and permission which are established for the taking of annual leave or vacation.

(3) Vacation. All permanent employees are allowed vacation leave for full pay periods of employment computed on the following basis:

(a) Employees on a 40-hour-week schedule:

Six (6) working hours per bimonthly pay period;

Twelve (12) working hours per calendar month;

One hundred forty-four (144) working hours per calendar year.

(b) Employees on a 56-hour-week schedule:

Eight and one-eighth (8-1/8) hours per bimonthly pay period;

Seventeen and one-quarter (17¼) hours per calendar month;

Two hundred seven (207) working hours per calendar year.

(c) Temporary; part-time or seasonal employees are paid for hours actually worked and do not receive leave allowances.

(d) Employees who have been in the employ of the city continuously for a period of two (2) years shall have added to their basic vacation, one (1) additional day (eleven and five-tenths (11.5) hours for 56-hour-week employees). Upon completion of the third year an additional two (2) days shall be added to the basic vacation (twenty-three (23) hours for

56-hour-week employees), and so on each year, but not to exceed eighteen (18) additional days (two hundred seven (207) hours for 56-hour-week employees) to the basic vacation leave.

(e) Vacation leave shall not accrue in excess of sixty (60) days (four hundred eighty (480) hours for 40-hour-week employees) (six hundred ninety (690) hours for 56-hour-week employees) as of the anniversary date of hire. Accruals earned in excess of sixty (60) days in any calendar year must be used during the year or lost as of the anniversary date of hire.

(f) Only earned vacation leave of credit may be taken by an employee. All requests for leave in excess of eighty (80) hours (one hundred twelve (112) hours for 56-hour-week employees) shall be approved in advance by the city manager.

(g) Employees serving a probationary period on an original appointment shall accrue vacation leave in accordance with the provisions of this section. Such employees shall not be granted vacation leave until they shall have been employed for at least six (6) months.

(h) For vacation purposes, reinstated employees are considered new employees.

(i) Employees serving a probationary period on an original appointment leaving the city service without satisfactory completion of the probationary period shall not be compensated for any accrued vacation leave.

(4) Sick Leave. All permanent employees are allowed sick leave in accordance with the following:

(a) Beginning July 1, 1979, sick leave shall accumulate at the rate of one (1) day (eleven and five-tenths (11.5) hours for 56-hour-week employees) for each calendar month of employment, such credit to accumulate starting the first day of the month following the first calendar month worked.

(b) All sick leave accumulated prior to January 1, 1975, shall be placed in a sick leave "bank" (Bank No. 1), and shall be accounted for separately from sick leave accrued subsequent to January 1, 1975, and prior to July 1, 1979 (Bank No. 2) and subsequent to July 1, 1979. All sick leave taken by the employee from Bank No. 1 after January 1, 1975, shall be deducted from said Bank No. 1 until such time as the accrued sick leave in Bank No. 1 is depleted. At no time shall payment be made for sick leave not used from this bank.

All sick leave accumulated subsequent to January 1, 1975, and prior to July 1, 1979, shall be placed in a sick leave bank to be known as "Bank No. 2," and shall be accounted for separately from sick leave accrued prior to January 1, 1975, and subsequent to July 1, 1979. All sick leave taken by the employee from Bank No. 2 after January 1, 1975, shall be deducted from said Bank No. 2 until such time as the accrued sick leave in Bank No. 2 is depleted. Employees who either voluntarily or involuntarily terminate employment shall be paid for all accumulated sick leave earned between January 1, 1975, and prior to July 1, 1979, at the time of separation at the basic rate of pay on the pay day following the accumulation of such accumulated, unused sick leave.

Except for Bank No. 1 and Bank No. 2 described above, all employees shall have zero (0) sick leave as of July 1, 1979. This provision shall apply to present employees as well as to employees hired after July 1, 1979.

(c) Sick leave shall be granted to any employee for any period up to and including three (3) days (twenty-four (24) hours for 56-hour-week employees) upon written notification to the department head by the employee. Sick leave for any period exceeding three (3) days, (twenty-four (24) hours for 56-hour-week employees) shall be substantiated by a doctor's certificate. The employer shall furnish forms for written notification of sick leave used, such forms to be filled out when the employee returns to work after illness.

(d) Sick leave shall be available to the employee during vacation period upon the same basis as during the regular work schedule; provided, however, that a doctor's certificate shall be submitted covering the first and additional days of sickness.

(e) At the expiration of all accrued sick and annual leave, an additional period of leave, as required, without pay, shall be granted at the request of the employee and such leave privilege will be subject to verification by a doctor's certificate.

(f) In case of on-the-job or off-the-job incurred injury or serious illness, the employee's position shall be held for such employee until it has been definitely established that said employee will be unable to return to work.

(g) One-the-job injury to any employee in the classified service shall not cause him loss of regular sick leave or annual leave. The city will compensate the employee the difference between workmen's compensation and his regular basic rate of pay until the employee is able to return to duty or is medically retired, provided such times does not exceed nine (9) months. The employee shall be required to submit to his supervisor a weekly report from the attending physician affirming the continued disability.

(h) Regular employees, working less than an average of one hundred seventy-three (173) hours per month, will be allowed leave on a pro-rata basis of the number of hours worked.

(i) Employees who either voluntarily or involuntarily terminate employment shall be paid for all accumulated sick leave earned subsequent to January 1, 1975, and prior to July 1, 1979, at the time of separation at the basic rate of pay on the pay day following the accumulation of such accumulated, unused sick leave in Bank No. 2.

(5) Military Leave. Military leave means training and service performed by an inductee, enlistee or reservist, or any entrant into a temporary component of the armed forces of the United States and time spent in reporting for and returning from such training in service or, if a rejection occurs, from the place of reporting for service. It also includes active duty training as a reservist in the armed forces of the United States or as a member of the National Guard of the United States where the call is for training only.

(a) Eligibility: Any permanent employee who leaves the city service for compulsory

military duty shall be placed on military leave to extend through a date of ninety (90) days after his release from the service. Also a permanent employee shall be granted a leave of absence for the purpose of being inducted or otherwise entering military service. If not accepted for duty, the employee shall be reinstated in his position without loss of status or reduction in pay.

(b) Restoration: An employee returning from military leave shall be entitled to restoration to his former position, provided he makes application within ninety (90) days after his release from duty under conditions other than dishonorable, and is physically and mentally capable of performing the duties of the position involved. In the event that the position he vacated no longer exists at the time he qualifies for return to work, such person shall be entitled to be reemployed in another existing position of the same class without reduction in pay or loss of status.

(c) Disposition of vacation and sick leave: An employee who leaves the city service for such military leave without pay may elect to be paid for any accrued vacation he may be entitled to as if he were actually separating from the city service. His decision shall be noted on the personnel action form effecting the leave. If the employee elects not to be paid for such leave the accrued leave credits shall be reinstated upon return of the employee to the city service. Employees returned to duty under this provision shall have unused sick leave credits restored for their use.

(d) Military reserve training or emergency National Guard service: An employee who has completed his probationary period and who is a member of any reserve component of the United States Armed Forces will be allowed leave of absence for required training or duty for a period not exceeding fifteen (15) working days (one hundred sixty-eight (168) hours for 56-hour-week employees) during any one calendar year. Such military leave shall be with pay if all military pay the employee receives for the duties performed on such leave is paid to the city.

(6) Civil Leave. Any employee shall be given necessary time off without loss of pay when performing jury duty and for the purpose of voting when the polls are not open at least two (2) hours before or after the employee's scheduled hours of work. In the case of any employee performing jury duty, all fees received (other than meal or travel allowance) shall be returned to the city.

(7) Leave Without Pay. The city manager may grant an employee leave without pay for a period not to exceed ninety (90) days when it is in the best interest of the city to do so. The employee request shall be considered when he has shown by his record to be of more than average value to the city and where it is desirable to retain the employee even at some sacrifice. During the employee's approved leave of absence his position may be filled by limited-term appointment, temporary promotion, or temporary reassignment of any employee. At the expiration of the leave without pay the employee has the right to, and shall be reinstated to, the position he vacated if the position still exists; or, if not, to any other vacant position in the same class. Approved leave without pay shall not constitute a break in service. Longevity credits for

purposes of completing probation, pay anniversary date and accumulation of leave benefits shall be suspended during the period of leave without pay. No leave without pay shall be granted to any employee until all annual leave credits of an employee have been exhausted.

(8) Maternity Leave. Maternity leave shall be granted when the employee can be certified for such leave by a competent physician. A pregnant employee may work as long as she is certified to be in good health by a competent physician. Absences due to or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery are the same as any other temporary disability and should be treated that way under health and disability insurance or sick leave plans. No leave without pay shall be granted to any employee until all sick leave and annual leave credits of any employee have been exhausted. After such time, the city manager may grant a regular employee leave without pay for a period not to exceed ninety (90) days when it is in the best interest of the city to do so. The employee must either return to full employment status at the end of such leave without pay or terminate. Approved leave without pay shall not constitute a break in service.

(9) Applicability. The foregoing provisions of Rule IX shall apply to employees in the exempt service, except those covered by contracts and elected officials, as well as employees in the classified service.

(J) Rule X. Conduct of Employees.

(1) Hours of Work. Except for the uniformed personnel of the fire and police department, employees shall work forty (40) hours per week and the hours during which offices shall be open for business shall be determined by the city manager.

(2) Attendance. An employee shall be in attendance at regular work in accordance with these rules and general departmental regulations.

(3) Pecuniary Interests. No officer or employee of the city shall have any financial interests in the profits of any contract, service or other work performed by the city, or shall personally profit directly or indirectly from any contract, purchase, sale or service between the city and any person or company; or personally or as an agent provide any surety, bail or bond required by law or subject to approval by the city council. No officer or employee in connection with the performance of his duties with the city shall accept any free or preferred services, benefits or concessions from any person or company; any official or employee who violates the provisions of this section shall be guilty of misconduct. Exceptions to this rule will be found under section 2.710 of the Code of Ordinances.

(4) Applicability. The foregoing provisions of Rule X apply to employees in the exempt service as well as employees in the classified service. (Ord. No. 3786, § 1, 6-13-79; Ord. No. 3833, §§ 2–4, 9-24-79; Ord. No. 3893, §§ 2, 3, 5-19-80; Ord. No. 3938, § 1, 12-22-80; Ord. No. 3939, § 1, 12-22-80; Ord. No. 3940, §§ 1–3, 12-22-80; Ord. No. 3959, § 1, 4-6-81; Ord. No. 3986, § 1, 5-18-81)

TO: SENATE LABOR AND COMMERCE COMMITTEE MEMBERS

FROM: John Niemi, Firefighter, City and Borough of Juneau

LF

DATE: March 22, 1983, 2:15 pm

(This message was phoned in to the Senate Labor and Commerce staff by John Niemi due to the fact that all of the firefighters who had planned to testify are in "in-service training" or on duty. They wished to go on record as being in support of SB 154.)

"We've had some bad problems with the City and Borough of Juneau...we don't really want to get unionized, but we need some sort to access to binding negotiations. I think this goes for all of the guys in the Valley, too. We don't want to strike or anything, but we do need access to some sort of binding agreement. The way it is now, we just have to go along with whatever the City wants to do. We support SB 154."

Editorial Opinion and Comment of

FAIRBANKS
Daily News - Miner
"Independent in All Things . . . Neutral in None"

Other opinions expressed on this page do not necessarily reflect those of the Daily News-Miner.

A local option issue

The question of whether or not the city should negotiate contracts with its various workers is a far different one than the question of whether the city or the state should decide *when* to negotiate.

The latter question is at issue in a proposal by Sen. Bettye Fahrenkamp, D-Fairbanks. We need to be careful that in discussing the proposal's merits, we're not focussing on the first question.

In 1972, the state Legislature passed the Public Employee Relations Act, requiring public employers to negotiate and enter into labor contracts with employee organizations.

An amendment to that act was later sponsored by former state Sen. Jan Koslosky of Palmer, and came to be known as the Koslosky amendment. It permits the legislative body of a municipality to reject provisions of the employee relations act.

Different municipalities have reacted differently to the amendment. In Anchorage, the municipality has continued to negotiate with employee organizations.

In Fairbanks, however, the city has been moving away from collective bargaining, using the Koslosky amendment as its legal justification for refusing to bargain with some groups.

Fahrenkamp's proposal would repeal the Koslosky amendment, in effect taking away the city's right to decide for itself whether to proceed with collective bargaining with employee groups.

We hope the arguments over Fahrenkamp's proposal will focus on whether we wish to deprive the city of this local option. Frankly, we'd rather have the city council decide when to enter into collective bargaining than have the state Legislature decide for us.

Why permit 60 people from all over the state to decide an issue that directly effects taxpayers in the city of Fairbanks? We think it makes more sense to let the city council decide it. Those who don't like the council's decision certainly will find it easier to argue before six council members than they will before 60 legislators, and vice versa.

This proposal should be viewed as a local option issue and argued as such. We hope it's defeated.

N

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ANCHORAGE MUNICIPAL EMPLOYEES ASSOCIATION, Appellant,

v.

MUNICIPALITY OF ANCHORAGE, Appellee.

No. 4562.

Supreme Court of Alaska.

Oct. 31, 1980.

Municipal employees association brought suit seeking declaration that municipality was governed by Public Employment Relations Act and an order requiring municipality to bargain collectively over disputed items. The Superior Court, Third Judicial District, J. Justin Ripley, J., denied association's motion for summary judgment and awarded summary judgment in favor of municipality, and association appealed. The Supreme Court, Connor, J., held that: (1) municipality and both of its predecessors had option to reject coverage under the Act and engage in collective bargaining on local level; (2) predecessor of municipality, City of Anchorage, validly adopted the Act when it passed resolution rejecting the Act during 90-day interim period between Act's enactment and its effective date; (3) successor of municipality, Greater Anchorage Area Borough, timely and effectively enacted exemption from the Act; (4) municipality validly exempted from requirements of the Act; and (5) municipality which had validly rejected Act was free to develop local scheme of collective bargaining which varied from state scheme as provided in Act.

Affirmed.

1. Labor Relations ⇐367

Rejection of Public Employment Relations Act by municipality, which had previously engaged in collective bargaining with its employees, in order to avoid recognizing a particular employee organization or in order to gain an undue advantage in a labor dispute or negotiation of new collective bargaining agreement constitutes a deliberate interference with right of employees to organize and bargain collectively in derogation of Act's express declaration of such policy. AS 23.40.070 et seq.

2. Labor Relations ⇐52

Municipality newly formed after passage of Public Employment Relations Act has option to reject the Act so long as it does so promptly after its formation and without interfering with municipal employees' exercise of their established rights. AS 23.40.070 et seq.

3. Statutes ⇐184

The Supreme Court will not construe a statutory provision in a manner which is inconsistent with express objective of that very legislation.

4. Labor Relations ⇐52

Municipality and both of its predecessor government bodies had option to reject coverage under the Public Employment Relations Act and engage in collective bargaining with its employees on local level, even though municipality and its predecessors had already engaged in collective bargaining with employees. AS 23.40.070 et seq.

5. Municipal Corporations ⇐85

City resolution rejecting Public Employment Relations Act was not ineffective, although resolution was adopted prior to effective date of the Act, since State Constitution provided that laws passed by legislature became effective 90 days after enactment, resolution was passed in 90-day interim period, and such delay provided opportune time for those governments which chose to reject the Act to do so promptly and before their employees had commenced exercising their rights under the Act. AS 23.40.070 et seq.; Const. Art. 2, § 18.

6. Labor Relations ⇐52

Local government which adopted resolution rejecting the Public Employment Relations Act approximately seven months after effective date of the Act exercised its option to reject Act in sufficiently timely fashion as there was nothing to indicate that local government acted less than conscientiously and diligently in rejecting Act, personnel director of local government contacted state on several occasions regarding applicability of Act and procedures to be followed in rejecting it and was never informed of any time limitations, there was general agreement in local government that labor relations would be controlled on local level but that no action should be taken to reject Act until local ordinance on labor relations was adopted, and resolution rejecting Act was passed immediately upon enactment of local labor ordinance. AS 23.40.070 et seq.

7. Labor Relations ⇐52

Municipality was validly exempted from requirements of Public Employment Relations Act both as legal successor of exemptions made by its predecessors, City of Anchorage and Greater Anchorage Area Borough, and by virtue of its own independent act of rejecting the Act. AS 23.40.070 et seq.

8. Municipal Corporations ⇐111(2)

A municipal ordinance is not necessarily invalid because it is inconsistent or in conflict with state statute.

9. Labor Relations ⇐52

Municipality which had validly rejected the Public Employment Relations Act was free to develop local scheme of collective bargaining which varied from state scheme as provided in the Act. AS 23.40.070 et seq.

Fredric R. Dichter, Teamsters Union Local 959, Anchorage, for appellant; Joe P. Josephson, Howard S. Trickey, and Ronald W. Lorensen, Josephson, Trickey & Lorensen, Inc., Anchorage, of counsel.

Theodore D. Berns, Municipal Atty., Anchorage, for appellee.

* This case was submitted to the court for decision prior to Justice Boochever's resignation.

Before RABINOWITZ, C. J., and CONNOR, BOOCHEVER,* BURKE and MATTHEWS, JJ.

CONNOR, Justice.

In this case we are once again asked to interpret Section 4 of the Public Employment Relations Act (PERA), ch. 113, SLA 1972, which authorizes the legislative body of any political subdivision to reject application of the Act to its public employees. The specific question presented for review is whether the Municipality of Anchorage is governed by the provisions of PERA, despite the attempt by it and its governmental predecessors to exempt themselves from the Act. The superior court held that PERA did not apply, and granted summary judgment in favor of the Municipality. We affirm.

In 1972 the legislature enacted the Public Employment Relations Act, AS 23.40.070–.260, which conferred upon public employees the right to organize and bargain collectively with their employers. Simultaneously with the enactment of the PERA, the legislature repealed former AS 23.40.010 which permitted but did not require public employers to recognize and bargain collectively with labor organizations representing their employees. PERA was signed by the Governor on June 7, 1972, and became effective on September 5, 1972.

Both the City of Anchorage (the City) and the Greater Anchorage Area Borough (GAAB), the governmental predecessors of appellee, the Municipality of Anchorage, recognized and engaged in collective bargaining with various labor organizations elected by their employees under former AS 23.40.020. On August 8, 1972, one month before the effective date of the PERA, the City by resolution exercised its option under Section 4 to reject application of the Act. The GAAB Assembly passed its resolution rejecting coverage under PERA in April of 1973 and at the same time enacted a com-

prehensive local employee relations ordinance which was supported by representatives of various labor organizations.

Both GAAB and the City continued to bargain collectively with labor organizations elected by their employees under their local procedures, after their respective exemptions from PERA.

In September of 1975, the GAAB and the City merged into a single home rule municipality. On October 14, 1975, the new Municipality of Anchorage, the appellees here, passed a resolution formally rejecting application of PERA to its employees. The Municipality's labor relations were governed under GAAB's labor ordinance until April, 1976, at which time the Municipal Assembly adopted its own comprehensive labor relations ordinance.

It is a provision of this ordinance which has sparked the present controversy. As originally adopted, the ordinance stated that "[t]he provisions of the Personnel Rules and Regulations may not be varied by negotiation except as expressly so authorized therein." [1] On January 10, 1978, the Assembly adopted ordinance 77–376 [2] (substitute) which amended the above section of former AO 69–75 to provide that provisions of the "Personnel Rules and Regulations *may be substituted by negotiated agreements*," (emphasis added) with the exception of three specified areas which are still nonnegotiable.[3] When the Municipality refused to bargain over certain of the items removed from collective bargaining by AO 77–376, the Anchorage Municipal Employees Association (AMEA) brought suit in the superior court seeking a declaration that the Municipality is governed by PERA and an order requiring the Municipality to bargain collectively over the disputed items. AMEA appeals from the superior court's denial of its motion for summary judgment and award of summary judgment in favor of the Municipality.

AMEA presents three alternative theories in support of its assertion that the Municipality is bound by the requirements of PERA despite its explicit exemption pursuant to Section 4. First, it contends that the authority to opt out of PERA under Section 4 is not applicable to the Municipality or its predecessors. Next, AMEA argues that, assuming the availability of Section 4, the Municipality and its predecessors did not effectively exercise their exemption thereunder. Lastly, AMEA contends that even if there has been a properly executed exemption, the Municipality may not conduct its labor relations in a manner which is inconsistent with state policy as expressed in PERA.

I

The argument advanced most forcefully by AMEA is that the option to reject PERA pursuant to Section 4 is not applicable to local governments such as the Municipality or its predecessors.

Central to our resolution of this issue is the proper interpretation of Section 4, Chapter 113, SLA 1972, which provides with relation to PERA:

> "Each collective bargaining agreement made after the effective date of this chapter shall incorporate by reference the then current Personnel Regulations of Anchorage. The provisions of the Personnel Regulations may be substituted by negotiated agreements except Rule 12.7, Length of Service; Rule 14, Holidays, and Rule 15, Leave, which shall not be negotiable."

1. Former AO 69–75 provided:

   "Each collective bargaining agreement made after the effective date of this ordinance shall incorporate by reference the then current Personnel Rules and Regulations of Anchorage in their entirety. The provisions of the Personnel Rules and Regulations may not be varied by negotiation except as expressly so authorized therein. Any changes made to the Personnel Rules and Regulations during the term of any collective bargaining agreement shall not be applicable to that agreement."

2. AO 77-376 (substitute) provides in relevant part:

   "Each collective bargaining agreement made after the effective date of this chapter shall incorporate by reference the then current Personnel Regulations of Anchorage. The provisions of the Personnel Regulations may be substituted by negotiated agreements except Rule 12.7, Length of Service; Rule 14, Holidays, and Rule 15, Leave, which shall not be negotiable."

   AO 77-376 is codified as Anch.Mun.Cd. § 3.70.-170.

3. Although AMEA alleges that the amended ordinance diminished employee rights, in fact it *expanded* the items that were to be subject to collective bargaining.

"This Act is applicable to organized boroughs and political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply."

AMEA interprets this section as basically a "grandfather clause" designed to permit local governments, which were in existence at the time PERA took effect and were not already engaged in collective bargaining with their employees, to maintain the status quo and to avoid having collective bargaining suddenly imposed upon them with the adoption of PERA. In light of this interpretation, AMEA urges us to construe Section 4 as authorizing rejection of PERA for only a limited period of time after its enactment and then only by those local governments which had not yet undertaken collective bargaining with their employees.[4] An adoption of this construction would render the exemptions of all three government entities involved here ineffective, since at the time the statute was enacted, the Municipality was three years from existence, and both of its predecessors were already engaged in collective bargaining with their employers.

The Municipality contends that there is nothing in the legislative history or other extrinsic evidence to support AMEA's interpretation of Section 4. In the absence of any clear evidence indicating that the legislature intended otherwise, the Municipality submits, Section 4 should be construed consistently with its plain meaning, as "a simple local option provision" allowing municipalities to reject coverage by PERA and regulate their labor relations matters on a local level.

While acknowledging that there is no legislative history shedding light on the meaning of Section 4, AMEA contends that its interpretation is supported by our decision in *State v. Petersburg*[5] and other provisions of PERA. In *Petersburg*, we first construed Section 4 in the context of the entire Act. There we found the most clear expression of the legislature's intent in adopting PERA in the portion of the Act's statement of policy which reads:

"The legislature declares that it is the public policy of the state to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are to be effectuated by

(1) recognizing the right of public employees to organize for the purpose of collective bargaining;

(2) requiring public employers to negotiate with and enter into written agreements with employee organizations on matters of wages, hours, and other terms and conditions of employment...."[6]

In light of such a strong statement in favor of public employees' right to organize and bargain collectively, we declined to construe Section 4 in a manner which would substantially interfere with the employees' assertion of those rights. Thus we held that "the right and power of the City to reject the Act become[s] subordinated to the rights of the employees granted by the same legislation" once the public employer becomes "aware of substantial organizational activity" on the part of its employees 538 P.2d at 267.

AMEA argues that the limitation imposed in *Petersburg* upon a public employer's ability to reject PERA is applicable to those governments already engaged in collective bargaining with their employees pursuant to a local scheme. A municipality

4. AMEA argued a quite different interpretation of Section 4 before the superior court: that it was intended to cover municipalities which were in existence at the time PERA was enacted and had already developed or were in the process of developing their own local labor relations ordinance. Although we will not generally address an argument raised for the first time on appeal, we have decided to consider appellant's present interpretation of Section 4 because it is within the general realm of arguments presented to the superior court, and because the issue is one of public importance involving no factual disputes.

5. 538 P.2d 263 (Alaska 1975).

6. AS 23.40.070.

is "aware of organizational activity" by virtue of having bargained with representatives of its employees, AMEA maintains, and is thus precluded from rejecting PERA. This argument misconstrues our holding in *Petersburg* by taking it out of context from the factual setting in that case. The City of Petersburg took no action towards exercising its option to reject PERA until more than six months after the Act's effective date and after it became aware of organizational efforts by its employees to be represented by a particular union. The majority held: "Rejection of the PERA after becoming aware of such activity constitutes a gross and impermissible interference with the employees' freedom to choose which collective bargaining association should represent them." *Id.* The majority's primary concern in *Petersburg* was that, given a broad open-ended construction, the exemption provision could be used as a means of blocking attempts by public employees to pursue the rights granted them by PERA.

There is nothing in the instant case to suggest that the exemptions of the Municipality or its predecessors served to eliminate, diminish, or even affect existing rights of employees. Rather, the rejections of all three government entities merely served to perpetuate the status quo. AMEA itself acknowledges that "from a practical point of view, nothing particularly remarkable or disturbing (in the eyes of the municipality's employees) resulted from these rejections. Collective bargaining between public employer and employee proceeded and was carried out in a manner wholly consistent with labor relations 'models' generally and with the PERA, specifically." In fact, even the Municipality's substitution of the ordinance which sparked this controversy actually expanded rather than diminished the employees' rights.

[1] It would be a different matter if a municipality which had previously engaged in collective bargaining with its employees, upon the enactment of PERA, opted out in order to avoid recognizing a particular employee organization, as in *Petersburg*, or in order to gain an undue advantage in a labor dispute or the negotiation of a new collective bargaining agreement. Rejection of PERA under those circumstances constitutes a deliberate interference with the right of employees to organize and bargain collectively in derogation of the Act's express declaration of policy. Here all evidence indicates that all three governments exempted themselves solely for the purpose of retaining local control over their labor relations, and with the clear intent of continuing collective bargaining rather than to interfere with established employee rights. *Petersburg* does not prohibit rejection of PERA under these circumstances.

[2] Nor does *Petersburg* set a limited time period of six months after the enactment of PERA during which the exemption must be exercised, thus precluding exemption by newly formed governments such as the Municipality which were not in existence during that period. *Petersburg* merely holds that a public employer which chooses to opt out of PERA must do so promptly, rather than at its leisure, and that under the facts of that case, six months was adequate time for the City to act. The decision does not deprive a newly formed municipality of the option to reject PERA, so long as it does so promptly after its formation and without interfering with the employees' exercise of their established rights. To hold, as AMEA urges, that the exemption option was only intended to be available for a limited period of time after the enactment of PERA would basically rob Section 4 of any continued validity even though it is still printed in the Alaska Statutes.[7] Had the legislature wanted Section 4 to be of temporary duration, we think it would have so indicated.

We are even less persuaded by AMEA's assertion that the legislature intended that

7. We assign no significance to the fact that Section 4 was printed in the Special and Temporary Acts portion of the Alaska Statutes rather than being codified with the remainder of PERA. The language of Section 4 is also printed as an editors note in the body of the Act and it has not been repealed.

collective bargaining within the state be done in accordance with PERA or not at all. AMEA contends that the repeal of the permissive authority in former AS 23.40.010 deprived local governments of the power to engage in collective bargaining on a local level. This argument erroneously assumes that public employers in Alaska are prohibited from engaging in collective bargaining with their employees absent statutory authorization. We have previously recognized the power of local governments to adopt their own system of collective bargaining, despite the repeal of AS 23.40.010,[8] and have even stated that Section 4 of PERA "allows political subdivisions of the state to reject the act's provisions for conduct of labor relations and to substitute their own provisions." *Alaska Public Employees Ass'n v. Municipality of Anchorage*, 555 P.2d 552, 553 (Alaska 1976).

[3, 4] More importantly, we will not construe a statutory provision in a manner which is inconsistent with the express objective of that very legislation. The legislature expressly declared that the state policy of promoting harmonious and cooperative relations in public employment relations can best be effectuated by requiring public employers to bargain collectively with their employees.[9] It is, therefore, most difficult to construe the Act to prohibit local governments, which effectively rejected PERA, from engaging in collective bargaining under their own local ordinances. It is far more likely that Section 4 was added to PERA to give political subdivisions of the state the freedom to fashion their own labor ordinances and systems of collective bargaining. In sum, we find nothing in PERA or our decision in *Petersburg* to support the interpretation of Section 4 proffered by AMEA and thus hold that the Municipality and both of its predecessors had the option pursuant to Section 4 to reject coverage under PERA, and engage in collective bargaining on a local level.

8. In *Kenai Peninsula Borough Sch. Dist. v. Kenai Peninsula Borough Sch. Dist. Classified Ass'n*, 590 P.2d 437 (Alaska 1979), we acknowledged that the right of non-certified school employees, who are not covered by PERA, arose from the school district's local labor relations policy.

9. AS 23.40.070.

II

Alternatively, AMEA argues that even if Section 4's exemption option is available to governments which are already engaged in collective bargaining, neither the Municipality nor its predecessors effectively exercised their option to reject PERA. AMEA contends that the City acted prematurely, that GAAB acted to late, and that the Municipality acted in violation of its Municipal Charter.

The Municipality's Charter provides that the new government shall be the legal successor to the "rights, titles, actions, suits, franchises, contracts, and liabilities" of the former government. AMEA contends that the City, as the legal successor to the liabilities of its former governments, is subject to PERA by virtue of its predecessors' failure to enact timely exemptions. However, we need not determine what effect the new charter would have on the Municipality's ability to exercise its exemption had the former governments been bound by PERA, since we have concluded that both the City and GAAB did in fact validly opt out of PERA.

[5] There is no merit to AMEA's claim that the City's resolution rejecting PERA was ineffective because it was adopted prior to the effective date of PERA. The City's resolution was passed during the 90 day interim period between the Act's enactment and its effective date. Article II, section 18 of the Alaska Constitution provides that laws passed by the legislature become effective 90 days after enactment. This delay gives those affected by the new legislation notice and an opportunity to prepare for changes which the law makes. It also provides an opportune time for those governments which choose to reject PERA to do so promptly and before their employees have commenced exercising their rights under the Act.

[6] The GAAB adopted its resolution rejecting PERA approximately seven months after the effective date of PERA. AMEA maintains that this exemption was not timely enacted and is thus invalid under *Petersburg*. As previously indicated, we think that whether a local government has exercised its option to reject PERA in a sufficiently timely fashion is best determined by looking at the circumstances of the individual case rather than setting an inflexible deadline. Although seven months may be considered untimely under some circumstances, there is nothing in the present case to indicate that GAAB acted less than conscientiously and diligently in acting to reject PERA. The Personal Director of GAAB contacted the state on several occasions between June, 1972, when the Act was enacted, and December, 1972, regarding the applicability of PERA and the procedures to be followed in rejecting it. He was never informed of any time limitations under Section 4. In January, 1973, the Mayor's recommendation was immediately considered at both a public meeting and special assembly meeting. There was general agreement that labor relations should be controlled on a local level, but that no action should be taken to reject PERA until a local ordinance was adopted.

The resolution rejecting PERA was passed immediately upon enactment of a local labor ordinance. This is clearly not a situation, as in *Petersburg*, where the City dealt with the question of the applicability of PERA at its leisure, while its employees were in the process of undertaking substantial activities in pursuit of their rights under the new Act. Therefore, we conclude that GAAB's exemption was timely and effectively enacted.

[7] We hold that the Municipality is validly exempted from the requirements of PERA both as the legal successor of its predecessors' exemptions, and by virtue of its own independent act of rejecting PERA. Accordingly, the Municipality is free to formulate and apply its own labor relations practices and policies.

III

Finally, AMEA argues that even if the Municipality is free to conduct its labor relations according to its own scheme, it cannot do so in a manner which conflicts with state policy as expressed in PERA. The Municipality's ordinance, AMEA maintains, is inconsistent with PERA's express policy in favor of mandatory collective bargaining insofar as it makes certain terms and conditions of employment non-negotiable.[10]

[8, 9] Although we agree that there is an inconsistency between the state and local law, "a municipal ordinance is not necessarily invalid in Alaska because it is inconsistent or in conflict with a state statute." *Jefferson v. State*, 527 P.2d 37, 43 (Alaska 1974). To hold that a local ordinance, adopted by a municipality which has effectively exempted itself from the requirements of PERA is invalid unless consistent in all respects with the provisions of PERA would basically make Section 4 a meaningless provision. In effect, AMEA is attempting to bring in through the back door the construction of Section 4 which we have already rejected. As long as Section 4 is still part of the Act we cannot conclude that all collective bargaining must be conducted in accordance with the requirements of PERA. Local governments which have validly rejected PERA are free to develop a local scheme of collective bargaining which varies from the state scheme as provided in PERA.

We hold that the Municipality's labor ordinance is valid, and affirm the judgment of the superior court in favor of the Municipality.

AFFIRMED.

10. The non-negotiable items are longevity pay, holidays and leave. See note 2, *supra*.

STATE of Alaska, Petitioner,

v.

CITY OF PETERSBURG, Alaska, and International Brotherhood of Electrical Workers, Local 1547, AFL-CIO, Respondents.

No. 2341.

Supreme Court of Alaska.

July 24, 1975.

The Superior Court, First Judicial District, Juneau, Thomas B. Stewart, J., upheld city's rejection of applicability to it of the Public Employment Relations Act, and the State and union petitioned for immediate review. The Supreme Court, Boochever, J., held that as to municipal power plant employees, city could not exempt itself from applicability of the Act at a time more than six months after its effective date and after becoming aware of fact that all such employees had authorized particular union to represent them.

Reversed and remanded.

Connor and Burke, JJ., filed separate dissenting opinions.

1. Appeal and Error ⇐363

Petition for review of order upholding city's rejection of application of the Public Employment Relations Act would be granted, though other issues remained to be determined in the case, where the order involved a controlling question of law as to which there was a substantial ground for difference of opinion and immediate decision might materially advance the ultimate termination of the litigation, and where the substance and importance of the order presented the need of present and immediate review. AS 23.40.070(1, 2); Rules of Appellate Procedure, rules 23(d), 24(a)(1, 2) 46.

2. Labor Relations ⇐52

Whether political subdivision may reject application of the Public Employment Relations Act turns on substantiality of organizational activities already undertaken by employees and the extent of the subdivision's awareness of those activities. AS 23.40.070(1, 2); Laws 1972, c. 113, § 4.

3. Labor Relations ⇐52

City could not exempt itself from applicability of the Public Employment Relations Act more than six months after its effective date, as to municipal power plant employees, after becoming aware of fact that all such employees had authorized particular union to represent them; city's prerogative to reject Act could not be used as a de facto veto against particular union, which would constitute interference with employees' freedom to choose which collective bargaining association should represent them. AS 23.40.010, 23.40.070, 23.40.070(1, 2), 23.40.110(a)(1, 5); Laws 1972, c. 113, § 4.

4. Labor Relations ⇐52

Applying a liberal construction to the powers of local government cannot override express declarations of policy made a part of the Public Employment Relations Act that the Act be applicable to all political subdivisions unless rejected. Const. art. 10, §§ 1, 11; Laws 1972, c. 113, § 4.

5. Labor Relations ⇐677

Where review of decision of the Department of Labor presented question of statutory interpretation, trial court did not err in substituting its independent judgment for that of the hearing examiner.

Michael R. Peterson, Deputy Atty. Gen., Ronald W. Lorensen, Asst. Atty. Gen., Norman C. Gorsuch, Atty. Gen., Juneau, for petitioner.

Robert B. Baker of Robertson, Monagle, Eastaugh & Bradley, Anchorage, for appellee City of Petersburg.

Robert M. Goldberg, Anchorage, for appellee Local 1547, IBEW.

Before RABINOWITZ, C. J., and CONNOR, ERWIN, BOOCHEVER and BURKE, JJ.

OPINION

BOOCHEVER, Justice.

On June 7, 1972, the Governor of the State of Alaska approved the Public Employment Relations Act (hereinafter PERA) which conferred upon public employees the right to organize and to bargain collectively with their employers, and correspondingly required public employers to recognize collective bargaining units formed under the PERA.[1] The actual effective date of the PERA was September 5, 1972.[2] Of particular concern in this case is a provision whereby the legislative body of any political subdivision of the state may reject the Act thereby preventing its application to the public employees of that subdivision.[3] Specifically, we are confronted with the issue as to whether the Petersburg City Council could validly reject application of the Act more than six months after it became effective[4] and after the members of the Council had learned of the organizational activity of the City's power plant employees.

Early in 1973, employees of the City of Petersburg light and power plant began discussing the possibility of joining a union. As a result, on March 23 and 24, 1973, the entire eight-man work force signed cards authorizing the International Brotherhood of Electrical Workers Union Local 1547 (hereinafter IBEW) to act as their collective bargaining representative. A few nights later, the Petersburg City Council held a special meeting at which it passed Resolution 366–R purporting to exempt the City from the provisions of the PERA.[5] At the time of this meeting, the members of the City Council then present were well aware of the activities of the power plant employees concerning the formation of a collective bargaining unit.[6] In

1. AS 23.40.070(1) and (2).

2. SLA ch. 113 (1972).

3. SLA ch. 113, § 4 (1972) provides as follows:

> This Act is applicable to organized boroughs and political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply.

4. In view of our holding in the instant case, we do not reach the issue of whether the City could act by means of passage of a resolution rather than by enactment of an ordinance.

5. Only four of six Council members were present at the meeting and only three voted for the resolution. Due to concern that procedural irregularities might have rendered the first resolution invalid, the Council met again on April 11, 1973 and passed a second resolution, 367–R, purportedly exempting the City of Petersburg from the applicability of the PERA.

6. This was indicated by testimony before the labor relations hearing officer. Paul Jones, an employee of the City testified that Councilman Ted Smith was aware that the employees of the power plant had signed pledge cards two or three days after the signing occurred. Doug Welde testified that on the day following the signing of the cards, Councilman Oines asked him "What's this I hear about the IBEW and the Union". Councilman Ted Smith testified that he was aware prior to the March 29, 1973 meeting that the employees of the power plant had signed something indicating that they were interested in a union. Smith further testified that the resolution passed at the March 29 special meeting was in response to the organizational activities at the power plant. Councilman Oines testified to a similar motivation for this meeting and stated that the signing of the IBEW cards could have been discussed at the meeting. Councilman Fred Haltiner admitted that, prior to the March 29 meeting, he had been told that possibly all of the power plant employees had signed pledge cards. However, Ms. Jerry Van Bleck, the Clerk-Treasurer for the City of Petersburg, testified that at the March 29 meeting there was no mention of the power plant employees having signed authorization cards. In his decision, the hearing examiner deemed the following conclusively proved by the evidence:

> The right of the City to exempt itself from the operation of the PERA had existed and was notice to the world since the Act was signed by the Governor in June of 1972; *but the City took no action to escape from the PERA until it learned that its eight power plant employees had signed pledge cards.* It acted five days later on March 29, 1973, at which time the City passed Resolution 366–R for the purpose of exempting itself from the operation of PERA. (emphasis added)

fact, Councilwoman Annie Taylor testified that, at the March 29 meeting and prior to the passage of Resolution 366–R, she told those members of the City Council then present that all of the power plant employees had signed pledge cards with the IBEW.

After an unsuccessful effort by the union to discuss the situation with the City Council, the matter was placed on the agenda for a meeting held on May 7, 1973. At that meeting, the Council refused to deal with the union, asserting that because of the passage of its resolution, it was not required to recognize the IBEW as the bargaining agent of the power plant employees. As a result, the union representative advised the Council that a strike vote would be held that night, and at 11:00 p. m., the employees notified the Mayor that they would go on strike at 6:00 the next morning. Notice was also given to the fire department and the hospital. At approximately 6:30 a. m. on May 8, the power plant was shut down. The three men involved in shutting down the power plant were immediately fired, and the other five were terminated when they refused to return to their jobs.

On May 16, 1973, the union sent a telegram to the Alaska Department of Labor alleging that the actions of the City in refusing to recognize the union and in firing the power plant employees constituted unfair labor practices under the PERA and requesting an immediate investigation. A formal accusation was filed on June 15, 1973. The Deputy Commissioner of the Department of Labor, on the basis of his preliminary investigation, found that there was probable cause to believe that the City had interfered with the rights of its employees to organize and had refused to bargain collectively in good faith with the IBEW, an organization which was the exclusive representative of employees in an appropriate unit. He concluded that such activities were in apparent violation of AS 23.40.110(a)(1) and (a)(5).[7]

The City of Petersburg filed a complaint in the superior court on June 29, 1973 (CA No. 73–201) seeking damages from the local IBEW and the employees involved in the strike. Additionally, the City alleged that the Department of Labor was without jurisdiction over this labor dispute, and that, therefore, it should be enjoined with regard to any further proceedings. On July 18, 1973, the superior court denied the City's motion for a temporary restraining order thereby allowing the Department to proceed with formal hearings on the accusation that the City had committed certain unfair labor practices.[8]

A hearing was held in Petersburg before Douglas L. Gregg, a hearing examiner of the state labor relations board, who, on January 14, 1974, issued an order requiring the City to recognize IBEW Local 1547 as the bargaining agent for the power plant employees. The hearing officer further ordered that no fines be imposed against any party and that all employees who were terminated be reinstated on their jobs at wage rates not less than those prevailing at the time they were terminated.

The City filed a notice of appeal to the superior court from this administrative order on January 24, 1974 once again raising the issue of the Department's jurisdiction

7. AS 23.40.110(a)(1) and (5) provide:
(a) A public employer or his agent may not
(1) interfere, restrain or coerce an employee in the exercise of his rights guaranteed in § 80 of this chapter;
. . . . .
(5) refuse to bargain collectively in good faith with an organization which is the exclusive representative of employees in an appropriate unit, including but not limited to the discussing of grievances with the exclusive representative.

8. In denying the injunctive relief requested by the City, Judge Stewart reasoned that while there was a large degree of doubt as to the jurisdiction of the Department over this dispute, benefit might be derived from allowing the Department to deal with the question first, thereby taking advantage of whatever expertise it might possess, particularly since he felt there would not be a large or abnormal expense involved in allowing the administrative hearing to go forward.

over the matter (CA No. 74–30). The State of Alaska filed a notice of cross-appeal on February 1, 1974, claiming that the hearing officer's denial of back pay was an abuse of discretion.

Judge Stewart issued an interlocutory order in which he dealt with both the case originally filed in superior court by the City and the case there on appeal from the administrative hearing, these having been consolidated by stipulation of the parties in March 1974. He ordered that the City be given time for full consideration of whether to enact an ordinance for the purpose of rejecting application of the PERA to the City of Petersburg. The judge indicated that if the City properly rejected the application of the PERA by passage of an ordinance, a final judgment would be entered affirming that rejection. Judge Stewart also ordered that the City was not required to reinstate the employees involved in the strike but rather should offer them jobs to the extent available within the City's workforce at rates not less than those prevailing at the time of termination. No decision was made concerning the City's damages claim found in the original complaint filed with the superior court.

The State of Alaska on October 21, 1974, joined by the IBEW on October 28, filed a petition with this court seeking immediate review of the superior court's interlocutory order. The petition was denied.

[1] A motion for reconsideration of the petition was filed with this court on December 5, 1974. By this time, the City had rejected the application of the PERA by ordinance and, therefore, with respect to that portion of the case, the lower court order was final.[9] We have now decided to grant the petition for review limited to the question of whether a municipality can exempt itself from applicability of PERA at a time more than six months after its effective date and after it knows about organizational activity such as that which occurred here.[10]

We thus must determine the proper construction of the PERA exemption provision making the Act applicable to political subdivisions of the state, "home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply". Of particular significance to the resolution of this issue is that portion of the statement of policies to be effectuated by the PERA which provides:

> The legislature declares that it is the public policy of the state to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government. These policies are to be effectuated by
>
> (1) recognizing the right of public employees to organize for the purpose of collective bargaining;
>
> (2) requiring public employers to negotiate with and enter into written agreements with employee organizations on matters of wages, hours, and other terms and conditions of employment . . .[11]

9. For this reason, we initially decided to consider the petition for review as an appeal under authority of In re E.M.D., 490 P.2d 658, 661 (Alaska 1971), and Alaska R.App.P. 46 permitting relaxation of rules. Due, however, to the fact that there are a number of issues remaining to be resolved by the trial court, we have determined that it is preferable to consider this matter as a petition for review.

10. Review is granted in accordance with Alaska R.App.P. 23(d) because the order involves a controlling question of law as to which there is substantial ground for difference of opinion, and an immediate decision may materially advance the ultimate termination of the litigation. Moreover, under Alaska R.App.P. 24(a)(1) and (2), the substance and importance of the order sought to be reviewed justify departure from normal appellate procedure and the sound policy behind the general rule of requiring appeals to be taken only from final judgments is outweighed by the need of a prompt and immediate review of the order.

11. AS 23.40.070.

Thus, the Act was intended to recognize the right of employees to organize for the purpose of collective bargaining and to require public employers to negotiate and enter into labor contracts with employee organizations. It is apparent that this purpose would be substantially frustrated if the City could wait until the employees elected to be represented by a specific union, and then could exempt itself from the requirements of the Act if that union was not favored by the City.[12] In effect, this would give the City the right to control the organization to be selected by the employees. In fact, that is exactly what was attempted by the Petersburg City Council when, at a meeting held on April 4, 1973, it was suggested to the employees, who had been requested to attend the meeting, that they form their own union rather than join the IBEW.

[2,3] The critical point beyond which the right and power of the City to reject the Act become subordinated to the rights of the employees granted by the same legislation must be ascertained. We hold that the analysis must turn on both the substantiality of the organizational activities undertaken by the employees and the extent of the City's awareness of those activities. Prior to becoming aware of substantial organizational activity,[13] the City could have exempted itself from the applicability of the PERA without interfering with the right of the employees to organize. Rejection of the PERA after becoming aware of such activity constitutes a gross and impermissible interference with the employees' freedom to choose which collective bargaining association should represent them.

That the City's prerogative to reject the Act is not to be used as a de facto veto against particular unions is evidenced by a comparison of the exemption provision set forth in SLA ch. 113, § 4 (1972) with the prior provision expressly repealed by the 1972 Act.[14] The earlier provision contained in AS 23.40.010 [15] specified that:

> The state or any political subdivision thereof including . . . [a] municipal corporation . . . may enter into union contracts with any labor organization whose members furnish services to the state or such political subdivision. . . . *[P]rovided however that nothing contained in this Act shall be construed to require the state or any political subdivisions thereof to enter into union contracts.* (emphasis added)

Under that provision, neither the state nor its political subdivisions were required to enter into union contracts. Prior to the 1972 Act, a municipality could wait until approached by a specific organization and still refuse to negotiate with or even recognize that union. The position advocated by the City in this case, that the exemption provision may be invoked at any time prior to an official demand by the particular organization of public employees for recognition, would constitute a reversion to the situation existing under the former statute which expressly entrusted the local government with complete authority to block attempts by public employees to or-

12. Even the City admits that the exemption provision cannot be read as placing no time limit on the action of political subdivisions. Otherwise, even after recognizing an employee organization, a City could exempt itself from the provisions of the Act and thereafter refuse to negotiate.

13. The City contends that determination of when it becomes aware of substantial organizational activity is too imprecise a standard. While admittedly difficult factual situations may be conjured up, courts are constantly required to make similarly difficult determinations (as, for example, whether a party has exercised due care in a negligence case). *See also State v. Marathon Oil Co.*, 528 P.2d 203, 207–08 (Alaska 1974); *United States v. Ragen*, 314 U.S. 513, 523, 62 S.Ct. 374, 86 L.Ed. 383, 390 (1942). In any event, it is clear that substantial organizational activity has occurred when all of the employees of a particular unit of government have signed cards authorizing a specific union to represent them.

14. SLA ch. 113, § 5 (1972).

15. SLA ch. 108, § 1 (1959).

ganize even after significant steps toward organization had been taken.[16]

The 1972 Act repealed AS 23.40.[illegible], and in lieu thereof, the Act was specifically made applicable to "political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply". More than a nice semantical distinction may properly be made concerning the fact that the legislature provided for the PERA to be applicable to all political subdivisions of the state unless they rejected it rather than making the Act inapplicable unless affirmative steps are taken by these same subdivisions to adopt the Act. In its arguments, the City contends that adopting the position that the Act must be rejected prior to substantial organizational activity by public employees limits the freedom of the political subdivision to consider whether it wishes the PERA to apply to it. While no doubt true, it is equally evident from the wording of the exemption provision that this is precisely what the legislature intended. Had the legislature wished to bestow upon local governments the unlimited, unfettered discretion to deal with the question of the applicability of the PERA at their leisure, the exemption provision could have been written, as was the prior provision, to require affirmative action by the political subdivision to adopt the Act. It is not so written and the reason it is not so written is apparently to prevent precisely what the City argues for here. Under the present statute, applicability of the PERA is the rule, exemption the exception.

The City in its able presentation contended that the reason that AS 23.40.010 was repealed and Section 4 of SLA ch. 113 (1972) enacted was to render the terms of the Act mandatory as to the state and not for the purpose of changing the requirements with reference to labor negotiations by political subdivisions. It is true that the state was not furnished the option to exempt itself from the Act by the 1972 amendment. But if that had been the only change desired by the legislature, the former provision could have been re-enacted limited to political subdivisions only. The change in the language of the provision thus retains its significance as to political subdivisions, despite the elimination of the state from the exemption authorization.

The City also argues that small municipalities may not become aware of the terms of the PERA until after substantial organizational activity occurs, at which time they would have no reasonable opportunity to elect to be exempted. As noted at the outset, however, the Act, although signed into law on June 7, 1972, did not become effective until September 5, 1972. This interim period afforded adequate time for municipalities to become informed in most cases. In any event, it is apparent from the record that members of the Petersburg City Council were well aware of the terms of the Act. We are thus not required to pass on questions that might arise in the event that a small municipality was unaware of the statutory provisions.

[4, 5] The City contends that under home rule provisions, its powers should be construed broadly, and the superior court based its decision on such a construction. Article X, § 1 of the Alaska Constitution provides in part that a liberal construction be given to the power of local government units, and Article X, § 11 specifies that a home rule borough may exercise all legislative powers not prohibited by law or charter. But here the Act was expressly made

16. The City of Petersburg [illegible] concedes that once there has been an official demand for recognition by the public employee organization, the local governmental entity can no longer exempt itself from the PERA. As this case well illustrates, such a concession is rather meaningless. For all practical purposes, given the size of the communities in Alaska, the local governmental entities will be aware of the organizational activities well enough in advance of a demand for recognition to pass legislation, however hastily, to prevent the necessity of ever being forced to deal with an organization selected by employees when such organization is not satisfactory to the city.

applicable to home rule municipalities, and thus municipalities were impliedly prohibited from refusing to negotiate with organizations selected by employees unless the exemption was timely enacted.[17] Applying a liberal construction to the powers of local government cannot here override the express declaration of policy made a part of the PERA when coupled with considerations of the impact of the repeal of AS 23.40.010 and the different language used in the 1972 exemption provision, SLA ch. 113, § 4 (1972).[18]

The interlocutory order of the superior court is, therefore, overruled insofar as it permits the City to reject application of the PERA after becoming aware of the fact that all of the employees of the City power and light plant had authorized IBEW to represent them.[19]

Reversed and remanded.[20]

CONNOR and BURKE, JJ., dissenting separately.

CONNOR, Justice (dissenting).

I must respectfully dissent.

I am unable to read § 4, ch. 113, SLA 1972 as imposing any definite time limit upon organized boroughs and political subdivisions in their rejection of the coverage of the Public Employment Relations Act. If the legislature had intended that municipalities should act within some definite time, it would have been a simple matter to insert such a time limitation in the text of the statute. That the legislature did not do this is, to me, significant as a guide to interpreting the statute.

Several considerations buttress the conclusion which I have reached. For one thing, many small municipalities might not have been aware of the act and the need to expressly exempt themselves from its provisions until organizational activity actually occurred. Moreover, because the act stated no definite time limit, even those municipalities which were aware of the act might not have felt any sense of urgency in acting to exempt themselves before organizational activity among their employees began to occur. In these circumstances I have difficulty reading into the act an implied time limitation within which a municipality must exempt itself from the statutory coverage.

The majority opinion places emphasis on the contrast between the 1972 statute and the earlier provision contained in AS 23.40.010,[1] which did not require the state or any political subdivisions to enter into union contracts, although the state or a political subdivision was permitted to enter into such contracts. On the contrary, it can be argued that if the political subdivisions of the state were under no previous obligation to enter into union contracts they might well read the 1972 act as continuing the

17. *See Jefferson v. State*, 527 P.2d 37, 43 (Alaska 1974).

18. The state and the IBEW alternatively argued that the trial court erred in the standard of review it applied to the decision of the Department of Labor, contending that the superior court's review of the Department's construction of SLA ch. 113, § 4 (1972) should have been limited to a determination of whether there existed a reasonable basis for the hearing examiner's decision. Here the question presented involved statutory interpretation about which courts have specialized knowledge and experience. Although we disagree with the conclusions reached on the merits by the trial judge, we hold that he did not err in substituting his independent judgment for that of the hearing examiner. The standard applied by the trial court was consistent with the guidelines set forth in *Kelly v. Zamarello*, 486 P.2d 906, 916–17 (Alaska 1971). The appropriate standards of *Kelly* should also be applied upon remand in reviewing other portions of the Department's decision.

19. Our decision is limited in its application to the municipal power plant employees. We do not pass on the question of whether the PERA shall now apply to all employees of the City of Petersburg.

20. The trial court may conduct such further proceedings as are necessary to resolve the remaining issues presented by the City of Petersburg complaint as well as by the appeal and cross-appeal from the order of the Department of Labor.

1. § 1, ch. 108, SLA 1959.

right not to bargain collectively with labor unions, and as conferring upon the political subdivisions an indefinite time limit within which to exempt themselves should they be approached by a labor organization with a demand for collective bargaining. This might well explain why a municipality would wait until organizational activity among its employees actually occurred before acting to exempt itself from the coverage of the 1972 statute.

A quite different and more serious problem would be presented if a city had entered into a collective bargaining agreement with its employees and then later attempted to exempt itself from the coverage of the statute, but that is not the case here.

For the reasons stated I would affirm the judgment of the superior court.

BURKE, Justice (dissenting).

I respectfully dissent. Article X, Section 11 of the Constitution of the State of Alaska provides: "A home rule borough or city may exercise all legislative powers not prohibited by law or by charter." Exercising a legislative power expressly conferred upon it by Section 4, Chapter 113, SLA 1972, the City of Petersburg, by resolution, rejected the application of the provisions of the Public Employment Relations Act. The majority now says that such action was improper since the city was aware of "substantial organizational activity" on the part of certain of its employees. I do not agree.

We are required to give a liberal construction to the powers of local government units.[1] With that principle in mind I can find nothing in the language of the Public Employment Relations Act, or its legislative history, justifying the implied limitation suggested by the majority. Particularly where, as here, there has been an express delegation of legislative authority I believe that this court should act with the utmost restraint in placing any restriction on the exercise of that authority by a home rule city. In this case the legislature's failure to impose a time limitation, in express terms, is simply too obvious to be without meaning. To me there is clear evidence of an intent that there be no such limitation.

But, even if some limitation was intended, as found by the majority, I oppose the adoption of a standard as uncertain as one based upon a political subdivision's awareness of "substantial organizational activity" on the part of its employees. What level or awareness is sufficient? Is actual knowledge required? If so, whose knowledge? Does the term "substantial organizational activity" refer to the number of employees involved or the level of their activity? Does it mean substantial in relation to the size of the political subdivision's total work force, the number of employees eligible for membership in a particular union, or those working at a particular facility, such as a municipal light and power plant?

Because of these and other questions I foresee grave difficulty in any future attempt to determine whether a political subdivision is entitled to avail itself of the protection afforded by Section 4, Chapter 113, SLA 1972. The only safe course of action for such an entity would appear to be the immediate enactment of an ordinance or resolution rejecting the provisions of the Public Employment Relations Act.

1. Article X, Section 1, Constitution of the State of Alaska.

Committee On Political Education
Alaska A.F.L. - C.I.O.

TO: THE HONORABLE MEMBERS OF THE ALASKA STATE LEGISLATURE

RE: Senate Bill 154

The Public Employment Relations Act was adopted June 7, 1972. The Act was modelled after the National Labor Relations Act by also recognizing public employees rights "to organize and form labor organizations for their mutual aid and protection".

The policy in support of this legislation is stated directly in AS 23.40.70. It states that "joint decision-making is the modern way of decision making", ... employees are more responsive and can direct their energies to the publics interests ... promotes harmonious labor relations and protects the public by assuring effective and orderly operations of government."

The opt out provision in Section 4 ch. 113 SLA 1972 allow for local autonomy while insuring fair collective bargaining for public employees. The statutory intent behind the opt provision accomodated both the local autonomy and collective bargaining interests by that local government adopting its own collective bargaining ordinance. This statutory intent was outlined in AMEA v. Municipality of Anchorage 618 p2d 575 (1980) by the Alaska Supreme Court which states, "that Section 4 was added to PERA to give political subdivisions of the State the freedom to fashion their own labor ordinance and systems of collective bargaining."

But several Local government employers have evaded the statutory intent of the Act through abuse of Section 4, ch. 113 SLA 1972. Employee's organizing efforts in some cities have been unfairly interfered with public officials that opt out to completely thwart the employee's efforts. This was denounced by the Alaska Supreme Court in State v. City of Petersburg 538 P2d 263 (1975) and by Superior Court concerning the Kodiak public employees rights.

Many other local governments have also violated the intent of Section 4, ch. 113 SLA 1972 by opting out without then adopting their own local ordinances. This completely deprives the employees of their statutory rights - and may affect the public interests since no structured system is available to prevent labor-management disputes. Only 7 local governments have adopted legitimate collective bargaining ordinances after opting out of the Public Employment Relations Act.

An individual's right to organize and join labor organizations has been recognized for all employees in the private sector for over forty years and in the public section in Alaska since 1972. The employees that work in public service for local government also deserve equal respect for their rights. As the members of this Legislature certainly would agree,no reason exists to treat these individuals as second class citizens. Therefore, I respectfully request your approval of Senator Bill 154.

Sincerely,

Marlene Neve'
Legislative and Political Director
Alaska State AFL-CIO

MN/ks

Fairbanks Fire Fighters Union

LOCAL 1324

653 SEVENTH AVE. FAIRBANKS, ALASKA 99701

Peter Stern
PRESIDENT

Kayle LaMountain
SECRETARY

February 1, 1983

Bettye Fahrenkamp
State Capitol
Pouch "V" Juneau, Alaska 99811

Re: P.E.R.A.

Dear Senator Fahrenkamp:

I would like to take this opportunity to say that your concern for labor is most gratifying. Your commitment to repeal the Koslosky Amendment is supported in every respect.

It is believed the legislative intent of the Public Employment Relations Act (P.E.R.A.) is to provide stability and harmony in the work place for all public employees. Indeed, if this were not the original intent of P.E.R.A., then why was so much thought and language utilized to carefully classify and define the various jobs commonly found within local governments?

Also, various restrictions were imposed on employers and employees alike concerning labor negotiations and practices. This was done to ensure fairness to all concerned while at the same time protecting the public from the results of excess demands made by either party.

It is further believed that the legislative intent of P.E.R.A. was subsequently subverted by the inclusion of the Koslosky Amendment which allows political subdivisions the option to exempt themselves from the law. It is absurd that so meaningful a law should permit an exemption from its application.

Your commitment to resolve this situation will finally bring equality to all public employees and reinstate the original intent of the law.

We look forward to working with you and your office in any way that we may. Thank you once again for your interest and responsiveness in this matter.

Sincerely,

Peter Stern
President

PS:kl

Kenai Chamber of Commerce
Box 497
Kenai, Alaska 99611
(907) 283-7989

GREATER KENAI
CHAMBER OF COMMERCE
RESOLUTION NO. 83-05

A RESOLUTION OF THE CHAMBER OF COMMERCE OF KENAI, ALASKA, REQUESTING THE THIRTEENTH LEGISLATURE OF THE STATE OF ALASKA TO DEFEAT SB 154 ENTITLED "AN ACT REPEALING THE MUNICIPAL EXEMPTION OPTION TO THE PUBLIC EMPLOYMENT RELATIONS ACT".

WHEREAS, the Chamber of Commerce of Kenai, Alaska believes adoption of SB 154 which is a directive of the State of Alaska mandating the method by which local government deals with personnel is a function best left to the local elected officials, and

WHEREAS, every locality has differing sets of circumstances which are better known to local elected officials and therefore better dealt with at the local level, and

WHEREAS, it would be almost impossible to pass legislation that would cover all of the possible conflicts arising in a management-employee relationship in the many and various local government jurisdictions in the State of Alaska, and

WHEREAS, under existing state law, managing the work force of local government is left to the elected officials who represent a particular constituancy and in 99% of these relationships it works well and to the benefit and welfare of local voters, and

WHEREAS, the City of Kenai has a personnel code that is provided to every prospective employee who apparently agrees with the code by accepting employment, it therefore appears SB 154 serves no purpose other than increasing union membership roles which is special interest legislation and not in the best interest of the City of Kenai or the State of Alaska.

NOW, THEREFORE, BE IT RESOLVED BY THE CHAMBER OF COMMERCE OF THE CITY OF KENAI, ALASKA, that said Chamber go on record urging the Thirteenth Legislature of the State of Alaska to defeat SB 154 on the

basis that SB 154 appears not to be in the best interest of the citizens of the State of Alaska, and further, that immediately after the adoption of this resolution, the Executive Director of the Kenai Chamber of Commerce be directed to mail copies of said resolution to Governor William J. Sheffield, Senators Bettye Fahrenkamp, Don Gilman and Paul Fischer, Representatives Hugh Malone, Milo Fritz, Bette Cato and the Chairman and Vice-Chairman of both the Senate and House Committees on Labor and Commerce, Senators Richard Eliason and Bob Mulcahy, Representatives Walt Furnace and Rick Uehling, in addition provide a copy to the Alaska Municipal League.

ADOPTED this 18th day of March, 1983 by the Greater Kenai Chamber of Commerce.

Penny Dyer, Past President

ATTEST:

Sue Carter, Executive Director

JOHN ALEXANDER
C of Anc.

TESTIMONY
SENATE BILL 154

In 1972 when the PERA Act was passed into law, the legislature felt that municipalities should have the option of either adopting the act as their standard for collective bargaining with their employees or "opting out", as it were, in favor of adopting their own labor relations act. The argument at that time was that the local administrations knew their situations and their employees better than another entity might and would be better equipped to deal with most situations that might arise. Anchorage was one of the political subdivisions that chose to formally "opt" out of the PERA. The then Anchorage City Council and the Borough Assembly both stated that they would indeed prefer to write their own acts which they subsequently did. When the merging of the Anchorage governments took place in 1975, the Labor Relations Act was adjusted to accommodate employees of what is now the Municipality of Anchorage.

The Municipality of Anchorage finds several problem areas which will arise should this amendment be incorporated into the Act:

1. Rearrangement of Bargaining Units

   Under the amendment, the State Department of Labor would become the Employee Relations Board for the Municipality and, as such, would be charged with the responsibility of defining and rearranging bargaining units. We feel that this would be done without consideration for local issues and concerns but on the basis of what they have done and decided in other locations. The law as it now reads allows local governments to manage, along with their employees, labor relations in an atmosphere and setting that clearly lends weight to and accommodates local concerns.

2. Disruption

   There are approximately 2,400 represented employees under contract with the Municipality of Anchorage in five (5) separate bargaining units. In going through the process of rearrangement and redefinition of bargaining units, the employee relations environment of the Municipality and its employees would be adversely impacted causing unnecessary disruption of our ability to deliver programs and services to our community, which is, after all our primary mission.

Traditional bargaining unit relationships which we have maintained for years would be altered resulting in chaos. Although our current contracts have heirs and assigns clauses which would come into effect for redefined units until their new agreements would be negotiated, any redefined units which impacted two or more of our current bargaining units would place us in the same difficult position we were in at the time of unification. We would be faced with the APEA-AMEA parity issue all over again, only on a grander scale. As many of you may recall, implementation of the unified bargaining units under Anchorage Ordinance 88-76 was a lengthy, painful, disruptive, and expensive process. The final cost for merging the fire, general government, and general crafts units was in excess of two million dollars.

3. Supervisory & Confidential Employees

Under PERA, supervisory and confidential management positions in the Municipality which are exempted from bargaining under our ordinances would be eligible for inclusion in bargaining units. Only our elected officials, department heads, and division managers would be exempt from bargaining. It is rather ludicrous to conceive of a situation that enables public budget, management, and personnel professionals to organize and negotiate with public employers over wages, hours, and conditions of employment when they are typically the key staff personnel in the development and implementation of policy issues affecting the work force. In 1974, the State of Alaska went through a strike staged by its supervisors that effectively shut down state operations for a short period. Ideally and typically, these people are often used to fill in for bargaining unit members should a strike occur.

4. Department of Labor

In viewing the position paper presented by the Department of Labor, one does not sense an anxiety on the part of the Department to undertake this assignment. The Department is neither staffed or funded to cope with the sudden influx of some 13,000 plus additional public employees into it's domain. The fiscal note accompanying this bill indicates that the Department would require seven (7) new positions at a cost of $479,000 in FY 1984 escalating up to $590,000 in FY 1988. This makes no mention of the training that will be required to qualify those persons hired to set and hold elections, determine and define bargaining units, mediate labor disputes, and do the other things usually associated with collective bargaining. The municipalities would no doubt feel the need to retain their labor relations staffs, which would result in no savings to those entities. The Department concludes it's position paper with the statement: This administration feels that labor relations activities are more effectively maintained at the local level." We wholeheartedly agree.

5. History

Anchorage has a long history of involvement with labor unions, both public and private. As might be well imagined, that history has not always detailed a smooth course, but both labor and management have gained valuable experience over the years. Examples of some of those associations are:

1. International Brotherhood of Electrical Workers - IBEW - 1948 - 35 years

2. Joint Crafts Council (7 crafts) - Recognized by City Council - 1963 - 19-20 years

3. Police and Fire Unions - 15+ years

4. Anchorage Municipal Employees Association - 11 years

As stated earlier, we feel that these associations, along with the attendant high spots and low areas, gives us the background we need to maintain our labor relations activities at the local level, which is exactly what the administration favors.

In closing, let us state that it is obvious that some political subdivisions, Anchorage being one, do indeed have viable labor relations acts that permit and allow their employees to bargain. If there is some difficulty with the "opt out" provision of the PERA, perhaps an amendment that would require only those entities that have no local act and do not bargain in good faith with their employees to come under PERA. Under that arrangement, those who do have their own acts are not also punished.

THE CITY AND BOROUGH OF JUNEAU
CAPITAL OF ALASKA
155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

LAW DEPARTMENT - 586-3300

March 10, 1983

Senate Labor and Commerce Committee
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Re: Legislature - 1983
S.B. 154

Subject: Opposition to S.B. 154

Gentlemen:

The City and Borough of Juneau is opposed to Senate Bill 154.

The local government article in our Alaska Constitution provides that there is to be a maximum of local self-government with a minimum of local government units. One of the two major policies expressed in this provision is that local governments should have the maximum in local autonomy and power to deal with local problems. Senate Bill 154 clearly runs counter to this sound constitutional policy. We urge you to leave local matters to local elected officials.

Under the current statute, several municipalities have opted to have the state Public Employee Relations Act apply to them. Others have elected not to have the provisions apply. The City and Borough of Juneau elected not to have the provisions apply and has adopted its own comprehensive employee relations ordinance. This ordinance has a structure similar to that of the state act but has been adapted to meet local needs as perceived by our local elected officials.

Many of the municipalities in Alaska have also adopted ordinances dealing specifically with employee relations. Others have established the framework for employee relations through a formalized merit system, employee-management committees, etc. In addition to these formalized mechanisms, municipal employees have certain rights which arise out of the United States Constitution. These rights assure that employees are given an opportunity for a hearing and fair treatment whenever an adverse action affecting the employee is to be taken. Generally, municipal employees in Alaska are protected and fairly treated. If a problem exists in one community, that problem should be left to the community to solve; the legislature should not impose a system on all local governments to deal with what may be perceived as a problem in one community.

In considering the necessity for this bill, please bear two things

in mind. First, if the residents of a municipality believe that their municipal employees should be under the state Public Employees Relations Act, they may, by referendum, repeal the ordinance or resolution by which the municipality opted out of the provisions of the Act; and they may always use the initiative to adopt an employee relations ordinance. Second, consider how you would feel if the United State Congress decided that employees of the State of Alaska should be brought under the provisions of the National Labor Relations Act. We would hope that the State of Alaska would oppose any such move on the basis that the State Legislature is in a better position to establish the relationship of its employees to the State than is the United States Congress. We believe the same principle applies at the local government level; that is, that local elected bodies are in the best position to determine the form of the relationship between the municipality and its employees.

We urge you to leave these local decisions with local elected representatives.

Sincerely,

Gerald L. Sharp
City-Borough Attorney

cc: Mayor W. D. Overstreet
Juneau, Alaska

Assembly, City and Borough of Juneau
Juneau, Alaska

Ginny Chitwood, Director
Alaska Municipal League

GLS:gmw

Municipality of Anchorage

MEMORANDUM

DATE: March 22, 1983

TO: Labor Relations Manager

FROM: Labor Relations Specialist

SUBJECT: Bargaining Unit Redefinition Costs

As requested, I have researched the historical records of this office to determine a cost breakdown of the requirements for implementing the redefined bargaining units of the Municipality following passage of AO 88-76 upon unification. That ordinance, as you are aware, defined the recognized bargaining units of the Municipality pursuant to A.M.C. 3.70. The total cost reflects those costs readily identifiable from our historical records here and are additionally supported by excerpts from the costing section of the consultant's report to the Mayor and Assembly for general government and the Chief Fiscal Officer's breakdown of retroactivity costs by fund, as attached. Adjustment total was $2,209,901.

That is not an all inclusive cost, however, as it reflects only readily recapturable bargaining unit adjustment costs. There were many, many hours of clerical, secretarial, and support staff (data processing, finance, etc.) devoted to this effort that are not identifiable from our records. Additionally, there was a one-time cost for running dual payroll systems for nine months of $72,450. That is a merger cost, however, and not properly chargeable solely to redefining bargaining units. Finally, there was a system-wide cost for equalizing benefits not identified here. (The $65,689 Benefits Adjustment figure is for benefit roll-ups purely attendant upon wage adjustments). I could not find the exact benefit equalization figure in our files but to the best of my recollection - I did the initial costing on these items at the time - that figure was $700,000+. Thus, it could be maintained that the true cost was more like $2,900,000 to $3,000,000.

I hope this information is helpful to you. If I can provide additional information or further detail on the foregoing, please let me know.

Neil R. Koeniger
Labor Relations Specialist

NRK:bak

Attachments

MUNICIPALITY OF ANCHORAGE
BARGAINING UNIT REDEFINITION
COSTS FOR UNIFICATION UNDER
AO 88-76

CATEGORY	COST
General Government @$57,046/mo.	$684,552
Fire 115 @$200 ea./mo.	$276,000
IBEW 32 @$3.CO ea./hr.	$199,680
JCC 180 @$0.80 ea./hr.	$299,520
Benefit Adjustment	$ 65,689
9/1/75 Retroactivity	$536,840
SUBTOTAL	$2,062,281
Employee Relations Board	$ 14,000
Union/Management Labor Committee	$ 4,000
*Municipal Staff	$ 73,620
Professional Services (Attorneys & Consultants)	$ 56,000
SUBTOTAL	$147,620
TOTAL	$2,209,901

*Professional staff only. Does not include clerical, secretarial and support staff costs.

CHAPTER IV--INTERNAL RELATIONSHIPS

In alternative two of our proposal it states that we will report the judgments of our classifiers, based upon their job factor evaluations, regarding the salary relations among the classes in the classification plan. This task assumes particular signficance with regard to the no counterpart classes. It was their internal salary relationships that was the initial impetus for the entire study. In the following sections we will present our recommendations and also discuss some important points regarding the interpretation and use of the recommendations.

SALARY DETERMINATION FACTORS

Internal relationships, based upon a comparison of the factors used in defining classes, is only one of three important considerations in salary determination. The other two are labor market conditions, and turnover and recruitment experience. In our judgment, when considering salaries and preparing for negotiations, internal relationships should be considered as the starting point and not the final word on what the proper salary range should be for a given class.

Following is an example of how the three factors relate to each other. This plan has a number of entry level professional classes that require a minimum requirement, a bachelors degree in a specific major and no experience. Two such classes are Civil Engineer I and Electrical Engineer I. (Electrical Engineer I is presently an IBEW class.) On the basis of factor comparisons, let's assume these two classes are judged equal and our internal relationship recommendations indicate that they both should be assigned the same salary range. However, labor market salary data indicates that both the mean salary is offered electrical engineers and the entire range of salaries is consistently about 10% higher than that being offered Civil Engineers. In our judgment this would be a

legitimate reason to establish a differential in the Pay Plan between Civil Engineer I and Electrical Engineer I. However, if you were still able to recruit and retain sufficient qualified Electrical Engineers to meet your needs you may decide to retain the internal relationships and pay your electrical engineers a little below the average for the labor market. If, however, those departments that employ Electrical Engineers as well as your Personnel department indicate they are unable to recruit qualified Electrical Engineers, and in fact have lost a number of full functioning Electrical Engineers (Electrical Engineer II) to private employers, then you could no longer afford to maintain the internal relationships but must react to the labor market conditions and increase the salary range for electrical engineers so as to be able to compete with the other employers in the labor market area for your fair share of the qualified graduate electrical engineers.

This same principle applies to all of our internal relationships presented in this chapter.

STARTING PREMISE

In order to construct an internal relationship chart anchored to salary ranges, without benefit of any labor market salary data, it is necessary to make some assumptions, and then, of course, be willing to adjust the relationships when additional information becomes available. The internal relationship charts in this chapter are built on the following assumptions.

1. We made the assumption that salary Range 6 of the General Employee Pay Plan was the proper salary range in September of 1976 for the class Office Assistant (old class Office Aide). This is a training level clerical position and new hires would hopefully be high school graduates, but not necessarily.

2. We also adopted the general rule of thumb that in a labor market entry level classes requiring a bachelors degree and no experience are paid about 100% above the entry clerical class. Your existing pay plan gave some support for this assumption and in our judgment it is a good starting point for an internal relationship chart, especially when you have the facility to later adjust it based on actual labor market information. We refined this rule of thumb slightly so that our chart sets those classes that require an unspecified college degree and no experience at 100% of the Office Assistant rate those classes that require a specified non-technical degree 105% of this rate and those classes that require a specified technical degree at 110%.

The above percentages are meant to apply to entry level or trainee classes. That is the lower class of a flex-staff pair. In some occupational series' flex-staff trainee classes have not as yet been developed. In those cases we have placed the full functioning entry level class slightly higher than the above standards to recognize the fact that employees stay in this class as long as they are working at the full functioning level as opposed to being promoted to the full functioning level after training.

SALARY RANGES

In developing our internal relationship recommendations we have used the Municipality's existing General Employee Pay Plan with an important modification. The existing pay plan provides for 10% differentials between salary ranges and 5% differentials between the steps within the range. On the internal relationship charts, presented as Appendix E of this report, we have shown the existing salary ranges, however, the charts also show half ranges; that is, the chart can also be read as a pay plan with 5% differentials between salary ranges which, of course, would give you approximately twice as many salary ranges as is in the existing plan.

The distribution of 1,033 positions is very interesting. It has many of the characteristics of a normal curve in that there are almost as many positions being assigned to a lower pay grade as there are being assigned to a higher pay grade. In fact, 435 of the 1,033 positions are being assigned to a lower salary range as compared to 379 positions being assigned to a higher salary grade. In our judgment, this reflects two conditions uncovered in the study.

1. In the clerical, account clerical, accounting, and engineering technician areas our classifiers found a substantial number of positions that were allocated to a class that was conceptually too high for the duties and tasks being performed. In other words, our study has recommended substantial downward reallocations in these occupational series.

2. The fact that we have increased the internal relationships for the higher level more responsible clerical classes so that the positions that were actually performing at the higher levels have been recommended for increases.

3. The fact that the old pay plan was greatly compressed between pay ranges 12 and 16; i.e., the mid-management area. Our internal relationships are to ease this compression by raising the salary ranges for many middle management and upper management classes. This has also created increases.

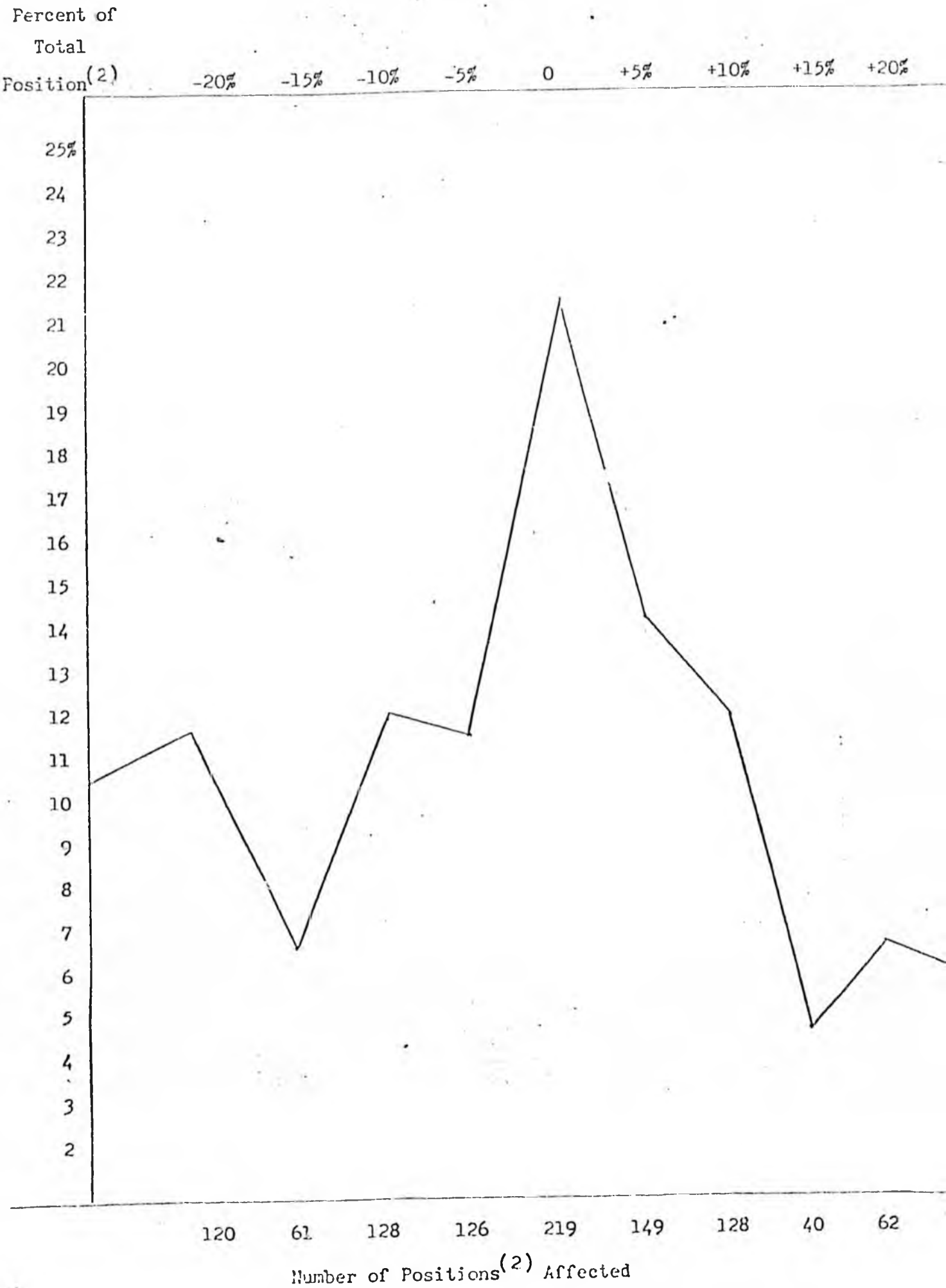
If all of the 1,051 positions (including the 18 unclassified) were filled and at the C step of their present range the monthly payroll would be $1,551,015. The value in dollars of the decreases in range assignment equals $77,121 per month, while the value of the increases equal $57,046. This would appear to reflect a net savings to the Municipality of $20,075 per month. However, since the Personnel Regulations provide for a freezing or "Red Circling" downward allocations the estimated costs of implementation would be the full $57,046 for the increase. This is only an estimate since all employees are not at C step and all positions are not filled.

TABLE 4

DISTRIBUTION OF SALARY RANGE ADJUSTMENT

BY POSITION(1)

Percent of change in salary range assignment



Footnotes

1. Assumes step to step implementation
2. Based on 1033 positions. 18 of 1051 positions were unclassified and thus removed

Chief Fiscal Officer Retroactivity Costs

Fund No.	Fund Title	Original Calculation Retro 1/1/76	Net Adj Calculation Retro 1/1/76	Retro Net Distribution 9/16/75
01	Areawide - General	205,592	(9,642)	(142,567)
02	Spenard General	(99)	(1,805)	(2,139)
04	Eagle River General	300	256	216
06	Chugiak General	42	32	28
10	Non-areawide Library	531	(200)	(773)
11	S/A 30 Chugiak/E.R. Disposal	(61,786)	(114,846)	(169,083)
13	S/A 70	305	156	(9)
14	S/A 13 Fire Protection	2,271	(1,404)	(4,291)
15	S/A 15 Road Maintenance	(14,738)	(35,024)	(84,488)
31	Sewer Utility - Capital Projects	67,660	23,135	7,539
32	Roads & Drainage-Capital Projects	114,087	76,591	64,620
33	Parks & Rec - Capital Projects	1,224	1,755	679
34	General - Capital Projects	840	406	100
41	Service Pool	1,294	(4,712)	(10,877)
42	Equipment Pool	(984)	(3,171)	(4,927)
43	Land Trust Fund	(28)	(386)	(558)
45	Sewer Utility	(51,996)	(138,923)	(209,663)
35	Land Trust - Capital Projects	23	235	173
-	School District	37,696	23,665	19,150
	Totals	302,234	(183,882)	(536,840)

condemned, not responsible, gamut with state fly ash emission standards; meeting.

Just another reason SB 154 needs to be passed!

Grievance bills to hit city workers

By DAN JOLING
Staff Writer

Faced with a flurry of labor grievances filed by police employees no longer recognized as a union, the Fairbanks City Council Monday night voted to require non-union city employees to pay 50 percent of the cost of grievances that reach the arbitration stage.

On a 4-3 vote, with Mayor Bill Walley breaking a deadlock, the council approved an ordinance requiring the city and individual employees to split expenses, which can run into the thousands of dollars.

Under the old law, the city bore the entire expense of arbitration for city employees not represented by a union. The change takes effect April 2.

The vote drew the protest of two former officers of the Fairbanks Police Department Employees Association. The action apparently is the latest spinoff of a council decision not to renew a contract with the police bargaining unit.

Police are now part of the city personnel system, along with public works department employees formerly represented by the AFL-CIO. Since the change, more than 30 grievances have been filed by police department employees formerly represented by the association.

Monday night Senior Patrolman Mike Pulice and Detective Sgt. Mike Nielsen, president and vice president of the association, told council members that the new law would discourage filing legitimate grievances.

An employee's decision to file a grievance will be based on his ability to pay for arbitration, Pulice said.

Nielsen said filing a grievance often involves hiring an attorney at $125 per hour to match the city's "hired gun" in arbitration, the city attorney.

"In order to have an equal gun, you have to hire an attorney," Nielsen said.

Additional expense may result from hiring a neutral arbitrator and stenographic expenses. There is one arbitrator in Fairbanks and several in Anchorage. If neither party agrees to an in-state arbitrator, one must be obtained from Outside. The costs to employees may run as high as $1,500-$2,500, Pulice said.

Under the new law, there's no reason for the city not to "stonewall" on the employee claims since it's not likely the employee will desire to pay arbitration costs, Nielsen said.

However, that's what's happening on the other side now, according to City Attorney Herb Kuss.

At the present time, he said, there is no motivation for flexibility on the employee's part and no motivation to settle before arbitration. "It's an open expense account for the grievant," Kuss said.

Kuss said the city has seen a "dramatic increase in inflexibility" by the employees filing grievances.

Pulice said this morning about 33 grievances have been filed since the police contract was not renewed, mostly dealing with levels of compensation for officers placed in the personnel system.

Monday's change, he said, points to the job insecurity of working without a contract. "What is going to happen next month?" Pulice said.

Here's a copy for Eliason.