



**Department of Human Resources / Risk Management**

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# MEMORANDUM

Date: June 5, 2025

To: City and Borough Assembly

Thru: Katie Koester  
City Manager

From: Dallas Hargrave   
Human Resources & Risk Management Director

Re: Request for Ratification of MEBA Tentative Agreement and to Apply Terms to Unrepresented Employees.

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The City and Borough of Juneau and the Marine Engineers Beneficial Association (MEBA) reached tentative agreement on a three-year collective bargaining agreement on May 16, 2025. The contract will take effect on July 1, 2025 and conclude on June 30, 2028.

MEBA is currently in the process of collecting votes for member ratification of this tentative agreement. This request for the Assembly to ratify the tentative agreement is conditioned on MEBA membership ratification. If MEBA ratifies the tentative agreement, then passage of Resolution 4015 will serve as Assembly ratification of the agreement. If MEBA fails to ratify the tentative agreement, then the Assembly ratification of the tentative agreement is no longer valid, and the parties will meet to resume contract negotiations.

With this request to ratify the MEBA tentative agreement, we are also requesting that the Assembly approve the same terms for unrepresented CBJ employees.

## **Economic Changes:**

### Wages and Pay:

MEBA FY26: The parties agreed to a 3% general increase to the pay schedule and increases for shift differentials, tool allowance and standby pay. Additionally, the parties agreed to a lump sum payment of \$2750 per member employed on July 1, 2025 (pro-rated for those who work less than full time). The total estimated cost in FY26 for the wage increase, lump sum payment and differential increase is \$1,622,300.

Unrepresented FY26: With the MEBA tentative agreement, we are proposing to apply the same terms for wages, lump sum payment, and differential increases to unrepresented employees for a total cost of approximately \$1,484,500.

MEBA FY27: The parties agreed to a 3% general increase to the pay schedule and a lump sum payment of \$2000 per member employed on July 1, 2025 (pro-rated for those who work less

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than full time) in FY27. The total estimated annual cost for the FY27 wage increase and lump sum payment is \$1,292,000.

Unrepresented FY27: A 3% general increase to the pay schedule and a lump sum payment of \$2000 per member employed on July 1, 2025 (pro-rated for those who work less than full time) will apply in FY27. The total estimated annual cost for the FY27 wage increase and lump sum payment is \$1,292,000.

MEBA FY28: The parties agreed to a 5% general increase to the pay schedule in FY28. The total estimated annual cost for the 5% wage increase is \$1,359,000.

Unrepresented FY28: A 5% general increase to the pay schedule will apply in FY28. The total estimated annual cost for the 5% wage increase is \$1,359,000.

#### Health Insurance

FY26: The parties agreed to no increase to the employer contribution for health insurance in FY26.

FY27: The parties agreed to increase the employer contribution up to approximately 5%, or up to \$1808 per full time eligible employee, per month. The estimated annual cost of this increase to the employer's contribution to health insurance is \$502,000 for both MEBA members and unrepresented employees.

FY28: The parties agreed to increase the employer contribution up to approximately 5%, or up to \$1898 per full time eligible employee, per month. The estimated annual cost of this increase to the employer's contribution to health insurance if necessary is \$528,000 for both MEBA members and unrepresented employees.

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Estimated cost of wage increases by department for both MEBA and unrepresented employees (including benefits, but excluding lump sum payments and differential increases):

**MEBA/Non-Rep Wage and Benefit Impact (Incremental Annual Growth)**

	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>3-YR TOTAL</b>
<b>Wage Increase</b>	<b>3.0%</b>	<b>3.0%</b>	<b>5.0%</b>	<b>11.0%</b>
<b>Employer Health Benefit Increase</b>	<b>0.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>10.0%</b>
<b>General Fund Impact</b>	<b>1,050,759</b>	<b>1,774,550</b>	<b>2,584,793</b>	<b>5,410,102</b>
<b>Non-General Fund Impact</b>				
<b>Airport</b>	119,000	204,003	295,784	<b>618,786</b>
<b>Docks</b>	46,832	76,705	112,831	<b>236,368</b>
<b>Harbors</b>	51,065	92,191	131,954	<b>275,210</b>
<b>Water</b>	49,394	81,052	118,994	<b>249,440</b>
<b>Wastewater</b>	117,520	189,824	279,890	<b>587,235</b>
<b>Fleet</b>	24,278	38,793	57,451	<b>120,522</b>
<b>Risk</b>	20,395	34,014	49,737	<b>104,146</b>
<b>Facilities Maintenance</b>	42,020	72,026	104,498	<b>218,544</b>
<b>Downtown Parking</b>	2,269	4,324	6,102	<b>12,695</b>
<b>Lands</b>	13,306	21,670	31,897	<b>66,873</b>
<b>Total Non-General Fund Impact</b>	<b>486,078</b>	<b>814,602</b>	<b>1,189,139</b>	<b>2,489,819</b>
<b>Total Impact</b>	<b>1,536,837</b>	<b>2,589,152</b>	<b>3,773,932</b>	<b>7,899,921</b>

**Operational Changes:**

Operational changes to the CBA are outlined in the attached summary. Of particular note is the agreement to add a Juneteenth holiday on June 19 each year starting on June 19, 2025 for MEBA and unrepresented employees.

**Conclusion:**

Overall contract negotiations were productive, with active discussion and consideration of ideas from both sides of the table. Carl Uchtyl, Patty Wahto, Angie Flick, Denise Koch, and Aaron Gelston participated on the bargaining team.

**Request for Action:**

The overall financial package is in line with previous briefings to the Assembly. We recommend that the Assembly approve Resolution 4015, ratifying the terms of the tentative agreement with MEBA, and Resolution 4018, including similar terms for unrepresented employees.