

Memorandum

TO: RULES AND OPEN GOVERNMENT COMMITTEE **FROM:** Councilmember Donald Rocha

SUBJECT: MEASURE B NEGOTIATIONS **DATE:** January 7, 2015

Approved Don Rocha Date 1/7/15

RECOMMENDATION

1. Direct staff to provide the council with the following information when they return with their response to item 1 in the Mayor's memo:
 - a. Any proposals for amendment of Measure B, either formal or informal, for which the City conducted cost estimates as part of the settlement talks last June, along with the results of said cost estimates. (I believe I remember seeing cost estimates as part of our past discussions but would be glad of any clarifications staff can provide.)
 - b. The amendments to Measure B as proposed by Councilmember Rocha in his memo under item G6 on the April 2, 2014 Rules Committee agenda, along with the cost estimates conducted for that proposal.
2. That the Rules Committee consider agendaizing a study session on the topic of Measure B, and the attendant legal and implementations issues, for the purpose of helping our new colleagues learn about the intricacies of pension reform, as well as help the entire Council take stock of our current situation.

ANALYSIS

With this memo I offer a few additions to the Mayor's recommendations on Measure B negotiations. My intent is to ensure that the Council has access to proposals that were discussed as part of former City Manager Ed Shikada's attempt to broker a settlement with the City's bargaining units last spring. In my opinion, his attempt at negotiation was the best effort yet to settle the Measure B lawsuits and end our differences. Reviewing proposals discussed at that time will serve as a refresher for those of us who were around last year as well as a helpful introduction for our newer colleagues.

In addition to reviewing past proposals, we may also want to reflect on how we as leaders can help work towards productive negotiations in the future. With the recent refusal of our police and fire bargaining units to negotiate for the next six months (see attached letter) we seem to have reached another low for labor relations in San Jose. We could

point to many possible causes for this state of affairs but I believe the underlying problem is a serious lack of trust between the City and its employees.

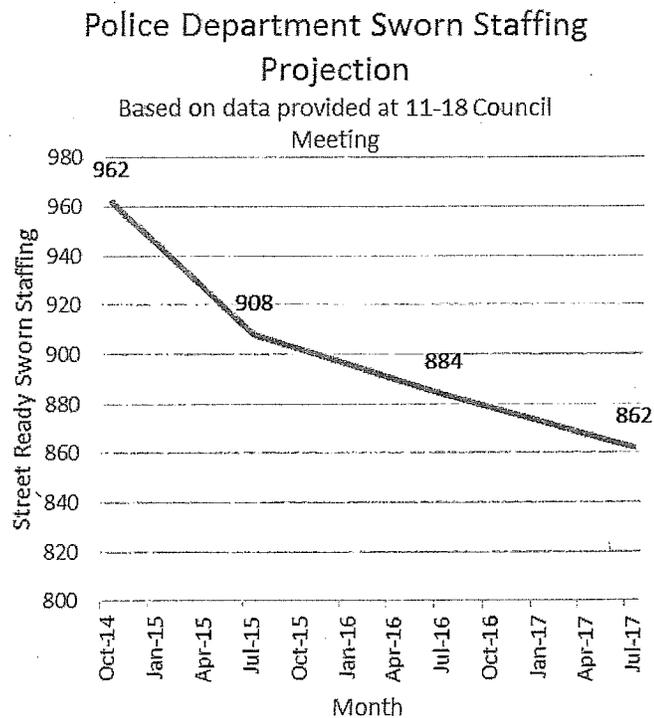
How, then, do we build trust? I think a good start would be for the Mayor and Council to renew our commitment to taking responsibility for the City's workforce problems. There has been a troubling tendency over the past few years to treat employee groups as political whipping boys, to point fingers and place blame, to lay all of our problems at their door. Just within the past few months there have even been elaborate attempts to accuse the Police Officers Association of causing the City's recruitment and retention problems. In my opinion, our obligation as leaders is to take responsibility for solving the recruitment and retention problem, not assign blame elsewhere. Blame serves no purpose at this point.

We are the political leaders of the City. We are the ones responsible for providing services to our residents and finding solutions to the City's problems. The recruitment and retention problem has degraded our ability to provide services across many departments, most notably in the Police Department. The chart at right shows the most recent police staffing projection for the next three years. As you can see, it anticipates the number of street ready sworn officers will decline to 862 by July 2017.

If these projections aren't concerning enough, consider the below exchange between Councilmember Oliverio and the Police Chief from the November 18, 2014 council meeting. Councilmember Oliverio asks what I believe is a very revealing and intelligent question about the severity of our staffing problems in the Police Department.

Councilmember Oliverio: What I guess I'm not hearing is, apparently, there is really no sense—how would I say—there's no urgency or crisis, and I guess I'm looking from the Chief of Police, if crisis is a 10 and absolutely no crisis is a 1, where are we right now?

Chief Esquivel: I don't want to say crisis but I'll tell you what, we're up there. And the discussions we have ongoing—we need to do something to attract and retain our people now.



We should not shrink from acknowledging the severity of the problem, nor should we shrink from taking responsibility for it. It is our responsibility to find a way back to the negotiating table and to find solutions.

Study Session

I also believe it would be useful for us to hold a study session on Measure B. It could have the dual purpose of helping to educate our new colleagues as well as updating those of us who have some history with the issue. Here are some topics we might want to consider including:

- A brief overview of how pension systems work
- A summary of how Measure B changed the previously existing pension system
- An explanation of the current status of Measure B implementation
- An update on the status of the Measure B lawsuits
- An update on the status of recruitment and retention problems across the City organization, as well as an update on our workforce management efforts.

It is unfortunate that, at least partly due to the Council's past actions, we may make no progress on negotiations over the next six months. Nevertheless, we should endeavor to use this time productively, to educate our new colleagues and position ourselves to succeed if and when negotiations do commence.



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FOR IMMEDIATE RELEASE

December 17, 2014

**San Jose Fire Fighters and Police Officers Condemn
Forced Resignation of San Jose City Manager Ed Shikada and
Rushed Appointment of D4 Councilmember**

San Jose Police Officers and Fire Fighters hope for a new direction from San Jose City Hall has been squashed as Ed Shikada was forced to resign as City Manager by Mayor-elect Sam Liccardo and several outgoing members of the city council that want to continue the disharmony and discord with city workers. Mr. Shikada attempted to find common ground to resolve the many contentious issues that have crippled San Jose and its ability to adequately staff its police department, respond to emergency medical calls on time, and recruit and retain an educated workforce to deliver critical neighborhood services.

Mayor-elect Liccardo has spoken of "reaching out" to city workers and finding a compromise to the legally flawed Measure B and other issues, unfortunately his actions speak volumes about his true intent; securing power and continuing the divisive policies of his predecessor.

The removal of Ed Shikada and the rush to appoint a city council replacement to fill the vacant District 4 seat leave us with no alternative but to await the appointment of a new city manager and the seating of an elected city council representative for District 4 prior to entertaining any discussion or negotiation with the Mayor-elect, or his representatives, on any topics other than those we are legally required to conduct.

This is a sad time for San Jose and those of us who were looking to move our city forward. We wish Mr. Shikada the best of luck in his future endeavors and appreciate his honesty, collaborative approach and strong character.