

Discussion Points with the Assembly and Summary of Tentative Agreement

- Sitka management was notified officially that the IBEW had ratified the tentative agreement on July 29, 2019. The Assembly is now asked to approve the tentative agreement so that it can be implemented. Approval is recommended.
- The hourly rate increases to payroll with payroll costs added are as follows:

FY2020	\$1.30/with payroll costs \$1.69 per hour
FY 2021	\$1.25/with payroll costs \$1.62 per hour
FY 2022	\$1.00/with payroll costs \$1.30 per hour
- The increase for FY 2020 equals 3.08%, which includes the payroll costs on top of the actual hourly wage increase. In the fiscal year 2020 budget, the Assembly has already approved 2.5% increase to personnel costs. Consequently, the additional increase for fiscal year 2020 is 0.58%, which will easily be absorbed by the Electric Department. No new funds are required and no rate increases are anticipated in order to implement this Agreement.
- The increase for FY 2021 equals 2.87% and the increase for FY 2022 equals 2.18%. The cumulative effect of all increases over the three years is 8.4%.
- Given anticipated retirements of 3-4 employees in the Electric Department in the next 12-18 months, it was important to administration to ensure that the hourly rates of pay remained as competitive as possible. For example, even with the proposed wage increases Sitka still remains below the average and median market rate of pay for a Journeyman Lineman. See, attached memo from Bryan Bertacchi regarding 2018 salary survey (the most current available) information.

Only four (4) Articles in the collective bargaining agreement were modified. If an Article is not listed below it was not changed during these negotiations.

ARTICLE	CHANGES
Article 4 – Duration	July 1, 2019 – June 30, 2022
Article 5 – Union Security	Modified to reflect the change in the law after the <i>Janus</i> case from the US Supreme Court that prohibits union membership as a job requirement
Article 14 – Wages	IBEW has no pay matrix; each job class has a specific hourly rate set forth in the Agreement; hourly rate increases are as follows: July 1 2019: \$1.30 per hour increase July 1 2020: \$1.25 per hour increase July 1, 2021: \$1.00 per hour increase
Article 20 – Personnel Policies	Updated language to reflect the anticipated implementation of an Updated Personnel Policy Handbook during the life of the Agreement