

ORDINANCE NO. 6069

**AN ORDINANCE RATIFYING A LABOR AGREEMENT
BETWEEN THE CITY OF FAIRBANKS AND THE AFL-CIO
CRAFTS COUNCIL**

WHEREAS, the three-year collective bargaining agreement between the City of Fairbanks and the AFL-CIO Crafts Council, effective January 1, 2017, through December 31, 2019, includes "reopener" provisions for wages and benefits for years two and three, and

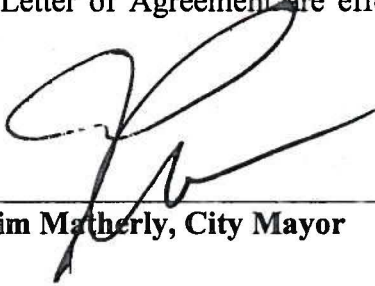
WHEREAS, the AFL-CIO and City Administration have reached a tentative agreement regarding 2018 wages and benefits and have agreed to a formula that addresses the procedure for wage and benefit increases in 2019.

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

SECTION 1. That the attached proposal, detailing wage and benefit terms for years 2018 and 2019 of the January 1, 2017 through December 31, 2019 collective bargaining agreement between the City and the AFL-CIO Crafts Council, is hereby ratified.

SECTION 2. That this ordinance becomes effective upon ratification of the Letter of Agreement by the AFL-CIO Crafts Council bargaining units.

SECTION 3. That once ratified, the terms of the Letter of Agreement are effective starting January 1, 2018.



Jim Matherly, City Mayor

AYES: Rogers, Bagwill, Therrien, Pruhs, Cleworth, Huntington
NAYS: None
ABSENT: None
ADOPTED: February 5, 2018

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

**CITY OF FAIRBANKS
FISCAL NOTE**

I. REQUEST:

Ordinance or Resolution No: 6069

Abbreviated Title: AFLCIO LABOR AGREEMENT- 2 YEAR

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes X No
- 2) additional support or maintenance costs? Yes No X
- If yes, what is the estimate?
- 3) additional positions beyond the current adopted budget? Yes No X
- If yes, how many positions?
- If yes, type of positions? (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

ESTIMATED EXPENDITURES	FY 2018	FY 2019	FY 2020 & BEYOND
Personnel Wages & Benefits	\$49,586	\$ 99,177	\$99,177
TOTAL	\$49,586	\$99,177	\$99,177
ESTIMATED FUNDING SOURCES	FY 2014		FY 2016
General Fund	\$49,586	\$99,177	\$99,177
Other			
TOTAL	\$49,586	\$99,177	\$99,177

The average CPI rate for 2015, 2016, and 2017 is $((.5+.4+.5)/3)$.47 which results in an AFLCIO increase of 1.5% in 2018. It is not anticipated that the CPI rate for 2018 will increase past the 1.5% level, therefore, the FY 2019 cost is also calculated using 1.5%

Reviewed by Finance Department: _____ Initial CGR Date 1/12/2018

City Proposal

Section 23: Schedule "A" Wages

Package rate increases will be in a range from 1.5% CPI to 3% CPI as measured by the Anchorage CPI. A three year average (use the previous three years, not counting current year) will be utilized and if that three year average falls below the 1.5% CPI, then the City will pay a 1.5% package increase. If the three year average is above 3% Anchorage CPI then the City will pay a 3% package increase. If the 3 year Anchorage CPI is between 1.5% and 3%, then the City will pay the actual 3 year CPI average. The parties agree to use this formula to determine increases to the wage package for the remaining years on this contract effective January 1, 2017 through December 31, 2019 as well as future years if reaffirmed by both parties.

Example 1. 3 year Anchorage CPI average = 1.1%, city pays 1.5%

Example 2. 3 year Anchorage CPI average = 2.1%, city pays 2.1%

Example 3. 3 year Anchorage CPI average = 3.4%, city pays 3%.



Michael Meeks



Lake Williams